

---

## Issuer & Securities

---

### Issuer/ Manager

GREAT EASTERN HOLDINGS LIMITED

---

### Securities

**ANNUAL REPORTS AND RELATED DOCUMENTS::**

---

### Stapled Security

No

---

## Announcement Details

---

### Announcement Title

Annual Reports and Related Documents

---

### Date & Time of Broadcast

03-Apr-2024 07:00:23

---

### Status

New

---

### Report Type

Annual Report

---

### Announcement Reference

SG240403OTHRQM3E

---

### Submitted By (Co./ Ind. Name)

Wong Chuen Shya

---

### Designation

Assistant Company Secretary

---

### Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attached Great Eastern Holdings Limited's Annual Report for the financial year ended 31 December 2023.

---

## Additional Details

---

### Period Ended

31/12/2023

---

## Attachments

---

[GEH Annual Report FY2023.pdf](#)

---

Total size =8847K MB

---



GREAT EASTERN  
HOLDINGS LIMITED

# GREAT

is for everyone



ANNUAL REPORT 2023

At Great Eastern, we believe in everyone's potential to achieve what is meaningful, and we take pride to protect, preserve and grow what matters to our customers. From our humble origins to becoming a trusted brand that serves generations of customers, we have, over the last 115 years, provided insurance and financial solutions that enable our customers to live life to the fullest. As we journey together, we will continue to elevate our business to deliver value to our customers, partners, financial representatives and employees.

We believe that Great is for everyone. And we achieve this by protecting our stakeholders against life's uncertainties and empowering their financial freedom, so that they can pursue their goals, thrive without fear, and be the greatest version of themselves.

Together, we will Reach for Great.

## CONTENTS

3	Key Figures	48	Corporate Social Responsibility
10	Letter to Shareholders	52	Year in Review
16	Board of Directors	59	Awards
29	Key Executives	61	Corporate Governance Report
32	Financial Highlights	88	Financial Statements
34	Embedded Value	224	List of Major Properties
36	Business Review	225	Additional Information
	• Singapore	226	Shareholding Statistics
	• Malaysia	228	Management Team
	• Emerging Markets	230	Group Network
46	Human Capital	234	Notice of AGM and Proxy Form Corporate Information



## CORE VALUES

# Integrity Initiative Involvement

## WHO WE ARE

Founded in 1908, Great Eastern is a trusted name at the forefront of Asia's insurance industry. As a well-established market leader in Singapore and Malaysia, we also have operations in Indonesia and Brunei. We provide financial security and peace of mind to generations of policyholders to protect, preserve and grow what matters to them.

## WHAT WE DO

Our customers are our priority and we empower them to thrive across all stages of life with our range of Life and General Insurance products and services. From travel to legacy, Group Insurance to Takaful, we help our customers achieve their goals and aspirations by providing protection and financial freedom through a delightful experience. **We help them to Reach for Great.**

## VISION

To be the leading financial service provider in Asia, recognised for our excellence

## MISSION

To make life great by providing financial security, promoting good health and meaningful relationships

## ETHOS

Great Eastern always acts in the best interest of our customers with Fair Dealing as the basis of our business

# KEY FIGURES

Performance Highlights of FY2023

**S\$775**

**MILLION**  
PROFIT ATTRIBUTABLE TO  
SHAREHOLDERS

**S\$17,320**

**MILLION**  
EMBEDDED VALUE

**S\$8,330**

**MILLION**  
MARKET CAPITALISATION<sup>1</sup>

**S\$7,886**

**MILLION**  
SHAREHOLDERS' EQUITY

**75**

**CENTS**  
DIVIDEND PER SHARE<sup>2</sup>

**S\$109,034**

**MILLION**  
TOTAL ASSETS

**S\$16,330**

**MILLION**  
GROSS PREMIUMS

**S\$683**

**MILLION**  
ECONOMIC VALUE OF ONE YEAR'S  
NEW BUSINESS

- <sup>1</sup> This is calculated using Shares Outstanding of 473,319,069 shares and last traded price in FY2023 of S\$17.60.
- <sup>2</sup> This includes the interim one-tier tax exempt dividend of 35 cents per ordinary share and a final one-tier tax exempt dividend of 40 cents per ordinary share for the financial year ended 31 December 2023.

# GREAT

is benefitting our  
customers with  
innovative solutions



Great Eastern is the market leader in Singapore and Malaysia, covering a customer base of 2.5 million and 13.2 million, respectively. We also have the largest team of financial representatives in Singapore and Malaysia, combined.

---



Introduced a first-in-Malaysia multi-generational plan, GREAT Multi-Gen Wealth, and GREAT Flexi Saver single premium non-participating plan and GREAT EV Protect car insurance plan in Singapore, as well as GREAT Accident and Life Protection, a joint product by life insurance and general insurance in Indonesia.

---



Enhanced customer centricity and operational efficiency with the use of Artificial Intelligence and digital portals.











# GREAT

is the opportunity  
we provide our  
people to excel



Great Eastern is the insurer with the highest number of financial representatives that attained the Certified HNW Adviser designation in 2023.



Celebrated our flagship LIFE Programme's 10th year anniversary in Singapore and Malaysia, bringing various activities prioritising the four pillars of physical, mental, financial, and social well-being to our employees.



Ramped up our efforts across the Group through a series of environmentally-friendly, recycling and upcycling activities to empower a more sustainable lifestyle among our employees.

# GREAT

is the impact that  
we have on our  
communities



Great Eastern is committed to building a sustainable business because we believe it is in the long term interests of our customers, stakeholders and communities. We are committed to Net Zero by 2050 as a target. We will navigate the net zero transition through innovative insurance solutions, sustainable low carbon investments and operations.



Through Great Eastern Cares programme, our employees across the Group contributed 5,359 volunteering hours while our financial representatives participated in over 40 community events.



Good governance sets the foundation for the legacy for our business. Our Board and Management are committed to ensuring that we continue to meet the high standards of corporate governance and responsibility expected of us.





GREAT EASTERN  
WOMEN'S DAY 2023



Reach for  
Great

Reach for a  
Greater Tomorrow

Insurance accessible | Improve financial literacy | Uplift communities | Protect the environment





**Soon Tit Koon**  
Chairman



**Khor Hock Seng**  
Group Chief Executive Officer

# LETTER TO SHAREHOLDERS



**ON THE INVESTMENT FRONT, WE RESPONDED TO THE INTEREST RATE VOLATILITY WITH APPROPRIATE HEDGES, AND CAPITALISED ON THE STRONG US EQUITY MARKETS. THESE CORRESPONDING ACTIONS HAVE YIELDED SATISFACTORY INVESTMENT RETURNS OVER 2023.**



In early 2023, inflation remained stubbornly high in many economies. Consequently, central banks around the world continued to raise interest rates to cool demand and rein in inflation. This rate hike cycle was the sharpest since the 1980s, and partly contributed to the failures of a few banks earlier in the year in the US and Europe, including Silicon Valley Bank and Credit Suisse. Geopolitical tensions simmered, with the war in Ukraine entering its second year and the Hamas incursion into Israel threatening to broaden into a regional conflict.

Despite the higher interest rates, tighter credit conditions, and geopolitical uncertainty, the global economy expanded, albeit at a slower pace. Against this backdrop of continued economic expansion and tighter monetary policy, equities rallied to outperform fixed income portfolios, which were adversely affected by the higher interest rates.

Our core markets of Singapore, Malaysia, and Indonesia were not insulated from these changes in the global markets, but the impact was relatively muted. The

inverted yield curve diverted customer interest to shorter-term interest bearing instruments, and dampened demand for our longer-term single- and regular-premium endowment products. We responded by shifting focus to protection products in Singapore and Malaysia. On the investment front, we responded to the interest rate volatility with appropriate hedges, and capitalised on the strong US equity markets. These corresponding actions have yielded satisfactory investment returns over 2023.

Our unique positioning as the insurance arm within the OCBC group allows us to leverage on the group's network – including its institutional, retail, investment and private banking footprint, to expand the distribution of our products and services as part of the group's wealth management offering and provide access to the group's resources to grow our business. In 2023, our partnership approach has allowed us to develop customised solutions to better meet the holistic financial needs of customers across the OCBC group and we achieved a 1.2% growth of new customers from the

bank's base in Singapore. Similarly, our strong partnership with OCBC across Malaysia and Indonesia delivered a 62% and 20% increase in new customers respectively.

Great Eastern is the market leader in Singapore and Malaysia, covering a customer base of 2.5 million and 13.2 million, respectively. We also have the largest team of financial representatives in Singapore and Malaysia, combined. We continue to be the insurer of key government schemes such as the Dependant's Protection Scheme in Singapore and MySalam in Malaysia.

We also continued to forge new business partnerships in Singapore and Malaysia. In October, we announced our proposed acquisition of AmMetLife Insurance and AmMetLife Takaful in Malaysia, together with our entering into a 20-year exclusive bancassurance and bancatakaful agreement for the distribution of life insurance and family Takaful products to the customers of AmBank (M) Berhad and AmBank Islamic Berhad. In September, we forged a strategic partnership as the exclusive insurer partner to the yuu Rewards Club in Singapore, which allows us to distribute our insurance solutions to their base of over 1.4 million customers.

Our market leadership in Singapore and Malaysia is supported by a customer base of more than 16 million and total assets of more than SGD100 billion. We have maintained our credit rating by S&P Global Ratings for 14 years running of AA-, among the highest for Asian life insurance companies. We were also recognised for our operational excellence across the region, receiving several key awards, such as:

- In Singapore: Most Transparent Company Award 2023 (Financials Category) at the SIAS Investors' Choice Awards 2023,

- In Malaysia: Most Trusted Brand (Life Insurance Category) – Gold Award at the Reader's Digest Trusted Brands 2023, and
- In Indonesia: Digital Transformation Initiative of the Year at the Insurance Asia Awards 2023.

### FINANCIAL PERFORMANCE AND RETURNS TO SHAREHOLDERS

2023 saw us adopting SFRS (I) 17 Insurance Contracts accounting standards in our financial reporting which makes our financial statements more relevant and comparable with other insurers. The Group has applied SFRS (I) 17 Insurance Contracts from 1 January 2023 and the comparative for prior periods has been restated accordingly. The adoption of SFRS (I) 17 impacts the timing of profit recognition compared to SFRS (I) 4, but does not affect the total profit generated over the lifetime of the policies in our portfolio. Our Embedded Value, which measures our net asset value and the present value of future profits, remains one of the key measures of our shareholder value.

We achieved Total Weighted New Sales ("TWNS") of SGD1,659.4 million for the Group, which is a 12% decrease against the previous year, reflecting lower single premium sales in Singapore. The inverted Singapore dollar yield curve made shorter-term interest yielding investments more appealing than single premium products to some customers. The Group's New Business Embedded Value ("NBEV"), a measure of long-term economic profitability arising from new business, on a comparable basis as previous year, decreased by 11% to SGD762.1 million, reflecting lower sales on the whole. We also experienced lower contributions from our operations in Malaysia owing to the depreciation of Malaysian ringgit against Singapore dollar. The Group's Profit Attributable to Shareholders for FY-23 increased 27% to SGD774.6 million, driven mainly by favourable investment performance.



OUR MARKET LEADERSHIP IN SINGAPORE AND MALAYSIA IS SUPPORTED BY A CUSTOMER BASE OF

> 16M

AND TOTAL ASSETS OF

> SGD100B



THE GROUP'S PROFIT ATTRIBUTABLE TO SHAREHOLDERS FOR FY-23

+ 27%

TO

SGD774.6M

# LETTER TO SHAREHOLDERS

Overall profitability of insurance business remains healthy, though dampened by higher medical claims.

The Board of Directors has recommended, for shareholders' approval at the Annual General Meeting, the payment of a final one-tier tax exempt dividend of 40 cents per ordinary share. Upon approval, the final dividend will be payable on 17 May 2024. Including the interim one-tier tax exempt dividend of 35 cents per ordinary share paid on 31 August 2023, the total dividend for FY-23 would amount to 75 cents per ordinary share which is 15.4% higher than that in FY-22. Against FY-23 Profit Attributable to Shareholders of SGD774.6 million, the payout ratio is approximately 46%.

The Company has adopted a dividend payment method that aims to pay a steady dividend amount twice yearly. Each twice yearly payment will be of an amount that targets a full year payout to shareholders that is based on the sustainable profit level of the Group, and dividends will be progressive in line with the profit trend. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one.

## FOCUS ON CUSTOMER CENTRICITY

We continued to embed customer centricity into the design and distribution of our products and services to deliver efficient and positive customer experiences.

In Singapore, we enhanced our mobile app to make it seamless and convenient for customers to purchase or renew policies across our range of life and general insurance offerings, and our app garnered high satisfaction ratings of 4.6 out of 5 from customers in 2023. In addition, we rolled out a new online e-Claims portal to simplify the submission of travel insurance claims.



## WE CONTINUED TO EMBED CUSTOMER CENTRICITY INTO THE DESIGN AND DISTRIBUTION OF OUR PRODUCTS AND SERVICES TO DELIVER EFFICIENT AND POSITIVE CUSTOMER EXPERIENCES.



In Malaysia, we have digitised our claims process through eConnect, which now covers life, critical illness, and total and permanent disability insurance. In addition to allowing customers to self-help digitally, we allow our financial representatives to assist and file claims digitally on behalf of their customers, thereby doing away with paper submissions, achieving an improvement in overall turnaround time.

To align with the Group's branding, we rebranded our Malaysian loyalty and rewards app, UpGreat, to the Great Eastern Rewards app with additional and enhanced features.

In Indonesia, we continued our digitalisation efforts to provide greater servicing convenience to our customers via our GoGreat customer portal. In 2023, 83% of all eligible service requests and 95% of all fund switches were done online through the portal.

## BUILDING CAPABILITY IN ARTIFICIAL INTELLIGENCE (AI)

In 2023, we continued to build AI capability across various functions, and to organise and enrich our enterprise data to harness the potential that AI offers. We also began development of selected AI use cases, including

enhanced market conduct surveillance, anti-money laundering, increasing claims automation, streamlining underwriting, and understanding customers' needs.

In Singapore, we used AI to accelerate settlement of medical claims through the implementation of our Medical Claims Automation engine. This resulted in 50% of medical claims under our Integrated Shield Plans being approved via Straight-Through Processing (STP). We also completed the full implementation of the predictive underwriting models for life, critical illness, total and permanent disability, and health applications, achieving a 70% STP rate.

In Indonesia, we launched the GREATLink Intelligence Equity Fund, which uses AI to identify investments that may be overlooked using traditional research methods. From its launch in May to December 2023, the fund outperformed the Jakarta Composite Index (JCI) benchmark, attaining 9.9% in returns, compared with 8.3% for JCI.

## BOOSTING CAPABILITIES FOR OUR FINANCIAL REPRESENTATIVES

Our financial representatives are a core pillar of our distribution network and we have continued to invest in their professional development to better serve the evolving needs of our customers. In Singapore, we strengthened our collaboration with the Institute of Banking and Finance (IBF) to have all our training modules mapped to the IBF's competency framework so as to deliver a more impactful and relevant curriculum. As the affluent segment continues to grow, we also offered our financial representatives the High Net Worth (HNW) Certification programme which is delivered by the Insurance and Financial Practitioners Association of Singapore (IFPAS) in partnership with

Kaplan Professional Australia. We were the insurer with the highest number of financial representatives that attained the Certified HNW Adviser designation in 2023.

We expanded the digital capabilities of our financial representatives by enhancing their Adviser Digital Portal (ADP) - a website customised for each of our financial representatives. Beyond the functional capability of enabling insurance transactions with their customers, their individually customised website also enables them to drive deeper customer engagement through hosting high-quality curated contents and events catering to diverse lifestyles and interests of different customer segments. To date, over 2,000 financial representatives in Singapore have leveraged the ADP to augment their digital presence. These websites have garnered positive ratings averaging 4.5 out of 5, from over 100,000 visitors throughout the year.

In 2023, we upgraded our GreatPlanner app to empower our agency force to better serve their customers. With enhanced functionalities, the new GreatPlanner app supports our representatives in sales prospecting, and provides a 360-degree customer view for customer lifetime relationship management. There is also a comprehensive sales performance dashboard to drive productivity.

In Malaysia, we launched WeLead!, a programme designed for aspiring agency leaders to enhance their recruitment skills by learning from a team of experienced field managers. Participants who went through this programme recorded 18% growth in new recruits versus the previous year. Concurrently, our Producer Venture programmes, which aim to equip our

financial representatives with the skills and knowledge to excel in a competitive market, have been similarly successful, with participants achieving an average growth of 28% in case productivity versus 2022.

Overall, our financial representative headcount across Singapore and Malaysia remained stable with over 5,000 in Singapore and over 30,000 in Malaysia.

### **STRENGTHENING OUR BANCASSURANCE PARTNERSHIPS**

We continued to strengthen our collaboration with OCBC across all our markets.

In Singapore, to close the long-term disability protection gap, we mounted a concerted effort to offer CareShield supplementary plans to the bank's customer base. Additionally, the overall regular premium business from the bank achieved a 12% growth over the previous year.

In Malaysia, we introduced a new Universal Life plan Maximus, which requires no medical underwriting, to help affluent OCBC customers protect and preserve their wealth for the next generation. Our Takaful arm also launched an investment-linked Takaful (ILT) protection product, DualPro-i, distributed across OCBC branches. The product automatically extends coverage to a customer's spouse, providing protection to the family.

In Indonesia, our bancassurance business grew by 20% compared to the previous year with the introduction of new products and the broadening of our reach to other customer segments of the bank.

### **EXTENDING OUR AFFINITY PARTNERSHIPS**

We continued to strengthen our partnerships with different external parties to reach out to new customer segments.

In Singapore, we continued our digital affinity collaboration with Singtel. In October, we launched Singtel Home Protect Flexi, a home and contents insurance plan that is linked to the customer's broadband subscription. This novel solution provides homeowners with the assurance of seamless protection without having to worry about any lapse in coverage should they change homes, as their new addresses are automatically updated. Through Singtel Travel Protect, we continued to experience strong growth for travel insurance as demand picked up in 2023. We also improved our car insurance offerings to attract new sign ups as well as renewals for Singtel Car Protect. Overall our collaboration with Singtel has yielded 15,000 new customers across the various policies.

In September, we launched a new partnership with loyalty programme "yuu Rewards" as their exclusive insurance partner. This allows us to market our range of insurance solutions such as travel, home, and personal accident to their member base of over 1.4 million while allowing their customers to earn reward points through such purchases.

Great Eastern General Insurance Indonesia (GEGI) expanded its partnership with Indodana, leveraging their offline retail channels to increase electronic and gadget protection plans. The Indodana partnership saw strong growth.



# LETTER TO SHAREHOLDERS

## DELIVERING OUR INSURANCE PROPOSITIONS ACROSS OUR MARKETS

We continued to deliver targeted solutions to meet the evolving wealth and protection needs of consumers. With an inverted yield curve persisting throughout 2023, we rolled out several series of our GREAT SP products in Singapore to meet consumer demand for short-term savings.

In Singapore, we also introduced GREAT Flexi Saver, an innovative single premium plan with an open-ended policy term that provides attractive monthly crediting rates exclusively for customers receiving maturity payments. This provides them with convenience and flexibility while they consider their options.

To meet the needs of ageing populations, we have augmented our retirement solutions. In Singapore, we launched a new variant of the GREAT Wealth Multiplier endowment plan, which is eligible for use under the Supplementary Retirement Scheme (SRS). We also enhanced Prestige Life Rewards to provide a stream of retirement income from the second policy year onwards.

To cater to the growing need for inter-generational wealth transfer in Malaysia, we introduced a market-first multi-generational plan, GREAT Multi-Gen Wealth, which facilitates the transfer of wealth across multiple generations through its unique features which allow changes to lives assured and policy ownership.

In support of Electric Vehicles (EV) and our sustainability objectives, Great Eastern General Singapore launched in 2023 a new car insurance plan, aptly coined Great EV Protect. This plan protects EV owners with coverage against electric shocks, home contents damage from home EV charging, and accidental damage to these stations.

Across our markets, our Group Insurance business continued to achieve steady growth in 2023, covering more than 5,900 corporate clients and their 1.26 million insured employees.

In Indonesia, we launched the GREAT Accident and Life Protection plan, a joint product by life insurance and general insurance, that provides comprehensive coverage for customers.

## EMPOWERING OUR PEOPLE

Our employee engagement has risen, with Great Eastern being named as one of Kincentric's Most Engaged Workplaces in Singapore, and our Malaysia entities being awarded the "HR Asia Best Companies to Work For in Asia" award for the 8th consecutive year.

In our workplace transformation journey, we recognised that the physical environment has an impact on the well-being of our employees and shapes the way we work. With the aim of elevating our employees experience and bolstering productivity, we transformed our workspaces with added features like agile workspaces, to facilitate greater collaboration.

We have in place programmes and policies that help employees succeed in both their careers and personal lives. Through our flagship LIFE Programme in Singapore, various activities prioritising the four pillars of physical, mental, financial, and social well-being were organised. These included monthly physical health challenges, webinars, and workshops on finance and mental wellness. Around 735 employees participated in the challenges, with over 290 individuals joining the monthly activities held from May to October 2023. From our Culture and Employee Engagement Survey 2023, we saw an improvement in the LIFE Programme score, which recognised our efforts to ensure the holistic well-being of our employees.



**OUR EMPLOYEE ENGAGEMENT HAS RISEN, WITH GREAT EASTERN BEING NAMED AS ONE OF KINCENTRIC'S MOST ENGAGED WORKPLACES IN SINGAPORE, AND OUR MALAYSIA ENTITIES BEING AWARDED THE "HR ASIA BEST COMPANIES TO WORK FOR IN ASIA" AWARD FOR THE 8TH CONSECUTIVE YEAR.**



In October, we held the Great Eastern's Learning Carnival which featured sessions on being #FutureReady. Some 450 employees across the region took part. Lined up with webinars on generative AI, data literacy, mental well-being, career resilience, and sustainability in insurance, employees learnt about megatrends in the future of work and resources they can access for growth and development.

## EMBRACING A SUSTAINABLE BUSINESS

The long-term nature of our business places sustainability at the forefront of how we operate - especially in view of climate risks and other material ESG issues.

Great Eastern is committed to Net Zero by 2050 to support the delivery of long-term sustainable value for our customers, stakeholders, and our communities. We will support the Net Zero transition through innovative insurance solutions, stewardship of investments, and minimising the direct environmental impact of our operations.

Great Eastern made progress in 2023 as we prepared our investments, insurance, and operations portfolios for Net Zero by 2050. Interim targets that support our long-term ambition are:

- (i) 40% reduction in carbon footprint across the listed equity and 45% reduction for the corporate bonds portfolios by 2030 (baseline year: 2020).
- (ii) 30% reduction in carbon emissions for retail motor insurance on a per GWP basis by 2030.
- (iii) Operations – Deliver on our Operational Net Zero target by 2025 and minimise the direct environmental impact of our operations where viable.

We will continually review and update our sustainability strategy in line with our business strategy. Climate-related metrics and targets – both near-term and longer-term – will be disclosed and also regularly reviewed to account for evolving scientific data and changing regulatory expectations.

## BUSINESS OUTLOOK

The global environment will remain challenging in 2024. The unresolved challenges of 2023 have rolled over into 2024, and the landscape is further complicated by the exceptionally large number of elections that will take place in many countries this year. We will confront risks posed by the likely volatility across the economic and political spheres, as well as the financial market volatility caused by such global uncertainties.

While our short-term focus may be on near-term economic prospects and political uncertainties, we are also cognisant of the longer-term mega trends, including climate change, technological advancement, demographic shifts, urbanisation and a fracturing world. These trends will continue to have long-term effect on global politics and economic performance, and they will no doubt

have an impact on our businesses in the longer-term, both in risks and in opportunities.

Against the backdrop of global uncertainty, we believe the insurance business will become more important and valuable to our customers, in helping them in the mitigation of risks, and in the protection and preservation of wealth and well-being. We will continue to meet the insurance needs of our customers while ensuring that we stay operationally and financially resilient against the increasing risks that we face. We are confident about the long-term prospect of our business, and we will continue to invest in people, technology, channels, products and services to deliver sustainable value to our customers, stakeholders and the communities in which we operate.

## ACKNOWLEDGEMENTS

Mr Kyle Lee, who has served on the Board since 1 July 2014, will be stepping down at the conclusion of the upcoming Annual General Meeting on 25 April 2024. We would like to record our sincere gratitude to him for his invaluable contributions and insights over the past nine years.

Mr Law Song Keng and Mr Wee Joo Yeow, who have served on the Board since 1 January 2013 and 1 January 2016 respectively, have stepped down on 31 December 2023 and 1 September 2023 respectively. We wish to express our sincere appreciation to Mr Law and Mr Wee for their invaluable contributions as Board members and we wish them the very best ahead.

We extend a warm welcome to our newly appointed directors Dr Chong Yoke Sin, Mr Andrew Lee, Mr George Lee, Dr Lim Kuo Yi and Mr Tam Chee Chong. Mr Andrew Lee joined the Board on 30 April 2023. Mr George Lee and Mr Tam Chee Chong joined the Board on 1 May 2023, and Dr Chong Yoke

Sin and Dr Lim Kuo Yi both joined on 22 January 2024.

Dr Chong Yoke Sin has extensive experience in fintech, artificial intelligence, digital platform business, as well as digitising and transforming technology for healthcare. Mr Andrew Lee is a veteran banker with vast experience in financial services and human resource management. Mr George Lee brings with him a wealth of experience in investment, banking, capital markets and corporate finance. Dr Lim Kuo Yi has considerable experience in investment portfolio management, venture capital, and managing start-ups. Mr Tam Chee Chong has broad experience in corporate and financial advisory, and is well-versed in mergers and acquisitions, corporate restructuring, and insolvency. We look forward to their wise counsel on the Board.

On behalf of the Group, we would like to express our gratitude to our Board of Directors and the Boards of our subsidiary companies for their valuable counsel and guidance. Our deepest appreciation also goes to the management team, employees, bancassurance and affinity partners, financial representatives, business associates, and the Union for their unstinting contribution, and dedication. We also thank our shareholders and customers for your continued support and trust in Great Eastern.

As a trusted partner for life, we remain firmly committed to help all our customers achieve their aspirations, and to Reach for Great.



**Soon Tit Koon**  
Chairman



**Khor Hock Seng**  
Group Chief  
Executive Officer

5 March 2024

# BOARD OF DIRECTORS

As at 1 March 2024



## SOON TIT KOON

Chairman

Non-Executive Independent Director

Mr Soon was first appointed to the Board of Great Eastern Holdings Limited (the “Company”) on 1 January 2016 as a non-executive Director and was appointed as the Chairman of the Company on 22 April 2023. He was last re-elected as the Company’s Director on 21 April 2023.

Mr Soon was also appointed as the Chairman of the Company’s principal insurance subsidiaries in Singapore, namely, The Great Eastern Life Assurance Company Limited (“GEL”) and Great Eastern General Insurance Limited (“GEG”) on 22 April 2023.

Mr Soon held a series of senior positions in Oversea-Chinese Banking Corporation Limited (“OCBC”) from 2002 to December 2011 when he retired from the bank. He was the Chief Financial Officer of OCBC from September 2002 to June 2008, and from April 2010 to November 2011. He was the Head of Group Investments of OCBC from June 2008 to April 2010. Prior to joining OCBC, Mr Soon was the Chief Financial Officer of Wilmar Holdings Pte Ltd from 2000 to 2002. From 1983 to 2000, he worked in Citicorp Investment Bank (Singapore) Limited and was Managing Director from 1993 to 2000. Age 72.

### Other Directorships and Principal Commitments/ Appointments

1. Great Eastern General Insurance Limited	Chairman
2. The Great Eastern Life Assurance Company Limited	Chairman
3. Wah Hin & Company Private Limited	Director
4. Mapletree China Logistics Investment Fund	Independent member, Investment Committee

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. OCBC Bank (Hong Kong) Limited (formerly known as OCBC Wing Hang Bank Limited)	Director
2. SPH REIT Management Pte. Ltd. (Manager of SPH REIT*)	Director

### Academic and Professional Qualifications

- Bachelor of Science (Honours) in Applied Chemistry, University of Singapore
- Master of Business Administration, University of Chicago, Graduate School of Business, USA
- Advanced Management Program, Harvard University – Harvard Business School, USA

### Board Committees/GEH Group Council Served On

- Chairman, Executive Committee
- Member, Risk Management Committee
- Member, Nominating Committee
- Member, Remuneration Committee

### Length of Service

8 years 2 months

### Country of Principal Residence

Singapore

\* Listed company



## CHONG YOKE SIN

Non-Executive Independent Director

Dr Chong was first appointed to the Board of the Company on 22 January 2024. She was also appointed as a Director of GEL and GEG on the same date.

Dr Chong was previously the Managing Partner of iGlobe Partners Pte Ltd, a leading Asia-Pacific venture capital firm with interest in smart cities, fintech, biotech startups and early growth companies. She has a long and distinguished career in deep tech, biotech, fintech, artificial intelligence, Internet of Things ("IoT"), cybersecurity, digital platform business, digitising and transforming technology for healthcare, and digital platform investments for venture capital firms. She was also the Chief of Enterprise Business at StarHub and the founding Chief Executive Officer ("CEO") of Integrated Health Information Systems ("IHIS"), a subsidiary of Singapore's Ministry of Health Holdings. Prior to IHIS, she was the CEO of National Computer Systems. Age 67.

Dr Chong will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

### Other Directorships and Principal Commitments/ Appointments

1. Anacle Systems Limited	Director
2. Eclipse Bioinnovations Inc	Director
3. Great Eastern General Insurance Limited	Director
4. iGlobe Platinum Fund III Limited	Director
5. Mount Alvernia Hospital	Director
6. The Great Eastern Life Assurance Company Limited	Director

7. Urban Redevelopment Authority of Singapore	Director
8. Wilmar International Limited*	Director
9. Singapore Management University's School of Computing and Information Systems	School Advisory Council Member, Board of Advisors

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Accredify Pte. Ltd.	Director
2. Binar Holdings Pte Ltd	Director
3. D'Crypt Pte Ltd	Director
4. Docquity Holdings Pte. Ltd.	Director
5. Ensign Infosecurity Pte. Ltd.	Director
6. Ensign Infosecurity (Asia Pacific) Pte. Ltd.	Director
7. Ensign Infosecurity (Cybersecurity) Pte. Ltd.	Director
8. Ensign Infosecurity (SmartTech) Pte. Ltd.	Director
9. Ensign Infosecurity (Systems) Pte. Ltd.	Director
10. HUUE Inc	Director
11. iGlobe Capital Variable Capital Company	Director
12. iGlobe Solitaire Pte. Ltd.	Director
13. iGlobe Partners (II) Pte. Ltd.	Director
14. SG Enable Ltd.	Director
15. Shine Systems Assets Pte. Ltd.	Director
16. The National Kidney Foundation	Director

### Academic and Professional Qualifications

- Bachelor of Science (Honours), University of Singapore
- Doctor of Philosophy in Chemistry, National University of Singapore
- Advanced Management Program, Harvard Business School, USA

### Board Committees/GEH Group Council Served On

- Member, Audit Committee

### Length of Service

1 month

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Dr Chong has extensive experience in deep tech, biotech, fintech, artificial intelligence, IoT, cybersecurity, digital platform business, digitising and transforming technology for healthcare, and digital platform investments for venture capital firms, which would make her invaluable to the Great Eastern Group.

\* Listed company

# BOARD OF DIRECTORS

As at 1 March 2024



## LEE FOOK SUN

Non-Executive Independent Director

Mr Lee was first appointed to the Board of the Company on 1 August 2017 and was last re-elected as the Company's Director on 21 April 2023.

Mr Lee was previously the Chairman of Building and Construction Authority, Deputy CEO and President of Defence Business of Singapore Technologies Engineering Ltd and the President of Singapore Technologies Electronics Limited. He was with the Singapore Technologies Engineering Group for 17 years until he retired in June 2017. Prior to this, he served in the Ministry of Defence ("MINDEF"). He held various key appointments as Director of Joint Intelligence Directorate, Director of Military Security Department and Assistant Chief of General Staff (Logistics). Age 67.

### Other Directorships and Principal Commitments/ Appointments

1. Ensign Infosecurity (Cybersecurity) Pte. Ltd.	Chairman
2. Ensign Infosecurity Pte. Ltd.	Chairman
3. SMRT Corporation Ltd	Deputy Chairman; Chairman, Audit & Risk Committee; Member, Executive Committee; Member, Nominating & Remuneration Committee; Chairman, LTA-SMRT Board Joint Asset Renewal & Maintenance Standards (Joint-ARMS) Committee

4. SMRT TEL Pte. Ltd.	Deputy Chairman
5. SMRT Trains Ltd.	Deputy Chairman
6. Ensign Asia Pte. Ltd.	Director
7. Ensign Technologies Pte. Ltd.	Director

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Building and Construction Authority	Chairman
2. D'Crypt Pte Ltd	Chairman
3. DSO National Laboratories	Director; Chairman, Audit Committee
4. InfoComm Technology Projects Advisory Panel, Ministry of Finance	Member
5. Public Sector Data Security Review Committee	Member
6. Istari Global (Singapore) Pte. Ltd.	Director
7. Istari International (UK) Limited	Director
8. Istari Global (US) LLC	Director
9. Temasek International Advisors Pte. Ltd.	Corporate Advisor

### Academic and Professional Qualifications

- Bachelor of Arts (Honours), University of Oxford, UK
- Master of Arts (Engineering Science), University of Oxford, UK
- Executive Programme, Stanford University

### Board Committees/GEH Group Council Served On

- Chairman, Nominating Committee
- Chairman, Remuneration Committee
- Member, Executive Committee

### Length of Service

6 years 7 months

### Country of Principal Residence

Singapore



## KYLE LEE

Non-Executive Non-Independent Director

Mr Lee was first appointed to the Board of the Company on 1 July 2014 and was last re-elected as the Company's Director on 19 April 2022. He is also a Director of GEL.

Mr Lee trained as a Chartered Accountant in London, and in his professional career spanning 36 years, he had worked in both the United Kingdom and Singapore. He was a partner of Price Waterhouse and PricewaterhouseCoopers LLP until 2010, holding leadership positions at firm, practice, industries and sector levels.

As a non-executive independent Director of other public and private companies, Mr Lee held Chairmanship of Board, Audit Committee and Nominating Committee positions. Age 71.

### Other Directorships and Principal Commitments/ Appointments

- |   |          |
|---|----------|
| 1. Frasers Logistics & Commercial Asset Management Pte. Ltd. (Manager of Frasers Logistics & Commercial Trust*) | Director |
| 2. The Great Eastern Life Assurance Company Limited   | Director |

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

- |   |          |
|---|----------|
| 1. CapitaLand Integrated Commercial Trust Management Limited (Manager of CapitaLand Integrated Commercial Trust*) | Director |
| 2. ComfortDelgro Corporation Limited*   | Director |
| 3. FEO Hospitality Asset Management Pte. Ltd. (Manager of Far East Hospitality Real Estate Investment Trust*)     | Director |
| 4. FEO Hospitality Trust Management Pte. Ltd. (Trustee-Manager of Far East Hospitality Business Trust*)           | Director |

### Academic and Professional Qualifications

- Bachelor of Arts (Honours) in Business Studies, Council for National Academic Awards, Polytechnic of the South Bank London
- Master of Business Administration, University of London, Imperial College of Science, Technology and Medicine
- Master of Science (Distinction) in International Management, University of London, The School of Oriental and African Studies
- Fellow of the Institute of Singapore Chartered Accountants
- Fellow of the Singapore Institute of Directors

### Board Committees/GEH Group Council Served On

- Member, Audit Committee
- Member, Executive Committee
- Member, Nominating Committee

### Length of Service

9 years 8 months

### Country of Principal Residence

Singapore

\* Listed company

# BOARD OF DIRECTORS

As at 1 March 2024



## ANDREW LEE

Non-Executive Non-Independent Director

Mr Lee was first appointed to the Board of the Company on 30 April 2023. He is currently the Chairman of OCBC.

Mr Lee is a veteran banker with more than 30 years of financial services experience in Standard Chartered Bank, OCBC and GEL, and at BCS Information Systems as its Executive Chairman. Age 71.

Mr Lee will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the SGX-ST.

### Other Directorships and Principal Commitments/ Appointments

1. Oversea-Chinese Banking Corporation Limited*	Chairman
2. Bank of Singapore Limited	Director
3. Nordic Group Limited*	Director
4. OCBC Management Services Pte Ltd	Director

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Lakeworks Ltd	Director
2. OCBC Al-Amin Bank Berhad	Director

### Academic and Professional Qualifications

- Bachelor of Arts, University of Singapore
- Bachelor of Social Science (Honours in Economics), University of Singapore
- Stanford Executive Programme, Stanford University Graduate School of Business

### Board Committees/GEH Group Council Served On

- Member, Nominating Committee

### Length of Service

10 months

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Mr Lee has extensive experience and in-depth knowledge in the financial industry, strategic human resource planning, talent management, succession planning and development and performance management. His contributions during Board and Board Committee deliberations continue to make him invaluable to the Great Eastern Group.

\* Listed company



## GEORGE LEE

Non-Executive Independent Director

Mr Lee was first appointed to the Board of the Company on 1 May 2023.

Mr Lee is an experienced banker with extensive knowledge of the Malaysian market, and he was an advisor to the CEO and Management Committee of OCBC Bank (Malaysia) Berhad from April 2016 to July 2017. Mr Lee served as an Executive Vice President and Head of Global Corporate Banking at OCBC from February 2012 until his retirement in April 2016. Prior to this, from July 1999, he was Executive Vice President and Head of Group Investment Banking of OCBC. Mr Lee started his career as a Finance Officer in the Group Treasury Department of Keppel Shipyard in 1978 and joined Marine Midland Bank in 1982 as Assistant Vice President. Subsequently, Mr Lee held managerial positions at various merchant banking units based in Singapore. In 1989, he was appointed Country Manager of Security Pacific Bank. In 1993, he joined Credit Suisse Singapore as Head of Corporate Banking for South East Asia and left as Director, Corporate Lending of Credit Suisse First Boston in 1998 before joining OCBC. Age 71.

Mr Lee will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the SGX-ST.

### Other Directorships and Principal Commitments/ Appointments

1. OCBC Bank (Malaysia) Berhad	Director
2. RE&S Holdings Limited*	Director
3. Wearnes-StarChase Limited	Director

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Bumitama Agri Ltd.*	Director
2. Wearnes Automotive Pte. Ltd.	Director

### Academic and Professional Qualifications

- Bachelor of Business Administration (Honours), University of Singapore
- Chartered Financial Analyst, Institute of Chartered Financial Analyst, USA

### Board Committees/GEH Group Council Served On

- Chairman, Risk Management Committee
- Member, Executive Committee

### Length of Service

10 months

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Mr Lee has extensive experience and in-depth knowledge in investment, banking, finance, strategy formulation, business management and financial industry regulatory requirements. His contributions during Board and Board Committee deliberations continue to make him invaluable to the Great Eastern Group.

\* Listed company



# BOARD OF DIRECTORS

As at 1 March 2024



## LIM KUO YI

Non-Executive Independent Director

Dr Lim was first appointed to the Board of the Company on 22 January 2024.

Dr Lim is the Co-founder and Managing Partner at Monk's Hill Ventures, a leading early-stage venture capital firm in Southeast Asia. Dr Lim has extensive experience in venture capital, fund management, tech entrepreneurship and strategy consulting. Dr Lim was formerly the CEO of Infocomm Investments Pte Ltd, a venture subsidiary of Infocomm Development Authority (now known as Infocomm Media Development Authority). He is also the founder and early employee of several startups, including SportsHook, Encentuate and Reputation Technologies. He started his career as a consultant with The Boston Consulting Group. Age 54.

Dr Lim will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the SGX-ST.

### Other Directorships and Principal Commitments/ Appointments

1. Health Promotion Board	Board Member; Member, Finance & Investment Committee; Member, Personnel Committee
2. Infocomm Media Development Authority	Board Member; Chairman, Investment Committee
3. SEEDS Capital Pte. Ltd.	Board Member

4. Singapore Venture & Private Capital Association	Board Member; Co-Chairman, Venture Capital Subcommittee
5. Crowde Technology Pte. Ltd.	Board Member
6. DELOS Pte. Ltd.	Board Member
7. Eternal Meteor Sdn Bhd	Board Member
8. Hypefast Pte. Ltd.	Board Member
9. KKDay.Com International Company Limited	Board Member
10. Questdev Pte. Ltd.	Board Member
11. Urban Metry Pte. Ltd.	Board Member
12. Wallwisher Inc.	Board Member
13. Ninja Logistics Pte. Ltd.	Board Member; Chairman, Remuneration Committee
14. Monk's Hill Ventures Pte. Ltd.	Managing Director
15. MHV GP III, Ltd.	Director
16. Monk's Hill Ventures ESVF Pte. Ltd.	Director
17. Monk's Hill Ventures Fund I Pte. Ltd.	Director
18. Monk's Hill Ventures Fund II Pte. Ltd.	Director
19. Monk's Hill Ventures Fund III, VCC	Director
20. Monk's Hill Ventures GP, LTD	Director
21. Monk's Hill Ventures Fund GP II, LTD	Director
22. Monk's Hill Ventures Opportunities GP, LTD	Director
23. Monk's Hill Ventures Opportunities Pte. Ltd.	Director
24. Upmesh MSOP SPV Pte. Ltd.	Director

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Finaxar Holdings Pte. Ltd.	Director
2. Goquo Pte Ltd	Director
3. Horangi Pte. Ltd.	Director
4. Jenfi Pte. Ltd.	Director
5. Zipmatch Corporation Pte. Ltd.	Director

### Academic and Professional Qualifications

- Doctor of Philosophy in Electrical Engineering, Massachusetts Institute of Technology ("M.I.T."), USA
- Electrical Engineering Degree, M.I.T., USA
- Master of Engineering (Electrical Engineering), M.I.T., USA
- Bachelor of Science (Electrical Engineering), M.I.T., USA

### Board Committees/GEH Group Council Served On

Nil

### Length of Service

1 month

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Dr Lim has extensive experience in executive management, investment portfolio management, venture capital, managing start-ups, strategic partnerships and strategic consulting, which would make him invaluable to the Great Eastern Group.



## NG CHEE PENG

Non-Executive Independent Director

Mr Ng was first appointed to the Board of the Company on 1 March 2021 and was last re-elected as the Company's Director on 16 April 2021.

Mr Ng served as the CEO of the CPF Board from 2015 to 2019. He began his career with the SAF, and held various key appointments in MINDEF and SAF, including Chief of Staff-Joint Staff, Fleet Commander and MINDEF's Director (Policy). Mr Ng served as the Chief of the Republic of Singapore Navy from 2011 to 2014. He has also served on the Boards of various companies and statutory boards, including the Maritime and Port Authority of Singapore, SPRING Singapore, Defence Science and Technology Agency, DSO National Laboratories, ST Engineering (Electronics) Ltd., and Raffles Health Insurance Pte. Ltd.

Mr Ng was awarded the President's Scholarship and SAF Overseas Scholarship in 1989 and was conferred the Lucius Littauer Fellow award by the Kennedy School of Government. Mr Ng was conferred the Public Administration Medal (Gold) (Military) in 2013. Age 53.

Mr Ng will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the SGX-ST.

### Other Directorships and Principal Commitments/ Appointments

1. Ministry of Manpower	Senior Advisor
-------------------------	----------------

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Central Provident Fund Board	Chief Executive Officer; Board Member
2. D'Crypt Pte Ltd	Director; Chairman, Audit and Risk Committee
3. PUB, Singapore's National Water Agency	Member, Board Committee for Transformation
4. Raffles Health Insurance Pte. Ltd.	Director

### Academic and Professional Qualifications

- Bachelor of Arts (First Class Honours) in Philosophy, Politics and Economics, University of Oxford, UK
- Master in Public Administration, Harvard University, USA

### Board Committees/GEH Group Council Served On

- Chairman, GEH Group Sustainability Council
- Member, Audit Committee

### Length of Service

3 years

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Mr Ng has extensive experience in strategy formulation, change and system transformation and financial management expertise. His contributions during Board and Board Committee deliberations continue to make him invaluable to the Great Eastern Group.

# BOARD OF DIRECTORS

As at 1 March 2024



## TAM CHEE CHONG

Non-Executive Independent Director

Mr Tam was first appointed to the Board of the Company on 1 May 2023.

Mr Tam has more than 38 years of extensive experience in corporate and financial advisory and is well versed in merger and acquisitions, corporate restructuring and insolvency, forensic accounting and investigations, valuations, dispute resolution and litigation support. He was previously the Group Chief Financial Officer / Senior Managing Director of Fullerton Healthcare Corporation Limited and has held various senior management positions within Deloitte including as Regional Managing Partner – Financial Advisory Services and Leader – Family Enterprise Consulting for Deloitte Southeast Asia, and Deputy Managing Partner – Markets for Deloitte Singapore. He also served on their Boards and on their Southeast Asia and Singapore Executive Committees. He also has experience with various Big 4 accounting firms (Deloitte, KPMG, PwC and Andersen) in London, Hong Kong and Singapore across a wide range of industries and portfolios. Age 61.

Mr Tam will be seeking re-election at the Company's 2024 AGM. Please refer to page 27 for the additional information required under Rule 720(6) of the listing manual of the SGX-ST.

### Other Directorships and Principal Commitments/ Appointments

1. Boustead Projects Limited	Chairman, Audit & Risk Committee
2. Kairos Corporate Advisory Pte. Ltd.	Director

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Fullerton Health Philippines Pte. Ltd.	Director
2. Fullerton Health Pte. Ltd.	Director
3. GSH Corporation Limited	Director
4. Halogen Foundation (Singapore)	Director
5. IFS Capital Limited	Director
6. I. N. Medical Consultants Pte. Ltd.	Director
7. In Surgery Pte. Ltd.	Director
8. Lai City Holdings Pte. Ltd.	Director
9. Perun Consultants (Singapore) Pte. Ltd.	Director
10. The Vein Centre Pte. Ltd.	Director
11. YMCA	Board Member
12. Institute of Singapore Chartered Accountants	Council Member
13. Singapore Turf Club	Honorary Steward

### Academic and Professional Qualifications

- Foundation in Accountancy, Brighton Polytechnic, Brighton, United Kingdom
- Fellow Chartered Accountant, Institute of Singapore Chartered Accountants
- Fellow Chartered Accountant, Institute of Chartered Accountants in England & Wales

### Board Committees/GEH Group Council Served On

- Chairman, Audit Committee

### Length of Service

10 months

### Country of Principal Residence

Singapore

### The Board's comments on the re-election

Mr Tam has extensive experience in corporate and financial advisory and is well versed in merger and acquisitions, corporate restructuring and insolvency, forensic accounting and investigations, valuations, dispute resolution and litigation support. His contributions during Board and Board Committee deliberations continue to make him invaluable to the Great Eastern Group.



### TEOH LIAN EE

Non-Executive Independent Director

Mrs Teoh was first appointed to the Board of the Company on 1 August 2017 and was last re-elected as the Company's Director on 21 April 2023.

Mrs Teoh has extensive experience in the fields of tax law and trust law. She started her law career as a public officer in the Legal Division of the IRAS where she served 14 years, including her scholarship bond of 8 years. She then entered private law practice and was the Head of the Tax and Trust Practice in Drew & Napier LLC when she retired in 2008. After retiring from Drew & Napier LLC, Mrs Teoh rejoined IRAS as a part-time Consultant for 6 years. She was also a Consultant with Rajah & Tann LLP, and had also served on the boards of non-profit organisations. She was a Director of Tsao Foundation, a Director of The Community Foundation of Singapore and was the Honorary General Secretary of the Singapore Girl Guides Association. Age 72.

#### Other Directorships and Principal Commitments/ Appointments

1. Asian Healthcare Investment Pte Ltd	Director
--	----------

#### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. Ministry of Finance, Brunei	Ad hoc Legal Counsel
2. Rajah & Tann Singapore LLP	Consultant
3. Tsao Foundation	Director

#### Academic and Professional Qualifications

- Bachelor of Laws (Second Upper Class Honours), National University of Singapore
- Master of Laws (Second Upper Class Honours), National University of Singapore

#### Board Committees/GEH Group Council Served On

- Member, Audit Committee
- Member, GEH Group Sustainability Council

#### Length of Service

6 years 7 months

#### Country of Principal Residence

Singapore

# BOARD OF DIRECTORS

As at 1 March 2024



## HELEN WONG

Non-Executive Non-Independent Director

Ms Wong was first appointed to the Board of the Company on 30 April 2021 and was last re-elected as the Company's Director on 19 April 2022.

Ms Wong is the Group CEO and Executive Director of OCBC and sits on the boards of OCBC's major subsidiaries. She also serves as a Board member at Dr Goh Keng Swee Scholarship Fund, Enterprise Singapore ("ESG") and the Institute of International Finance. She has 40 years of banking experience, having started out as a Management Trainee in OCBC and was its first China Desk Manager, based at the Hong Kong Branch. She has vast experience in Greater China, covering a wide range of roles in capital markets, syndicated finance and corporate banking. Before returning to OCBC, Ms Wong spent 27 years at The Hong Kong and Shanghai Banking Corporation Limited, where her last role was as its Chief Executive for Greater China, which she was appointed to in 2015. She became the President and CEO of HSBC China based in Shanghai in 2010, and was promoted to be Group General Manager in 2011 to recognise her responsibility for the business operations and strategic expansion in China. She also held non-executive directorships at Baoshan Iron & Steel from 2012 to 2015, and at Bank of Communications from 2016 to 2019. Age 62.

### Other Directorships and Principal Commitments/ Appointments

1. OCBC Bank Limited (formerly known as OCBC Wing Hang Bank (China) Limited)	Chairman
2. Oversea-Chinese Banking Corporation Limited*	Executive Director and Group Chief Executive Officer

3. Bank of Singapore Limited	Director
4. Dr Goh Keng Swee Scholarship Fund	Director
5. Enterprise Singapore	Director
6. OCBC Bank (Hong Kong) Limited (formerly known as OCBC Wing Hang Bank Limited)	Director
7. OCBC Bank (Malaysia) Berhad	Director
8. OCBC Overseas Investments Pte. Ltd.	Director
9. The Institute of International Finance	Director
10. PT Bank OCBC NISP Tbk.	Commissioner
11. The Association of Banks in Singapore	Council Member
12. The Institute of Banking and Finance	Council Member
13. Advisory Board of the Asian Financial Leaders Programme	Member
14. CNBC ESG Council	Member
15. MAS Financial Centre Advisory Panel	Member
16. MAS Financial Sector Tripartite Committee	Member
17. MAS Payments Council	Member

### Past Directorships and Principal Commitments/ Appointments for the last 5 years

1. The Hongkong and Shanghai Banking Corporation Limited	Chief Executive Officer, Greater China
2. HSBC Bank (Taiwan) Limited	Chairman
3. HSBC Global Asset Management (Hong Kong) Limited	Chairman
4. HSBC Qianhai Securities Limited	Vice Chairman
5. HSBC Bank (China) Company Limited	Director and Deputy Chairman
6. Bank of Communications Company Limited	Director

### Academic and Professional Qualifications

- Bachelor of Social Sciences, University of Hong Kong

### Board Committees/GEH Group Council Served On

- Member, Executive Committee
- Member, Nominating Committee
- Member, Remuneration Committee
- Member, Risk Management Committee

### Length of Service

2 years 10 months

### Country of Principal Residence

Singapore

\* Listed company

## INFORMATION REQUIRED UNDER RULE 720(6) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

The Directors seeking re-election at the 2024 AGM of the Company, namely, Dr Chong Yoke Sin, Mr Andrew Lee, Mr George Lee, Dr Lim Kuo Yi, Mr Ng Chee Peng, and Mr Tam Chee Chong have each:

- provided an undertaking in the format as set out in Appendix 7.7 under Rule 720(1) of the listing manual of the SGX-ST.
- confirmed that he/she has no relationship (including immediate family relationships) with an existing director, existing executive officer, the Company and/or any substantial shareholder of the Company or of any of its principal subsidiaries, save for:
  - Mr Andrew Lee who is a director and the Board Chairman of OCBC, a substantial shareholder of the Company; and
  - Mr George Lee who is a director of OCBC Bank (Malaysia) Berhad, an associate of OCBC.
- confirmed that he/she has no conflict of interest (including any competing business).
- confirmed that there is no change to his/her responses previously disclosed under items (a) to (k) of Appendix 7.4.1 of the listing manual of the SGX-ST<sup>1</sup>, which were all “No”.
- confirmed that he/she has prior experience as a director of a listed issuer or financial institution save for Dr Lim Kuo Yi, who will undergo relevant training in areas as appropriate within one year from the date of his appointment as a Director of the Company.

The shareholding interest in the Company and its subsidiaries (if any) of each of these Directors are disclosed in the “Directors’ Statement” on pages 90 and 91 of this Annual Report.

Further information required under Rule 720(6) of the listing manual of the SGX-ST for Directors seeking re-election at the Company’s AGM are disclosed in the “Board of Directors” section on pages 16 to 26 and “Corporate Governance Report” on pages 61 to 87 of this Annual Report.

## PRINCIPAL INSURANCE SUBSIDIARIES IN SINGAPORE

As at 1 March 2024

### THE GREAT EASTERN LIFE ASSURANCE COMPANY LIMITED (“GEL”)

Soon Tit Koon<sup>2</sup>, Chairman  
Chong Yoke Sin<sup>2</sup>  
Lee Boon Ngiap  
Kyle Lee<sup>2</sup>  
Leo Mun Wai  
Quah Wee Ghee

### GREAT EASTERN GENERAL INSURANCE LIMITED (“GEG”)

Soon Tit Koon<sup>2</sup>, Chairman  
Chong Yoke Sin<sup>2</sup>  
Lee Boon Ngiap  
Leo Mun Wai  
Quah Wee Ghee

- 1 The information relating to the above Directors as set out in Appendix 7.4.1 of the listing manual of the SGX-ST were announced on 1 March 2021 (Mr Ng Chee Peng), 27 April 2023 (Mr Andrew Lee), 28 April 2023 (Mr George Lee and Mr Tam Chee Chong) and 19 January 2024 (Dr Chong Yoke Sin and Dr Lim Kuo Yi), in connection with their respective appointments as Directors of the Company.
- 2 Please refer to the “Board of Directors” section on pages 16, 17 and 19 of this Annual Report for the profiles of Mr Soon Tit Koon, Dr Chong Yoke Sin and Mr Kyle Lee.



### LEE BOON NGIAP

Director

Mr Lee was first appointed to the Boards of GEL and GEG on 16 April 2022. He was appointed as a Member of the GEH Group Sustainability Council on 1 February 2024. Mr Lee is a Member of the Securities Industry Council (“SIC”), a council appointed by the Minister-in-charge of the Monetary Authority of Singapore (“MAS”) to administer and enforce the Singapore Code on Takeovers and Mergers.

Mr Lee is an experienced banking, insurance and capital markets regulator with more than 20 years in senior management roles at the MAS. He was previously a Board Member, Audit and Risk Committee Member and Human Resources and Finance Committee Member of the Accounting and Corporate Regulatory Authority. He was also a Board Member and Chair of the Investment Committee of the Civil Aviation Authority of Singapore, and a Member of the Corporate Governance Council. During his time with MAS, he represented MAS in various international fora, including the Board of the International Organisation of Securities Commissioners, and on several committees and working groups of the Financial Stability Board and Basel Committee on Banking Supervision. Before his retirement in March 2021, Mr Lee held the position of Assistant Managing Director, Group Head, Capital Markets Group in MAS where he was in charge of the regulation and supervision of capital markets.

Mr Lee holds a Bachelor of Engineering (Civil) (2nd Upper Honours) from the National University of Singapore. He also passed the Chartered Financial Analyst examinations. Mr Lee was awarded the National Day Awards 2007 – Public Administration Medal (Silver). Age 61.

# BOARD OF DIRECTORS



**LEO MUN WAI**

Director

Mr Leo was first appointed to the Boards of GEL and GEG on 15 April 2016. He was appointed as a Member of the GEH Group Sustainability Council on 1 February 2024. He is an independent consultant and an Independent Non-Executive Director of CapitalLand Integrated Commercial Trust Management Limited.

Mr Leo was previously a Managing Director and Advisor of State Street Bank & Trust, Singapore and a Senior Partner of Capelle Consulting Singapore. He was a Director of Tri Sector Associates Ltd, a Director and Audit Committee Member of Casino Regulatory Authority from 2008 to 2012, and a Member of SIC from 2010 to 2012. Mr Leo was previously with the MAS for 20 years until 2012 in various capacities including Assistant Secretary of SIC, Senior Deputy Director of Supervisory Policy, Director of Human Resource Department, Executive Director of External Department, Executive Director of Banking Supervision, with his last appointment being Assistant Managing Director of Capital Markets Group.

Mr Leo holds a Bachelor of Accountancy (Second Upper Honours) from the National University of Singapore and a Masters of Finance, International Finance from RMIT University. He also completed the International Executive Programme at INSEAD. Age 57.



**QUAH WEE GHEE**

Director

Mr Quah was first appointed to the Boards of GEL and GEG on 1 March 2012 and 1 January 2014 respectively. Mr Quah is a Partner of Avanda LLP and a Director of Avanda Investment Management Pte. Ltd., and Cypress Holdings Private Limited. He is an Advisor of the Investment Committee of Wah Hin & Company Pte Ltd.

Mr Quah was previously the Chairman of SLF Strategic Advisers Private Limited, a Director of EDBI Pte. Ltd., OCBC, Bank of Singapore Limited, Singapore Exchange Limited, Singapore Labour Foundation and Grand Alpine Enterprise Ltd., a Member of the Board of Trustees of Singapore University of Technology and Design, Managing Director and President of GIC Asset Management Private Limited, the Chairman of the Investment Committee and a Member of the Evaluation Committee of MOH Holdings Pte Ltd, and Advisor to the Executive Committee of Government of Singapore Investment Corporation Pte Ltd.

Mr Quah holds a Bachelor of Engineering (Civil Engineering) from the National University of Singapore. He is a Chartered Financial Analyst and Alumni Member of the Stanford Graduate Business School. In 2010, he was awarded the Institute of Banking and Finance Distinguished Financial Industry Certified Professionals title. Age 63.

# KEY EXECUTIVES



**KHOR HOCK SENG**  
Group Chief Executive Officer

With Great Eastern since 2015. Over 40 years of insurance experience and has held senior leadership positions in major multinational insurance companies. Responsible for the overall strategic direction and business growth for the Great Eastern Group.



**RONNIE TAN**  
Group Chief Financial Officer

With Great Eastern since 2002. Responsible for Corporate Finance, Actuarial, Accounting, Financial Controls and Tax functions for the Group, as well as Investor Relations.



**DATO KOH YAW HUI**  
Chief Executive Officer (Malaysia)

With Great Eastern since 2002. Responsible for the Malaysia Conventional Life business.



**JIMMY TONG**  
Managing Director, General and Group Insurance

With Great Eastern since 2016. Leads and oversees the General and Group Insurance business across all markets in the Group.



**PATRICK PECK**  
Managing Director, Regional Agency/FA and Bancassurance

With Great Eastern since 2020. Responsible for driving the growth and governance of the agency, financial advisory (FA) and bancassurance channels across the Group.



**CLEMENT LIEN**  
Chief Executive Officer (Indonesia)

With Great Eastern since 2015. Responsible for growing the Life business in Indonesia.



# KEY EXECUTIVES



**RYAN CHEONG**  
Managing Director,  
Group Customer and Digital

With Great Eastern since 2012. Responsible for the customer strategy and digital platforms across all markets in the Group.



**COLIN CHAN**  
Managing Director,  
Group Marketing

With Great Eastern since 1994. Responsible for implementation of marketing and product efforts across the Group, including branding and communications.



**CHUA KENG HONG**  
Group Chief Investment Officer

With Great Eastern since 2015. Responsible for formulating the Group's investment strategies and management of all investments within the Group.



**KATE CHIEW**  
Group Chief Risk Officer

With Great Eastern since 2021. Responsible for the overall risk management of the Group, including market, credit, liquidity, insurance, operational, technology and compliance risks.



**JENNIFER WONG PAKSHONG**  
Group Company Secretary and  
General Counsel

With Great Eastern since 2009 and the Group since 1999. Oversees the corporate secretarial and legal functions across the Group.



**GARY TEH**  
Managing Director,  
Group IT

With Great Eastern since 2019. Responsible for the Group's IT and digitalisation efforts to deliver digital and IT solutions to improve customer experience and to support business growth.



**JAMES LEE**  
Managing Director,  
Group Human Capital

With Great Eastern since 1997. Responsible for human capital and change programmes across the Group, with priority on developing an inclusive and collaborative workplace and high-performance culture.



**PATRICK KOK**  
Managing Director,  
Group Operations

With Great Eastern since 2009. Leads and oversees the Customer Service, Underwriting and Claims departments across the Group, with strong focus on delivering customer service excellence.



**JEFFREY LOWE**  
Group Chief Internal Auditor

With Great Eastern since 2019. Responsible for the independent and objective assessment of the Group's risk management, internal control and governance processes through internal audit.

# FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 31 DECEMBER		2023 <sup>1</sup>	2022 (restated) <sup>1</sup>	2022	2021	2020	2019
<b>GROUP FINANCIALS</b>							
Insurance Service Results	(S\$millions)	<b>574.8</b>	810.0	N.A	N.A	N.A	N.A
Profit Attributable to Shareholders	(S\$millions)	<b>774.6</b>	610.0	784.2	1,113.0	960.6	1,003.8
Total Assets	(S\$millions)	<b>109,033.8</b>	104,855.5	107,918.3	110,390.1	106,927.7	98,603.6
Shareholders' Equity	(S\$millions)	<b>7,885.5</b>	7,176.1	9,431.4	10,029.6	9,361.0	8,610.7
<b>GROUP STATISTICS</b>							
Gross Premiums <sup>2</sup>	(S\$millions)	<b>16,329.8</b>	18,577.2	18,577.2	18,956.3	15,507.1	11,769.5
Stock Exchange Prices <sup>3</sup>	(S\$)	<b>17.60</b>	18.50	18.50	20.15	20.00	21.75
Market Capitalisation <sup>3</sup>	(S\$millions)	<b>8,330.4</b>	8,756.4	8,756.4	9,537.4	9,466.4	10,294.7
Embedded Value	(S\$millions)	<b>17,319.5</b>	17,894.6	17,894.6	18,254.6	17,428.0	15,497.1
Economic Value of One Year's New Business	(S\$millions)	<b>682.8<sup>4</sup></b>	860.4	860.4	803.6	669.5	612.0
<b>GROUP FINANCIAL RATIOS</b>							
Return on Equity <sup>5</sup>	(%)	<b>10.3</b>	8.1	8.1	11.5	10.7	12.5
Gross Premium Growth	(%)	<b>-12.1</b>	-2.0	-2.0	22.2	31.8	-3.8
Basic Earnings per share <sup>6</sup>	(S\$)	<b>1.64</b>	1.29	1.66	2.35	2.03	2.12
Net Asset Value per share	(S\$)	<b>16.66</b>	15.16	19.93	21.19	19.78	18.19
Embedded Value per share	(S\$)	<b>36.59</b>	37.81	37.81	38.57	36.82	32.74
Economic Value of One Year's New Business per share	(S\$)	<b>1.44</b>	1.82	1.82	1.70	1.41	1.29
Dividend per share	(cents)	<b>75.0</b>	65.0	65.0	65.0	60.0	60.0

1 From 1 January 2023, the Group adopted SFRS(I) 17 'Insurance Contracts', which replaced SFRS(I) 4 'Insurance Contracts'. Comparative data for the financial year ended 31 December 2022 have been restated, where applicable.

2 Gross premiums refers to life and non-life insurance premiums received or receivable.

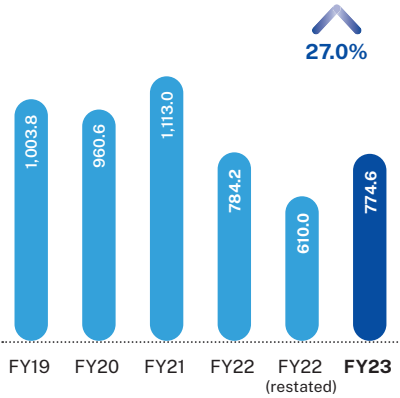
3 The Stock Exchange Prices and Market Capitalisation were obtained from Bloomberg.

4 Using the same best estimate, reserving and capital requirement assumptions as those used in the calculation of embedded value as at 31 December 2022, the economic value of one year's new business for the year ended 31 December 2023 would have been S\$762.1 million.

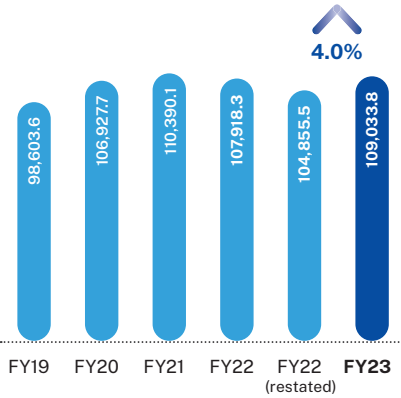
5 The average of the opening (1 January) and closing (31 December) balances of Shareholders' Equity has been used in the computation of Return on Equity.

6 The Basic Earnings per share were based on the Group's Profit Attributable to Shareholders divided by total paid-up shares.

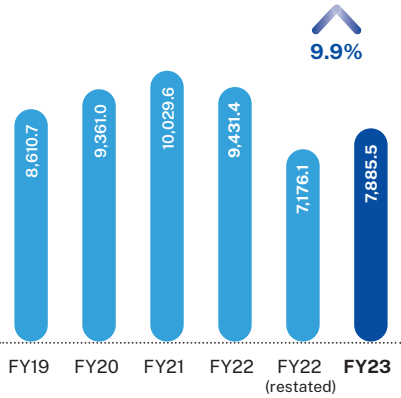
**PROFIT ATTRIBUTABLE TO SHAREHOLDERS**  
S\$ millions



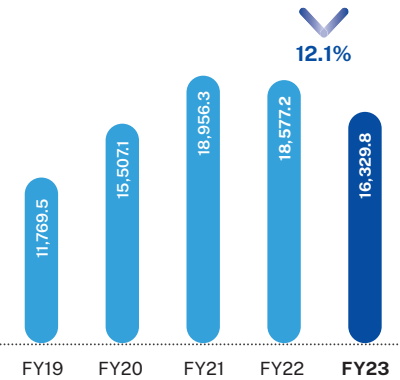
**TOTAL ASSETS**  
S\$ millions



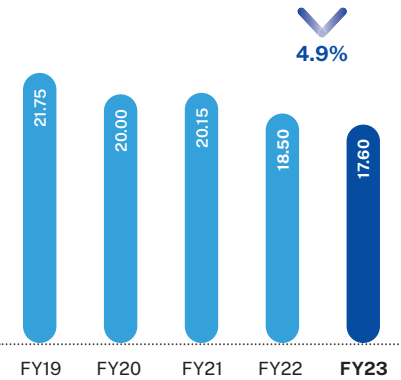
**SHAREHOLDERS' EQUITY**  
S\$ millions



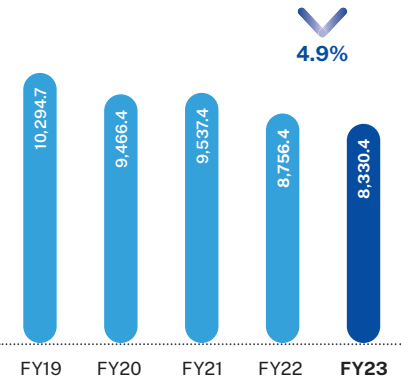
**GROSS PREMIUMS<sup>2</sup>**  
S\$ millions



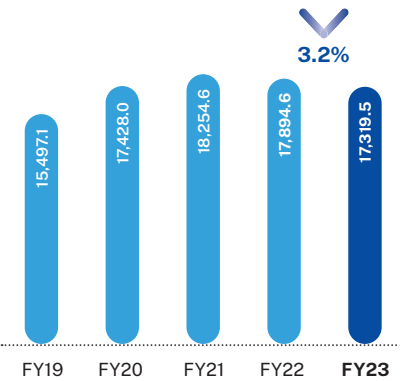
**STOCK EXCHANGE PRICES<sup>3</sup>**  
S\$



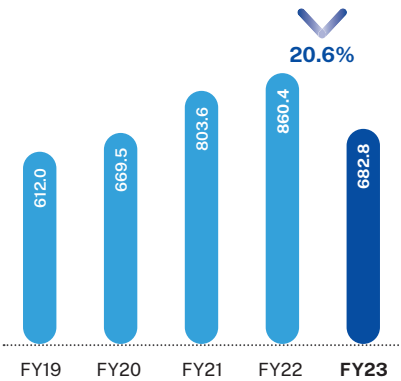
**MARKET CAPITALISATION<sup>3</sup>**  
S\$ millions



**EMBEDDED VALUE**  
S\$ millions



**ECONOMIC VALUE OF ONE YEAR'S NEW BUSINESS**  
S\$ millions



# EMBEDDED VALUE

## EMBEDDED VALUE

Embedded value is a commonly used actuarial technique to assess the economic value of the existing business of a life insurance company. Looking at a company's distributable profits for a year, or even a few years, is not a reliable guide to its long-term economic value. This is because the timing of distributable profits arising from a profitable insurance policy may involve accounting losses in the initial policy years and higher accounting profits in later years that will make the policy profitable overall. Losses in the initial years could be due to the initial expenses from writing new business, combined with the need to meet capital requirements. As a result, in any one year, high growth of business may tend to lower distributable profits. Embedded value has therefore been developed as a way to assess the long-term economic value of a life insurance company for the existing blocks of business.

The embedded value of the Group has been determined using the traditional deterministic cash flow methodology comprising of the sum of the value of In-Force Business and the value of the adjusted Shareholders' Funds.

## VALUE OF IN-FORCE BUSINESS

This represents an estimate of the economic value of projected distributable profits to shareholders, i.e. after-tax cash flows less increases in statutory reserves and capital requirements attributable to shareholders, from the In-Force Business at the valuation date, i.e. 31 December 2023. The cash flows represent a deterministic projection, using best estimate assumptions of future operating experience and are discounted at a risk-adjusted discount rate. The use of a risk-adjusted discount rate, together with an allowance for the cost of holding statutory reserves and meeting capital requirements, represent the allowance for risk in the value of In-Force Business together with an implicit allowance for the cost of options and guarantees provided to policyholders. It should be noted that this allowance for risk is approximate and may not correspond precisely with the allowance determined using capital market consistent techniques.

In projecting the value of In-Force Business, the statutory reserve valuation bases and capital requirements are based on the Risk Based Capital framework as set out in prevailing local regulations for Singapore, Malaysia and Indonesia as of 31 December 2023.

In Singapore, the Group's asset management company Lion Global Investors Ltd ("LGI") manages a proportion of the Singapore Life Funds' assets for which fees are payable from each Fund. In line with generally accepted traditional embedded valuation methodologies in respect of services

provided by asset management companies within our insurance group, the present value of profits arising in LGI from the fees paid by Singapore Life Fund is included in the embedded value and new business value of the Group for the year ended 31 December 2023.

## ADJUSTED SHAREHOLDERS' FUND

This represents the value of assets over and above that required to meet statutory reserves, capital requirements and other liabilities.

## ASSUMPTIONS USED

The assumptions adopted for the calculations have been determined taking into account the recent experience of, and expected future outlook for, the life insurance business of the companies involved, i.e. The Great Eastern Life Assurance Company Limited ("GEL") in Singapore, Great Eastern Life Assurance (Malaysia) Berhad ("GELM") and Great Eastern Takaful Berhad ("GETB") in Malaysia and PT Great Eastern Life Indonesia ("GELI") in Indonesia.

Investment returns assumed are based on the long term strategic asset mix and their expected future returns. The risk-adjusted discount rate used is 6.25% for Singapore, 8.00% for Malaysia and 12.5% for Indonesia.

## EMBEDDED VALUE CALCULATION

The value of In-Force Business was calculated for the life insurance business of GEL in Singapore, GELM and GETB in Malaysia and GELI in Indonesia, along with the adjusted Shareholders' Funds for the Group. The results of the calculations as at 31 December 2023 are as follows:

Embedded Value (\$ millions)	Singapore*	Malaysia <sup>^</sup>	Total
Life Business			
Value of In-Force Business	6,469	4,109	10,578
Shareholders' Funds and Non-Life Business			
Adjusted Shareholders' Funds	5,862**	880	6,742
<b>Total Embedded Value</b>	<b>12,331</b>	<b>4,989</b>	<b>17,320</b>

\* Includes GELI

\*\* Includes businesses in Brunei and Hong Kong

<sup>^</sup> Includes GETB after deducting the amount attributable to non-controlling interests

## ECONOMIC VALUE OF ONE YEAR'S NEW BUSINESS

The economic value of one year's new business, defined as the value of projected shareholder distributable profits from new business sold in the year, is used to determine the estimated value of future distributable profits from new sales. Using the same best estimate, reserving and capital requirement assumptions as those used in the calculation of embedded value as at 31 December

2022, the economic value of business written for the year ended 31 December 2023 has been calculated as follows:

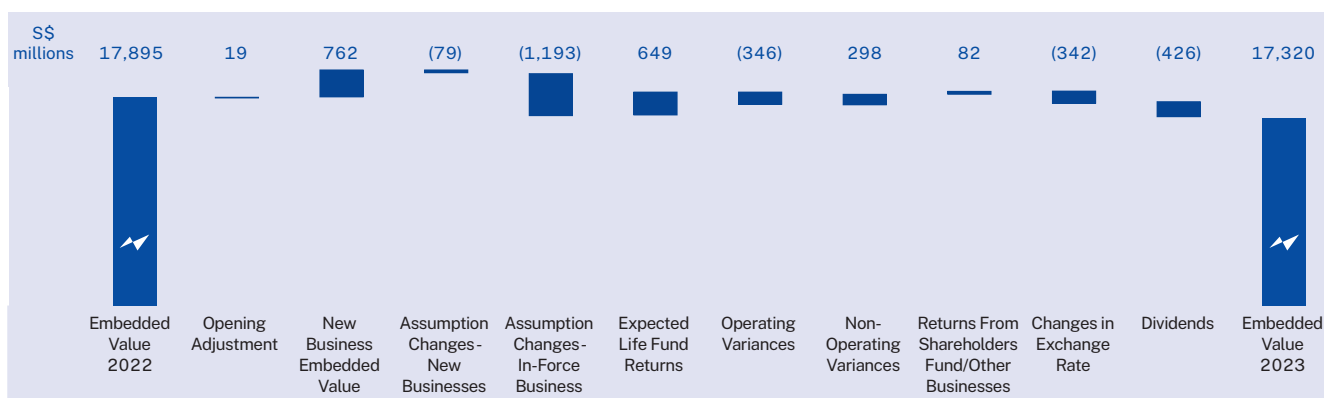
Values (S\$ millions)	Singapore	Malaysia*	Others <sup>^</sup>	Total
Economic Value of One Year's New Business	386	363	13	762

\* Includes GETB before deducting the amount attributable to non-controlling interests

<sup>^</sup> Includes emerging markets

## ANALYSIS OF CHANGE IN EMBEDDED VALUE

The chart shows various components accounting for the change in embedded value from the start to the end of the year.



## INDEPENDENT REVIEW

The embedded value, the value of one year's new business and the analysis of change in embedded value during the year were determined by the Group. PricewaterhouseCoopers Consulting (Singapore) Pte Ltd performed a review of the methodology used (based on the traditional deterministic embedded value reporting approach), the assumptions and procedures adopted, the materiality thresholds and limitations and performed a high level review of the results of the Group's calculations.

## SCENARIO TESTING

In addition, some scenario tests were conducted using different investment return assumptions and risk-adjusted discount rates. The results are summarised below:

Values (S\$ millions)	Base Scenario	Investment +0.5%	Investment -0.5%	Discount Rate +1.0%	Discount Rate -1.0%
Total Embedded Value*	17,320	17,978	16,745	16,175	18,764
Economic Value of One Year's New Business <sup>^</sup>	683	774	597	578	829

\* Total Embedded Value is presented after deducting the amount attributable to non-controlling interests

<sup>^</sup> Economic Value of One Year's New Business is presented before deducting the amount attributable to non-controlling interests

# BUSINESS REVIEW

## Singapore

WHILE THE BUSINESS ENVIRONMENT HAD BEEN CHALLENGING, OUR OPERATIONS IN SINGAPORE, COMPRISING GREAT EASTERN LIFE ASSURANCE CO LTD (GELS) AND GREAT EASTERN GENERAL INSURANCE (GEG), HAD REMAINED RESILIENT AND COMMITTED IN SERVING OUR OVER 2.4 MILLION POLICYHOLDERS, INCLUDING THOSE UNDER THE CENTRAL PROVIDENT FUND BOARD'S DEPENDANTS' PROTECTION SCHEME.

TOTAL WEIGHTED NEW BUSINESS PREMIUMS FOR SINGAPORE DECREASED AGAINST THE PREVIOUS YEAR, REFLECTING LOWER SINGLE PREMIUM SALES. THE INVERTED SGD YIELD CURVE HAS MADE SHORTER-TERM INTEREST YIELDING INVESTMENTS MORE APPEALING THAN SINGLE PREMIUM PRODUCTS TO SOME CUSTOMERS. LOWER SALES IN SINGLE PREMIUM PRODUCTS WERE PARTIALLY OFFSET BY GROWTH IN REGULAR PREMIUM SALES, PARTICULARLY IN PROTECTION AND WHOLE LIFE PLANS THROUGH THE GROUP'S CORE DISTRIBUTION CHANNELS.

**Make life EASIER, FASTER, AND BETTER with the Great Eastern App!**

**Easier**

- ✓ Intuitive interface for a seamless experience
- ✓ Keep track of all financials and policies (SGFinDex available)
- ✓ Easy login through Great ID or Singpass

---

**Faster**

- ✓ Quick payment process
- ✓ Pre-filled details upon login
- ✓ Option to save family details for future purchases

---

**Better**

- ✓ Secure platform
- ✓ Hassle-free insurance purchase, on the go
- ✓ Auto-apply Gift Credits or enable Premium Vouchers



### STRENGTHENING OUR LIFE INSURANCE BUSINESS

Amid an uncertain macroeconomic climate in 2023, we strengthened our life insurance business by continuing to deliver relevant products to meet the growing needs of our customers. We remained focused on enhancing the overall customer experience while leveraging affinity partnerships to further expand our distribution reach. We also continued to raise the standards of the financial advisory capabilities of our financial representatives through our curated training programmes and our improved digital tools.

With improving customer experience remaining as a key priority, we embarked on various operational enhancements including the launch of a new online e-Claims portal to simplify the submission of travel insurance claims, and implementation of our Medical Claims Automation engine and predictive underwriting models. Both initiatives have helped deliver better customer experience and improve efficiency.

### ENHANCING OUR DISTRIBUTION CAPABILITIES

We are committed in continuously developing the skillset of our financial representatives, ensuring that they are well equipped to meet the evolving needs of our customers. Our curriculum is centred around contextual training programmes led by seasoned in-house trainers and industry professionals.

We further deepened our partnership with the Institute of Banking and Finance (IBF), such that all our modules are mapped to IBF's competency framework to ensure a more effective programme. As such, our financial representatives are guided in their learning journey with structured training and competency roadmaps that maximise their potential. This is a significant step forward as the IBF is rapidly becoming a preferred qualification within the industry. In recognition of this, we were awarded the Education Insurance Initiative of the year by Insurance Asia Awards 2023.

We further enabled our financial representatives to better serve the needs of the affluent customers through the High Net Worth Certification accredited by IBF. This programme equips them with deep technical knowledge and specialised financial planning framework that caters to the needs of this segment. Notably, Great Eastern has the highest number of graduates with the High Net Worth Certification, raising the quality of our advisory capabilities.

In addition to training programmes, we continued to scale up our digital enablement support through the Adviser Digital Portal (ADP), with enhanced functionalities to support contextual marketing and event management. These have helped to open up new avenues for our financial representatives to drive customer engagement and sales. We also revamped the functionalities and capabilities of GreatPlanner, an online digital tool, empowering our financial representatives to conduct their business with greater efficiency and providing them with deeper customers' insights.

On the bancassurance front, we collaborated with OCBC to further close the protection gap by advocating the need for long term disability protection, through the offering of GREAT CareShield. We also continued to work in close collaboration with OCBC to integrate "Life Goals" conversations in our product proposition on retirement and legacy planning.

To better support our customers digitally, we further enhanced our app to enable our customers to seamlessly purchase or renew their policies across our range of life and general insurance offerings at their convenience.



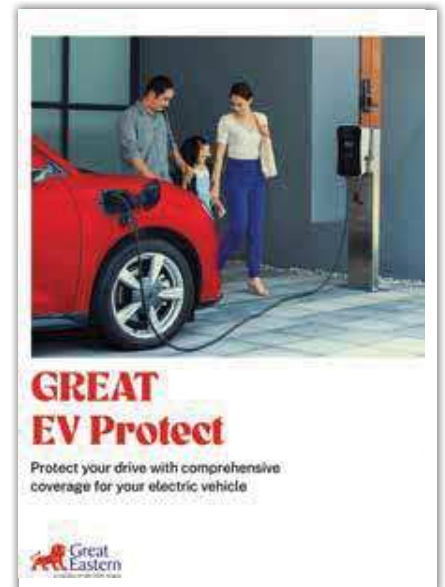
### OUR PRODUCT PROPOSITIONS

With the high interest rate and inverted yield curve environment persisting, customers continued to prefer short-term investment options. In line with this market demand, we offered our short-term single premium endowment plans with guaranteed returns across a time horizon of one to two years.

To capitalise on the growing demand for inter-generational wealth and legacy preservation, we implemented initiatives to streamline our medical underwriting requirements and onboarding process, which saw an increase in the sales of our Universal Life plans.

We continued to expand and enhance our solutions and propositions to help meet customers' retirement needs. We enhanced our flagship retirement plan Prestige Life Rewards with earlier payouts and launched the single premium Great Wealth Multiplier endowment plan, an eligible financial instrument under the Supplementary Retirement Scheme (SRS).

We also introduced GREAT Flexi Saver, an innovative single premium plan with an open-ended policy term that provides attractive monthly crediting rates exclusively for customers with maturity proceeds. This provides them



with convenience and flexibility while they consider their next investment options.

Our GREAT CareShield supplementary plan to CareShield Life continued to help meet the long-term care needs of Singaporeans and we remain as one of the leading providers of this scheme.

### GROWING OUR GENERAL AND GROUP INSURANCE BUSINESS

To support the transition to a low carbon economy and adoption of electric vehicles (EV), we launched GREAT EV Protect. This insurance plan provides EV owners with coverage against electric shocks, home contents damage due to fire, and accidental damage to their private charging station.

Our Group Insurance business also experienced a steady growth in Gross Written Premiums (GWP) by 14% over the past year.

In line with "Healthier SG", a national initiative by Singapore's Ministry of Health, we partnered with vendors to provide comprehensive wellness programmes for corporate clients covering physical health, mental well-being, and lifestyle programmes.



# BUSINESS REVIEW - Singapore

To support the evolving needs of clients from small and medium-sized enterprises (SME), we enhanced the features and benefits of our product, Great Employee Benefits Plus (GEB+).

## EXPANDING OUR DIGITAL AFFINITY PARTNERSHIPS

We continued to strengthen our digital affinity partnerships to expand our distribution reach into new customer segments.

We launched a new partnership with yuu Rewards Club, becoming the exclusive insurance partner that offers members the opportunity to earn loyalty points through insurance purchases made through yuu. This partnership provides us with a platform to promote our products to yuu's 1.4 million members, starting with solutions such as travel, home and personal accident plans.

We also continued to deepen our partnership with Singtel and introduced Singtel Home Protect Flexi, a home and contents insurance plan tied to the Singtel subscriptions plan. This innovative plan is automatically updated when the customer changes his/her address, ensuring continuous home protection coverage without any lapses, making it a hassle-free experience.

## DEEPENING CUSTOMER ENGAGEMENT

We enhanced the self-service capabilities of the Great Eastern app enabling our customers to manage their insurance portfolio and financial well-being. We personalised the app giving them access to customised content, product offers, and value-added services that are most relevant to them. To make purchases on the app more seamless and convenient, we enabled the renewal of general insurance policies, specifically, for motor insurance.



## WE CONTINUED TO STRENGTHEN OUR DIGITAL AFFINITY PARTNERSHIPS TO EXPAND OUR DISTRIBUTION REACH INTO NEW CUSTOMER SEGMENTS.



We also enabled the digital submission of travel claims through our corporate website to improve the claims experience.

Since the launch of Singapore Financial Industry Data Exchange (SGFinDex), our platform allowed our customers to aggregate their financial data within the Great Eastern app and share it securely with their financial representatives. Financial representatives can then view the data by launching the Financial Storyboard within the GreatAdvice point-of-sales platform to perform a more holistic and accurate analysis of the customer's financial position.

This allows the customer and financial representative to co-create a financial plan that is comprehensive and relevant. With scenario planning capability, the Financial Storyboard allows customers to stress test the resilience of their cash flow position against their financial goals, enabling our customers to proactively manage their finances and take ownership in planning for their financial success. This digital financial planning tool also won the Digital Transformation Initiative Award at the Insurance Asia Awards 2023.

At Great Eastern, we aim to be a force for good to uplift communities where we operate in to build a resilient and inclusive society. In 2023, we fundraised a total of SGD260,000 through the Great Eastern Women's Run for Daughters Of Tomorrow and Singapore Cancer Society through the efforts of over 500 employees and financial representatives.

# BUSINESS REVIEW

## Malaysia

OUR MALAYSIAN OPERATIONS COMPRISING GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (GELM), GREAT EASTERN TAKAFUL BERHAD (GETB) AND GREAT EASTERN GENERAL INSURANCE (MALAYSIA) BERHAD (GEGM) CONTINUED TO DELIVER A STRONG PERFORMANCE IN 2023.

TOTAL WEIGHTED NEW BUSINESS PREMIUMS FROM GELM AND GETB INCREASED BY 9% TO MYR1,839.6 MILLION AND NEW BUSINESS EMBEDDED VALUE, ON A COMPARABLE BASIS VERSUS THE PREVIOUS YEAR, SIMILARLY GREW 9% TO MYR1,239.4 MILLION. GROSS WRITTEN PREMIUMS FROM GEGM RECORDED A 23% GROWTH TO MYR713.6 MILLION.

### GROWING OUR LIFE INSURANCE BUSINESS

#### Our Distribution Channels

Our 22,000-strong financial representative network has remained as our main distribution channel, and the key focus for the year was to increase recruitment and enhance their productivity. With the launch of WeLead!, a new programme designed specifically for aspiring agency leaders to learn from a team of practitioner field managers, participants recorded an 18% growth in new recruits as compared to the previous year. Concurrently, the Producer Venture programmes which aim to equip our financial representatives with the skills and knowledge to excel in a competitive market were similarly successful as we saw an average increase of 28% in productivity against 2022.



# BUSINESS REVIEW - Malaysia

On the digital front, we made it our purpose to empower our financial representatives to better serve their customers during one of the most important stages of the insurance journey by introducing our new online claims submission service. This service enables our financial representatives to seamlessly submit claims on behalf of policyholders digitally, without time and distance being a constraint.

For our bancassurance channel, we introduced a new operating model to bolster insurance engagement among the OCBC Premier segment. We also made notable improvements to our integrated point-of-sales (POS) system and sales illustration system to enhance the overall sales process to be more efficient and seamless.

In October, we announced our proposed acquisition of AmMetLife Insurance and AmMetLife Takaful, together with our entering into a 20-year exclusive bancassurance and bancatakaful agreement for the distribution of life insurance and family Takaful products to the customers of AmBank (M) Berhad and AmBank Islamic Berhad. The addition of AmBank as a new strategic distribution partner will further strengthen GELM's and GETB's competitive position in Malaysia with an expanded distribution network.

## Our Product Propositions

Amid a landscape of persistent inflation and continuous rise in the cost of living in Malaysia, we aimed to provide financial security to our customers through innovative product solutions to protect, preserve, and grow what matters to them.

We began the year by increasing the number of illnesses covered in our critical illness protection suites. To ensure that all our customers would benefit from this value-added enhancement, we retrospectively applied it to all in-force policies of our current critical illness products, at no additional cost to our customers.

We continued to drive product innovation with the launch of a multi-generational wealth accumulation insurance plan. A first-of-its-kind in the country, GREAT Multi-Gen Wealth allows the policy to be transferred from generation to generation by encompassing unique features such as Change of Life Assured, Secondary Life Assured and Alternate Policy Owner in one plan. This limited pay whole life plan comes with investment boosters that will be credited into the total investment value of the policy throughout the policy term, helping customers to grow and transfer the long-term savings across multiple generations. The plan also offers hassle-free enrolment with no medical underwriting required.

Another first-of-its-kind product introduced in the year was SmartProtect Wealth Max CI Exclusive, a limited pay investment-linked insurance plan with protection features. The plan is a guaranteed issuance offer which provides high coverage with comprehensive critical illness protection to help our customers narrow down their insurance protection.



In line with our continuous efforts to support our customers across multiple life stages and events, we launched the IL Spouse Payer Benefit Extra Rider (Jr) to protect our customers' children should anything unfortunate happen to either one of the parents. This rider is available when IL Payer Benefit Extra Rider (Jr) is attached, waiving the premiums for the child's policy should death, disability, or critical illness occur to either one of the parents.

For customers with savings and/or retirement planning needs, we introduced Great Treasure Gift, a hassle-free enrolment plan with no medical underwriting that pays out 108% of the total premium paid upon maturity at age 80. We also launched GREAT Returns Extra, a three-year participating endowment plan with a guaranteed survival benefit.

Through OCBC, we launched Maximus, a new universal life plan which requires no medical underwriting to help our customers protect and preserve their wealth for the next generation. In addition, we introduced two optional riders to add greater value to our popular investment-linked All Rounder plan.

At Great Eastern Life, we are committed to supporting businesses and business owners, and we aim to ensure that the insurable aspects are taken care of so that business owners can focus on taking their businesses to greater heights. We believe that employees' health is key to employee retention and the long-term success of all businesses. Therefore, we offer a bespoke series of Group Insurance products to help business owners drive employee loyalty while being a highly attractive benefit for potential staff. Furthermore, in a world where healthcare needs are evolving, we have remained committed to delivering innovative solutions that cater to the well-being of our customers and their employees.

Catering to the evolving needs of our digital customers, we launched an enhanced Group Multiple Benefits Insurance Scheme (GMBIS) plan with simplified underwriting that allows for web and in-app purchases.

### **Our Customer Engagements**

At the heart of our business is an unwavering commitment to customer centricity. Our robust digital platforms now allow policyholders to secure virtual appointment for customer service instead of physical walk-ins. Through our digitised claims process via eConnect, customers can self-help or seek financial representatives' assistance to digitally file claims, improving overall turnaround time.

To align with the Group's branding strategy, we rebranded our loyalty and rewards app, UpGreat Malaysia, to the Great Eastern Rewards Malaysia app, with additional and enhanced features and improved overall experience.

To enhance customers' experience for the hospital admission and discharge process, we extended our partnerships with an additional 30 private hospitals under our Preferred Hospital Programme, allowing policyholders to enjoy the benefit of early discharge along with a waiver of the administrative charges and admission deposit.

After a three-year hiatus due to Covid-19, we brought back the well-loved Great Eastern Run to encourage healthy lifestyle, with more than 11,000 participants recorded, including customers, employees, and financial representatives.

Driven by our steadfast dedication to customers, GELM was awarded The BrandLaureate Nation's Favourite Brand for Insurance Category for the fourth consecutive year. Our other accolades include The Reader's Digest 2023 Trusted Brand Gold Award voted by consumers as Malaysia's insurer of choice under the Life Insurance and Health Insurance category for the 20th and 6th consecutive year, respectively. Additionally, we were awarded The BrandLaureate Sustainable Business & Brands Inspirational Achievement Award in recognition of our brand leadership, strength and ability to overcome adversities.



**AT THE HEART OF OUR BUSINESS IS AN UNWAVERING COMMITMENT TO CUSTOMER CENTRICITY. OUR ROBUST DIGITAL PLATFORMS NOW ALLOW POLICYHOLDERS TO SECURE A VIRTUAL APPOINTMENT FOR CUSTOMER SERVICE INSTEAD OF PHYSICAL WALK-INS.**



# BUSINESS REVIEW - Malaysia

## ADVANCING OUR TAKAFUL BUSINESS

Celebrating its 13th year in the Takaful industry, GETB continues to strengthen its position in the industry and manifests its business purpose by delivering innovative products and customer-centric services to the Islamic community in Malaysia.

Remaining firm in our commitment to providing family health and wealth solutions to our customers, we launched a new hybrid savings plan, i-Great Nova, complemented by the Contributor Protection Plus Term Rider, to provide an affordable yet comprehensive high-coverage family Takaful plan with a flexible coverage term.

Throughout the year, we focused on boosting the productivity of our financial representatives through various campaigns and ground activities. Our product campaign on

i-Great Infiniti, further uplifted our financial representatives' activities and productivity. i-Great Infiniti provides monthly cash payments, with accidental death benefits and maturity benefits.

We also strengthened our bancatakaful channel with the launch of DualPro-i, an investment-linked Takaful plan which automatically extends coverage to a customer's spouse, providing protection to the family. We further enhanced the offering with the launch of Hospitalisation, Payor Protector and Provider Protector riders to address the evolving protection and wealth accumulation needs of our customers. Charting the way forward, we look towards offering extended universal Takaful plans via our partnership with Bank Islam Malaysia Berhad to propel our bancatakaful business to greater heights.

Together with GELM, we announced our proposed acquisition of AmMetLife Takaful and our entering into a 20-year exclusive bancatakaful agreement

for the distribution of family Takaful products to the customers of AmBank Islamic Berhad.

Recognising the importance of holistic financial planning, we forged a strategic corporate partnership with Amanah Warisan Berhad (AWARIS) to offer complementary will-writing services to our customers, ensuring the seamless transfer of wealth in accordance with our customers' wishes. Through this campaign, we successfully doubled the number of certificate issuances.

Driven by our dedication to excellence and innovation, GETB was awarded the Best Takaful Solutions Provider by Global Islamic Finance Awards (GIFA). Other prestigious recognitions include: the Most Valuable Brand-Takaful Solutions by The BrandLaureate BestBrands Awards and seven other awards under the Takaful Star Awards 2023 by the Malaysian Takaful Association, including the newly introduced special award category, The Value Based Intermediation for Takaful Awards.

**Family Takaful**

### i-GREAT NOVA

Growing coverage to ensure a bright future that spans you and beyond

**Affordable High Coverage Plan from RM 250,000 Sum Covered**

**Protect Your Legacy with Coverage Term up to Age 80**

**Optional Automatic Increase of Sum Covered Every 5 Years**

**Great Eastern TAKAFUL**

### i-GREAT INFINITI EVERLASTING BENEFIT

FOR GENERATIONS TO COME

**LIMITED OFFER 14 AUGUST - 30 SEPT 2023**

**PLAN BENEFITS**

- Protection against:
  - Death/ Total and Permanent Disability
  - Accidental Death Benefit
- Other benefit:
  - Monthly cash payment up to ANB 100
  - Maturity benefit

**KEY FEATURES**

- Choose constant stream of income through monthly cash payment
- Child's Education Funds, Retirement Savings
- Flexible contribution payment term (5 or 10 or 30 years)
- Affordable contribution from RM250 per month
- No lapse facility up to ANB 100 as long as contribution is paid on time and up to date. Benefits will continue to be payable even when Universal Takaful Account Income starts.
- Guaranteed acceptance. No medical underwriting is required to participate in this plan.

**Important Notes**

1. Non-Accidental Death (NAD) occurs within the first 2 years from policy inception. 2. Policyholder must be at least 18 years old at the time of policy inception. 3. Policyholder must be a Malaysian citizen. 4. Policyholder must be a Muslim. 5. Policyholder must be a resident of Malaysia. 6. Policyholder must be a resident of Malaysia. 7. Policyholder must be a resident of Malaysia. 8. Policyholder must be a resident of Malaysia. 9. Policyholder must be a resident of Malaysia. 10. Policyholder must be a resident of Malaysia.



“  
**THROUGH VARIOUS INITIATIVES AND PROMOTIONAL CAMPAIGNS LAUNCHED DURING THE YEAR, OUR GENERAL INSURANCE COVERAGE HAS BEEN EXPANDED TO A GREATER PORTION OF OUR LIFE INSURANCE CUSTOMER BASE, CONTRIBUTING TO A MORE HOLISTIC APPROACH TO CUSTOMER PROTECTION.**  
 ”

**EXPANDING OUR GENERAL INSURANCE BUSINESS**

A key focus for us in 2023 was to achieve greater synergy between our Life Insurance and General Insurance businesses, positioning Great Eastern as a one-stop solution for all our customers’ insurance needs. Through various initiatives and promotional campaigns launched during the year, our general insurance coverage has been expanded to a greater portion of our life insurance customer base, contributing to a more holistic approach to customer protection.

We continued to scale our partnership with Boost Holdings Sdn Bhd. Through the launch of targeted campaigns to drive Boost CarProtect sales, we recorded a 52% increase in GWP against 2022. In addition, with the launch of the Axiata Reach programme, we are now able to offer the best customer value propositions to Axiata employees.

We also continued to forge new partnerships, such as with Hino Motors, one of the world’s leading manufacturers of medium- and heavy-duty vehicles, which has provided us with access to 40 dealerships to expand our distribution network for motor insurance.

In support of the Malaysian government’s pledge to unconditionally reduce carbon emissions by 45% by 2030, we have begun the development of products such as motor insurance catered towards electric vehicles, and extensions to home insurance products to support solar power adopters. To thrive in the ever-evolving landscape of the insurance industry, we remain dedicated to developing innovative products to address customers’ needs and close the protection gap.



# BUSINESS REVIEW

## Emerging Markets

OUR BUSINESSES IN INDONESIA COMPRISING GREAT EASTERN LIFE INDONESIA (GELI) AND GREAT EASTERN GENERAL INSURANCE INDONESIA (GEGI) SAW STEADY GROWTH AS WE CONTINUED TO EMBED CUSTOMER-CENTRICITY IN EVERY FACET OF OUR OPERATIONS.

GELI'S TOTAL WEIGHTED NEW BUSINESS PREMIUMS INCREASED BY 14% TO IDR381.1 BILLION AND NEW BUSINESS EMBEDDED VALUE ON A COMPARABLE BASIS AS PREVIOUS YEAR ROSE BY 12% TO IDR144.5 BILLION. OUR GENERAL INSURANCE BUSINESS GREW BY 24% TO IDR729 BILLION IN GROSS WRITTEN PREMIUMS YEAR-ON-YEAR.

### Indonesia

In response to the evolving insurance landscape, GELI and GEGI elevated customer experience through a combination of digital advancements, strategic partnerships, and dedicated distribution network to ensure that we continuously exceed customer expectations. Our commitment to innovation and excellence was acknowledged in 2023, with a number of awards and accolades received. We were recognised for having the digital

initiative of the year, and for being one of the best insurance companies to work for in Asia.

#### ELEVATING OUR LIFE INSURANCE BUSINESS

In 2023, GELI leveraged on its bancassurance and affinity partners' network to expand our reach and growth in the market. To deliver seamless customer experience to our customers, we have also accelerated our digital enablement.

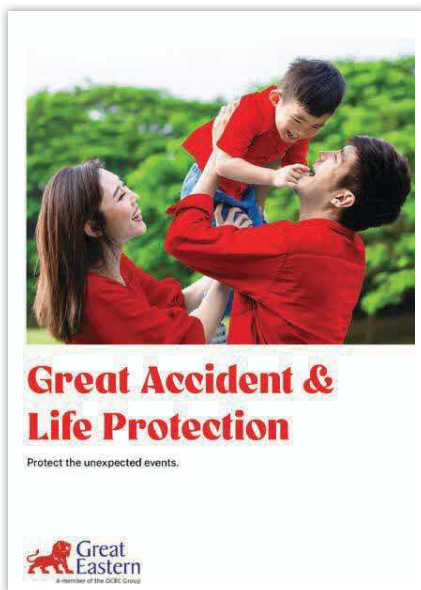
We launched the GREATLink Intelligence Equity Fund, which uses AI to identify investments that may be overlooked using traditional research methods. From its launch in May to December 2023, the fund had outperformed the Jakarta Composite Index (JCI) benchmark.

In Group Insurance business, we focused on refining our product offerings, and streamlining our underwriting processes to deliver better customer propositions and experience. We launched the Employee Benefit Quotation System for GREAT Health Guard to simplify onboarding process for new business and renewals. With OCBC Bank, we introduced two new ILPs – GREAT Protection Link and GREAT Investlink Protection – to tap new customer segments. In addition to expanding product offerings, we further deepen our collaboration with OCBC Bank by expanding our distribution reach to include the workplace, consumer loan, and private banking sectors.

Customer-centricity remained at the forefront of our endeavours, as exemplified by the launch of our customer portal GoGREAT! Services. The enhanced capabilities of GoGREAT! Services and the GoGREAT! Sales Website provided customers with a seamless and user-friendly platform for transactions and real-time updates. To improve our customer service support, we also implemented an online system for customers to submit requests for service support.

On the affinity front, we partnered FUSE to market a one-stop product solution, Asuransi GREAT Pro Solutions, that offers personal accident, life, critical illness, and health benefits, via its digital platform. Our partnership with insurtech firm, Qoala, had remained strong and continued to deliver good growth.





## STRENGTHENING OUR GENERAL INSURANCE BUSINESS

During the year, we focused our efforts on expanding our distribution network to grow our retail segment. This was demonstrated through the collaboration with new bancassurance, digital affinity and insurtech partners, as well as telemarketing agencies.

Leveraging on our partnership with an insurtech, Indodana as the technology-enabler for our retail partners, we optimised the customer onboarding experience by instituting an offline-to-online process where we assisted customers to digitally register for the activation of gadget protection. In addition, we continued to deepen our partnership with Tiket.com to offer travel and personal accident insurance for flight, hotel, and train bookings.

Our strategy focusing on acquiring new partnerships has positioned us well, with digital affinity sales delivering good growth momentum in 2023 as compared to 2022. Our bancassurance partnerships also continued to provide steady growth in retail and the small-and-medium sized enterprises segment.

With product innovation remaining as a key priority, we collaborated with GELI to jointly launch Great Accident and Life



**OUR STRATEGY FOCUSING ON ACQUIRING NEW PARTNERSHIPS HAS POSITIONED US WELL, WITH DIGITAL AFFINITY SALES DELIVERING GOOD GROWTH MOMENTUM IN 2023 AS COMPARED TO 2022.**



Protection, providing customers with a comprehensive solution that covers death, disability, medical expenses, and other costs or compensation due to an accident. We also expanded our product offering to include a new plan that covers customers against losses from concert and event ticket cancellations.

As face-to-face engagement continued to play a central role in the insurance business, we remained focus on building and empowering our dynamic team of financial representatives, equipping them with digital tools to serve customers with greater efficiency while providing our customers with a better customer experience.

## Brunei

Our continuous quest to position ourselves as a holistic provider of life insurance in Brunei Darussalam is a fundamental ethos that drives us to exceed customers' expectations. To cater to the different needs and preferences of customers, we introduced four new products, namely Prestige Life Rewards 6, GREAT Wealth Multiplier 3, GREAT Flexi Cashback, and GREAT Term.

A key focus of ours in 2023 was, and continues to be, to foster agency growth by developing and empowering our aspiring leaders. Hence, we introduced the Aspiring Leader Program, designed to identify and groom potential leaders to build for the future.

To enhance customer centricity to provide seamless customer experience, we further digitised our processes, which also supported our sustainability thrust to reduce our carbon footprint.





# HUMAN CAPITAL

## BUILDING A GREATER WORK CULTURE

Investing in people, creating the right workspace, and inculcating the right behaviours continue to be our key tenets in building a resilient and engaged organisation. Across the region, we also had our annual Dinner and Dance, quarterly town halls, festive celebrations, departmental get-togethers, various workshops, as well as CSR programmes and sustainability campaigns, leading to increased employee engagement.

We are among Kincentric's Most Engaged Workplace in Singapore, with our Malaysia arm receiving the "HR Asia Best Companies to Work For in Asia" award for the 8th consecutive year.

With the aim of elevating our employee experience and bolstering productivity across the group, we transformed our workspaces with features like agile workspaces, to facilitate greater collaboration, and to encourage new ways of working.

Throughout the year, we worked on strengthening team spirit to build a greater work culture, and advocated

the importance of establishing and leveraging networks across the organisation to achieve common business goals.

## ADVOCATING HEALTH AND WELLNESS

We have programmes and policies that enable our employees to thrive professionally and in their personal lives. Under our flagship LIFE Programme in Singapore, we organised various activities focusing on physical, mental, financial, and social well-being, including monthly physical health challenges as well as webinars and workshops on finance and mental wellness. Around 735 employees participated in the challenges, with over 290 individuals joining the monthly activities held from May to October 2023.

In celebration of 2023 being LIFE Programme's 10th year anniversary, we launched "The Perfect 10" campaign in Singapore, bringing different activities to employees each month. The activities include spin and kickboxing classes, floral arrangement classes, bubble-tea workshops, as well as activity-based financial workshops. The improvement in the LIFE Programme score from our Culture and Employee Engagement Survey 2023 is testament that our continuous efforts to ensure the holistic well-being of our employees are recognised and appreciated.

In Malaysia, we introduced a Housing Loan Interest Subsidy Scheme for employees under which they can claim a yearly amount of 1% of the opening loan balance from the previous calendar year. The LIFE Programme in Malaysia also celebrated its 10th anniversary by holding a Health Carnival during which healthcare providers and services were invited to provide free health talks, consultations, and assessments.

The celebration continued with the launch of Gym Open Day, a new initiative that allows employees to use the gym on certain days of the month, regardless of membership status. To top it off, the BookDoc Premium Programme was introduced for our employees to enjoy additional incentives such as access to a health coach and monthly rewards, while prioritising their health. Collectively, these initiatives helped to boost participation in the Activ@ Work Challenge 2023 by PERKESO and BookDoc at which Great Eastern was recognised as the "Most Active Employer" of the year.

## DEVELOPING A RESILIENT WORKFORCE

Access to autonomous learning is key to building a strong learning culture. Across the organisation, we continue to provide a plethora of learning opportunities for everyone through bite-sized digital modules in Singapore and Malaysia.



In 2023, we continued to invest heavily in upskilling and reskilling our people, to equip them with future ready skills and competencies. Our employees are also empowered to take ownership of their professional and personal development, and self-initiate courses that best suit their career needs.

We also emphasised talent development. In Malaysia, we piloted the “High Potential Mentoring Programme”, a 12-month mentorship programme for emerging leaders and talents. Our senior management team would provide mentorship and guidance to hone their leadership skills and business acumen.

Throughout the year, we have been focusing on enhancing our working culture. The Making Life Great workshop attended by all employees in Singapore, aims to deepen their understanding on the importance of differences as well as to approach these differences positively by exploring, appreciating, and leveraging them.

In October, we had the Great Eastern’s Learning Carnival which featured a power-packed line-up of sessions themed around being #FutureReady, and was joined by 450 colleagues across the region. From webinars covering latest developments on generative AI, data literacy, mental well-being, career resilience, and sustainability in insurance, colleagues learnt about the megatrends in the future of work, and about the various resources and opportunities they can access for their growth.

### INSTILLING A CULTURE OF SUSTAINABILITY

We recognise that our long-term success is inextricably tied to sustainability and have ramped up our efforts across the Group to empower a more sustainable lifestyle, and to reach for a greater tomorrow.

An e-learning module on Climate Risk was also launched across the Group to educate our employees on the new risk types arising from climate change and their implications on the insurance industry.

In line with Earth Day this year, we held a series of environmentally-friendly activities in Singapore and Malaysia to inspire a more sustainable way of living among colleagues.

In Singapore, it is about how we can consume responsibly as an eco-conscious organisation. Our Pre-Loved Items Donation Drive collected 315.8kg of textiles, 19.8kg of toys and 18.2kg of books, which were donated to Greensquare, Thryft and MINDS respectively. We also organised a Fashion Swap event, as well as a bazaar specialising in locally produced green goods, which was well-received by colleagues.

As we phased out old lanyards and cardholders due to our new corporate branding, we also amassed them for recycling to walk the talk. 28.2kg of lanyards and cardholders were collected to be shredded and turned

into Process Engineered Fuel, a practical and sustainable alternative to the use of fossil fuels in cement kilns.

In Malaysia, we stressed the importance of upcycling and held a demonstration session on how an in-house plastic recycling machine could give used plastics a new lease of life by generating new items from them. Colleagues were also encouraged to consume eco-friendly products, learning how to recycle common household items properly. In addition, as part of our efforts to minimise food waste, food vouchers were given out at these events instead of having packed or catered lunches.

A red packet recycling campaign was initiated in conjunction with the Lunar New Year celebrations and together across our offices, we collected 468kg of red packets across our offices in Singapore and Malaysia, which was pulped and made into other paper products.



# CORPORATE SOCIAL RESPONSIBILITY



We aim to be a force for good to uplift communities where we operate and build a resilient as well as inclusive society. Our Corporate Social Responsibility (CSR) programmes are carried out under the banner of Great Eastern Cares with initiatives prioritised towards four focus areas: making insurance accessible, improving financial literacy, enhancing quality of lives, and environmental responsibility. Many of our initiatives involve volunteering efforts by both our employees and our financial representatives to actively give

back to the community. In 2023, our employees contributed 5,359 volunteering hours while our financial representatives participated in over 40 events, a testament to our commitment to drive positive social impact.

## Singapore

We protect our communities by making insurance accessible, enabling financial security for their peace of mind. As the sole provider of the Dependents' Protection Scheme (DPS) for the

Singapore government, we provide a safety net for individuals and families by having affordable term life insurance. As of December 2023, there are over two million policyholders with total coverage sum assured of SGD14.3 billion. To further complement the DPS, we have offered additional coverage exclusively for DPS customers at rates similar to the scheme so that they can choose to increase their coverage by up to a further SGD300,000.

Since 2021, we have partnered with the Special Needs Trust Company to provide an affordable term life plan for parents who have children with special needs. Through establishing a trust, parents can ensure the proceeds from this plan can be properly disbursed to finance their children's needs upon their passing.

In recognition of our efforts to build a more caring and inclusive society, we were presented with the MSF Community Cares Award by the Ministry of Social and Family Development in Singapore.





Befrienders and Zero Waste SG as part of our greening efforts.

Our corporate giving initiatives also saw us raising SGD260,000 through the Great Eastern Women's Run (GEWR) for Daughters Of Tomorrow (DOT) and Singapore Cancer Society (SCS) to support programmes that prepare underprivileged women in their back-to-work journeys and help cancer survivors to integrate into everyday life. Beyond financial support, we also engaged the beneficiaries of DOT and SCS by hosting 18 families for a family playday and brought 45 SCS beneficiaries and their families to tour the new Bird Paradise park.

## Brunei

We held a befriending activity for 30 children from Pusat Ehsan Al-Ameerah Al-Hajjah Maryam to plant succulents together. They learnt new skills through the experience with guidance from their teachers and support from our financial representatives and employees.

Being financially literate is an essential life skill that enables one to make informed decisions about money management and financial planning. We conducted a two-day programme in partnership with Junior Achievement Singapore for two schools, reaching out to almost 600 students who learnt about spending within budget, saving and investing wisely and using credit cautiously. We also held a customised fireside chat focusing on how to use and optimise Singapore's mandatory social security savings scheme for housing, healthcare and retirement to the alumni and employees of Bettr Academy.

income senior households in Bendemeer, in partnership with Lions Befrienders.

We also organised tree planting activities and engaged seniors to educate them on recycling and harvested 140kg of recyclable plastics, metal, glassware, and paper in partnership with Lions

Other community outreach activities we carried out included a blood donation drive with the Singapore Red Cross, helping to sort food donations at The Food Bank's warehouse, volunteering at Willing Hearts to prepare meals to underprivileged communities, organising a two-day befriending activity in Oasis @ Outram Day Hospice engaging close to 100 patients as well as packing and distributing daily necessities to low-



# CORPORATE SOCIAL RESPONSIBILITY

## Malaysia

As the sole appointed administrator of the mySalam scheme - a government social protection scheme to support lower income individuals and their families, we continued with consumer education efforts to increase awareness of the scheme while assisting eligible individuals with the claim processes. To date, mySalam has benefited almost 2 million Malaysians and in 2023, paid out a total of MYR350 million in claims. Complementing mySalam, MikroSayang+ scheme was introduced in 2022 which put us as the top three Takaful operators with over 25,000 customers protected with the microtakaful plan. MikroSayang plan provides personal protection at affordable monthly contribution for the low and medium income segments, especially those who are not eligible for mySalam or needing additional coverage.

Under ChildrenCare, our long-term community project founded in 1995, we continue to build a brighter future for the children registered with the Social Welfare Department through our many initiatives such as Program Aspirasi Gemilang 'A', which encourages underprivileged children to excel in their studies by offering MYR100 for every 'A' they achieve in national-level examinations. In 2023, we awarded MYR4,800 to 23 children from ten welfare homes for the 'A's they scored in the SPM examination. We also organised soap-making, chocolate-making and Diya lamp pottery-making workshops to teach the children creative thinking and sustainable living skills.

In addition, to motivate childhood cancer patients in their cancer-fighting journey, we partnered Kumpulan Ibu Bapa Dan Sokongan Anak-Anak Kanser (KIDS) to bring 50 of them for an educational field trip at Kidzania, as well as for a Cancer Fighter Recreation Camp at Port



Dickson. We also hosted them and their caretakers for Iftar. We brought 120 children from two orphanage homes to shop for new clothes, as well as household and personal care items. The children were also invited to break fast with our close to 1,000 Takaful advisers while we presented a MYR5,000 cheque to each home to support operations and improve conditions.

Other community outreach activities that we did included organising a blood donation drive, helping the disabled communities with their personal

hygiene and housekeeping at Taman Sinar Harapan, participating in facility maintenance through paint work and cleaning medical equipment at Hospis Malaysia as well as volunteering for Zoo Negara's Groom and Green Project to provide care for the wildlife. We also donated MYR40,000 in support of two special needs organisations, two hospitals, as well as the National Council for the Blind.

To encourage environmental responsibility, we continued with our flagship green initiative "The Upcycling Project" and rolled out 15 programmes to raise public awareness on sustainability. Over 3,000 individuals had the opportunity to operate our specially commissioned 2-in-1 upcycling machine and learn how it is possible to produce better quality products made from recyclable plastic waste. In 2023, we produced over 1,700 items ranging from rulers to combs to coasters and gathered over 580kg of plastic waste. This initiative won the Value Based Intermediation Takaful (VBIT) under the Special Awards category by the Malaysian Takaful Association.

## Indonesia

We continue to engage and educate communities to improve their financial literacy by holding six financial literacy workshops and reached out to over 500 individuals covering topics such as income management, budget allocation and planning, risk anticipation as well as insurance. We also launched an online insurance dictionary resource called GREATpedia ([id.gelife.co/Greatpedia](http://id.gelife.co/Greatpedia)) to help consumers improve their understanding of insurance terms and concepts.

Our corporate giving efforts saw us raising IDR13.5 million for the Tebet Orphanage in South Jakarta comprising IDR10.5 million in cash donations and IDR3 million in in-kind donations for the children's daily necessities. We also refurbished the Oky Classroom located in Kampung Nelayan (fisherman's village) in Cilincing, North Jakarta, benefiting 65 underprivileged children. We donated IDR200 million to Run To Care 2023, an annual ultra marathon charity run, and fundraised another IDR10.4 million for over 800 children of SOS Children's Villages Indonesia.



We launched The GREAT Comfund initiative which involved our employees organising CSR activities for team-building efforts across various departments. These activities benefited close to 700 people from nursing homes, children's cancer foundations and villages, with a total of IDR48.4 million in cash donations raised.

We helped mitigate air pollution by planting 426 mangrove seedlings, equivalent to 115 Blue Carbon packages, to commemorate Great Eastern's 115th Anniversary, and an additional bundle equivalent to 27 packages symbolising Great Eastern

Life Indonesia's own anniversary through a collaboration with Carbon Ethics. We also celebrated the anniversary of our General Insurance business by planting 1,000 mangrove seedlings. In addition, we held the #GreatRideForCleanAir event to campaign against air pollution and preserve Jakarta's coastline by planting another 115 mangrove tree seedlings in Mangrove Forrest, Taman Wisata Alam, North Jakarta. We also donated IDR5 million to Trisakti University and AAUI (Indonesian General Insurance Association) in support of the initiative to plant 2,500 mangrove tree seedlings, together with other general insurance companies.



# YEAR IN REVIEW

## January

- ▶ GELS hosted the Great Kick-Off 2023 in Bali for the agency force where 1,600 attended in person, while another 1,600 dialed-in for the event.
- ▶ GELS formed the Great Eastern Sustainability Strategy and the Sustainability Taskforce paving the way for establishing and implementing our sustainability priorities.
- ▶ GELS launched the *GREAT Flexi Protect Suite Series* as a suite of comprehensive whole life plans that provides customers secure lifelong multiplied coverage.
- ▶ GELS launched the *Prestige Life Rewards 6*, making the *Prestige Life Rewards Series* a more competitive option in the market. The product series is designed to help customers achieve wealth goals and leave behind a legacy.
- ▶ GEGM hosted the CNY GREAT Start 2023, involving Head Office, branches, and agency force. As part of the event, there were sharing sessions on GEGM's strategic focus for 2023, as well as product, campaigns, and market updates.
- ▶ GEGM launched *Great Shield Special* that serves customers in high-risk occupations.

- ▶ GETB organised an Agency Headstart 2023 attended by 1,200 Takaful advisors, which entered the Malaysian Book of Records. The event raised awareness about the environmental crisis and plastic pollution.
- ▶ GETB launched *i-Great Nova*, a high coverage plan with flexible term coverage. This is a hybrid protection plan with wealth accumulation and supplemented by a series of optional riders. The launch campaign offered lower minimum Basic Sum Covered at MYR 150,000 and a cashback campaign.
- ▶ GELI launched GoGREAT! Services Customer Portal enabling customers to directly access policy details and other insurance services online.
- ▶ GELI continued to tap the RFG Grant to provide internet network infrastructure and installation for residents of the Hegarmanah village.
- ▶ GELI partnered FUSE, a local insurtech, to launch the *Asuransi GREAT Pro Solution* which can be purchased through the FUSE Pro app. This is a protection plan which can be customised based on customers' varying needs and financial capabilities.

- ▶ GEGI hosted the Agency Kick-Off 2023 for agents based in Jakarta and top agents from all other branches.
- ▶ GEGI and GELI launched the first joint insurance product, *GREAT Accident and Life Protection*, providing personal accident and life protection in one policy.
- ▶ GEGI sponsored the Regional Meeting of the Association of Indonesian Travel Insurance, which served as an opportunity to build brand awareness and grow the customer base.
- ▶ GEGI partnered with Cermati for Gadget and Electronic Insurance in offline retail stores, resulting in more than 4,000 policies per month.
- ▶ GEGI launched the Affinity eXchange application, which caters to B2B customers with bancassurance and digital affinity partners.
- ▶ GELB held its Great Kick-Off event for its agency force.



## February

- ▶ GELS launched the *GoGreat Term Life* to boost customer coverage. This plan complements the Dependents' Protection Scheme to enhance the customer's coverage at competitive premiums.
- ▶ GELM introduced *e-Claims* enabling GELM financial representatives to submit Life Claims digitally and track the claims' status effectively anywhere, anytime.
- ▶ GELM entered Malaysia's Book of Records for having the 'Most Collected Digital Signatures in an Event'. It was the largest physical event for GELM agency force with 7,030 digital signatures collected at an event.
- ▶ GEGM enhanced the *Easi-Drive 3*, a personal accident insurance plan catered for motorists. New benefits include flood allowance and unlimited towing.
- ▶ GEGM launched *Great Shield Special*, supporting customers in high-risk occupations.
- ▶ GETB offered an extension of MRTT and GCFT to Koperasi Co-Opbank Pertama Malaysia Berhad (CBP) as part of its Bancatakaful distribution efforts.
- ▶ GELI and OCBC hosted a joint bancassurance Workshop as part of the Reach for Great (RFG) Collaboration.
- ▶ GELI further tapped on the RFG Grant to rebuild Nadine's Home Daycare which caters to the psychological needs for toddlers.
- ▶ GELI brokers and corporate partners attended the Group Insurance Broker Gathering and Business Partner Kick-Off 2023.
- ▶ GELI conducted the GREAT Fun Learning Singapore Trip for Regional bancassurance Manager and Regional bancassurance Manager best achiever.
- ▶ GELI collaborated with Saya Pilih Bumi, part of National Geographic Indonesia, to host a talk show themed 'Reach for a Greener Tomorrow: Collaboration to Realise a Zero Waste Lifestyle

for the Earth' to raise environmental awareness.

- ▶ GEGI sponsored the Holiyaay Travel Fair 2023, organised by OCBC and ASTINDO (Association of Indonesian Travel Insurance).
- ▶ GEGI launched travel insurance on the Opsigo platform with the aim of expanding the travel insurance business with more offline travel agencies.
- ▶ GELB launched the *Great Wealth Multiplier 3*, a regular premium endowment insurance plan with premium payment options of 5, 10 or 15 years.
- ▶ GELB hosted a Chinese New Year Open House for policyholders, agency force, vendors, and partners.
- ▶ GELB organised a dinner event with bancassurance partner Baiduri Bank Berhad and its prestige team.
- ▶ GELB conducted a three-month Pay Day Weekend Pop-Up to expand market reach.

## March

- ▶ GELS launched the *GREAT SP Series 10*, a short-term endowment plan providing guaranteed returns at the end of the first year. This limited tranche was fully subscribed within three days of its launch.
- ▶ GELM organised an Entrepreneurial Leadership Series features CEOs and Founders of emerging brands to engage and offer learning opportunities for university students and fresh graduates.
- ▶ GEGM, in collaboration with GELM, launched the Complimentary Travel Coverage campaign to increase awareness about GEGM Travel Insurance among new GELM customers.
- ▶ GETB launched a revised non-Participant's Individual Account model for its Group SME Package which consists of Group Term Takaful (GTT), Group Hospitalisation & Surgical (GHS), and riders.

- ▶ GETB launched a one-month Ramadhan Shopping Bonanza Rezeki Draw Campaign for all products.
- ▶ GETB launched a 6% Cashback Campaign for *i-Great Prestij* for a limited period.
- ▶ GELI conducted a Reach for Great Generation webinar themed 'Time to Change the Perspective of Sandwich Generation to be Great Generation'.
- ▶ GELI hosted the bancassurance Annual Awards to recognise the Best Financial Advisors and arranged a bancassurance Annual Award Trip to Bangkok.
- ▶ GELI launched two new investment-linked products (ILPs) which are *GREAT Protection Link* and *GREAT Investlink Protection*, which are distributed through OCBC.
- ▶ GEGI hosted the Agency Kick-Off Roadshows 2023 which involved various branches, campaigning about *Great Accident & Life Protection*.
- ▶ GELB hosted the BANCA Achievers Night with Baiduri Bank Berhad to celebrate the top achievers.
- ▶ GELB launched a two-month Raya Festival giveaway consumer promotion, rewarding new policyholders with shopping and meal vouchers.

## April

- ▶ GELS launched the *GREAT Flexi Cashback*, which is a medium-term savings plan providing cashback starting at the end of the second year.
- ▶ GELS launched the *GREAT Wealth Advantage 3*, a regular premium ILP helping customers to grow their wealth.
- ▶ GELS launched the *UL20 Special* HNW campaign (*Universal Life Insurance Plan*), allowing customers to purchase up to USD1 million on a simplified issue offer (SIO) basis.
- ▶ GELS hosted the Great Eastern Life Achievers Club (GELAC) Convention in Zurich for more than 1,200 top performing financial representatives.



## YEAR IN REVIEW

- ▶ GELM launched a wealth accumulation plan, *GREAT Multi-Gen Wealth*, a first-of-its-kind insurance plan in Malaysia that provides long-term savings solution and wealth transfer to multiple generations. The plan also enables building wealth for every generation while ensuring life protection.
- ▶ GELM launched *Maximus*, a new Universal Life Plan with no medical underwriting. This savings plan is aimed at further supporting the savings needs of new and existing OCBC customers.
- ▶ GELM launched Single Guarantee Letter (GL) for Outpatient Cancer Treatment in 33 participating hospitals nationwide, providing a smoother admission and discharge process for policyholders.
- ▶ GELM introduced virtual servicing, making it more convenient for policyholders to get an appointment.
- ▶ GETB launched a Contributor Protection Plus Term Rider for *i-Great Nova*, a savings and protection plan where contribution will be waived due to unfortunate events.
- ▶ GETB re-offered the Guaranteed Issue Offer (GIO) protection plan, *i-Great Ilham*, for a limited period.
- ▶ GETB launched a High Annual Limit Campaign for *i-Medi Rider*.
- ▶ GELI hosted an iftar event during Ramadan for the children from the Tebet Orphanage.
- ▶ GELB launched the *Great Flexi Cashback*, regular premium participating endowment plan providing yearly cash payouts.

### May

- ▶ GELS launched the *Prestige Life Rewards 4 (USD)*, bringing forward payouts to start from the second policy year. This plan helps customers achieve wealth goals and leave behind a legacy.
- ▶ GELS launched the Great Eastern Women's Run 2023 and the Reach for



Great Fundraising Challenge by Great Eastern staff and financial representatives.

- ▶ GELS launched a three-month parenting campaign to support our customers as they grow into their new roles as parents.
- ▶ GELM launched *GREAT Returns Extra* offering returns of up to 5.0% p.a. with three years of insurance protection against death or total and permanent disability.
- ▶ GELM organised the 2nd Entrepreneurial Leadership Series to engage with university students and fresh graduates on career building.
- ▶ GETB rolled out the MAYnia Cashback Campaign for *i-Great Evo*, *i-Great Nova*, *i-Great Inspirasi*, *i-Great MediHarapan* and *i-Great Harapan C110*.
- ▶ GELI organised a Digifun Day with the theme of 'Reach for Greater Customer Experience through Digital Transformation' featuring a speaker from Meta, UK.
- ▶ GELI launched the *GreatLink Intelligence Equity Fund* that uses Artificial Intelligence of Investment (AIoI) technology.
- ▶ GELI launched the *Asuransi Great Hasanah Pembiayaan*, sold through Bank Mega Syariah.
- ▶ GELI volunteers helped in renovations of Kampung Nelayan Cilincing (Fisherman Village) to provide a safe and secure school area for the children.
- ▶ GELB hosted a Hari Raya Open House for policyholders, vendors, agency force, and partners.
- ▶ GELB financial representatives who won the incentive challenge were treated to a cruise trip to Singapore.

### June

- ▶ GELS launched the *GREAT SP Series 11*, an endowment plan offering guaranteed returns. This tranche was fully subscribed within two weeks of its launch.
- ▶ GELS sent more than 70 top performing leaders and financial representatives to attend the MDRT or the Million Dollar Round Table is conducted by The Premier Association of Financial Professionals, a global and independent association of leading life insurance and financial services professionals.
- ▶ GELM launched *Smart Critical Relief*, which provides coverage on hospital and Intensive Care Unit (ICU) admission, with up to 210% of the rider sum assured, including hospital and ICU admission of any unknown diseases that may emerge in the future.

- ▶ GELM launched *Smart Baby Shield Plus* offering holistic coverage for both mother and child. This plan covers intensive care costs, pregnancy complications, maternity cancer, as well as basic life protection.
  - ▶ GEGM-OCBC hosted a business banking convention in Turkey.
  - ▶ GETB launched a six-month Gold Bar Campaign for Simpan Skim Simpanan Pendidikan Nasional Plus.
  - ▶ GETB re-offered its GIO protection plan *i-Great Ilham* for a limited period.
  - ▶ GEGI participated in the Indonesia Travel Expo 2023.
  - ▶ GEGI was one of the sponsors planting 2,500 mangrove tree seeds as part of our sustainability efforts. The event was organised by STMA Trisakti (University of Insurance) and AAUI (Indonesian General Insurance Association).
  - ▶ GELB held the annual Achievers Night in Malaysia to celebrate the achievements of top performers for 2022.
- ## July
- ▶ GELS launched the *GREAT Hospital Cash* to complement existing health coverage, providing customers with lump sum cash payouts to cover hospitalisation expenses.
  - ▶ GELS launched the *Single Premium Exclusive*, a one-year plan with a guaranteed yield of 4.5%, in appreciation of our loyal customers whose policies were maturing.
  - ▶ GELS hosted the Achievers Congress 2023 with more than 2,400 Great Eastern leaders and financial representatives in attendance.
  - ▶ GELS organised the Great Family Play Day for customers and their families and beneficiaries.
  - ▶ GELM extended its partnership with 30 private hospitals across Malaysia under the Preferred Hospital Programme, which grants customers early discharge and waiver of administration fees.
  - ▶ GEGM Agency Distribution (AD) launched the *2023 Great Property Protection Campaign* which aims to drive profitable Fire Insurance business.
  - ▶ GETB partnered with Amanah Warisan Berhad (AWARIS), a Malaysian digital and Shariah trustee institution, to provide value-added services to participants of *i-Great Nova*. This includes free comprehensive will-writing services.
  - ▶ GETB offered a periodical 10% Family Discount Campaign for *i-Great MediHarapan*.
  - ▶ GELI conducted a blood donation drive for employees.
  - ▶ GEGI partnered with Polismall to sell personal accident insurance through its apps and website.
  - ▶ GELB launched the 115th anniversary consumer promotion offering up to 5% cashback for a limited period.
  - ▶ GELB launched the *GREAT SP 11* with a SDG15 million tranche that was fully subscribed.
- ## August
- ▶ GELS partnered with Intellect, a mental health provider to launch a 24/7 distress helpline for corporate clients to improve employees' well-being.
  - ▶ GELS launched a brand campaign to support first jobbers, helping them navigate their financial journey.
  - ▶ GELS hosted the Long Service Award 2023 in appreciation for financial representatives who have been with Great Eastern for more than 10 years. Some who were awarded have been with Great Eastern for more than 50 years.
  - ▶ GELS sent 400 IDA qualifiers to attend the International Dragon Award Annual Conference Global Summit in Taipei. Financial representatives were recognised for their outstanding performance.



## YEAR IN REVIEW

- ▶ GELM launched *SmartMedic Shield Double Annual Limit (SMSDAL)*, a limited offer to double medical coverage up to MYR8 million at no extra cost. This is in response to growing concerns over rising medical costs.
- ▶ GELM Great Eastern Rewards Malaysia app recorded 5,000 new sign ups and 12,000 monthly active users in August, the highest record in 2023.
- ▶ GETB launched *i-Great Infiniti* for a limited period. This is a Takaful savings plan providing monthly cash payments and benefitting up to three generations.
- ▶ GETB launched a two-week 10% Cashback Campaign for *i-Great Infiniti* which garnered close to 475 certificates issuance.
- ▶ GELI expanded its office space by adding a new floor at Menara Karya, Jakarta, Indonesia.
- ▶ GELI sponsored Run To Care 2023, an ultra-marathon charity event, by SOS Children's Village Indonesia to raise funds for the basic rights of Indonesian children which include access to health services and education.
- ▶ GELI organised employee volunteering trips as part of the Great Comfund to Sasana Tresna Werdha Nursing House, Child Cancer Foundation, and Desa Hegarmanah.
- ▶ GELI supported the Premium Music Experience (David Foster & Friends) organised by OCBC.
- ▶ GELI conducted a financial literacy session for mangrove farmers and planted 142 blue carbon package (mangrove seedlings) in partnership with Carbon Ethics.
- ▶ GELI organised a Great Wellness Movement for Group Insurance customers. The event is aimed at creating a culture of healthy living.
- ▶ GELI hosted the Agent's Award Night 2023, for top agents across various branches to recognise and show appreciation for their strong performance.

### Seeing Double is Great for Your Health

Only with SmartMedic Shield Double Annual Limit for health protection up to RM8,000,000



- ▶ GELB launched the *Prestige Life Rewards 6*, a single premium participating whole of life insurance plan providing lifetime monthly payouts.
- ▶ GELB participated in the National Savings Day Financial Showcase organised by the Brunei Darussalam Central Bank.
- ▶ GELB conducted a leadership, recruitment, and sales strategy training with renowned author and motivational speaker, Stanis Benjamin, to train and upskill the agency force.



## September

- ▶ GELS launched the *GREAT SP Series 12* with two tranche upsizes. This is a single premium non-participating endowment plan offering guaranteed returns and a capital guarantee upon maturity.
- ▶ GELS launched the *GREAT EV Protect* which is the first-in-market insurance plan to protect electric vehicle owners against electric shock, home contents damage due to fire, and accidental damage to private charging station.
- ▶ GELS partnered Singtel to launch *Singtel Home Protect Flexi*, which is Singapore's most flexible home and contents insurance plan.
- ▶ GELS launched the enhanced GreatPlanner, an app with additional and improved features to give financial representatives a birds-eye view on customer relationships, performance, sales opportunities, and more.
- ▶ GELS hosted the Leaders Conferment Ceremony 2023 to officiate and celebrate the promotions of directors, associate directors, executive senior managers, senior managers and managers from the agency force.
- ▶ GELS hosted The Final Sprint 2023 to motivate and boost the performance of agency force.
- ▶ GELS hosted a career seminar attended by more than 200 aspiring financial representatives.
- ▶ GELS arranged an outing at the Bird Paradise for the beneficiaries for Daughters Of Tomorrow and Singapore Cancer Society.
- ▶ GEGM launched the 2023 Great New Motor Campaign to promote comprehensive motor insurance coverage for new vehicles manufactured in 2022 and 2023.
- ▶ GEGM launched the Great Auto Campaign to promote suitable plans to targeted customers.
- ▶ GETB re-offered its SIO Protection Plan, *i-Gr8 Harapan*, which garnered close to 10,500 certificates issuance.
- ▶ GETB launched a new investment-linked Takaful Plan, *DualPro-i*, with a family-oriented theme for OCBC Al-Amin to complement the existing product suite. This new product is further supplemented by Hospitalisation, Payor Protector and Provider Protector riders.
- ▶ GEGI partnered with Bank BTPN as a new bancassurance distribution partner to further expand business in the retail sector.
- ▶ GEGI conducted Great Ride For Clean Air with a cycle community group,

followed by a mangrove tree-planting for cleaner air.

- ▶ GEGI conducted an annual blood donation drive for employees, agency force, bank partners and local community in Surabaya.
- ▶ GEGI partnered with Qoala, a market leader in gadget insurance sales across Indonesia, resulting in 6,000 policies a month from this collaboration.
- ▶ GELB conducted an Enneagram training workshop for leaders and agency force.
- ▶ GELB hosted the final sprint to motivate and boost performance of the agency force.

## October

- ▶ GELS launched a general insurance campaign featuring three brand videos about home, car and travel insurance.
- ▶ GELS launched the enhanced *GREAT Wealth Multiplier 3* with a single premium option in cash or using Supplementary Retirement Scheme (SRS) funds.
- ▶ GELS organised the 17th edition of Great Eastern Women's Run, with more than 9,000 ladies participating.
- ▶ GELS partnered with yuu Rewards Club to become the exclusive insurance partner providing greater value and benefits to over a million yuu members over a range of travel, personal accident, and home insurance policies.
- ▶ GELS launched a six-month campaign to promote travel insurance and the ease of purchasing it on the Great Eastern app.
- ▶ GEGM launched GREAT Lifestyle, a campaign promoting suitable plans to targeted customers.
- ▶ GEGM organised the Brokers Appreciation Night and the Bancassurance October Fest for networking and rapport-building.



## YEAR IN REVIEW

- ▶ GETB revised its GTT for a more lenient Actively-At-Work requirement. This is for the Renewal and Take-Over Scheme.
- ▶ GETB launched a High Annual Limit Campaign for *i-Medi Rider*.
- ▶ GETB launched TEN.TEN Cashback Campaign for *i-Great Nova* and *i-Great Prestij*.
- ▶ GELI signed a Memorandum of Understanding (MOU) with the National Cardiovascular Center Harapan Kita, reinforcing its commitment to continuously improve access and quality of health services for customers.
- ▶ GELI partnered with Solopos Media Group to host two online webinars to educate about financial literacy.
- ▶ GELI launched an Insurance Dictionary – GREATPedia to help individuals understand various insurance terminology. This is freely available to all Indonesians.
- ▶ GELI continued its efforts for the Reach for Great Generation Campaign's second phase featuring a series of activities involving various elements that create conversations on social media, including photobox, a photo contest.
- ▶ GEGI conducted a financial literacy seminar for students, lecturers and staff of University IVET Semarang.
- ▶ GEGI sponsored the OCBC Batam Customer Gathering event attended by OCBC Premier Customers and PKP Developer customers, to promote GEGI products to OCBC customers.
- ▶ GEGI conducted a blood donation drive for agency force, bank partners and the local community in Medan.
- ▶ GELB launched the *GREAT Wealth Multiplier 3 (SP)*, a regular premium endowment insurance plan with single premium payment option.
- ▶ GELB launched a year-end consumer promotion offering up to 4% cashback for a limited period.



### November

- ▶ GELS facilitated a two-day financial literacy mentoring programme for CHIJ St Joseph's Convent and Bedok South Secondary School, enabling nearly 600 students to learn about personal finance.
- ▶ GELS hosted a live screening of the FIFA World Cup in appreciation of 150 top performing financial representatives.
- ▶ GELM organised *Great Eastern Run 2023*, with 11,000 attendees taking part. The event was a resounding success after a three-year hiatus due to the pandemic.
- ▶ GELM and Sabah Credit Corporation partnered to offer seamless digital life insurance for You Only Need One (YONO), a newly launched Sabah state-owned financial super app.
- ▶ GELI organised a movie session along with Andien, a local celebrity, as part of Reach for Great brand campaign.
- ▶ GEGI established a partnership with 1Surely, a telemarketing company marketing GEGI products to customers starting with Great Accident & Life Protection (GALP).
- ▶ GELB launched the *GREAT SP12* with a SGD20 million tranche, which was fully subscribed.
- ▶ GELB partnered with Pusat Ehsan Al-Ameerah Al-Hajjah Maryam, an NGO providing education, rehabilitation and training programmes for individuals with special needs, to conduct Succulent Planting with special needs children.

### December

- ▶ GELS launched *GREAT Flexi Saver* for loyal customers whose policies are maturing to secure competitive crediting rates without any fees or lock-in period.
- ▶ GELS conducted a blood donation drive for employees and agency force.
- ▶ GELM introduced e-Claims services as a pilot to achieve speedier service and added convenience.
- ▶ GEGM launched *The GREAT Auto Assist* mobile app to provide real-time status and requests for servicing, repairs, and towing by policyholders. It is a user-friendly, seamless and swift service support for policyholders.
- ▶ GEGM launched *The Great Majestic*, a high sum insured personal accident insurance product with an affordable premium.
- ▶ GETB re-offered the GIO savings plan, *i-Great Infiniti*, for a limited period.
- ▶ GELI conducted a financial literacy session for SOS Children's Village in Semarang and Bogor.
- ▶ GEGI conducted insurance workshops for villa management companies, as well as tour and travel companies in Bali.
- ▶ GEGI launched a series of advertisements for a home, travel and car insurance campaign.
- ▶ GELB launched *GREAT Term and riders*, an affordable term insurance plan providing coverage against death and terminal illness. It also offers the flexibility to add optional riders to cover total and permanent disability as well as early, intermediate and/or critical stage critical illness.

# AWARDS



## Singapore

Digital Transformation Initiative Award  
Health Insurance Initiative of the Year – Singapore  
Education Insurance Initiative of the Year – Singapore  
Insurance Asia Awards 2023

Most Transparent Company Award (Financials)  
SIAS Investors' Choice Awards 2023

Most Engaged Workplaces – Singapore  
Kincentric 2023

## Malaysia

Best Takaful Solution Provider 2023  
Global Islamic Finance Awards (GIFA) 2023

Nation's Favourite Brand  
Most Valuable Brand – Takaful Solutions  
Most Successful Sustainable Valuable Brand – Malaysia  
The BrandLaureate BestBrands Awards





**Most Trusted Life Insurance – Gold**  
**Most Trusted Health Insurance – Gold**  
 Reader's Digest Trusted Brand 2023

**Sustainable Takaful Initiative of the Year – Malaysia**  
 Insurance Asia Awards 2023

**Top Agency Manager Group**  
**Quality Business Awards (Leaders)**  
**Top Group Business Producer (Individual Agent /**  
**Sole Proprietor)**  
**Top Group Business Corporate Agency**  
**Member Companies Top Agency/ Agent/ Intermediaries**  
**Value-Based Intermediation for Takaful Award**  
**Rising Takaful Leader**  
 Takaful Star Awards 2023 by Malaysian Takaful  
 Association

**Best Companies to Work For in Asia – Malaysia**  
 HR Asia Awards 2023

**Longest Active Serving CEO – Life Insurance**  
 The Malaysia Book of Records

**1st Place for Employer Category (Emerald)**  
 PERKESO Activ@Work Challenge 2023

## Indonesia

**The Most Innovative Life Insurance**  
**Outstanding Provision of Innovative Protection Product**  
 Warta Ekonomi – Indonesia Digital Innovation Awards 2023

**Indonesia Best Workplace for Women Award 2023**  
**The Best Women Empowerment Company 2023**  
 Warta Ekonomi – HerStory

**Best Cedant 2023 (Category – General Insurance for the**  
**IDR 300 – 500 Billion Equity Group)**  
 MAIPARK Award 2023

**Best and Strongest Life Insurance Companies in**  
**Indonesia 2023**  
 CNBC Indonesia

**Digital Transformation Initiatives of The Year – Indonesia**  
**ESG Initiatives of the Year – Indonesia**  
 Insurance Asia Awards 2023

**Life Insurance Market Leaders 2023**  
 Insurance Market Leaders Award 2023

**Indonesia Customer Experience Champions 2023**  
**Indonesia Sales Team Champions 2023**  
**Indonesia Customer Service Champion 2023**  
 SWA-Business Digest Champion Awarding (SBCA) 2023

**The Best Market Driving Company**  
**The Best in Marketing Campaign**  
**The Best in Social Marketing**  
 Marketing Award 2023

**Top Insurance Employers 2023**  
 Insurance Business Asia



# Corporate Governance Report

As at 1 March 2024

The Board of Directors and Management of Great Eastern Holdings Limited (“GEH” or the “Company”) place great importance on the high standards of corporate governance and are committed to upholding the values of integrity, honesty and proper conduct at all times in the business operations and dealings of the Company and its subsidiaries (collectively, the “Group”).

GEH is designated as a financial holding company under Section 4(1) of the Financial Holding Companies Act 2013 through the Financial Holding Companies (Designated Financial Holding Companies) Order 2022. GEH’s corporate governance practices conform with the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 (“FHC CG Regulations”) as well as the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers issued by the Monetary Authority of Singapore (“MAS”) on 9 November 2021 (“MAS CG Guidelines”). The Company also complies in material aspects with the Code of Corporate Governance issued on 6 August 2018 and amended on 11 January 2023 (the “Code”) as part of its listing obligations.

A summary of the disclosures made pursuant to the Company’s corporate governance practices are provided on pages 85 to 87 of this Annual Report.

## BOARD MATTERS

### Principle 1: The Board’s Conduct of Affairs

**The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

1. The Board is appointed by the shareholders to supervise the management of the business and affairs of the Company. The prime stewardship responsibility of the Board is to ensure the viability and sustainability of the Company and that it is managed in the best interests of the Company as a whole while taking into account the need to safeguard the interests of shareholders, customers and other stakeholders. The Company has a Board charter approved by the Board.
2. The Board provides strategic direction to, and oversight of the operations of, the Company and the Group. In addition, the Board provides oversight of senior management executives to ensure they carry out the day-to-day operations of the Company and the Group effectively and in accordance with the Company’s Code of Conduct.
3. The principal roles and functions of the Board, as set out in the Board charter, include the following:
  - (a) providing leadership, reviewing, approving and overseeing the implementation of the Company’s strategic direction and overall business objectives as well as the organisational structure of the Company and the Group as developed and recommended by Management;
  - (b) ensuring that the decisions and investments are consistent with the long-term strategic goals of the Company and the Group, and the objectives of the individual policy funds;
  - (c) ensuring that obligations to shareholders, customers, policyholders and other stakeholders are understood and met;
  - (d) ensuring that the necessary resources are in place for the Company to achieve its objectives;
  - (e) ensuring that the Company is operated in accordance with the relevant laws and regulations, as well as policies, processes and guidelines approved by the Board, so as to preserve its financial integrity;
  - (f) reviewing the acquisition or disposal of assets that is material to the Company and to the Group;
  - (g) meeting regularly with Management, including key persons in control job functions, discussing and reviewing critically the decisions made, information provided and any explanations given by Management and key persons in control job functions, relating to the business and operations of the Company and the Group;
  - (h) providing oversight in ensuring that the risk appetite and activities of the Company and the Group are consistent with the strategic intent, operating and regulatory environment, effective internal controls, capital sufficiency and regulatory standards;
  - (i) overseeing, through the Audit Committee, the quality and integrity of the accounting and financial reporting systems, disclosure controls and procedures, and system of internal controls, and the review of all material related party transactions;



## Corporate Governance Report

As at 1 March 2024

- (j) overseeing, through the Risk Management Committee, the management of the risks of the Company and the Group, the establishment and operation of an independent and adequate risk management function, supported by a system of sound internal controls, for identifying, measuring, monitoring, controlling and reporting risks on an enterprise-wide basis, the adequacy of the risk management function (including ensuring that it is sufficiently resourced to monitor risk by the various risk categories and that it has appropriate independent reporting lines), the capital management strategy, including the optimal allocation of capital resources, and the quality of the risk management processes and reporting;
- (k) overseeing, through the Nominating Committee, the succession planning for Directors and Management, their selection, appointment and removal (including reviewing the reasons for resignation), and the management of its talent resources;
- (l) overseeing through the Nominating Committee, the establishment and review of the Code of Conduct and ethics as well as the culture and conduct framework, emphasising integrity, honesty and proper conduct at all times, with respect to internal dealings and external transactions, including situations where there are potential conflicts of interests;
- (m) providing a balanced and objective assessment of the performance, position and prospects of the Company and the Group to shareholders and the investment community in general. This includes information provided in interim and other price-sensitive public reports and regulatory reports;
- (n) overseeing, through the Remuneration Committee, the design and operation of an appropriate remuneration framework and ensuring that the remuneration practices are aligned with the remuneration framework;
- (o) ensuring, through the Remuneration Committee, that the remuneration policies are in line with relevant regulations and guidelines, the strategic objectives of the Company, as well as the Company's Code of Conduct and ethics, and do not give rise to conflicts between the objectives of the Company and the interests of employees;
- (p) providing oversight of Management, including reviewing the appointment and removal of any Management, setting out clearly the roles, responsibilities, accountability, delegated authority and reporting relationships of Management and key persons in control job functions, and having these properly documented;
- (q) ensuring that the knowledge and expertise of Management and key persons in control job functions are appropriate given the risk profile and nature of the business of the Company and the Group, and that Management carry out the day-to-day operations of the Company and the Group effectively and in accordance with the Company's Code of Conduct and ethics, business objectives and strategies, and long-term interests and viability;
- (r) reviewing Management's performance and ensuring that Management formulates policies and processes to promote fair practices and high standards of business conduct by staff;
- (s) developing a continuous development programme for all Directors to ensure that they are equipped with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively and are updated on changes in laws, regulations, standards, strategies, new business lines, risk profile, etc;
- (t) formulating strategies, taking into consideration sustainability issues such as environmental and social factors, and reviewing and approving all material environmental, social and governance ("ESG") issues and the sustainability strategy; and

# Corporate Governance Report

As at 1 March 2024

- (u) maintaining records of all meetings of the Board and Board Committees, especially with regard to records of discussions on key deliberations and decisions taken, and concerns raised by Directors about the running of the Company or proposed corporate action that was not resolved, if any.
4. The Board also reviews the corporate governance framework, culture and conduct framework, business objectives and strategies on a periodic basis, and when there are material developments, to ensure that they remain relevant and effective.
5. Directors with conflicts of interest recuse themselves from discussions and decisions involving issues of conflict.

## Board Approval

6. The Company has adopted internal guidelines on matters which require Board approval. These guidelines are communicated to Management in writing. Matters requiring Board approval include overall business strategy and direction, significant policies governing the operations of the Group, strategic or significant acquisitions, investments and divestments by the Group, corporate restructuring, major corporate initiatives and other Group activities of a significant nature, dividend policy and dividend declaration, the interim and year-end financial reporting and announcement of financial results and financial statements of the Company and the Group.
7. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below the threshold limits to the Board Committees and Management to optimise operational efficiency.

## Board Committees

8. While the Board has ultimate responsibility for the affairs of the Company, it has established a number of Board Committees to assist it in carrying out more effectively its oversight of the operations and business affairs of the Company and the Group. For the financial year ended 31 December 2023 ("FY2023"), these Board Committees consisted of the Audit Committee, Executive Committee, Nominating Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee. All the Board Committees have been constituted with clear Board-approved written terms of reference setting out their compositions, authorities and duties, and any changes thereto also require the Board's approval.

9. The Company's Board Committees, in carrying out their responsibilities in accordance with their respective terms of reference, are also actively involved in assisting the Board to ensure compliance with good corporate governance practices by the Company. Minutes of Board Committee meetings, which provide a fair and accurate record of the discussions and key deliberations and decisions taken during the meetings, are maintained and circulated to the Board. The composition and details of the principal roles and responsibilities of the Board Committees are set out below.

## Executive Committee

10. The Executive Committee comprises the following Directors:
- Mr Soon Tit Koon, Chairman
  - Mr Lee Fook Sun, Member
  - Mr Kyle Lee, Member
  - Mr George Lee, Member
  - Ms Helen Wong, Member
11. A majority of the members are independent from management and business relationships. A majority of the members (including the Executive Committee Chairman), that is, Mr Soon Tit Koon, Mr Lee Fook Sun and Mr George Lee, are independent Directors.
12. The Executive Committee carries out the functions set out in its Board-approved terms of reference. Such functions consist principally of overseeing the management of the business and affairs of the Company and the Group within the parameters and scope of authority delegated by the Board, and include the review of the Group's policies, strategies, objectives and performance targets, proposed transactions or initiatives of a material nature and any major proposed investment or divestment. The Executive Committee does not take on the functions of the Management. Major decisions of the Executive Committee are submitted to the Board for endorsement and approval.
13. The Executive Committee held a total of three meetings in 2023.

## Nominating Committee

14. The Nominating Committee comprises the following Directors:
- Mr Lee Fook Sun, Chairman
  - Mr Kyle Lee, Member
  - Mr Andrew Lee, Member
  - Mr Soon Tit Koon, Member
  - Ms Helen Wong, Member

# Corporate Governance Report

As at 1 March 2024

15. A majority of the members are independent from management and business relationships. As required under the FHC CG Regulations, at least one-third of the members (including the Nominating Committee Chairman), that is, Mr Lee Fook Sun and Mr Soon Tit Koon, are independent Directors.
16. The appointment and re-appointment of Nominating Committee members are subject to the prior written approval of MAS.
17. The responsibilities of the Nominating Committee are set out in its Board-approved terms of reference. The Nominating Committee reviews the Board and Board Committee compositions annually and ensures that there is progressive renewal of the Board. The Company has established a framework to identify the skills and competencies that the Board collectively needs in order to discharge the Board's responsibilities effectively, taking into account the complexity of the Company's business operations, risk profile, regulatory and operating environment and future business strategy. This ensures that the Board and the respective Board Committees have the relevant skills to discharge their responsibilities effectively.
18. The Nominating Committee is responsible for identifying candidates, reviewing and recommending nominations and/or re-nominations of Directors on the Board and Board Committees as well as reviewing the reasons for resignation of Directors. It also reviews the nominations, dismissals and reasons for resignations of senior management positions in the Company, including the Group Chief Executive Officer ("Group CEO"), Group Chief Financial Officer ("Group CFO"), Group Chief Risk Officer ("Group CRO") and relevant senior management staff. In addition, the Nominating Committee ensures that there are adequate policies and procedures relating to the engagement, dismissal and succession of senior management.
19. The Nominating Committee reviews and assesses the state and implementation of the Group's ethics, culture and conduct programs and initiatives, including matters relating to fair dealing with customers, having regard to applicable requirements and regulations, guidelines and best practices.
20. The Nominating Committee sets the board diversity policy, including the targets, plans, timelines for the Board's approval and reviews the progress made towards achieving the targets of such policy.

## Talent Development and Succession Planning

21. The Company has instituted a rigorous process for talent development and succession planning. It conducts an annual review of the succession plans for key senior management executives, taking into account the current needs and future strategic capabilities. An annual discussion is held with the Nominating Committee to review potential successors and their corresponding career development plans.
22. The Nominating Committee reviews the talent development framework and processes in order to build a deeper and wider bench strength and a strong talent pool. Critical jobs are identified and potential successors are groomed for key positions. Group Human Capital engages the Group CEO and the respective heads of business units to review the list of critical jobs and the potential successors annually based on current and future business needs.
23. The Nominating Committee held a total of four meetings in 2023.

## Audit Committee

24. The Audit Committee comprises the following Directors:
  - Mr Tam Chee Chong, Chairman
  - Dr Chong Yoke Sin, Member
  - Mr Kyle Lee, Member
  - Mr Ng Chee Peng, Member
  - Mrs Teoh Lian Ee, Member
25. All of the members are non-executive Directors and independent from management and business relationships. A majority of the members (including the Audit Committee Chairman), that is, Mr Tam Chee Chong, Dr Chong Yoke Sin, Mr Ng Chee Peng and Mrs Teoh Lian Ee, are independent Directors. None of the members are serving on the Audit Committee within a period of two years from the date of his/her ceasing to be a partner/director of Messrs PricewaterhouseCoopers LLP ("PwC"), the external auditor of the Company. None of them hold any financial interest in PwC.
26. Members of the Audit Committee are appropriately qualified to discharge their responsibilities. In particular, Mr Tam Chee Chong and Mr Kyle Lee have relevant accounting and auditing experience and Mrs Teoh Lian Ee has experience in taxation and trust law. All the Audit Committee members possess financial management knowledge and experience. The Audit Committee members keep abreast of relevant changes through regular updates from the external auditor on changes to accounting standards

# Corporate Governance Report

As at 1 March 2024

and issues which have a direct impact on the financial statements. The Audit Committee carries out its functions in accordance with Section 201B(5) of the Companies Act 1967, the Code, the listing manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the FHC CG Regulations and the MAS CG Guidelines and operates within Board-approved terms of reference which set out the Audit Committee's authorities and duties.

27. The Audit Committee has explicit authority to investigate any matter within its terms of reference and has the full co-operation of and access to Management. It has full discretion to invite any Director or senior management executive to attend its meetings. It also has resources to enable it to discharge its functions properly.
28. The Audit Committee held a total of 14 meetings in 2023. The Audit Committee meetings were attended by the internal and external auditors, the Group CEO, Group CFO and certain senior management executives.
29. Further information on the Audit Committee is provided under Principle 10 on page 79 of this Annual Report.

## Remuneration Committee

30. The Remuneration Committee comprises the following Directors:
  - Mr Lee Fook Sun, Chairman
  - Mr Soon Tit Koon, Member
  - Ms Helen Wong, Member
31. All of the members are non-executive Directors and a majority of the members are independent from management and business relationships. A majority of the members (including the Remuneration Committee Chairman), that is, Mr Lee Fook Sun and Mr Soon Tit Koon, are independent Directors.
32. The Remuneration Committee ensures that the Company implements formal and transparent procedures for developing policies on Director and executive remuneration and for determining the remuneration packages of Directors and senior management executives.
33. The responsibilities of the Remuneration Committee are set out in its Board-approved terms of reference. The Remuneration Committee's principal responsibilities are to recommend to the Board for endorsement a framework of Directors' fees and senior management executives' remuneration, as well

as the remuneration of executive Directors and senior management executives based on such framework. For executive Directors and senior management executives, the Remuneration Committee considers all aspects of remuneration including salaries, allowances, bonuses, share options and other incentives, benefits and termination terms, to ensure they are fair. For employees in control job functions, the Remuneration Committee considers their performance and remuneration independently of the business functions, and their performance measures are determined in accordance with the roles, so as not to compromise their independence. The Remuneration Committee also ensures that the Group's remuneration policies and practices are aligned with the approved framework and that remuneration packages are appropriate to attract, retain and motivate the executive Directors to provide good stewardship of the Company and senior management executives to successfully manage the Company for the long term without being excessive.

34. The Remuneration Committee held a total of three meetings in 2023.

## Risk Management Committee

35. The Risk Management Committee comprises the following Directors:
  - Mr George Lee, Chairman
  - Mr Soon Tit Koon, Member
  - Ms Helen Wong, Member
36. All of the members are non-executive Directors. All of the members have the relevant technical financial sophistication in risk disciplines or business experience to enable them to discharge their duties effectively.
37. The Risk Management Committee is responsible for the oversight of risk management and compliance issues which the Company is or may be exposed to (including market, credit, liquidity, insurance, operational, technology, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic and sustainability risks) to manage the financial, operational and reputational impact arising from these risks. It reviews the overall risk management philosophy, including the risk profile, risk appetite and tolerance level, and risk and capital management and strategy, guided by the overall risk appetite and corporate strategy approved by the Board.
38. The Risk Management Committee performs its functions pursuant to its Board-approved terms of

# Corporate Governance Report

As at 1 March 2024

reference. Such terms of reference include the review and approval or endorsement of the Group's enterprise risk management framework, major policies, charters and strategies for effective risk management (including risks arising from investment management and asset-liability management). The terms of reference also include the review and approval of major risk management initiatives and adequacy of risk management practices for all material risks.

39. The Risk Management Committee endorses the appointment and annual appraisal of the Group CRO who reports directly to the Risk Management Committee and the Group CEO. The appointment of the Group CRO also requires the prior approval of MAS.
40. The Group CRO is responsible for establishing and implementing the Group's risk management framework and processes for identifying, assessing, measuring, controlling, mitigating, monitoring and reporting of risks.
41. The Group Risk Management Department has adequate resources and is staffed by experienced and qualified personnel who are sufficiently independent to perform their duties objectively. The Group Risk Management Department regularly engages senior management executives to develop enterprise-wide risk controls and risk mitigation procedures.
42. The Risk Management Committee held a total of seven meetings in 2023.
43. The Group's enterprise risk governance and management objectives and policies and other pertinent details are disclosed in Note 31 of the Notes to the Financial Statements of this Annual Report.

## Sustainability Committee

44. Prior to its dissolution on 31 January 2024, the Sustainability Committee comprised the following Directors:
  - Mr Ng Chee Peng, Chairman
  - Mrs Teoh Lian Ee, Member
45. All of the members are non-executive Directors. The Sustainability Committee held a total of three meetings in 2023.

## GEH Group Sustainability Council

46. To ensure an aligned approach across the Group in respect of the Group's sustainability-related strategy, its implementation and results thereof, the GEH Group Sustainability Council, which comprises members from the Board of GEH and its principal subsidiaries, was established on 1 February 2024, in place of the Sustainability Committee which was dissolved on 31 January 2024.

47. The GEH Group Sustainability Council comprises the following members:
  - Mr Ng Chee Peng, Chairman
  - Mr Lee Boon Ngiap\*, Member
  - Mr Leo Mun Wai\*, Member
  - Mrs Teoh Lian Ee, Member

\* Mr Lee Boon Ngiap and Mr Leo Mun Wai are Directors of The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited, GEH's principal insurance subsidiaries in Singapore.

48. All of the members are non-executive Directors.
49. The responsibilities of the GEH Group Sustainability Council are set out in its Board-approved terms of reference. The GEH Group Sustainability Council is responsible for reviewing the Group's sustainability strategy, goals and priorities principally in relation to ESG matters. It also provides supervision and oversight on the activities of the management committees or management working groups on sustainability and integration of sustainability strategy into the Group's business objectives (including strategy, operations, risk management, employment practices, ethical conduct and corporate social responsibilities and related sustainability projects of the Group), identifies opportunities and related sustainability-related projects, and reviews progress made and the results of implementation.
50. The GEH Group Sustainability Council also provides direction on the Group's position on relevant emerging sustainability trends and issues. It reviews and recommends for the Board's approval, the Group's material ESG factors and sustainability-related frameworks and policies and also provides oversight of the management and monitoring of material ESG factors including the performance metrics and targets.

# Corporate Governance Report

As at 1 March 2024

## Meetings and Directors' attendance

51. The Board meets regularly during the year to review the business performance and key activities of the Group presented by Management, and to deliberate significant business proposals presented by Management. All members of the Board participate actively in Board discussions and decisions are taken objectively in the interests of the Company. The Board works with Management to achieve its stated goals and Management remains accountable to the Board. Where warranted by particular circumstances, *ad hoc* Board or Board Committee meetings will be convened. Each year, the Board and senior management executives meet to review and refresh strategies for the Group. In 2023, the Board and its Board Committees held a total of 43 meetings, including the Great Eastern Board Strategy Meeting.
52. The contributions of the Directors go beyond attendance at meetings. They individually or collectively engage with other Directors and Management outside formal meetings in their oversight of the affairs of the Company and the Group.
53. Meetings of the Board and Board Committees via telephone or video conference are permitted by the Company's Constitution. If a Director is unable to attend a Board or Board Committee meeting, he will still receive all the papers and materials to be tabled for discussion at that meeting. Directors are provided with complete, adequate and timely information related to agenda items before each meeting. Directors are also equipped with electronic tablets that allow secured access to Board and Board Committee meeting materials. Information provided includes background information on matters to be addressed by the Board, copies of disclosure documents, monthly internal financial statements, enterprise risk management and audit dashboards, operating plans, forecasts, and reports of variances from operating plans and forecasts.
54. The number of meetings of the Board and Board Committees held in 2023 and the attendance of the Directors at those meetings reflected against the number of meetings held during their time in office are tabulated in the following table.

## Directors' attendance at Board and Board Committee meetings in 2023

Director	Board <sup>(1)</sup>	Audit Committee	Executive Committee	Nominating Committee	Remuneration Committee	Risk Management Committee	Sustainability Committee	Annual General Meeting
Soon Tit Koon <sup>(2)</sup>	9/9	-	2/2	2/2	2/2	7/7	1/1	√
Koh Beng Seng <sup>(3)</sup>	3/3	-	1/1	2/2	1/1	2/2	1/1	√
Chong Yoke Sin <sup>(4)</sup>	-	-	-	-	-	-	-	-
Law Song Keng <sup>(5)</sup>	9/9	14/14	1/1 <sup>(15)</sup>	1/1 <sup>(15)</sup>	-	7/7	3/3	√
Lee Fook Sun	9/9	-	3/3	4/4	3/3	-	-	√
Kyle Lee <sup>(6)</sup>	9/9	14/14	3/3	4/4	-	-	-	√
Andrew Lee <sup>(7)</sup>	6/6	-	-	2/2	2/2 <sup>(15)</sup>	-	-	-
George Lee <sup>(8)</sup>	6/6	-	1/2	1/1 <sup>(15)</sup>	-	4/5	-	-
Lim Kuo Yi <sup>(9)</sup>	-	-	-	-	-	-	-	-
Ng Chee Peng <sup>(10)</sup>	9/9	14/14	-	1/1 <sup>(15)</sup>	-	-	3/3 <sup>(16)</sup>	√
Tam Chee Chong <sup>(11)</sup>	6/6	9/9	-	1/1 <sup>(15)</sup>	-	5/5 <sup>(15)</sup>	-	-
Teoh Lian Ee	9/9	14/14	-	1/1 <sup>(15)</sup>	-	-	3/3	√
Thean Nam Yew <sup>(12)</sup>	3/3	4/4	1/1	-	-	-	-	√
Wee Joo Yeow <sup>(13)</sup>	5/5	-	-	3/3	2/2	-	-	√
Helen Wong <sup>(14)</sup>	9/9	-	3/3	4/4	3/3 <sup>(16)</sup>	6/7	-	√

### Notes:

- (1) Inclusive of the Great Eastern Board Strategy Meeting held on 12 September 2023.
- (2) Mr Soon Tit Koon was appointed as the Board Chairman, Chairman of the Executive Committee and a member of the Remuneration Committee on 22 April 2023. He was appointed as a member of the Nominating Committee on 15 June 2023 and stepped down as the Chairman of the Sustainability Committee on 1 June 2023.
- (3) Mr Koh Beng Seng stepped down as the Board Chairman and Director, Chairman of the Executive Committee and Risk Management Committee and a member of the Nominating Committee, Remuneration Committee and Sustainability Committee on 21 April 2023.
- (4) Dr Chong Yoke Sin was appointed as a Director and a member of the Audit Committee on 22 January 2024.
- (5) Mr Law Song Keng stepped down as a Director and a member of the Audit Committee, Risk Management Committee and Sustainability Committee on 31 December 2023.
- (6) Mr Kyle Lee stepped down as the Chairman of the Audit Committee on 31 May 2023 and remained as a member of the Audit Committee.
- (7) Mr Andrew Lee was appointed as a Director and a member of the Nominating Committee on 30 April 2023.
- (8) Mr George Lee was appointed as a Director and the Chairman of the Risk Management Committee on 1 May 2023. He was appointed as a member of the Executive Committee on 1 June 2023.

# Corporate Governance Report

As at 1 March 2024

- (9) Dr Lim Kuo Yi was appointed as a Director on 22 January 2024.
- (10) Mr Ng Chee Peng was appointed as the Chairman of the Sustainability Committee on 1 June 2023.
- (11) Mr Tam Chee Chong was appointed as a Director and a member of the Audit Committee on 1 May 2023. He was appointed as the Chairman of the Audit Committee on 1 June 2023.
- (12) Mr Thean Nam Yew stepped down as a Director and a member of the Audit Committee and Executive Committee on 21 April 2023.
- (13) Mr Wee Joo Yeow stepped down as a Director and a member of the Nominating Committee and Remuneration Committee on 1 September 2023.
- (14) Ms Helen Wong was appointed as a member of the Remuneration Committee on 1 June 2023.
- (15) By invitation.
- (16) Attended one of the meetings as an observer.

Two Board sessions without Management were held in 2023. Directors' attendance at these sessions is not included in the above table.

## Access to Information

- 55. The Directors are provided with relevant and timely information by Management on matters to be discussed or considered at meetings of the Board and Board Committees. For matters requiring approval, information furnished by Management usually includes background explanatory information, relevant facts and/or analysis to support the proposal, implications or merits of the case, risk analysis and mitigating strategies, the budget (if applicable) and Management's recommendation. The senior management executives who can provide additional information and insight or provide clarifications to queries raised are usually present at the meetings during discussion on such matters. Occasionally, external consultants engaged on specific projects may also be invited to brief the Board or Board Committees, where relevant. All Board and Board Committee members have unfettered access to information, which the Company is in possession of or has access to, to enable them to make informed decisions and discharge their duties and responsibilities.
- 56. Information furnished to the Board on an on-going basis includes business forecasts, monthly Group financials and quarterly reports on the financial results and performance of the Group and principal subsidiaries within the Group, with explanations of material deviations between actual results and business plans and/or budgets. Management also provides the Board with information on material risks exposed by the Company and the Group, including credit, market, liquidity, operational, technology, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic and environmental risks.
- 57. Directors have separate and independent access to the Company Secretary. The Company Secretary attends all Board meetings and prepares minutes of Board proceedings. She assists the Chairman to ensure that appropriate Board procedures are

followed and that applicable regulations are complied with. Under the direction of the Chairman, she ensures good information flow within the Board and Board Committees, and between senior management executives and non-executive Directors. The Company Secretary also facilitates the orientation of new Directors and continuous development of Directors, as required. The appointment and removal of the Company Secretary is considered to be a matter for the Board as a whole.

- 58. The Board also has separate and independent access to Management. Other than at Board and Board Committee meetings, Directors are able to approach Management to discuss and review information, business development and decisions made which relate to the business and operations of the Group.
- 59. The Directors may take independent professional advice as and when necessary to enable them to discharge their duties effectively. Similarly, the Board and Board Committees may obtain professional advice, whenever necessary and appropriate, so as to effectively discharge their roles and responsibilities. All engagements of external advisors are at the Company's expense.

## Board Orientation and Development

- 60. Upon the appointment of a new Director, the newly-appointed Director will be apprised of his/her statutory and fiduciary duties and obligations and issued a Director's orientation kit, which will include key information on the Company and the Group, the terms of reference of the Board and Board Committees, duties and obligations of Directors as well as relevant rules and regulations. As part of the induction programme for new Directors, the Group CEO and senior management executives will conduct presentation sessions for new Directors on the Group's principal activities, business lines, strategic plans, risk profile and business operations and the induction programme will be tailored to the specific development needs of the new Directors. The Company constantly reviews and improves on the contents of such briefings to new Directors to take into account any new legislative changes which affect the roles and responsibilities of Directors and to enable them to have a more comprehensive understanding

# Corporate Governance Report

As at 1 March 2024

of the Group, the insurance business and practices, and the Group's financial position. All Directors are invited to attend the briefing sessions arranged for new Directors to refresh their knowledge. In 2023, orientation sessions were conducted for the newly appointed Directors, Mr Andrew Lee, Mr George Lee and Mr Tam Chee Chong. In 2024, orientation sessions were conducted for Dr Chong Yoke Sin and Dr Lim Kuo Yi who were appointed on 22 January 2024. The Company also arranges for new Directors to be briefed on areas such as accounting, risk management and insurance and for first-time Directors with no prior experience as a listed company director or as a director of a financial institution, to undergo training in the roles and responsibilities of directors of listed companies as prescribed by the SGX-ST.

61. The Nominating Committee ensures that there is a continuous development programme for all Directors, to ensure that they are equipped with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively. The Company's continuous development programme is reviewed and updated, where necessary, by the Nominating Committee on an annual basis. The continuous development programme for the Directors has been updated in view of the increasing emphasis placed on sustainability matters and new disclosure requirements under the listing manual of the SGX-ST including as to climate-related matters.
62. From time to time, the Company organises talks, seminars or presentations by external professionals, consultants or Management on topics relevant to the insurance industry, relevant new laws, regulations and changing commercial risks, and provides updates on developments in the industry locally and in other developed countries. In 2023, the Directors, in particular the Audit Committee members, were kept abreast of the implementation progress of Singapore Financial Reporting Standards (International) ("SFRS(I)") 17 and the impact of SFRS(I) 17 adoption on the Group's financial statements during Board and Audit Committee meetings. Industry-related and topical articles are regularly circulated to Directors as part of the Company's continuous development programme for Directors. Continuous training and development programmes are offered to Directors and they may attend appropriate courses, conferences and seminars conducted by professional bodies within the industry or other professional organisations including programmes conducted by the Singapore Institute of Directors where relevant.

The Company arranges for and funds the training and development programmes for existing and new Directors. The Company also maintains formal records of the training and development received by its Directors.

63. Continuous development programmes arranged by the Company for its Directors in 2023 included the following topics:
- SFRS(I) 17
  - ESG and Climate Risk Management - Legal
  - ESG and Climate Governance
  - External Trends in Life Insurance
  - GenAI in Insurance
  - Anti-Money Laundering, Sanction Compliance and Due Diligence
  - Cybersecurity Risks in the Use of Artificial Intelligence
64. Save as provided below, all Directors have attended the mandatory course, "Environmental, Social and Governance Essentials", organised by the Singapore Institute of Directors as prescribed by the SGX-ST. The Company will arrange for Dr Lim Kuo Yi, who was appointed on 22 January 2024, to attend the requisite training prescribed by the SGX-ST including the mandatory course "Environmental, Social and Governance Essentials" within one year from the date of his appointment.

## Principle 2: Board Composition and Guidance

**The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

### Board Membership

65. The Company's present Board of Directors are all non-executive. The Chairman of the Board is Mr Soon Tit Koon and the other non-executive Directors are Dr Chong Yoke Sin, Mr Lee Fook Sun, Mr Kyle Lee, Mr Andrew Lee, Mr George Lee, Dr Lim Kuo Yi, Mr Ng Chee Peng, Mr Tam Chee Chong, Mrs Teoh Lian Ee, and Ms Helen Wong. Directors who stepped down from the Board of the Company in 2023 are Mr Koh Beng Seng and Mr Thean Nam Yew (21 April 2023), Mr Wee Joo Yeow (1 September 2023) and Mr Law Song Keng (31 December 2023). Directors do not appoint alternate directors as a matter of practice.
66. All appointments and re-appointments of Directors of the Company are subject to approval by MAS.



# Corporate Governance Report

As at 1 March 2024

## Key information on Directors

67. Key information on the Directors' qualifications, background, working experience, age, directorships and appointments are set out in the "Board of Directors" section on pages 16 to 26 of this Annual Report. Information on their shareholdings in the Company and its related corporations are provided in the Directors' Statement on pages 90 and 91 of this Annual Report. The Company does not grant share options to non-executive Directors of the Company. The Directors do not hold shares in the Company's subsidiaries.
68. Key information on each Director of the Company's principal insurance subsidiaries in Singapore, namely, The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited is also set out in the "Board of Directors" section on pages 27 and 28 of this Annual Report.

## Board Composition and Independence

69. An independent Director of the Company is one who is independent from the substantial shareholders of the Company, and management and business relationships with the Company and its subsidiaries, and has not served for more than nine years on the Board. He/She is also independent in conduct, character and judgment. Each Director is required to abstain from the deliberations of the Nominating Committee and the Board respectively as to his/her own independence.
70. The Company's Board comprises a majority of independent Directors. The Nominating Committee determines annually whether a Director is independent. The Nominating Committee has determined that eight of the eleven Directors of the Company are independent and they are Mr Soon Tit Koon, Dr Chong Yoke Sin, Mr Lee Fook Sun, Mr George Lee, Dr Lim Kuo Yi, Mr Ng Chee Peng, Mr Tam Chee Chong and Mrs Teoh Lian Ee.
71. Mr Soon Tit Koon, Mr Lee Fook Sun, Mr Kyle Lee, Mr Andrew Lee, Mr George Lee and Mr Ng Chee Peng are or were non-executive Directors of companies that had business transactions or inter-company payments with the Company's subsidiaries in the course of 2023 and/or 2022. Such business and insurance transactions have been conducted in the ordinary course of business, on an arm's length basis and on normal commercial terms. The Nominating Committee considers them to be independent of business relationships as they are not involved in the day-to-day conduct of these companies' businesses and is of the view that these business relationships do

not affect their independent business judgment with regard to the interests of the Company.

72. Mr Kyle Lee is deemed non-independent as he has served for more than nine years on the Board. The Nominating Committee has determined that he is independent from the substantial shareholder of the Company, and management and business relationships with the Company and its subsidiaries.
73. Mr Andrew Lee is a non-independent Director as he is the Board Chairman and a Director of the Company's substantial shareholder, Oversea-Chinese Banking Corporation Limited ("OCBC").
74. Ms Helen Wong is a non-independent Director as she is the Group CEO and an Executive Director of OCBC.
75. The Board, through its Nominating Committee, is of the view that the current Board and Board Committees are of an appropriate size to facilitate effective decision-making, taking into account the scope and nature of the operations of the Company and the Group.
76. A Board Diversity Policy, setting out the approach to diversity on the appointment of members and composition of the Board, is published on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com). In the appointment of Directors, the policy embraces the diversity of skills, knowledge, experience, including familiarity in the Group's core markets, age, gender and length of service, as well as merit and independence. The Board, through its Nominating Committee, annually assesses the gender representation on the Board as well as its members' competency profiles, and determines the collective skills required for the Board and Board Committees to discharge their responsibilities effectively. The same factors are taken into consideration in respect of the re-appointment of Directors.
77. The Nominating Committee is responsible for proposing to the Board measurable targets to achieve adequate diversity and for monitoring the progress towards meeting the targets set and keeping the Board updated. The Board has approved the adoption of the Council for Board Diversity's aspirational targets (namely 25% by end 2025 and 30% by end 2030) for gender diversity. The Company has achieved the Council for Board Diversity's gender diversity target of 25% set for 2025 as female representation on the Board is currently 27%. The Company remains committed in moving towards the gender diversity target set for 2030 and any further

# Corporate Governance Report

As at 1 March 2024

progress made towards this target will be disclosed in future corporate governance reports, as appropriate.

78. The Company's Directors have diverse backgrounds, experience and qualifications, and bring a wide range of commercial and financial experience to the Board. Collectively, they provide the necessary business acumen, knowledge, capabilities and core competencies to the Company and the Group, including industry knowledge in insurance (such as key products and customers), investment and asset management (including real estate and property), banking (including key products and customers), accounting, finance, strategy formulation, business acumen, management experience, regulatory requirements, risk management, law, cyber risk, ESG and sustainability, taxation and artificial intelligence. Several Directors also have experience in jurisdictions outside Singapore, such as Malaysia, Indonesia and Greater China. At least one of the Directors has experience in the insurance industry. The diversity of experience and competencies of the Directors enhance the effectiveness of the Board in discharging its responsibilities.
79. The Company's Directors have a sound understanding of the business strategy, nature of the business activities of the Company and the Group and their associated risks. With the knowledge, objectivity and balance contributed by its members, the Board constructively challenges and enhances proposals on strategy, reviews the performance of Management against agreed goals and objectives, and monitors the reporting of performances.
80. The non-executive Directors met twice during the year without the presence of Management to discuss matters including, but not limited to the performance and effectiveness of Management.

### Principle 3: Chairman and Chief Executive Officer

**There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

81. The Chairman and the Group CEO are not related to each other. The roles of the Chairman, Mr Soon Tit Koon, and the Group CEO, Mr Khor Hock Seng, are distinct and separate, with a clear division of responsibilities between them to ensure an appropriate balance of power, increased accountability and greater independence in decision-making. The Company has Board-approved internal guidelines setting out the scope of authority of the Chairman and the Group CEO.

82. The principal responsibilities of the Chairman include leading the Board to ensure it effectively discharges its roles and responsibilities, approving agendas of Board meetings, monitoring the quality and timeliness of the flow of information from Management to the Board and promoting effective communication with shareholders. The Chairman also facilitates robust and open discussions and deliberations in Board meetings and effective contribution by all members of the Board, encourages constructive relations within the Board and between the Board and Management, and promotes high standards of corporate governance with the full support of the other Directors, the Company Secretary and Management.
83. The Group CEO manages the Company and oversees the Group's operations and implementation of the Group's strategies, plans and policies to achieve planned corporate performance and financial goals. His management of the Group's businesses, including implementing the Board's decisions, is carried out with the assistance of the senior management executives of the Group. Collectively, they are responsible for the day-to-day operations and administration of the Company and the Group, ensuring, *inter alia*, operational and organisational efficiency, profitable performance of the operating units, regulatory compliance, good corporate governance and effective risk management. The Board establishes the performance targets of the Group CEO and reviews his performance against the targets annually.
84. The Board has not appointed a Lead Independent Director as the Chairman of the Board, Mr Soon Tit Koon, is a non-executive and independent Director.

### Principle 4: Board Membership

**The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

#### Process for appointment of new Directors

85. The Nominating Committee has a key role in carrying out the formal and transparent process established for the appointment of Directors to the Board. Taking into account the competencies and skills required by the Board, the Nominating Committee establishes annually the profile required of the Directors, before making any recommendations on the appointment of new Directors, where necessary. The Nominating Committee may engage external search consultants to source for potential candidates. Proposals for the appointment of new Directors are reviewed by the Nominating Committee. The Nominating Committee

# Corporate Governance Report

As at 1 March 2024

meets with shortlisted candidates to assess their suitability and commitment. Competent individuals are nominated for Board approval after the Nominating Committee has assessed their suitability taking into consideration, amongst others, their professional qualifications, integrity, prior experience as a director, other directorships and principal commitments, relationships (if any) with other members of the Board, the Company or the substantial shareholders of the Company, financial and commercial business experience and field of expertise relevant to the Group, potential to contribute to the effectiveness of the Board and how such proposed candidates would complement the skills, knowledge and expertise of the Board.

86. In addition, the Nominating Committee further determines the proposed candidate's independence and ensures that the proposed candidate would satisfy the criteria under the applicable requirements so that his/her appointment would not result in non-compliance with any of the composition requirements for the Board and Board Committees, and that he/she is a fit and proper person for the office, taking into account his/her track record, age, experience, capabilities, skills and other relevant factors as may be determined by the Nominating Committee. Such reviews are also conducted on an annual basis to ensure that each Director remains qualified for the office based on the above criteria.

## Re-nomination and Re-election of Directors

87. All Directors of the Board are required to submit themselves for re-nomination and re-election at regular intervals, at least once every three years. At each Annual General Meeting ("AGM") of the Company, one-third of the Directors, being those who have served longest in office since their re-election, are required to retire by rotation in accordance with the Company's Constitution. Pursuant to the Company's Constitution, newly-appointed Directors will hold office until the next AGM and, if eligible, can stand for re-election. Retiring Directors are eligible for re-election when re-nominated by the Nominating Committee, taking into account (other than relevant factors as already mentioned above as to the appointment of new Directors) the Directors' attendance at meetings, their expertise, knowledge and commitment, and their contributions to Board discussions and to the effectiveness of the Board.
88. The Directors who are retiring by rotation under Article 97 of the Company's Constitution and eligible for re-election at the 2024 AGM are Mr Kyle Lee and

Mr Ng Chee Peng. Mr Kyle Lee has indicated that he does not wish to seek re-election. Accordingly, he will step down at the conclusion of the 2024 AGM. Mr Andrew Lee, Mr George Lee and Mr Tam Chee Chong who were appointed in 2023, and Dr Chong Yoke Sin and Dr Lim Kuo Yi who were appointed in 2024, will retire under Article 103 of the Company's Constitution and will stand for re-election at the 2024 AGM.

89. Directors are expected to set aside adequate time for their oversight of matters relating to the Company. The Directors provide declarations of changes in their other appointments which are disseminated to all Directors. The Company has established guidelines on meeting attendance and the extent of other appointments outside the Company that a Director may assume. Generally, a Director who has full-time employment in any organisation may have appointments in no more than three other listed companies, while a Director who does not have any full-time employment may have appointments in no more than six other listed companies. Each of the Directors' directorships on other companies and principal commitments are set out in the "Board of Directors" section on pages 16 to 26 of this Annual Report. The Nominating Committee annually assesses each Director's attendance record and degree of participation at meetings to determine if a Director is able to and has been diligently discharging his/her duties as a Director of the Company. All the Directors have met the requirements under the Nominating Committee's guidelines.

## Principle 5: Board Performance

**The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

90. The Board has an annual performance evaluation process, carried out by the Nominating Committee, to assess the effectiveness of the Board, Board Committees and each Director's contributions. This annual assessment process consists principally of evaluation by and feedback from each Director. Each Director evaluates the performance of the Board and Board Committees. The assessment of the contributions of individual Directors to the effectiveness of the Board is also performed annually. Such assessments are made against established performance criteria consistent with those approved by the Board and used in the previous year. A member of the Nominating Committee will recuse himself/herself when the Nominating Committee deliberates upon his/her performance to avoid conflicts of interest.

# Corporate Governance Report

As at 1 March 2024

91. An external party is engaged after every three years to facilitate the Board evaluation process and to provide the Board with an independent perspective of the Board's performance, including benchmarks against peer boards and industry best practices.
92. The Board evaluation questionnaire focused on areas such as competency and independence, information quality and timeliness, conduct of meetings, sustainability and corporate social responsibility, managing the Company's performance, succession planning, Directors' development, internal controls and risk management, culture and conduct, and Board Committees. With regard to the individual Director's assessment criteria, this would include attributes such as each Director's contribution, integrity, knowledge and abilities. The Board Chairman and/or Nominating Committee Chairman will act upon the feedback provided to enhance the Board's and Board Committees' performance.
93. The purpose of the evaluation is to increase the overall effectiveness of the Board and Board Committees. The Board has found the evaluation process useful and constructive. This collective process has also provided an opportunity to obtain insightful feedback from each Director on suggestions to enhance the effectiveness of the Board and Board Committees.

## REMUNERATION MATTERS

### Principle 6: Procedures for Developing Remuneration Policies

**The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.**

94. The objective of the Group's remuneration policy is to attract, motivate, reward and retain quality personnel.
95. In considering its recommendations to the Board and in approving remuneration, the Remuneration Committee ensures that remuneration policies are in line with relevant regulations and guidelines, the strategic objectives of the Company, as well as the Company's Code of Conduct and ethics, and do not give rise to conflicts between the objectives of the Company and interests of individual Directors and employees. Remuneration is aligned to specific job functions undertaken and where the employee undertakes any control job functions, the performance and remuneration package of that employee is determined independently of the business functions

of the Company, and is further aligned to the risks that the Company undertakes in its operations that is relevant to the specific job function. The Remuneration Committee also considers inputs from relevant control job functions on performance evaluation and remuneration outcomes, and seeks input from the Risk Management Committee and Audit Committee to ensure that remuneration practices do not create incentives for excessive or inappropriate risk-taking behaviour.

96. The Remuneration Committee is tasked to review and recommend to the Board the general remuneration framework as well as the specific remuneration for each Director and for each key senior management executive. The composition and summarised terms of reference of the Remuneration Committee are provided on page 65 of this Annual Report. No Director is involved in the deliberations regarding any remuneration, compensation or any form of benefits to be granted to himself/herself.
97. The Remuneration Committee oversees the design of remuneration policies and pays sustained attention to the implementation of the remuneration policies that cover all employees of the Group to ensure that the policies operate as intended, with particular attention to key senior management executives and other employees whose actions may have a material impact on the risk exposure of the Company and the Group.
98. The Remuneration Committee ensures that senior management exercise active oversight and monitor the implementation and effectiveness of the remuneration policies, reviewing remuneration outcomes, risk measurements and risk outcomes regularly for consistency with the intentions of the remuneration policies.
99. The Remuneration Committee members are well-versed in executive compensation matters, given their extensive experience in senior corporate positions and major appointments. They also have access to expert advice from external independent remuneration consultants, where necessary. The Remuneration Committee will ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.
100. The Remuneration Committee ensures that an annual review, either internally conducted or externally commissioned, is conducted independently of Management to ensure that they are aligned with

# Corporate Governance Report

As at 1 March 2024

the recommendations made in accordance with the remuneration frameworks and remuneration packages for Directors and key senior management executives and to assess the compliance of the Group's remuneration policies with any relevant regulations and guidelines issued by MAS.

101. In 2023, Willis Towers Watson Consulting (Singapore) Pte Ltd ("Willis Towers Watson") provided independent advisory services on the Group's executive compensation framework to ensure greater alignment of pay policies and practices with market and to assess the compliance of the Group's remuneration policies with any relevant regulations and guidelines issued by MAS. Willis Towers Watson is not related to the Company and the Company is not aware of any business or personal relationship between Willis Towers Watson and any of the Company's Directors and key senior management executives.
102. The Company does not provide any termination, retirement and post-employment benefits to its key management personnel.

## Principle 7: Level and Mix of Remuneration

**The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.**

### Remuneration of non-executive Directors

103. The non-executive Directors are paid Directors' fees, which take into account factors such as the Directors' contributions, effort and time spent, attendance at meetings and the frequency of meetings, the respective responsibilities of the Directors including the Board Committees on which they serve, market practices and the need to pay competitive fees to attract, retain and motivate Directors.
104. The Remuneration Committee performs an annual review of the structure for Directors' fees and of the computation of the aggregate Directors' fees based on the earlier Board-approved fee structure, before recommending any proposed changes to the Board for endorsement. The Directors' fees proposed by the Board each year are subject to shareholders' approval at the Company's AGM.
105. In its review of the non-executive Directors' remuneration, the Remuneration Committee can seek expert advice, if necessary.

106. In 2023, the Remuneration Committee engaged Willis Towers Watson as an independent remuneration consultant to perform a review of the Company's non-executive Directors' fee structure based on the latest board remuneration market data available, as there had been no change in the Company's non-executive Directors' fee structure since the financial year ended 31 December 2011. The Remuneration Committee has considered the report by Willis Towers Watson, which took into consideration a variety of factors including prevailing market practices, comparable benchmarks as well as the roles and responsibilities of the Board and Board Committees, and endorsed the revised non-executive Directors' fee structure.
107. In view that the scale and complexity of the Group's businesses had increased considerably along with the stringent regulatory requirements and fiduciary oversight required of the Directors, the Board decided to adopt the revised non-executive Directors' fee structure and apply that in the calculation of the fee for each non-executive Director for FY2023. The revised non-executive Directors' fee structure is intended to fairly compensate its non-executive Directors, taking into consideration their skills, contributions, time commitment and responsibilities which their roles entail. The revised non-executive Directors' fee structure is set out in the table below:

		Annual retainer
Board	Chairman	\$550,000
	Member	\$81,000
Board Committees	Chairman: • Audit Committee • Executive Committee • Risk Management Committee	\$60,000
	Chairman: • Nominating Committee • Remuneration Committee • Sustainability Committee	\$30,000
	Member: • Audit Committee • Executive Committee • Risk Management Committee	\$30,000
	Member: • Nominating Committee • Remuneration Committee • Sustainability Committee	\$15,000
	<b>Attendance fees per Board and Board Committee</b>	<b>\$3,000</b>
<b>Observer fees per meeting</b>		<b>\$3,000</b>

Attendance fees are paid to non-executive Directors to recognise their contributions and time spent in attending meetings.

# Corporate Governance Report

As at 1 March 2024

## Remuneration policy in respect of Key Senior Management Executives

108. The remuneration of the Group CEO and the key senior management executives who report directly to the Group CEO are reviewed annually by the Remuneration Committee, based on the overall remuneration framework approved by the Board.
109. In such annual reviews, the Remuneration Committee takes into consideration factors such as market competitiveness and market benchmark, and that the remuneration is commensurate with specific job function undertaken, individual performance and contribution and the overall performance of the organisation. The Remuneration Committee also takes into account the time horizon of risks that the organisation is exposed to, including ensuring that all variable compensation payments shall not be fully drawdown over short periods when risks are realised over longer periods.
110. As part of the Company's continuous efforts to create sustainable value for stakeholders through broad-based growth across its core markets, delivering sustained earnings, driving core competencies of disciplined risk management, prudent investment and continued upgrading of technology and people, and ensuring sustainable business practices, the performance measures set for each business unit embeds these objectives, which match their functions and are consistent with the Group's risk appetite. In determining the remuneration of key senior management executives, risk and control indicators as well as audit findings and compliance issues are taken into account when assessing their overall performance, in addition to their achievement in business and operational performance. Executives are remunerated based on the achievements of their own performance measures which are in turn determined in accordance with their roles, and the demonstration of core values and competencies, while taking into account market compensation data for their respective job roles.

## Principle 8: Disclosure on Remuneration

**The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

111. To ensure that its remuneration packages are competitive, the Company regularly reviews salary levels and benefits packages based on market data provided by recognised consultants who conduct surveys on comparative groups in the financial sector. The determination of the Company's variable bonus pool is fully discretionary and the factors taken into consideration include financial and non-financial metrics such as the Company's performance, audit ratings, risk indicators and compliance issues, market conditions and competitive market practices.
112. The total compensation packages for key senior management executives comprise basic salary, variable performance bonus, allowances, deferred share awards and benefits. The variable components have been designed to link rewards to corporate and individual performance, based on appropriate and meaningful performance measures set up by the Company, and approved by the Remuneration Committee and the Board.
113. The annual budget for salary increment and performance-related variable bonus, reviewed and approved by the Remuneration Committee, is submitted to the Board for endorsement and approval.
114. As a consequence of the financial crisis in recent years, financial institutions globally have been reviewing compensation practices to reduce incentives that encourage excessive risk taking. While the Company has adopted compensation practices that take into account the principles and implementation standards issued by the Financial Stability Forum for Sound Compensation Practices, it also continues to review its compensation practices on an on-going basis to further ensure that decisions made are conducive for sustained business performance. In its deliberations, the Remuneration Committee also takes into account both financial and non-financial factors that are consistent with the long-term objectives and financial soundness of the Company, the remuneration principles, practices and standards that may be specified by regulations and guidelines issued by MAS from time to time.

# Corporate Governance Report

As at 1 March 2024

115. The Company has adopted a framework to foster a strong environment of culture and conduct within the Group. The Employee Culture & Conduct Indicators (“ECCI”) framework was introduced to enhance employees’ risk awareness and inculcate better risk management behaviours. Under this structured methodology based on clear and measurable conduct indicators, each employee is assessed against the prescribed ECCI before remuneration decisions are finalised and awarded for the year. When determining the amount of remuneration to be adjusted, all relevant indicators of the severity of any incident or misconduct would be taken into account. The ECCI framework and the approach in which risk indicators are embedded in performance management and rewards are clearly set out in the staff handbook and communicated to employees.
116. The Company has identified a group of senior executives whose authorities and actions are deemed to have a major influence on the long term performance of the Company. This group, identified as “Material Risk Takers” comprises the Group CEO and his direct reports, key personnel at business units and senior control staff. Employees who are not senior staff but are identified as “Material Risk Takers” are also included in this group. The Company has a well-defined risk governance framework for “Material Risk Takers” including appropriate incentive arrangement that is aligned with Financial Stability Board’s standards. The Company has engaged Willis Towers Watson, a human resource consultant, to enhance the “Material Risk Takers” identification framework. For the “Material Risk Takers” in Singapore with performance bonuses exceeding \$100,000, 40% of their entire bonuses are deferred in the form of shares and subject to vesting over a period of three years, to account for the time horizon of risks that the Group is exposed to.
117. The Company does not pay guaranteed bonuses for all employees. Cash bonuses are subject to clawback within six years of payment.

## Share-based incentives

118. The Company does not have any share option scheme or share plan in place. Instead, the Company’s holding company, OCBC, grants share awards pursuant to the OCBC Deferred Share Plan (“DSP”) to selected senior executives of the Group, based on recommendations of the Remuneration Committee. The Company has ceased granting OCBC share options to eligible executives with effect from 2019.
119. Details of the share options (granted previously) and the award of deferred shares to the Company’s eligible executives are disclosed in the Company’s financial statements. Further details of the share option scheme and deferred share plan of OCBC are set out in Note 27 of the Notes to the Financial Statements of this Annual Report and in OCBC’s Annual Report.
120. All grants and awards are subject to cancellation and clawback if it is determined that they were made on the basis of materially inaccurate financial statements and/or the employee has engaged in conduct that results in financial loss, reputational harm, restatement of financial results and/or adverse changes of the Company’s risk profile/rating, which takes into consideration the risks that could have a long-term negative impact on the Company.

## Disclosure on Directors’ and the Group CEO’s remuneration

121. The remuneration of each individual Director and the Group CEO in respect of FY2023 is shown in the table below. Non-executive Directors will be paid Directors’ fees totalling \$2,870,000 in respect of FY2023, subject to shareholders’ approval at the 2024 AGM. For the financial year ended 31 December 2022, non-executive Directors were paid Directors’ fees totalling \$2,457,000. The increase in Directors’ fees for FY2023 is mainly attributable to the increase in the retainer fees for the Chairman and non-executive Directors, and the increase in the number of meetings held during FY2023.

# Corporate Governance Report

As at 1 March 2024

## Directors' and the Group CEO's remuneration for FY2023

	Total Remuneration (Group)	Directors' Fees (GEH)	Directors' Fees (Subsidiaries)	Salary	Bonuses <sup>(1)</sup>	Long-term incentives <sup>(2)</sup>	Benefits-in-kind <sup>(3)</sup>
Name	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Director</b>							
Soon Tit Koon <sup>(4)</sup>	582	582	-	-	-	-	-
Koh Beng Seng <sup>(5)</sup>	255	250	-	-	-	-	5
Chong Yoke Sin <sup>(6)</sup>	-	-	-	-	-	-	-
Law Song Keng <sup>(7)</sup>	264	264	-	-	-	-	-
Lee Fook Sun <sup>(8)</sup>	251	251	-	-	-	-	-
Kyle Lee <sup>(9)</sup>	305	261	44	-	-	-	-
Andrew Lee <sup>(10)</sup>	95	95	-	-	-	-	-
George Lee <sup>(11)</sup>	148	148	-	-	-	-	-
Lim Kuo Yi <sup>(12)</sup>	-	-	-	-	-	-	-
Ng Chee Peng	213	213	-	-	-	-	-
Tam Chee Chong <sup>(13)</sup>	155	155	-	-	-	-	-
Teoh Lian Ee	210	210	-	-	-	-	-
Thean Nam Yew <sup>(8)(14)</sup>	76	76	-	-	-	-	-
Wee Joo Yeow <sup>(15)</sup>	116	116	-	-	-	-	-
Helen Wong <sup>(16)</sup>	243	243	-	-	-	-	-
<b>Group CEO</b>							
Khor Hock Seng	4,667	-	-	1,100	1,740	1,373	454

### Notes:

- (1) Represents variable bonus in respect of performance for FY2023. The bonus in respect of the Group CEO's performance for the financial year ended 31 December 2022 was \$1,815,000.
- (2) Represents the value of the award of deferred shares under the OCBC DSP and any dividend adjustments made during the financial year being reported on. The value of the award of deferred shares under the OCBC DSP for the Group CEO's performance for the financial year ended 31 December 2022 and dividend adjustments made during that financial year was \$1,361,000.
- (3) Represents non-cash component and comprises housing allowance, car, club, insurance benefits and employer's contribution to the Central Provident Fund.
- (4) Mr Soon Tit Koon was appointed as the Board Chairman on 22 April 2023.
- (5) Mr Koh Beng Seng stepped down as the Board Chairman on 21 April 2023.
- (6) Dr Chong Yoke Sin was appointed as a Director on 22 January 2024.
- (7) Mr Law Song Keng stepped down as a Director on 31 December 2023.
- (8) Mr Lee Fook Sun and Mr Thean Nam Yew received a fixed amount of \$20,000 and \$6,082 respectively for their contributions in respect of Great Eastern Group's information technology infrastructure initiatives for FY2023.
- (9) Mr Kyle Lee received Director's fees for his board service in respect of a GEH subsidiary in Singapore.
- (10) Mr Andrew Lee was appointed as a Director on 30 April 2023.
- (11) Mr George Lee was appointed as a Director on 1 May 2023.
- (12) Dr Lim Kuo Yi was appointed as a Director on 22 January 2024.
- (13) Mr Tam Chee Chong was appointed as a Director on 1 May 2023.
- (14) Mr Thean Nam Yew stepped down as a Director on 21 April 2023.
- (15) Mr Wee Joo Yeow stepped down as a Director on 1 September 2023.
- (16) The Director's fees attributable to Ms Helen Wong are payable to OCBC.

## Remuneration of Top Five Key Senior Management Executives in 2023

122. The Code recommends the disclosure of the individual remuneration of the Company's top five key senior management executives as well as their aggregate remuneration. The Board considered this matter carefully and has decided against such a disclosure for the time being as it is not a standard business practice to do so, having taken into account the highly competitive conditions for talent in the industry.

## Remuneration of Immediate Family of Directors/Group CEO/Substantial Shareholder

123. None of the Directors or the Group CEO of the Company had immediate family members who were employees of the Company in 2023. As the Company's substantial shareholder, OCBC, is not an individual, the requirement as to disclosure of the remuneration of employees who are immediate family of substantial shareholders is not applicable.



# Corporate Governance Report

As at 1 March 2024

## ACCOUNTABILITY AND AUDIT

### Principle 9: Risk Management and Internal Controls

**The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

124. The Board is responsible for the governance of risk. It sets the tone for the Company's risk culture and monitors, through the Risk Management Committee, the effectiveness and adequacy of the risk management processes and systems of the Company and its principal subsidiaries. The Board approves the Company's risk appetite and has oversight of the risk activities to ensure that the Company's strategic intent, operating environment, internal control mechanisms and capital sufficiency are consistent with the Company's risk appetite and regulatory standards. Further details of the Enterprise Risk Management Framework implemented by the Company are set out in Note 31 of the Notes to the Financial Statements of this Annual Report.

125. The Board of Directors emphasises the importance of institutionalising a strong risk culture within the Company. As a subset of the broader organisational culture, a strong risk culture supports appropriate risk awareness, bolsters effective risk management and promotes sound risk taking to ensure the Company's risk profile remains within its risk appetite. The Board also approves the risk culture principles and, along with it, the set of desired behaviours to support the target risk culture throughout the Company.

### Accountability

126. The Company has in place a process for Management to represent to the Board on the integrity of the Company's and the Group's financial statements and internal control systems in relation to the requirement under the listing manual of the SGX-ST for the Board to issue an assurance statement that accompanies the Company's announcements of its interim and full year financial results. Following the removal of mandatory quarterly reporting, the Company provided abridged financial disclosures for its first and third quarters for FY2023. These disclosures supplemented the mandatory reporting of its half year and full year financial statements. With respect to its announcements of half year and full year financial results, the Company also provided interim financial reports prepared in accordance with SFRS(I) as required by the listing manual of the SGX-ST.

127. The Board is kept apprised of material changes in legislation and regulatory requirements, including requirements under the listing manual of the SGX-ST. The Board takes necessary steps to ensure that the Company complies with these requirements. The Board and Management also observe the Guidelines on Risk Management Practices and the Guidelines on Individual Accountability and Conduct issued by MAS. In compliance with the listing manual of the SGX-ST, the Company has procured undertakings from its Directors and key senior management executive officers in the prescribed form.

128. To keep Directors informed and updated, Management provides the Board with monthly financial updates on the performance and position of the Group. The Board is also updated on financial and non-financial risks which the Group is or may be exposed to and any significant events that have occurred or affected the industry during the year.

### Internal Controls

129. The Board is responsible for ensuring that the Company's internal controls are adequate to safeguard shareholders' interests and the Company's assets. Self-assessment processes are in place for all business units to assess the adequacy and effectiveness of their internal controls, and level of compliance with applicable rules and regulations. The results of evaluations are reviewed by senior management. The Board has received assurance from the Group CEO and key management personnel who are responsible regarding the adequacy and effectiveness of the Company's risk management and internal control systems. The Board has also received assurance from the Group CEO and Group CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

130. Based on the established internal controls, work performed by the internal and external auditors, and reviews performed by Management and various Board Committees, the Board, with the concurrence of the Audit and Risk Management Committees, is of the view that the system of internal controls, including financial, operational, compliance and information technology controls and risk management policies and systems, was adequate and effective as at 31 December 2023, to address the risks which the Group considers relevant and material to its operations.

# Corporate Governance Report

As at 1 March 2024

131. The system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

## Principle 10: Audit Committee

**The Board has an Audit Committee which discharges its duties objectively.**

132. The composition of the Audit Committee is provided on page 64 of this Annual Report. The Audit Committee adopts, where appropriate, relevant best practices set out in the Guidebook for Audit Committees in Singapore.

133. The responsibilities of the Audit Committee are set out in its Board-approved terms of reference. The functions performed by the Audit Committee and details of the Audit Committee's activities during FY2023 included the following:

133.1 Reviewed with internal auditors:

133.1.1 their audit plans, evaluation of the system of internal controls and audit reports;

133.1.2 the scope and results of internal audits; and

133.1.3 the assistance given by the officers of the Company and the Group to the auditors.

133.2 Reviewed with the external auditor:

133.2.1 the audited financial statements of the Company and the Group for the financial year, which are prepared in accordance with the SFRS(I) and SFRS(I) Interpretations, for submission to the Board for consideration and approval thereafter;

133.2.2 their scope and overall audit procedures and cost effectiveness, and their independence and objectivity taking into consideration factors including the nature and extent of non-audit services provided by them;

133.2.3 the implications and impact on the financial statements of proposed implementation of new financial reporting standards and any changes in accounting policies and regulatory requirements; and

133.2.4 any significant financial reporting issues, to ensure the integrity of the financial statements of the Company and the Group.

133.3 Reviewed the draft financial statements and announcements relating to the financial performance of the Company and the Group with Management, including discussion on the accounting policies applied and significant judgments affecting the financial statements. The following key audit matter highlighted in the Independent Auditor's Report on page 93 of this Annual Report was also discussed with Management and the external auditor:

133.3.1 Valuation of life insurance contract liabilities – The Audit Committee has reviewed the life insurance contract liabilities, and the key assumptions and judgments made in valuing these liabilities. The review included the methodology used in the valuation of the liabilities, rationale for changes to key assumptions during the year and explanation on the variances against past trends.

No significant issue arose in respect of the above item.

133.4 Reviewed the findings of internal and external auditors on their reviews of the adequacy and effectiveness of the internal controls and risk management systems of the Company and its principal subsidiaries, including financial, operational, compliance and information technology controls and systems established by Management.

# Corporate Governance Report

As at 1 March 2024

- 133.5 Reviewed the assurance from the Group CEO and Group CFO on the financial records and financial statements.
- 133.6 Assessed the adequacy and effectiveness of the internal audit functions of the Company and its principal subsidiaries.
- 133.7 Assessed the independence of external and internal auditors.
- 133.8 Made recommendations to the Board on the re-appointment of the external auditor and approved the remuneration and terms of engagement of the external auditor.
- 133.9 Reviewed material related party transactions and the write-off of material related party transactions, and recommended the same to the Board for approval.
- 133.10 Reviewed interested person transactions as well as transactions that will be disclosed in the Annual Report.
134. The Audit Committee undertook a review of all relationships between the Group and the external auditor (including non-audit services provided by the external auditor) for FY2023, and is satisfied that the provision of such non-audit services would not, in its opinion, affect the independence of the external auditor. Please refer to Note 6 of the Notes to the Financial Statements of this Annual Report for details of fees payable to the external auditor in respect of audit and non-audit services.
135. Taking into account the aforesaid and other factors such as the size and complexity of the Group and the adequacy of resources and experience of the external auditor, the Audit Committee has recommended the re-appointment of PwC as the external auditor at the 2024 AGM. The Company has complied with Rules 712 and 715 of the listing manual of the SGX-ST in relation to its external auditor.
136. The Audit Committee, in performing its functions, met at least annually with the internal and external auditors in separate sessions without the presence of Management, to consider any other matters which may be raised privately. The auditors, both internal and external, have unrestricted access to the Audit Committee, and to information and such persons within the Group as necessary to conduct the audit.

## Whistle-Blowing Policy

137. The Group has a whistle-blowing policy in place whereby staff of the Group and external parties may raise concerns on possible improprieties in matters of financial reporting or other matters in confidence. The whistle-blowing policy and procedures for raising such concerns are disclosed and clearly communicated to employees. All whistle-blowing incidents will be reported to the Audit Committee. Concerns expressed anonymously will be considered and investigated on the basis of their merits. The Audit Committee ensures that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. If fraud is determined, appropriate remedial action will be taken and the Audit Committee will be updated regularly on its status. The whistle-blower will have protection against reprisals provided he/she has acted in good faith.
138. The Group's internal audit function ("Group Internal Audit") is the independent function which is responsible for reviewing and investigating all whistle-blowing reports received. Group Internal Audit will make a preliminary assessment of the whistle-blowing report and decide whether to conduct an independent investigation, in consultation with the Audit Committee Chairman. If a report concerns Group Internal Audit, the report is escalated to the Audit Committee Chairman, or the Group CEO, the Board of Directors, regulators or law enforcement agencies.

## Internal Audit

139. Group Internal Audit serves to provide the Board and Management with an independent appraisal of the reliability, adequacy and effectiveness of the system of internal controls established by Management, to ensure that transactions are promptly and accurately recorded and that the Group's assets are safeguarded. Group Internal Audit resides in-house and is independent of the activities it audits. The Audit Manual and Audit Frequency Matrix are approved by the Audit Committee.
140. Group Internal Audit adopts a risk-based approach where audit work is prioritised and scoped according to an assessment of risk exposures, including not only financial risks, but operational, technology, compliance and strategic risks as well. The work undertaken by Group Internal Audit involves the assessment of the reliability, adequacy and effectiveness of the Group's risk management and

# Corporate Governance Report

As at 1 March 2024

internal control framework, including conducting regular assessments of the internal audit function and audit systems and incorporating needed improvements, ascertaining if the internal controls are sufficient in ensuring prompt and accurate recording of transactions and the adequate safeguarding of assets. Reviews conducted by Group Internal Audit also focus on the Group's compliance with relevant laws and regulations, adherence to established policies and processes and whether Management has taken appropriate measures to address control deficiencies.

141. The Group Chief Internal Auditor reports to the Chairman of the Audit Committee and administratively to the Group CEO. His annual remuneration, evaluation, appointment, termination and succession are approved by the Audit Committee, and reasons for his resignation or dismissal would be discussed with MAS.
142. Group Internal Audit is staffed by executives with the relevant qualifications and experience, and the Audit Committee ensures that Group Internal Audit is adequately resourced. Group Internal Audit has unfettered access to the Board, the Audit Committee and senior management executives, where necessary, and has the right to seek information and explanation, as well as access to all of the Company's documents, records, properties and personnel. Group Internal Audit meets or exceeds the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors.
143. Group Internal Audit reports to the Audit Committee its annual or periodic plan and the proposed areas of audit focus, factors that may adversely affect the Group Internal Audit's independence, objectivity or effectiveness and material findings from audits conducted. During the year, Group Internal Audit carried out audits on selected significant business units in the Group, including an audit review of the IT systems. Group Internal Audit's summary of major findings and recommendations and Management's related responses were discussed at Audit Committee meetings. The Audit Committee ensures that procedures are in place to follow-up on the recommendations by Group Internal Audit in a timely manner and to closely monitor any outstanding issues. From its review of the internal audit function for FY2023, the Audit Committee is of the view that the internal audit function is independent, effective and adequately resourced.

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Principle 11: Shareholder Rights and Conduct of General Meetings

**The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

144. The Board is responsible for the provision of a balanced and understandable assessment of the performance, position and prospects of the Company and the Group, including financial statements and other reports.
145. In FY2023, the Board provided to shareholders the abridged financial disclosures for its first and third quarters and the financial statements of the Company and the Group for the half year and full year, together with a balanced review of the Company and the Group's performance, position and prospects. These financial reports and other price-sensitive information were disseminated to shareholders through announcements via SGXNET to the SGX-ST, posted on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com) and were also made available in media releases.

### Communication with Shareholders

146. Shareholders may download the Company's Annual Report (printed copies are available upon request) from the Company's website [www.greateasternlife.com](http://www.greateasternlife.com). All registered shareholders of the Company will receive the Notice of AGM within the statutory timeline before the AGM. The Notice of AGM is also announced via SGXNET and published in the press. At the AGM, shareholders are given the opportunity to participate effectively by providing feedback and raising questions. Shareholders may vote in person at the Company's AGM or at any extraordinary general meeting ("EGM") or by proxy if they are unable to attend.
147. In 2023, the Company held its AGM in a wholly physical format. The Notice of AGM, proxy form and details of arrangements for the AGM were published via SGXNET and were also made available on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com).
148. The Company's Constitution provides that shareholders may appoint not more than two proxies to attend and speak at the Company's AGM and/or EGM and to vote in their stead. Relevant intermediaries (which has the meaning ascribed to it in Section 181 of the Companies Act 1967) may appoint more than two

# Corporate Governance Report

As at 1 March 2024

proxies to attend, speak and vote at the Company's AGM and/or EGM. This will enable indirect investors, including Central Provident Fund Board's investors to be appointed as proxies to participate at general meetings. To ensure authenticity of shareholder identity and other related security issues, the Company currently does not allow voting in absentia by mail, email or facsimile.

149. The Company has conducted electronic poll voting for all resolutions passed at the AGM, for greater transparency in the voting process. Shareholders are informed of the rules, including voting procedures that govern the proceedings of general meetings of shareholders. Detailed results of the votes, showing the number of votes cast for and against each resolution and the respective percentages, are instantaneously displayed at the Company's AGM and subsequently announced via SGXNET on the same day.
150. For the Company's AGMs, separate resolutions are set out on distinct issues, such as the proposed re-election of Directors, proposed Directors' fees and recommendation of final dividend. Where an EGM is convened by the Company, the proposed corporate action or transaction, as applicable, and the rationale and other pertinent details for such proposal are set out in a separate circular to shareholders, with the proposed resolution set out for approval by shareholders at the EGM. The Company does not "bundle" resolutions, unless the resolutions are interdependent and linked so as to form one significant proposal.
151. At the Company's 2023 AGM, the Chairman and all Directors, the Group CEO, Management and the Company's professional advisors were present in person and available to address queries from shareholders. The external auditor was also present to address any shareholders' queries about the conduct of the audit and the preparation and content of the auditor's report. Questions submitted by shareholders in advance of the 2023 AGM were addressed via SGXNET and published on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com) prior to the date of the AGM.
152. The Company Secretary prepares minutes of general meetings that include responses from the Board and Management addressing the substantial and relevant comments or queries from shareholders. The minutes are made available via SGXNET and on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com).

## Dividend Policy

153. The Company is committed to maintaining a sustainable dividend policy that will enhance long-term shareholder value. The Company's policy is to pay a more steady dividend payment twice yearly. Each twice yearly payment will be of an amount that targets a full year payout to shareholders that is based on the sustainable profit level of the Group, and dividends will be progressive in line with the profit trend. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one. The dividend payout for the four financial years preceding FY2023 and the proposed dividend for FY2023 are set out in the Financial Highlights on page 32 and Note 33 of the Notes to the Financial Statements of this Annual Report.

## Principle 12: Engagement with Shareholders

**The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

154. The Company recognises that regular, effective, timely and fair communication with shareholders is essential to enable its shareholders to make informed decisions about the Company. The Company announces its abridged financial disclosures for the first and third quarters and its financial results for the half year and full year within the time frames prescribed in the listing manual of the SGX-ST. The Company conducts calls with analysts on its quarterly results and briefings to the media on its full year results. All pertinent material and price-sensitive information are disclosed promptly via SGXNET and posted on the Company's website [www.greateasternlife.com](http://www.greateasternlife.com). No unpublished price-sensitive information is disclosed on a selective basis.
155. The Company's Annual Report containing the financial statements of the Company and the Group for the financial year also contains other pertinent information and disclosures, including a review of the annual operations and activities, to enable shareholders and investors to have a better understanding of the Group's business and performance.

# Corporate Governance Report

As at 1 March 2024

156. Shareholders and the public can access the Company's website [www.greateasternlife.com](http://www.greateasternlife.com) for the latest media releases, financial results, financial results presentation materials, annual reports, sustainability reports and other corporate information on the Company. The Company's vision and mission statements can also be found in the Company's website. Investors can submit feedback and queries to the Company's Investor Relations Department through the contact details provided on the Company's website. The Investor Relations personnel communicate with the Company's investors and respond to their queries on published information promptly and effectively. One of the key roles of the Group's Corporate Communications and Investor Relations Departments is to keep the market and investors apprised of the Group's major corporate developments and financial performance through regular media releases, briefings and meetings with the media, analysts and fund managers.

## MANAGING STAKEHOLDER RELATIONSHIPS

### Principle 13: Engagement with Stakeholders

**The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

157. The Company recognises the importance of maintaining positive stakeholder relationships, and adopts an inclusive approach in the management and engagement of its stakeholders – namely customers, suppliers, regulators, investors, employees, financial representatives and community partners. The Sustainability Report sets out the Company's approach to stakeholder engagement including key areas of focus and how it responds to stakeholder concerns.

158. The Company maintains a corporate website, [www.greateasternlife.com](http://www.greateasternlife.com), to communicate and engage with its stakeholders.

## DEALINGS IN SECURITIES

159. The Company has adopted internal codes and policies on dealings in the Company's securities in line with the relevant rules set out in the listing manual of the SGX-ST. As an enhancement of its policies and controls on insider trading, the Company has included prohibitions as to the trading of securities of OCBC during the black-out period. The Directors, executives and employees of the Company and of the Group are

periodically reminded not to deal in the securities of the Company and OCBC for the period commencing one month before the Company's announcement of its half year and full year financial results and up to the date of the announcement of the relevant results of OCBC, and for the period commencing two weeks before the announcement of the Company's abridged financial disclosures for its first and third quarters of the financial year and up to the date of the announcement of the relevant results of OCBC. The Company will notify Directors, executives and employees of the Company and of the Group of each black-out period. Directors, executives and employees of the Company and of the Group are regularly reminded not to deal in securities of the Company, OCBC and/or other listed companies at all times if they are privy to unpublished material price-sensitive information and not to deal in the securities of the Company and OCBC on short-term considerations. Employees in departments deemed to have access to price-sensitive information are instructed to conduct personal securities transactions through OCBC's stockbroking subsidiary for transaction monitoring purposes.

## RELATED PARTY TRANSACTIONS

160. The Company has implemented policies and procedures on related party transactions covering the definitions of relatedness, limits applied, terms of transactions, and the authorities and procedures for approving, monitoring and, where necessary, writing off such transactions. All related party transactions are conducted on normal commercial terms and in the ordinary course of business and such transactions are carried out on an arm's length basis. Directors with conflicts of interest are excluded from the approval process of granting and managing related party transactions. Material related party transactions and the write-off of material related party transactions are reported to the Audit Committee for review and to the Board for approval.

161. The Company also complies with the listing manual of the SGX-ST on interested person transactions ("IPTs"). All IPTs are conducted on normal commercial terms and carried out on an arm's length basis.

162. Details of the Company's related party transactions and IPTs during FY2023 are respectively set out in Note 29 of the Notes to the Financial Statements and page 225 of this Annual Report.

# Corporate Governance Report

As at 1 March 2024

## ETHICAL STANDARDS AND CONDUCT

163. The Directors and Management are committed to promoting and maintaining values, which emphasise integrity, honesty and proper conduct at all times in the business operations and dealings of the Group. The Company has adopted a Code of Conduct that sets out the guiding principles and minimum standards expected of its employees such as the highest standards of conduct and professional integrity. The Code of Conduct also provides guidance on areas such as responsible stewardship of the Company's resources, the Company's position against fraudulent conduct, conflicts of interests and the appropriate disclosures to be made, and maintaining confidentiality of information. The Code of Conduct is available on the Company's staff intranet. The Group Human Capital Department provides an annual attestation to the Audit Committee that the Code of Conduct has been properly disseminated to all staff.
164. The Company has a suite of policies in place for proper governance and management that staff have to comply with. All policies are prepared in accordance with the Company's risk management and internal control systems and processes, including Management's self-assessment and independent audits.
165. The Company treats feedback and complaints from its customers seriously, and has instituted channels whereby customers may provide feedback or complaints. The Company aims to resolve feedback and complaints professionally and fairly in accordance with the service standards indicated on its website [www.greateasternlife.com](http://www.greateasternlife.com).

# Corporate Governance Report

As at 1 March 2024

## SUMMARY OF DISCLOSURES

Express disclosure requirements in the MAS CG Guidelines, which comprises the Code and the additional guidelines added by MAS.

Provisions of the Code	Paragraph Number in Corporate Governance Report
<b>Provision 1.2</b> The induction, training and development provided to new and existing directors.	60 to 64
<b>Provision 1.3</b> Matters that require Board approval.	6 and 7
<b>Provision 1.4</b> Names of the Board Committee members, the terms of reference, delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities.	8 to 45
<b>Provision 1.5</b> The number of Board and Board Committee meetings and the directors' attendance at these meetings.	54
<b>Provision 2.4</b> The board diversity policy and progress made towards implementing the board diversity policy, including objectives.	76 to 78
<b>Provision 4.3</b> Process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.	85 to 87 and 89
<b>Provision 4.4</b> If the Board determines that a director is independent notwithstanding the existence of a relationship with the Company, its related corporations, its substantial shareholders or its officers, which may affect his/her independence, the relationships and the Board's reasons for considering him/her as independent.	71
<b>Provision 4.5</b> The listed company directorships and principal commitments of each director, and where a director holds significant number of directorships and commitments, the Nominating Committee's and Board's reasoned assessment of the ability of the director to diligently discharge his/her duties.	89 and "Board of Directors" section on pages 16 to 26 of this Annual Report.
<b>Provision 5.2</b> How the assessments of the Board, its Board Committees and each director have been conducted, including the identity of any external facilitator and its connection (if any) with the Company or any of its directors.	90 to 92
<b>Provision 6.4</b> The engagement of any remuneration consultants and their independence.	101, 106 and 116
<b>Provision 8.1</b> The policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:	
(a) Each individual director and the CEO	94, 95, 103 to 121
(b) At least the top five key management personnel (who are not directors or the CEO) in bands no wider than \$250,000 and in aggregate the total remuneration paid to these key management personnel.	94, 95, 108 to 120 and 122



# Corporate Governance Report

As at 1 March 2024

Provisions of the Code	Paragraph Number in Corporate Governance Report
<b>Provision 8.2</b> Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds \$100,000 during the year, in bands no wider than \$100,000. The Company should also state clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	123
<b>Provision 8.3</b> All forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to directors and key management personnel of the Company as well as details of employee share schemes.	107, 112 to 122
<b>Provision 9.2</b> The Board has received assurance from:	
(a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and	129
(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.	129
<b>Provision 10.1</b> The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising concerns.	137
<b>Provision 11.3</b> Directors' attendance at general meetings of shareholders held during the financial year.	54 and 151
<b>Provision 12.1</b> The steps taken to solicit and understand the views of shareholders.	146 to 148, 151, 154 to 156
<b>Provision 13.2</b> The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	157 and 158
Additional Guidelines	Paragraph Number in Corporate Governance Report
<b>Additional Guideline 1.17</b> An assessment of how the induction, orientation and training provided to new and existing directors meet the requirements as set out by the Nominating Committee to equip the Board and the respective Board Committees with relevant knowledge and skills in order to perform their roles effectively.	60 to 64
<b>Additional Guideline 4.7</b> The names of the directors submitted for appointment or re-appointment are accompanied by details and information to enable shareholders and the Board to make informed decisions. Such information, which accompanies the relevant resolution, includes: (a) date of last re-appointment; (b) professional qualifications; (c) any relationships including immediate family relationships between the candidate and the directors, the Company or its substantial shareholders; (d) a separate list of all current directorships in other listed companies; (e) details of other principal commitments; and (f) any prior experience as a director of a listed issuer or as a director of a financial institution.	"Board of Directors" section on pages 16 to 26 and "Information required under Rule 720(6) of the listing manual of the SGX-ST" section on page 27 of this Annual Report.

# Corporate Governance Report

As at 1 March 2024

Additional Guidelines	Paragraph Number in Corporate Governance Report
<b>Additional Guideline 4.11</b> Resignation or dismissal of key appointment holders.	18
<b>Additional Guideline 4.12</b> Designations and roles of all directors.	“Board of Directors” section on pages 16 to 26 and “Corporate Information” section at the last page of this Annual Report.
<b>Additional Guideline 9.9</b> The appointment and remuneration of the non-director member of the Risk Management Committee.	Not applicable.
<b>Additional Guideline 9.11</b>	
(a) The Board’s comments on the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls, and risk management systems).	130
(b) A statement on whether the Audit Committee concurs with the Board’s comment. Where material weaknesses are identified by the Board or Audit Committee, they are disclosed together with the steps taken to address them.	130
<b>Additional Guideline 10.19</b> The Audit Committee’s comments on whether the internal audit function is independent, effective and adequately resourced.	143
<b>Additional Guideline 14.5</b> Material related party transactions.	160 to 162

# FINANCIAL STATEMENTS

89	Directors' Statement
92	Independent Auditor's Report
96	Consolidated Profit or Loss Statement
97	Consolidated Statement of Comprehensive Income
98	Balance Sheets
99	Statements of Changes in Equity
102	Consolidated Statement of Cash Flows
104	Notes to the Financial Statements

# Directors' Statement

The Directors are pleased to present this statement to the members together with the audited consolidated financial statements of Great Eastern Holdings Limited ("GEH" or the "Company") and its subsidiaries (collectively the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2023.

## 1. OPINION OF THE DIRECTORS

In the opinion of the Directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Mr Soon Tit Koon, Chairman  
Dr Chong Yoke Sin (Appointed on 22 January 2024)  
Mr Lee Fook Sun  
Mr Kyle Lee  
Mr Andrew Lee (Appointed on 30 April 2023)  
Mr George Lee (Appointed on 1 May 2023)  
Dr Lim Kuo Yi (Appointed on 22 January 2024)  
Mr Ng Chee Peng  
Mr Tam Chee Chong (Appointed on 1 May 2023)  
Mrs Teoh Lian Ee  
Ms Helen Wong

## 3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangements whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, save as disclosed in this statement.

## Directors' Statement

### 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of Directors' shareholdings, the Director who held office at the end of the financial year had an interest in shares in, or debentures of, the Company as at the end of the financial year and as at 21 January 2024, is as follows:

	Holdings registered in the name of Directors or in which Directors have a direct interest		Holdings in which Directors are deemed to have an interest	
	As at 1.1.2023 or date of appointment	As at 31.12.2023	As at 1.1.2023 or date of appointment	As at 31.12.2023

#### Ordinary shares in the capital of the Company

Mrs Teoh Lian Ee	-	-	5,000 <sup>(1)</sup>	5,000 <sup>(1)</sup>
------------------	---	---	----------------------	----------------------

Note:

<sup>(1)</sup> Held by spouse.

The interests in shares in, or debentures of, the Company's holding company, Oversea-Chinese Banking Corporation Limited ("OCBC") and its related corporations, of Directors who held office at the end of the financial year, were as follows:

	Holdings registered in the name of Directors or in which Directors have a direct interest		Holdings in which Directors are deemed to have an interest	
	As at 1.1.2023 or date of appointment	As at 31.12.2023	As at 1.1.2023 or date of appointment	As at 31.12.2023

#### Ordinary shares in the capital of OCBC

Mr Soon Tit Koon	472	472	-	-
Mr Lee Fook Sun	-	-	190,158 <sup>(1)</sup>	190,158 <sup>(1)</sup>
Mr Kyle Lee	135,121	135,121	-	-
Mr Andrew Lee	425,649	529,953	-	-
Mr George Lee	85,143	85,143	-	-
Mr Ng Chee Peng	13,109	13,109	1,500 <sup>(2)</sup>	1,500 <sup>(2)</sup>
Mr Tam Chee Chong	10,133	10,133	-	-
Mrs Teoh Lian Ee	24,711	24,711	299 <sup>(2)</sup>	299 <sup>(2)</sup>
Ms Helen Wong	262,431	441,608	434,713 <sup>(3)</sup>	578,330 <sup>(3)</sup>

Notes:

<sup>(1)</sup> Held under Halden Joy Trust.

<sup>(2)</sup> Held by spouse.

<sup>(3)</sup> Comprises deemed interest in ordinary shares subject to award(s) granted under the OCBC Deferred Share Plan.

#### Share options

According to the register of Directors' shareholdings, as at the beginning and as at the end of the financial year, the following Director had interests in share options to subscribe for ordinary shares in the capital of OCBC under the OCBC Share Option Scheme 2001, as follows:

	Options held by Directors		Options in which Directors are deemed to have an interest	
	As at 1.1.2023 or date of appointment	As at 31.12.2023	As at 1.1.2023 or date of appointment	As at 31.12.2023

Mr Andrew Lee	147,816	43,512	-	-
---------------	---------	--------	---	---

## Directors' Statement

### 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

#### Share options (continued)

Save as disclosed above, the Directors holding office at the end of the financial year did not have any interest in shares in, or debentures of, the Company or any related corporation either at the beginning of the financial year, date of appointment, or at the end of the financial year.

There were no changes to any of the above mentioned interests between the end of the financial year and 21 January 2024.

### 5. SHARE OPTIONS

The Company does not have any share option scheme in place.

### 6. AUDIT COMMITTEE

The Audit Committee ("AC") comprises five non-executive Directors. The AC members at the date of this statement are Mr Tam Chee Chong (AC Chairman), Dr Chong Yoke Sin, Mr Kyle Lee, Mr Ng Chee Peng and Mrs Teoh Lian Ee. The AC convened 14 meetings during the financial year under review.


The AC performs the functions specified under Section 201B(5) of the Companies Act 1967, including reviewing with the auditor its audit plan, its evaluation of the system of internal accounting controls and its audit report, reviewing the assistance given by the Company's officers to the auditor, reviewing the scope and results of the internal audit procedures, reviewing the financial statements of the Company and of the Group and the auditor's report thereon prior to their submission to the Company's Board of Directors. Details of the functions performed by the AC, including functions specified in the SGX-ST Listing Manual, Financial Holding Companies Act 2013, Financial Holdings Companies Regulations 2022, Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022, Guidelines on Corporate Governance for Designated Financial Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore issued by the Monetary Authority of Singapore on 9 November 2021 and the Code of Corporate Governance 2018, are set out in the Report on Corporate Governance included in the Company's Annual Report for the financial year ended 31 December 2023.

The AC has nominated PricewaterhouseCoopers LLP for reappointment as auditor at the forthcoming Annual General Meeting of the Company.

### 7. AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the Board of Directors



**Soon Tit Koon**  
Chairman



**Tam Chee Chong**  
Director

Singapore  
23 February 2024

# Independent Auditor's Report

TO THE MEMBERS OF GREAT EASTERN HOLDINGS LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OUR OPINION

In our opinion, the accompanying consolidated financial statements of Great Eastern Holdings Limited ("the Company") and its subsidiaries ("the Group"), the balance sheet and the statement of changes in equity of the Company 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 Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

#### *What we have audited*

The financial statements of the Company and the Group comprise:

- the consolidated profit or loss statement of the Group for the year ended 31 December 2023;
- the consolidated statement of comprehensive income of the Group for the year then ended;
- the balance sheets of the Group and of the Company as at 31 December 2023;
- the statements of changes in equity of the Group and of the Company for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

### BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

### OUR AUDIT APPROACH

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

# Independent Auditor's Report

TO THE MEMBERS OF GREAT EASTERN HOLDINGS LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

### OUR AUDIT APPROACH (continued)

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 December 2023. The key audit matter below was 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 this matter.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Valuation of life insurance contract liabilities</b></p> <p>Refer to the following notes in the consolidated financial statements: Note 2.9 <i>Insurance and Reinsurance Contracts</i>, Note 2.26(a) <i>Critical Accounting Estimates and Judgments on Insurance Business</i>, Note 13.1 <i>Insurance and Reinsurance Contracts – Life Insurance</i> and Note 31 <i>Insurance Risk</i>.</p> <p>On 1 January 2023, the Group adopted SFRS(I) 17 'Insurance Contracts'. The standard sets out the requirements that an entity should apply in accounting for insurance contracts it issues, reinsurance contracts it holds and investment contracts with discretionary participating features it issues.</p> <p>At 31 December 2023, the Group recorded life insurance contract liabilities of S\$97,383.3 million.</p> <p>Insurance contract liabilities under SFRS(I) 17 are measured as the total of fulfilment cash flows and contractual service margin ("CSM"), the determination of which requires judgment and interpretation. This includes the selection of accounting policies and the use of complex methodologies which are applied in actuarial models. The selection and application of appropriate methodologies requires significant professional judgment. It also requires the determination of assumptions which involve estimation uncertainty.</p> <p>The CSM represents the unearned profit that the Group will recognise as it provides insurance contract services in the future. The release of CSM of a group of contracts is recognised as insurance revenue in the Profit or Loss Statement based on the number of coverage units provided in the period. Coverage units in turn are determined by the quantity of the benefits provided under a contract and its expected coverage duration. Management applied judgment in the identification of the services provided and the determination of the coverage units.</p>	<p>We performed the following audit procedures to address this matter:</p> <ul style="list-style-type: none"> <li>• We assessed the adherence of the accounting policies adopted by management with the requirements in SFRS(I) 17;</li> <li>• We understood the process over the selection of accounting policies, determination of methodologies and assumptions, and reconciliation of data used in determining the insurance contract liabilities;</li> <li>• We tested the design and operating effectiveness of controls over the accuracy and completeness of the data used;</li> <li>• We assessed the appropriateness of the methodologies used in the determination of the insurance contract liabilities comprising of fulfilment cash flows and contractual service margin, and their application in actuarial models;</li> <li>• We assessed the reasonableness of the key assumptions used by management by comparing against the Group's historical experiences and market observable data, where applicable;</li> <li>• We assessed the appropriateness of management's identification of the services provided by reviewing the terms and features of the insurance contracts issued on a sample basis;</li> <li>• We assessed the appropriateness of management's determination of the coverage units against the type of service identified;</li> <li>• We reviewed the reasonableness of the movement analysis of the insurance contract liabilities prepared by management. The movement analysis provides a reconciliation of the balance as at 31 December 2022 to 31 December 2023, showing the key drivers of the changes during the year; and</li> <li>• We assessed the appropriateness of the disclosures in the financial statements.</li> </ul> <p>Based on the work performed and the evidence obtained, we found the methodologies, assumptions and judgments used by management to be appropriate. Our audit procedures over the disclosures showed that these were in accordance with the relevant SFRS(I) 17 disclosure requirements.</p>



# Independent Auditor's Report

TO THE MEMBERS OF GREAT EASTERN HOLDINGS LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

### OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Directors' Statement, Awards, Corporate Social Responsibility, Group Network, Key Executives, List of Major Properties and Management Team (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

### RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment 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.

# Independent Auditor's Report

TO THE MEMBERS OF GREAT EASTERN HOLDINGS LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company 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 Hans Koopmans.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 23 February 2024

## Consolidated Profit or Loss Statement

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	2023	2022 (restated)
Insurance revenue	4	6,259.9	6,024.5
Insurance service expenses	6	(5,050.5)	(5,083.7)
Net expenses from reinsurance contracts held		(634.6)	(130.8)
<b>Insurance service result</b>		<b>574.8</b>	<b>810.0</b>
Interest revenue on			
Financial assets not measured at FVTPL		718.8	491.5
Financial assets measured at FVTPL		1,664.8	1,654.3
Other investment revenue/(loss)		3,497.1	(7,043.5)
Increase in provision for impairment of financial assets		(13.6)	(28.7)
Change in third-party interests in consolidated investment funds		(1.2)	0.2
<b>Net investment income/(loss)</b>	5	<b>5,865.9</b>	<b>(4,926.2)</b>
Finance (expenses)/income from insurance contracts issued	5	(5,253.8)	5,028.4
Finance income from reinsurance contracts held	5	14.6	16.8
<b>Net insurance financial result</b>		<b>(5,239.2)</b>	<b>5,045.2</b>
<b>Net insurance and investment result</b>		<b>1,201.5</b>	<b>929.0</b>
Fees and other income		19.0	36.1
Other expenses	6	(150.0)	(155.1)
<b>Other income and expenses</b>		<b>(131.0)</b>	<b>(119.0)</b>
<b>Profit before income tax</b>		<b>1,070.5</b>	<b>810.0</b>
Income tax expense	7	(281.3)	(197.3)
<b>Profit after income tax</b>		<b>789.2</b>	<b>612.7</b>
<b>Attributable to:</b>			
Shareholders		774.6	610.0
Non-controlling interests		14.6	2.7
		<b>789.2</b>	<b>612.7</b>
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)	8	<b>\$1.64</b>	\$1.29

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	2023	2022 (restated)
<b>Profit after income tax for the year</b>		<b>789.2</b>	612.7
<b>Other comprehensive income/(loss):</b>			
<b>Items that will not be reclassified to the Profit or Loss Statement:</b>			
Exchange differences arising on translation of overseas entities attributable to non-controlling interests		<b>(0.8)</b>	(1.0)
Revaluation gain/(loss) on equity instruments at fair value through other comprehensive income		<b>68.4</b>	(257.1)
Income tax related to the above		<b>(11.6)</b>	44.1
<b>Items that may be reclassified subsequently to the Profit or Loss Statement:</b>			
Exchange differences arising on translation of overseas entities		<b>(70.5)</b>	(57.0)
Debt instruments at fair value through other comprehensive income:			
Changes in fair value		<b>352.0</b>	(1,267.3)
Changes in allowance for expected credit losses		<b>1.2</b>	(1.9)
Reclassification of realised loss on disposal of investments to the Profit or Loss Statement		<b>50.6</b>	94.8
Net insurance financial result:			
Finance income from insurance contracts issued	5	<b>64.7</b>	416.3
Finance expenses from reinsurance contracts held	5	<b>(19.4)</b>	(38.5)
Income tax related to the above		<b>(74.6)</b>	131.0
<b>Other comprehensive income/(loss) for the year, after tax</b>		<b>360.0</b>	(936.6)
<b>Total comprehensive income/(loss) for the year</b>		<b>1,149.2</b>	(323.9)
<b>Total comprehensive income/(loss) attributable to:</b>			
Shareholders		<b>1,135.4</b>	(325.6)
Non-controlling interests		<b>13.8</b>	1.7
		<b>1,149.2</b>	(323.9)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Balance Sheets

As at 31 December 2023

in Singapore Dollars (millions)	Note	Group			Company	
		31 Dec 2023	31 Dec 2022 (restated)	1 Jan 2022 (restated)	31 Dec 2023	31 Dec 2022
<b>Share capital</b>	9	<b>152.7</b>	152.7	152.7	<b>152.7</b>	152.7
<b>Reserves</b>						
Other reserves	10	(721.4)	(1,084.7)	(129.9)	<b>419.2</b>	419.2
Retained earnings		<b>8,454.2</b>	8,108.1	7,786.5	<b>2,851.7</b>	2,962.5
<b>SHAREHOLDERS' EQUITY</b>		<b>7,885.5</b>	7,176.1	7,809.3	<b>3,423.6</b>	3,534.4
<b>NON-CONTROLLING INTERESTS</b>		<b>103.5</b>	99.2	106.8	-	-
<b>TOTAL EQUITY</b>		<b>7,989.0</b>	7,275.3	7,916.1	<b>3,423.6</b>	3,534.4
<b>LIABILITIES</b>						
<b>Other creditors</b>	11	<b>1,912.5</b>	1,360.7	1,097.7	<b>9.3</b>	8.5
<b>Income tax payable</b>		<b>164.6</b>	238.5	328.6	-	-
<b>Derivative financial liabilities</b>	17	<b>179.7</b>	292.0	111.4	-	-
<b>Provision for agents' retirement benefits</b>	12	<b>297.6</b>	295.8	291.3	-	-
<b>Deferred tax liabilities</b>	7	<b>268.7</b>	105.8	354.5	-	-
<b>Reinsurance contract liabilities</b>	13	<b>220.1</b>	481.6	383.3	-	-
<b>Insurance contract liabilities</b>	13	<b>98,001.6</b>	94,805.8	97,175.2	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>109,033.8</b>	104,855.5	107,658.1	<b>3,432.9</b>	3,542.9
<b>ASSETS</b>						
<b>Cash and cash equivalents</b>		<b>6,302.9</b>	9,607.9	9,117.7	<b>25.7</b>	20.4
<b>Other debtors</b>	14	<b>1,111.5</b>	821.1	857.3	-	-
<b>Asset held for sale</b>	25	-	72.6	-	-	-
<b>Amount due from subsidiaries</b>	15	-	-	-	<b>2,380.1</b>	2,480.9
<b>Loans</b>	16	<b>511.0</b>	480.5	592.2	-	-
<b>Derivative financial assets</b>	17	<b>963.9</b>	761.7	369.9	-	-
<b>Investments</b>	18	<b>96,535.6</b>	88,760.4	92,462.4	-	-
<b>Deferred tax assets</b>	7	<b>16.6</b>	53.3	6.2	-	-
<b>Reinsurance contract assets</b>	13	<b>868.7</b>	1,208.7	1,310.0	-	-
<b>Insurance contract assets</b>	13	<b>39.6</b>	372.6	221.3	-	-
<b>Investment in associate</b>	20	<b>95.1</b>	122.5	95.2	-	-
<b>Investment in subsidiaries</b>	21	-	-	-	<b>1,027.1</b>	1,041.6
<b>Intangible assets</b>	23	<b>212.5</b>	203.6	195.0	-	-
<b>Investment properties</b>	24	<b>1,880.7</b>	1,881.2	1,883.9	-	-
<b>Property, plant and equipment</b>	26	<b>495.7</b>	509.4	547.0	-	-
<b>TOTAL ASSETS</b>		<b>109,033.8</b>	104,855.5	107,658.1	<b>3,432.9</b>	3,542.9

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement of Changes in Equity – Group

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	Attributable to shareholders of the Company					Total	Non-Controlling Interests	Total Equity
		Share Capital	Other reserves			Retained Earnings			
			Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve				
<b>Balance at 1 January 2023 (restated)</b>		152.7	(74.1)	(922.1)	(88.5)	8,108.1	7,176.1	99.2	7,275.3
<b>Profit for the year</b>		-	-	-	-	774.6	774.6	14.6	789.2
<b>Other comprehensive (loss)/ income for the year</b>		-	(70.5)	394.5	36.8	-	360.8	(0.8)	360.0
<b>Total comprehensive (loss)/ income for the year</b>		-	(70.5)	394.5	36.8	774.6	1,135.4	13.8	1,149.2
<b>Reclassification of net change in fair value of equity instruments upon derecognition</b>	18	-	-	2.5	-	(2.5)	-	-	-
<b>Distributions to shareholders</b>									
<b>Dividends paid during the year:</b>									
<b>Final one-tier tax exempt dividend for the previous year</b>	33	-	-	-	-	(260.3)	(260.3)	-	(260.3)
<b>Interim one-tier tax exempt dividend</b>	33	-	-	-	-	(165.7)	(165.7)	-	(165.7)
<b>Dividends paid to non-controlling interests</b>		-	-	-	-	-	-	(9.5)	(9.5)
<b>Total distributions to shareholders</b>		-	-	-	-	(426.0)	(426.0)	(9.5)	(435.5)
<b>Total transactions with shareholders in their capacity as shareholders</b>		-	-	-	-	(426.0)	(426.0)	(9.5)	(435.5)
<b>Balance at 31 December 2023</b>		152.7	(144.6)	(525.1)	(51.7)	8,454.2	7,885.5	103.5	7,989.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement of Changes in Equity – Group

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	Attributable to shareholders of the Company						Total	Non-Controlling Interests	Total Equity
		Share Capital	Other reserves			Retained Earnings				
			Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve					
Balance at 1 January 2022, as previously reported		152.7	(17.1)	281.7	-	9,612.3	10,029.6	106.8	10,136.4	
Adoption of SFRS(I) 17		-	-	-	(398.0)	(1,822.3)	(2,220.3)	-	(2,220.3)	
Redesignation and classification overlay for financial assets		-	-	3.5	-	(3.5)	-	-	-	
Balance at 1 January 2022 (restated)		152.7	(17.1)	285.2	(398.0)	7,786.5	7,809.3	106.8	7,916.1	
Profit for the year		-	-	-	-	610.0	610.0	2.7	612.7	
Other comprehensive (loss)/ income for the year		-	(57.0)	(1,188.1)	309.5	-	(935.6)	(1.0)	(936.6)	
Total comprehensive (loss)/ income for the year		-	(57.0)	(1,188.1)	309.5	610.0	(325.6)	1.7	(323.9)	
Reclassification of net change in fair value of equity instruments upon derecognition	18	-	-	(19.2)	-	19.2	-	-	-	
Distributions to shareholders										
Dividends paid during the year:										
Final one-tier tax exempt dividend for the previous year	33	-	-	-	-	(260.3)	(260.3)	-	(260.3)	
Interim one-tier tax exempt dividend	33	-	-	-	-	(47.3)	(47.3)	-	(47.3)	
Dividends paid to non-controlling interests		-	-	-	-	-	-	(9.3)	(9.3)	
Total distributions to shareholders		-	-	-	-	(307.6)	(307.6)	(9.3)	(316.9)	
Total transactions with shareholders in their capacity as shareholders		-	-	-	-	(307.6)	(307.6)	(9.3)	(316.9)	
Balance at 31 December 2022		152.7	(74.1)	(922.1)	(88.5)	8,108.1	7,176.1	99.2	7,275.3	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement of Changes in Equity – Company

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	Share Capital	Merger Reserve	Retained Earnings	Total Equity
<b>Balance at 1 January 2023</b>		<b>152.7</b>	<b>419.2</b>	<b>2,962.5</b>	<b>3,534.4</b>
<b>Profit for the year</b>		<b>-</b>	<b>-</b>	<b>315.2</b>	<b>315.2</b>
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>315.2</b>	<b>315.2</b>
<b>Distributions to shareholders</b>					
<b>Dividends paid during the year:</b>					
Final one-tier tax exempt dividend for the previous year	33	-	-	(260.3)	(260.3)
Interim one-tier tax exempt dividend	33	-	-	(165.7)	(165.7)
<b>Total distributions to shareholders</b>		<b>-</b>	<b>-</b>	<b>(426.0)</b>	<b>(426.0)</b>
<b>Total transactions with shareholders in their capacity as shareholders</b>		<b>-</b>	<b>-</b>	<b>(426.0)</b>	<b>(426.0)</b>
<b>Balance at 31 December 2023</b>		<b>152.7</b>	<b>419.2</b>	<b>2,851.7</b>	<b>3,423.6</b>
Balance at 1 January 2022		152.7	419.2	3,121.7	3,693.6
<b>Profit for the year</b>		<b>-</b>	<b>-</b>	<b>148.4</b>	<b>148.4</b>
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>148.4</b>	<b>148.4</b>
<b>Distributions to shareholders</b>					
<b>Dividends paid during the year:</b>					
Final one-tier tax exempt dividend for the previous year	33	-	-	(260.3)	(260.3)
Interim one-tier tax exempt dividend	33	-	-	(47.3)	(47.3)
<b>Total distributions to shareholders</b>		<b>-</b>	<b>-</b>	<b>(307.6)</b>	<b>(307.6)</b>
<b>Total transactions with shareholders in their capacity as shareholders</b>		<b>-</b>	<b>-</b>	<b>(307.6)</b>	<b>(307.6)</b>
<b>Balance at 31 December 2022</b>		<b>152.7</b>	<b>419.2</b>	<b>2,962.5</b>	<b>3,534.4</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



## Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	2023	2022 (restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax		<b>1,070.5</b>	810.0
<i>Adjustments for non-cash items:</i>			
(Gain)/loss on sale of investments and changes in fair value		<b>(2,949.5)</b>	7,621.8
Increase in provision for impairment of assets	5	<b>13.6</b>	28.7
Increase in provision for agents' retirement benefits	6	<b>44.0</b>	38.3
Gain on sale of investment property	5	<b>(20.0)</b>	-
Depreciation and amortisation expenses	6	<b>87.8</b>	88.0
Unrealised loss on exchange differences	5	<b>77.2</b>	98.8
Dividend income	5	<b>(618.0)</b>	(716.8)
Interest income	5	<b>(2,383.6)</b>	(2,145.8)
Interest expense on lease liabilities	6	<b>1.6</b>	1.9
Share-based payments	6	<b>8.0</b>	8.2
		<b>(4,668.4)</b>	5,833.1
Changes in working capital:			
Other debtors		<b>(288.9)</b>	(33.9)
Other creditors		<b>403.3</b>	(154.0)
Insurance and reinsurance contract assets/liabilities		<b>3,797.7</b>	(1,343.4)
Cash (used in)/generated from operations		<b>(756.3)</b>	4,301.8
Income tax paid		<b>(241.4)</b>	(412.5)
Interest paid on lease liabilities		<b>(1.6)</b>	(1.9)
Agents' retirement benefits paid	12	<b>(23.5)</b>	(16.2)
<b>Net cash flows (used in)/generated from operating activities</b>		<b>(1,022.8)</b>	3,871.2

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

in Singapore Dollars (millions)	Note	2023	2022 (restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from maturities and sale of investments		<b>45,124.5</b>	37,062.9
Purchase of investments		<b>(49,894.6)</b>	(42,882.2)
Proceeds from sale of property, plant and equipment		<b>0.2</b>	0.5
Proceeds from sale of investment property		<b>92.6</b>	-
Purchase of property, plant and equipment and investment properties	24, 26	<b>(36.1)</b>	(14.9)
Acquisition of intangible assets	23	<b>(57.6)</b>	(56.0)
Interest income received		<b>2,318.1</b>	2,120.5
Dividends received		<b>619.5</b>	719.0
<b>Net cash flows used in investing activities</b>		<b>(1,833.4)</b>	(3,050.2)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid	33	<b>(426.0)</b>	(307.6)
Dividends paid to non-controlling interests		<b>(9.5)</b>	(9.3)
Principal element of lease payments		<b>(13.3)</b>	(13.9)
<b>Net cash flows used in financing activities</b>		<b>(448.8)</b>	(330.8)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(3,305.0)</b>	490.2
<b>Cash and cash equivalents at the beginning of the year</b>		<b>9,607.9</b>	9,117.7
<b>Cash and cash equivalents at the end of the year</b>		<b>6,302.9</b>	9,607.9
<b>Cash and cash equivalents comprise:</b>			
<b>Cash and bank balances</b>		<b>1,815.9</b>	3,026.1
<b>Cash on deposit</b>		<b>2,579.6</b>	2,683.2
<b>Short term instruments</b>		<b>1,907.4</b>	3,898.6
		<b>6,302.9</b>	9,607.9

Included in the cash and cash equivalents are bank deposits amounting to \$3.2 million (31 December 2022: \$9.4 million) which are lodged with the regulator as statutory deposits, which are not available for use by the Group.

# Notes to the Financial Statements

## 1 GENERAL

Great Eastern Holdings Limited (the “Company” or “GEH”) is a limited liability company which is incorporated and domiciled in the Republic of Singapore. The notes refer to the Company and the Group unless otherwise stated. The registered office and principal place of business of the Company is located at 1 Pickering Street, #16-01, Great Eastern Centre, Singapore 048659.

The principal activity of the Company is that of an investment holding company. The principal activities of the significant subsidiaries within the Group are stated in Note 3. There have been no significant changes in the nature of these activities during the financial year.

The Company’s immediate and ultimate holding company is Oversea-Chinese Banking Corporation Limited (“OCBC”), which prepares financial statements for public use.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) and SFRS(I) Interpretations as issued by the Accounting Standards Council. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$) and all values are rounded to the nearest \$0.1 million except as otherwise stated.

### 2.2 Changes in Accounting Policies

#### 2.2.1 New Standards and Amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual financial periods beginning on or after 1 January 2023.

SFRS(I)	Title	Effective date (Annual periods beginning on or after)
SFRS(I) 17	Insurance Contracts	1 January 2023
Various	Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-8	Amendments to SFRS(I) 1-8: Definition of Accounting Estimates	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
SFRS(I) 1-12	Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules	1 January 2023

The adoption of the new standards did not have any material impact on the financial performance or position of the Group and the Company except for SFRS(I) 17. SFRS(I) 17 replaces SFRS(I) 4 Insurance Contracts for annual periods beginning on or after 1 January 2023.

The Group has restated comparative information for 2022 applying the transitional provisions in Appendix C to SFRS(I) 17. The nature and effects of the changes in the Group accounting policies are summarised below.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.2 Changes in Accounting Policies (continued)

#### 2.2.1 New Standards and Amendments (continued)

##### 2.2.1.1 Changes to Classification and Measurement

The adoption of SFRS(I) 17 did not change the classification of the Group's insurance contracts.

SFRS(I) 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group.

The key principles of SFRS(I) 17 are that the Group:

- Identifies insurance contracts as those under which the Group accepts significant risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- Separates specified embedded derivatives, distinct investment components and distinct non-insurance goods or services from insurance contracts and accounts for them in accordance with other standards;
- Divides the insurance and reinsurance contracts (or portfolios of contracts with similar risks and managed together) into groups based on the expected contract profitability;
- Recognises and measures groups of insurance contracts at:
  - A risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all available information about the fulfilment cash flows in a way that is consistent with observable market information; plus
  - An amount representing the unearned profit in the group of contracts (the contractual service margin or CSM);
- Recognises profit from a group of insurance contracts over the period the Group provides insurance coverage, as the Group is released from risk. If a group of contracts is expected to be onerous (i.e., loss-making) over the remaining coverage period, the Group recognises the loss immediately. An onerous contract group's expected loss is not offset against the expected gains of other contract groups.

The Group's classification and measurement of insurance and reinsurance contracts are explained in Note 2.9.

##### 2.2.1.2 Changes to Presentation and Disclosure

For presentation in the balance sheet, the Group aggregates portfolios of insurance and reinsurance contracts issued and reinsurance contracts held and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets;
- Portfolios of reinsurance contracts held that are assets;
- Portfolios of insurance contracts that are liabilities; and
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the SFRS(I) 17 requirements.

The descriptions of the line items in the Consolidated Profit or Loss Statement have been changed significantly compared with the previous year. Previously the Group reported the following line items: gross premiums, gross claims, maturities, surrenders and annuities and change in insurance contract liabilities. SFRS(I) 17 requires separate presentation of:

- Insurance revenue;
- Insurance service expense;
- Insurance finance income or expense; and
- Income or expenses from reinsurance contracts held.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.2 Changes in Accounting Policies (continued)

#### 2.2.1 New Standards and Amendments (continued)

##### 2.2.1.2 Changes to Presentation and Disclosure (continued)

The Group provides disaggregated qualitative and quantitative information in the notes to the financial statements about:

- The amounts recognised in its financial statements from insurance contracts and reinsurance contracts; and
- Significant judgment, and changes in those judgment made when applying the standard.

##### 2.2.1.3 Transition

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

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

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

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

- Identified, recognised and measured each group of insurance and reinsurance contracts as if SFRS(I) 17 had always been applied (unless impracticable – refer to Notes 2.2.1.3.1 and 2.2.1.3.2);
- Derecognised previously reported balances that would not have existed if SFRS(I) 17 had always been applied;
- Elected the option introduced by SFRS(I) 17 to redesignate certain financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities and applied the classifications retrospectively (refer to Note 2.2.1.3.3); and
- Recognised any resulting net difference in equity.

The Group has applied the transitional provisions in SFRS(I) 17 and has not disclosed the impact of the adoption of SFRS(I) 17 on each financial statement line item and earnings per share (“EPS”). The effects of adopting SFRS(I) 17 on the consolidated financial statements at 1 January 2022 are presented in the statement of changes in equity.

##### 2.2.1.3.1 Modified Retrospective Approach

The modified retrospective approach was applied to certain groups of insurance contracts that were originated less than 10 years prior to the transition date.

The Group has used the following procedures to determine the CSM at initial recognition for these contracts:

- Estimated future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that have occurred between the date of initial recognition and the transition date. The cash flows that are known to have occurred include cash flows resulting from contracts that ceased to exist before the transition date;

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.2 Changes in Accounting Policies (continued)

#### 2.2.1 New Standards and Amendments (continued)

##### 2.2.1.3 Transition (continued)

##### 2.2.1.3.1 Modified Retrospective Approach (continued)

The Group has used the following procedures to determine the CSM at initial recognition for these contracts (continued):

- Estimated historical discount rates applied to cash flows in the period prior to 2012 using an observable market interest curve for that period, adjusted by the spread between observable market yield curves and the yield curve used to determine current discount rates for the years between 1 January 2012 and 1 January 2022; and
- Estimated the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment at the transition date by the expected release of risk in the periods before the transition date. The expected release of risk was determined with reference to the release of risk for similar contracts that the Group has issued subsequent to the transition date.

The CSM at the transition date has been further determined by:

- Using the modified discount rates determined at initial recognition to accrete interest on the CSM; and
- Applying the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date.

##### 2.2.1.3.2 Fair Value Approach

The Group applied the fair value approach to the remaining insurance contracts. Under the fair value approach, the Group determined the CSM of the liability for remaining coverage ("LRC") at the date of transition, as the difference between the fair value of a group of insurance contracts, measured in accordance with SFRS(I) 13 Fair Value Measurement, and its fulfilment cash flows ("FCF") at that date.

The Group has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition.

For the application of the fair value approach, the Group has used reasonable and supportable information available at the transition date in order to:

- Identify groups of insurance contracts;
- Determine whether any contracts are direct participating insurance contracts; and
- Identify any discretionary cash flows for insurance contracts without direct participation features.

The discount rate for the group of contracts inception after 2012 applying the fair value approach was determined based on the inception year discount rate. Whereas, the discount rate for the group of contracts inception before 2012 applying the fair value approach was determined on transition date.

The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach at inception.

The Group used the income approach to determine the fair value amount used for establishing the insurance contract liabilities at the transition date.

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.2 Changes in Accounting Policies (continued)

##### 2.2.1 New Standards and Amendments (continued)

##### 2.2.1.3 Transition (continued)

##### 2.2.1.3.3 Impact on Transition

The effects from applying SFRS(I) 17 resulted in a reduction of total equity of \$2,220.3 million, net of tax, as at 1 January 2022. The net transition impact to equity consisted of the following effects.

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.2 Changes in Accounting Policies (continued)

#### 2.2.1 New Standards and Amendments (continued)

##### 2.2.1.3 Transition (continued)

##### 2.2.1.3.3 Impact on Transition (continued)

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

##### Redesignation of Financial Assets and Classification Overlay

SFRS(I) 17 allows entities that had applied SFRS(I) 9 to annual periods before the initial application of SFRS(I) 17, to redesignate their financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities. A transition option was elected to apply a classification overlay for the financial assets as if the classification and measurement requirements of SFRS(I) 9 had been applied to that financial asset during the comparative period. At the transition date, \$2,094.0 million of debt instruments which were previously designated at fair value through profit or loss were reclassified to fair value through other comprehensive income, recognising an expected credit loss, net of tax of \$9.9 million. The redesignation of financial assets resulted in a reclassification of \$3.5 million from the opening retained earnings to fair value reserve.

#### 2.2.2 SFRS(I) not yet effective

The Group and the Company have not applied the following SFRS(I) that have been issued but which are not yet effective:

SFRS(I)	Title	Effective date (Annual periods beginning on or after)
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 16	Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangement	1 January 2024
SFRS(I) 10, SFRS(I) 1-28	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 Directors expect that the adoption of the new standards above will not have any material impact on the financial statements in the year of initial application.

### 2.3 Basis of Consolidation and Business Combinations

#### 2.3.1 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. A list of the Company's significant subsidiaries is shown in Note 3.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated.



# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.3 Basis of Consolidation and Business Combinations (continued)

#### 2.3.1 Basis of Consolidation (continued)

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in profit or loss.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.18. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

### 2.4 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses, if any.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.5 Structured Entities

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

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

### 2.6 Associates

Associates are entities over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investment in associates using the equity method from the date on which it becomes an associate. If the investment in an associate is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the Group may elect to measure that investment at fair value through profit or loss in accordance with SFRS(I) 9. The Group will make this election separately for each associate, at initial recognition of the associate.

On acquisition of the investment, an excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, investments in associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and the respective carrying value and recognises the amount in the profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained investment at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.7 Transactions with Non-Controlling Interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to shareholders of the Company, and is presented separately in the Consolidated Profit or Loss Statement, Consolidated Statement of Comprehensive Income and within equity in the Consolidated Balance Sheet, separately from Shareholders' Equity. An exception to this occurs when non-controlling interests arise through minority unit holders' interest in consolidated investment funds, when they are recognised as a liability, reflecting the net assets of the consolidated entity. These interests qualify as a financial liability as they give the holder the right to put the instrument back to the issuer for cash. Changes in these liabilities are recognised in the Consolidated Profit or Loss Statement as expenses.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

### 2.8 Foreign Currency Conversion and Translation

#### 2.8.1 Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's consolidated financial statements are presented in Singapore Dollars, which is also the Company's functional and presentation currency.

#### 2.8.2 Transactions and Balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Profit or Loss Statement except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation. Exchange differences on non-monetary items such as equity investments classified as fair value through other comprehensive income and available-for-sale financial assets are included in the fair value reserve in equity.

#### 2.8.3 Consolidated Financial Statements

For consolidation purposes, the assets and liabilities of foreign operations are translated into Singapore Dollars at the rate of exchange ruling at the end of the reporting period. The Profit or Loss Statement is translated at the exchange rates prevailing at the dates of the transactions. The exchange differences arising from the translation are recognised in the Statement of Comprehensive Income as foreign currency translation reserve.

On disposal of a foreign operation, the cumulative amount of exchange differences recognised in other comprehensive income relating to that particular foreign operation is recognised in the Profit or Loss Statement as gain or loss on disposal of the operation.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences is re-attributed to non-controlling interest and is not recognised in Profit or Loss Statement. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the Profit or Loss Statement.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts

#### 2.9.1 Definition and Classification

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

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

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

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

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

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets and accounts for these group of contracts under the Variable Fee Approach ("VFA"). The VFA modifies the accounting model in SFRS(I) 17 to reflect that the consideration that the Group receives for the contracts is a variable fee.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA model (see Note 2.9.7). The PAA is an optional simplified measurement model in SFRS(I) 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria. This approach is used for non-life insurance contracts, because each of these contracts have a coverage period of one year or less, or the PAA provides a measurement which is not materially different from that under the GMM.

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

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

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

#### 2.9.3 Level of Aggregation

##### 2.9.3.1 Insurance contracts

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

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

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

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

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

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

Non-life insurance contracts are measured under the PAA model (see Note 2.9.7). An assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at the product type level.

##### 2.9.3.2 Reinsurance contracts

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

#### 2.9.4 Recognition

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

- the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the contract boundary (see Note 2.9.5));
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the contract is onerous.

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

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held; and
- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract in the group of reinsurance contracts held at or before that date.

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

#### 2.9.5 Contract Boundary

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

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

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

For life insurance contracts with renewal periods, the Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Group by considering all the risks covered for the policyholder by the Group, that the Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. Therefore, the cash flows related to renewals of insurance contracts will not be included in the contract boundary.

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

#### 2.9.6 Measurement

##### 2.9.6.1 Measurement – contracts not measured under the PAA

On initial recognition, the Group measures a group of insurance contracts as the total of (a) the fulfilment cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the CSM (see Note 2.9.6.3). The fulfilment cash flows of a group of insurance contracts do not incorporate the Group's non-performance risk.

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

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

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.26.

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

If the total is a net outflow, then the group is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section in Note 2.9.6.4 below).

##### 2.9.6.2 Fulfilment Cash Flows (“FCF”)

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

The estimates of future cash flows:

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

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgment and estimation. Refer to Note 2.26(a).

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

#### 2.9.6 Measurement (continued)

##### 2.9.6.3 Contractual Service Margin

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

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

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

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

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

##### 2.9.6.4 Subsequent Measurement – contracts not measured under the PAA

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

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

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



## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.9 Insurance and Reinsurance Contracts (continued)

##### 2.9.6 Measurement (continued)

###### 2.9.6.4 Subsequent Measurement – contracts not measured under the PAA (continued)

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

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

###### *Onerous contracts – Loss component*

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

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

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

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

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

###### 2.9.6.5 Reinsurance Contracts

The Group will apply the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

#### 2.9.6 Measurement (continued)

##### 2.9.6.5 Reinsurance Contracts (continued)

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

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

##### 2.9.6.6 Insurance Acquisition Cash Flows

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

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

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

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

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

- (a) recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
- (b) if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

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

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.9 Insurance and Reinsurance Contracts (continued)

##### 2.9.7 Measurement – contracts measured under the PAA

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

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

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

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

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

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

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

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Insurance and Reinsurance Contracts (continued)

#### 2.9.8 Derecognition and Contract Modification

An insurance contract is derecognised when it is:

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

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

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

When a new contract is required to be recognised as a result of modification and it is within the scope of SFRS(I) 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, including the VFA eligibility and component separation requirements (see Note 2.9.2) and contract aggregation requirements (see Note 2.9.3).

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

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

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.9 Insurance and Reinsurance Contracts (continued)

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

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

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

#### 2.10 Recognition of Income and Expense

##### 2.10.1 Insurance Service Result From Insurance Contracts Issued

###### Insurance revenue

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

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

- Amounts relating to the changes in the LRC:
  - (a) expected claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - amounts allocated to the loss component;
    - repayments of investment components and policyholder rights to withdraw an amount;
    - amounts of transaction-based taxes collected in a fiduciary capacity;
    - insurance acquisition expenses; and
    - amounts related to the risk adjustment for non-financial risk (see (b));
  - (b) changes in the risk adjustment for non-financial risk, excluding:
    - changes included in insurance finance income (expenses);
    - changes that relate to future coverage (which adjust the CSM); and
    - amounts allocated to the loss component;
  - (c) amounts of the CSM recognised for the services provided in the period;
  - (d) experience adjustments – arising from premiums received in the period other than those that relate to future service; and
  - (e) other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows in a systematic way on the basis of the passage of time over the expected coverage of a group of contracts.

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Recognition of Income and Expense (continued)

#### 2.10.1 Insurance Service Result From Insurance Contracts Issued (continued)

##### Insurance service expenses

Insurance service expenses include the following:

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

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

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

Other expenses not meeting the above categories are included in other expenses in the consolidated statement of profit or loss.

#### 2.10.2 Insurance Service Result from Reinsurance Contracts Held

##### Net income (expenses) from reinsurance contracts held

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

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

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

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

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

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.10 Recognition of Income and Expense (continued)

##### 2.10.2 Insurance Service Result from Reinsurance Contracts Held (continued)

###### *Net income (expenses) from reinsurance contracts held (continued)*

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

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

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

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

##### 2.10.3 Insurance Finance Income or Expenses

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

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

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

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

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

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

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

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

For conventional life and non-life insurance contracts, the Group includes all insurance finance income or expenses for the period in profit or loss, except for certain portfolios measured using the GMM where the Other Comprehensive Income (“OCI”) option is applied. This is expected to reduce accounting mismatches in profit or loss, considering that many of the supporting financial assets will be debt investments measured at fair value through other comprehensive income (“FVOCI”).

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Recognition of Income and Expense (continued)

#### 2.10.4 Other Investment Revenue

##### 2.10.4.1 Interest Revenue

Interest revenue is recognised using the effective interest method.

##### 2.10.4.2 Dividend Income

Dividend income is recognised as investment income when the Group's right to receive the payment is established. Dividend income from the Company's subsidiaries is recognised when the dividend is declared payable.

##### 2.10.4.3 Rental Income

Rental income from operating leases is recognised on a straight-line basis over the lease term. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

##### 2.10.4.4 Gain/Loss on Sale of Investments

Gains or losses on sale of investments are derived from the difference between net sales proceeds and the purchase or amortised cost. They are recognised on trade date.

#### 2.10.5 Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment test for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the Profit or Loss Statement.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the Profit or Loss Statement. Unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

#### 2.10.6 Impairment of Financial Assets

The Group recognises loss allowances for expected credit losses ("ECL") on the following financial instruments that are not measured at FVTPL:

- (i) Debt instruments measured at FVOCI and amortised cost;
- (ii) Loans and receivables measured at amortised cost; and
- (iii) Loan commitments.



# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Recognition of Income and Expense (continued)

#### 2.10.6 Impairment of Financial Assets (continued)

The Group assesses on a forward looking basis the ECL associated with its loans and debt instruments carried at amortised cost and FVOCI and its loan commitments. For trade receivables, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses. The Group recognises a loss allowance for ECL at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group measures loss allowances at an amount equal to lifetime ECL, except for financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL represents the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Note 31(h) provides more details on how the expected loss allowance is measured.

#### Not credit-impaired financial assets

For financial assets that are not credit-impaired at the reporting date, the ECL is the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

#### Modified financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected modification will not result in derecognition of the existing asset then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected modification will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

#### Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets measured at amortised cost and debt financial assets measured at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Group considers factors such as probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For financial assets that are credit-impaired at the reporting date, the ECL is the difference between the gross carrying amount and the present value of estimated future cash flows.

#### Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Recognition of Income and Expense (continued)

#### 2.10.7 Fees and Other Income

Fees and other income comprise mainly management and advisory fee income. Management and advisory fee income includes income earned from the provision of administration services, investment management services, surrenders and other contract fees. This fee income is recognised as revenue over the period in which the services are rendered. If the fees are for services to be provided in future periods, then they are deferred and recognised over those periods.

#### 2.10.8 Employee Benefits

##### *Defined Contribution Plans under Statutory Regulations*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore and Malaysia companies in the Group make contributions respectively to the Central Provident Fund and Employees' Provident Fund, which are defined contribution pension schemes. These contributions are recognised as an expense in the period in which the service is rendered.

##### *Employee Leave Entitlements*

An employee's entitlement to annual leave and long-service leave is estimated and accrued according to the Group's Human Resource policy.

##### *Share Options*

Senior executives of the Group are granted share options in the OCBC's Share Option Scheme as consideration for services rendered. Options granted are exercisable for up to 10 years. The options may be exercised after the first anniversary of the date of the grant, and generally vest in one-third increments over a 3-year period. The cost of these options are recognised as expense in the Profit or Loss Statement based on the fair value of the options at the date of the grant. The share options are cash-settled share-based payment transactions. The expense is recognised over the vesting period of the grant, with a corresponding increase in liabilities.

The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as a result of a failure to meet a non-vesting condition that is within the control of the Group or the senior executives, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in the Profit or Loss Statement upon cancellation.

##### *Deferred Share Plan*

In addition to the OCBC's Share Option Scheme, certain employees within the Group are granted OCBC shares under the OCBC Deferred Share Plan ("DSP"). The deferred share awards are granted as part of variable performance bonus. Half of the share awards will vest two years from the grant date and the remaining half will vest at the end of three years from the grant date. The cost of the DSP is recognised in the Profit or Loss Statement on the straight-line basis over the vesting period of the DSP.

At each balance sheet date, the cumulative expense is adjusted for the estimated number of shares granted under the DSP that have vested and/or lapsed.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Recognition of Income and Expense (continued)

#### 2.10.9 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration – i.e. the customer has the right to:

- obtain substantially all of the economic benefits from using the asset; and
- direct the use of the asset.

#### *As Lessee*

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the amount of lease liability, any lease payments made or before the commencement date, any indirect costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group generally uses its incremental borrowing rate as the discount rate.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the carrying amount of the right-of-use asset is reduced by any impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured to reflect any lease modifications or reassessments.

The Group presents its right-of-use assets in 'property, plant and equipment' and lease liabilities in 'other creditors' in the balance sheet.

#### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### *As Lessor*

The Group classifies all leases for which it is a lessor as operating leases, because each of these leases does not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term and are included in 'rental income'.

### 2.11 Taxes

#### 2.11.1 Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.11 Taxes (continued)

#### 2.11.2 Deferred Tax

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Exceptions include:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to taxable income in the year when the asset is realised or the liability is settled, based on tax rates (and applicable tax laws and jurisdictions) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.11 Taxes (continued)

#### 2.11.3 Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### 2.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.13 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments, or are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

### 2.14 Financial Assets

#### *Initial recognition and measurement*

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial asset. The Group determines the classification of its financial assets at initial recognition. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs for financial assets carried at fair value through profit or loss are recognised as expense in the Profit or Loss Statement.

#### *Classification*

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

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

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI only if it meets both of the following conditions and is not designated as measured at FVTPL:

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

An equity security that is not held for trading may, by irrevocable election, be designated as measured at FVOCI. This election is made on an investment-by-investment basis. The Group has designated certain equity securities held for strategic purposes as measured at FVOCI.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.14 Financial Assets (continued)

#### *Classification (continued)*

A financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI may, by irrevocable election, be designated as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Group has designated certain debt securities which are held with the intent to hold to collect contractual cash flows and sell as measured at FVTPL.

All other financial assets are classified as measured at FVTPL.

#### *Business model assessment*

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

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

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

The business model assessment is based on reasonably expected scenarios without taking "worst case" or "stress case" scenarios into account. If the cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

#### *Assessment whether contractual cash flows are solely payments of principal and interest*

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers the following key aspects:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Group's claim to cash flows from specified assets; and
- Features that modify consideration of the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.14 Financial Assets (continued)

#### *Subsequent measurement*

##### 2.14.1 Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

- (i) **Amortised cost**  
Debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest method. Interest revenue, foreign exchange gains and losses and impairment are recognised in the profit or loss. Gains or losses are also recognised in profit or loss when the assets are derecognised.
- (ii) **Fair value through other comprehensive income (FVOCI)**  
Debt instruments that are held for collection of contractual cash flows and for sale, where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Any gains or losses from changes in fair value are recognised in other comprehensive income and accumulated in fair value reserve. Impairment, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss when the financial asset is derecognised.
- (iii) **Fair value through profit or loss (FVTPL)**  
Debt instruments that do not meet the criteria for classification as amortised cost or FVOCI are measured at FVTPL. Any gains or losses from changes in fair value and interest are recognised in profit or loss.

##### 2.14.2 Equity Instruments

The Group subsequently measures all equity instruments at fair value. On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in fair value of equity instruments at FVTPL are recognised in profit or loss.

##### 2.14.3 Derivatives and Hedging Activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The Group has not adopted hedge accounting.

#### *Reclassifications*

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.14 Financial Assets (continued)

#### 2.14.3 Derivatives and Hedging Activities (continued)

##### *Derecognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired or has been transferred such that substantially all of the risks and rewards of ownership of the financial asset are transferred.

On derecognition of a financial asset, except for equity securities measured at FVOCI, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in Profit or Loss Statement.

On derecognition of equity securities measured at FVOCI, any cumulative gain/loss recognised in OCI is not recognised in Profit or Loss Statement, but retained in OCI.

##### *Regular way purchase or sale of a financial asset*

All regular way purchases and sales of financial assets are recognised or derecognised on trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

### 2.15 Financial Liabilities

#### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when the Group becomes a party to the contractual obligations of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

The Group's financial liabilities include other creditors, provision for agents' retirement benefits and derivative financial liabilities.

#### *Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

#### **2.15.1 Financial Liabilities at Fair Value through Profit or Loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term and include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the Profit or Loss Statement.

#### **2.15.2 Financial Liabilities at Amortised Cost**

After initial recognition, other financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.



# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.15 Financial Liabilities (continued)

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Profit or Loss Statement.

### 2.16 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.17 Determination of Fair Value of Financial Instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted or published bid prices on the balance sheet date. If quoted prices are not available over the counter, broker or dealer price quotations are used.

For units in unit trusts and shares in open-ended investment companies, fair value is determined by reference to published bid-values.

For financial instruments where there is no active market, the fair value is determined by using valuation techniques. Such techniques include using recent arm's length transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis and/or option pricing models. For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument. Certain financial instruments, including derivative financial instruments, are valued using pricing models that consider, among other factors, contractual, and market prices, correlation, time value of money, credit risk, yield curve volatility factors and/or prepayment rates of the underlying positions. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with financial institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the balance sheet date.

### 2.18 Intangible Assets

#### 2.18.1 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the Profit or Loss Statement. Impairment losses recognised for goodwill are not reversed in subsequent periods.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.18 Intangible Assets (continued)

#### 2.18.1 Goodwill (continued)

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments which arose on acquisitions of foreign subsidiaries before 1 January 2005 are deemed to be assets and liabilities of the parent company and are recorded in SGD at the rates prevailing at the date of acquisition.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the balance sheet date.

#### 2.18.2 Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

No amortisation is provided on capital works in progress as the assets are not yet available for use. Amortisation of an asset begins when it is available for use and calculated on a straight-line basis over the estimated useful life of an asset. The useful lives are as follows:

Computer software and software development costs	3 to 10 years
Distribution platform	6.5 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite useful life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Profit or Loss Statement.

### 2.19 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and is not depreciated. No depreciation is provided for 999-year leasehold land. No depreciation is provided on capital works in progress as the assets are not yet available for use.

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.19 Property, Plant and Equipment (continued)

Depreciation of an asset begins when it is available for use and is calculated on a straight-line basis over the estimated useful life of an asset. The useful lives are as follows:

Buildings	50 years
Office furniture, fittings and equipment	5 to 10 years
Renovation	3 to 5 years
Computer equipment and software development costs	3 to 10 years
Motor vehicles	5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate. This is to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the Profit or Loss Statement in the year the asset is derecognised.

#### 2.20 Investment Properties

Investment properties are properties that are owned by the Group in order to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in the Profit or Loss Statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses on the retirement or disposal of an investment property are recognised in the Profit or Loss Statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.19 up to the date of change in use.

#### 2.21 Provision for Agents' Retirement Benefits

Provision for agents' retirement benefits is set aside for agents and is calculated in accordance with the terms and conditions in the respective agent's agreement ("the Agreement"). The terms and conditions of the Agreement stipulate that upon the agent maintaining his position for the qualifying year and achieving the required personal sales and minimum new business, the agent shall be allocated a deferred benefit/retirement benefit. The deferred benefit/retirement benefit accumulated at Balance Sheet date includes accrued interest. The accrued deferred benefit shall only become payable provided the Agreement has been in force for certain continuous contract years and the agent has attained the minimum retirement age stipulated in the Agreement. The carrying amount is based on amortised cost.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.22 Related Parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
  - (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

In the Company's financial statements, loans to subsidiaries are interest-free and stated at fair value at inception. The difference between the fair value and the loan amount at inception is recognised as additional investment in subsidiaries in the Company's financial statements. Subsequently, these loans are measured at amortised cost using the effective interest method. The unwinding of the difference is recognised as interest revenue in the Profit or Loss Statement over the expected repayment period.

### 2.23 Segment Reporting

#### 2.23.1 Business Segment

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products for the different markets. The Group's principal operations are organised into Life Insurance, Non-life Insurance and Shareholders segments. The results of these segments are reported separately in internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

- (a) **Life Insurance Segment**  
The Life Insurance segment provides different types of products, comprising life insurance, long-term health and accident insurance, annuity business written and includes the unit-linked business. All revenues in the Life Insurance segment are from external customers.
- (b) **Non-Life Insurance Segment**  
Under the Non-Life Insurance business, the Group issues short term property and casualty contracts which protect the policyholder against the risk of loss of property premises due to fire or theft in the form of fire or burglary insurance contract and/or business interruption contract; risk of liability to pay compensation to a third party for bodily harm or property damage in the form of public liability insurance contract. The Group also issues short term medical and personal accident non-life insurance contracts.

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.23 Segment Reporting (continued)

#### 2.23.1 Business Segment (continued)

(c) Shareholders Segment

The Shareholders segment provides fund management services for absolute return/balanced mandates with different risk-return characteristics and manages a range of products, including Asia Pacific equities, Asian and global fixed income securities portfolios. Clients include Singapore statutory boards, government-linked corporations, public and private companies, insurance companies and charity organisations.

The Shareholders segment also comprises activities not related to the core business segments, and includes general corporate income and expense items.

#### 2.23.2 Geographical segment

The Group's risks and rewards are affected by operating conditions in different countries and geographical areas. Therefore, for management purposes, the Group is also organised on a geographical basis into Singapore, Malaysia and Other Asia, based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the respective location of its customers.

#### 2.23.3 Segment Accounting Policies, Allocation Basis and Transfer Pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax and deferred tax assets and liabilities, interest-bearing loans and related expenses. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

### 2.24 Share Capital and Share Issuance Expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

### 2.25 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

## Notes to the Financial Statements

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.26 Critical Accounting Estimates and Judgments

In the preparation of the Group's financial statements, management makes estimates, assumptions and judgment that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Estimates, assumptions and judgment are continually evaluated and based on internal studies of actual historical experience and other factors. Best estimates and assumptions are constantly reviewed to ensure that they remain relevant and valid. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

##### (a) Insurance business

The Group makes estimates, assumptions and judgment in its estimates of FCF, discount rates used, risk adjustments for non-financial risk, and CSM. For the sensitivities with regard to the assumptions made that have the most significant impact on measurement under SFRS(I) 17, refer to Note 31.

##### Discount rates

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

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

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

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

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

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

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

Currency	2023				
	1 year	5 years	10 years	15 years	20 years
SGD	3.55% – 4.44%	2.63% – 3.80%	2.67% – 3.45%	2.73% – 3.57%	2.71% – 3.60%
USD	4.70% – 5.25%	3.79% – 4.58%	3.84% – 4.97%	4.10% – 5.22%	4.22% – 5.30%
MYR	3.30% – 3.61%	3.65% – 4.08%	3.74% – 4.05%	4.05% – 4.80%	4.22% – 4.97%

Currency	2022				
	1 year	5 years	10 years	15 years	20 years
SGD	3.75% – 4.68%	2.82% – 3.75%	3.06% – 3.99%	2.86% – 3.79%	2.46% – 3.39%
USD	4.64% – 5.60%	3.94% – 4.90%	3.82% – 4.78%	4.04% – 5.00%	4.15% – 5.11%
MYR	3.25% – 3.40%	3.88% – 4.16%	4.09% – 4.36%	4.36% – 4.80%	4.53% – 4.93%

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.26 Critical Accounting Estimates and Judgments (continued)

#### (a) Insurance business (continued)

##### Risk adjustment for non-financial risk

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

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

##### Estimates of future cash flows

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

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

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

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

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

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

# Notes to the Financial Statements

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.26 Critical Accounting Estimates and Judgments (continued)

#### (a) Insurance business (continued)

##### Coverage units

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

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

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

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

#### (b) Income taxes

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

#### (c) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, see Note 31(h).

#### (d) Property classification

Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased separately under a finance lease), the Group would account for these portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.



## Notes to the Financial Statements

### 3 SUBSIDIARIES AND ASSOCIATES

	Country of Incorporation	Principal Activities	Effective interest held by GEH	
			2023 %	2022 %
<b>(i) SIGNIFICANT SUBSIDIARIES</b>				
<b>Held by the Company</b>				
The Great Eastern Life Assurance Company Limited <sup>(3.1)</sup>	Singapore	Life assurance	100.0	100.0
Great Eastern General Insurance Limited <sup>(3.1)</sup>	Singapore	Composite insurance	100.0	100.0
Lion Global Investors Limited <sup>(3.1)</sup>	Singapore	Asset management	70.0	70.0
The Great Eastern Trust Private Limited <sup>(3.1)</sup>	Singapore	Investment holding	100.0	100.0
<b>Held through subsidiaries</b>				
Great Eastern Life Assurance (Malaysia) Berhad <sup>(3.2)</sup>	Malaysia	Life assurance	100.0	100.0
Great Eastern General Insurance (Malaysia) Berhad <sup>(3.2)</sup>	Malaysia	General insurance	100.0	100.0
P.T. Great Eastern Life Indonesia <sup>(3.2)</sup>	Indonesia	Life assurance	99.5	99.5
P.T. Great Eastern General Insurance Indonesia <sup>(3.2)</sup>	Indonesia	General insurance	95.0	95.0
Straits Eastern Square Private Limited <sup>(3.1)</sup>	Singapore	Property investment	100.0	100.0
218 Orchard Private Limited <sup>(3.1)</sup>	Singapore	Property investment	100.0	100.0
Great Eastern Takaful Bhd <sup>(3.2)</sup>	Malaysia	Family Takaful business	70.0	70.0
Amlnstitutional Income Bond Fund <sup>(3.3)</sup>	Malaysia	Wholesale fixed income fund	83.3	79.0
Affin Hwang Wholesale Income Fund <sup>(3.2)</sup>	Malaysia	Wholesale fixed income fund	100.0	100.0
Affin Hwang Wholesale Equity Fund 2 <sup>(3.2)</sup>	Malaysia	Wholesale equity fund	99.8	99.8
<b>(ii) SIGNIFICANT ASSOCIATES</b>				
<b>Held through subsidiaries</b>				
Boost Holdings Sdn Bhd <sup>(3.2)</sup>	Malaysia	Digital Financial Services	21.9	21.9

<sup>(3.1)</sup> Audited by PricewaterhouseCoopers ("PwC") LLP, Singapore.

<sup>(3.2)</sup> Audited by firms within the worldwide network of PricewaterhouseCoopers firms and entities.

<sup>(3.3)</sup> Audited by Ernst & Young PLT, Malaysia.

## Notes to the Financial Statements

### 4 INSURANCE REVENUE

in Singapore Dollars (millions)	Note	Group								
		2023			2022 (restated)					
		Life	Non-Life	Total	Life	Non-Life	Total			
<b>Contracts not measured under the PAA</b>										
Amounts relating to the changes in the liability for remaining coverage:										
		-	Expected incurred claims and other insurance service expenses	4,181.4	-	4,181.4	4,053.5	-	4,053.5	
		-	Change in the risk adjustment for non-financial risk for the risk expired	426.2	-	426.2	433.4	-	433.4	
		-	CSM recognised in profit or loss for the services provided	772.9	-	772.9	857.8	-	857.8	
			Insurance acquisition cash flows recovery	455.5	-	455.5	281.1	-	281.1	
			<b>Insurance revenue from contracts not measured under the PAA</b>	13	<b>5,836.0</b>	-	<b>5,836.0</b>	5,625.8	-	5,625.8
			<b>Insurance revenue from contracts measured under the PAA</b>	13	-	<b>423.9</b>	<b>423.9</b>	-	398.7	398.7
			<b>Total insurance revenue</b>		<b>5,836.0</b>	<b>423.9</b>	<b>6,259.9</b>	5,625.8	398.7	6,024.5

### 5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT

The table below presents an analysis of net investment income and net insurance financial result recognised in profit or loss and OCI in the year:

in Singapore Dollars (millions)	Note	Group							
		2023				2022 (restated)			
		Life	Non-Life	Shareholders	Total	Life	Non-Life	Shareholders	Total
<b>Investment income/(loss)</b>									
	5.1	2,237.2	17.1	129.3	2,383.6	2,034.0	14.4	97.4	2,145.8
	5.2	3,440.6	1.6	54.9	3,497.1	(6,941.1)	0.5	(102.9)	(7,043.5)
		(12.8)	(0.7)	(0.1)	(13.6)	(25.2)	0.3	(3.8)	(28.7)
		-	-	(1.2)	(1.2)	-	-	0.2	0.2
		402.9	8.4	60.9	472.2	(1,181.8)	(18.7)	(231.0)	(1,431.5)
		<b>6,067.9</b>	<b>26.4</b>	<b>243.8</b>	<b>6,338.1</b>	<b>(6,114.1)</b>	<b>(3.5)</b>	<b>(240.1)</b>	<b>(6,357.7)</b>

## Notes to the Financial Statements

### 5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

The table below presents an analysis of net investment income and net insurance financial result recognised in profit or loss and OCI in the year (continued):

in Singapore Dollars (millions)	Note	Group							
		2023				2022 (restated)			
		Life	Non-Life	Shareholders	Total	Life	Non-Life	Shareholders	Total
<b>Finance (expenses)/ income from insurance contracts issued</b>									
Changes in value of underlying assets of contracts measured under the VFA		(4,491.5)	-	-	(4,491.5)	5,101.9	-	-	5,101.9
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates		209.6	-	-	209.6	257.5	-	-	257.5
Interest accreted		(671.4)	(14.5)	-	(685.9)	(362.4)	(2.8)	-	(365.2)
Effect of changes in interest rates and other financial assumptions		(281.3)	(7.9)	-	(289.2)	424.5	(3.3)	-	421.2
Gain on exchange differences		67.9	-	-	67.9	29.3	-	-	29.3
<b>Total finance (expenses)/ income from insurance contracts issued</b>	13	<b>(5,166.7)</b>	<b>(22.4)</b>	<b>-</b>	<b>(5,189.1)</b>	<b>5,450.8</b>	<b>(6.1)</b>	<b>-</b>	<b>5,444.7</b>
Represented by:									
Amounts recognised in profit or loss		(5,231.4)	(22.4)	-	(5,253.8)	5,034.5	(6.1)	-	5,028.4
Amounts recognised in OCI		64.7	-	-	64.7	416.3	-	-	416.3
		<b>(5,166.7)</b>	<b>(22.4)</b>	<b>-</b>	<b>(5,189.1)</b>	<b>5,450.8</b>	<b>(6.1)</b>	<b>-</b>	<b>5,444.7</b>
<b>Finance (expenses)/income from reinsurance contracts held</b>									
Interest accreted to reinsurance contracts using locked-in rate		7.7	7.8	-	15.5	7.9	1.5	-	9.4
Effect of changes in interest rates and other financial assumptions		(20.6)	5.7	-	(14.9)	(35.3)	2.5	-	(32.8)
Changes in non- performance risk of reinsurer		-	(4.5)	-	(4.5)	-	0.1	-	0.1
(Loss)/gain on exchange differences		(0.9)	-	-	(0.9)	1.6	-	-	1.6
<b>Total finance (expenses)/ income from reinsurance contracts held</b>	13	<b>(13.8)</b>	<b>9.0</b>	<b>-</b>	<b>(4.8)</b>	<b>(25.8)</b>	<b>4.1</b>	<b>-</b>	<b>(21.7)</b>
Represented by:									
Amounts recognised in profit or loss		5.6	9.0	-	14.6	12.7	4.1	-	16.8
Amounts recognised in OCI		(19.4)	-	-	(19.4)	(38.5)	-	-	(38.5)
		<b>(13.8)</b>	<b>9.0</b>	<b>-</b>	<b>(4.8)</b>	<b>(25.8)</b>	<b>4.1</b>	<b>-</b>	<b>(21.7)</b>
<b>Total net investment and insurance financial result</b>		<b>887.4</b>	<b>13.0</b>	<b>243.8</b>	<b>1,144.2</b>	<b>(689.1)</b>	<b>(5.5)</b>	<b>(240.1)</b>	<b>(934.7)</b>
Represented by:									
Amounts recognised in profit or loss		439.2	4.6	182.9	626.7	114.9	13.2	(9.1)	119.0
Amounts recognised in OCI		448.2	8.4	60.9	517.5	(804.0)	(18.7)	(231.0)	(1,053.7)
		<b>887.4</b>	<b>13.0</b>	<b>243.8</b>	<b>1,144.2</b>	<b>(689.1)</b>	<b>(5.5)</b>	<b>(240.1)</b>	<b>(934.7)</b>

## Notes to the Financial Statements

### 5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

in Singapore Dollars (millions)	Note	Group							
		2023				2022 (restated)			
		Life	Non-Life	Shareholders	Total	Life	Non-Life	Shareholders	Total
<b>5.1 Interest revenue</b>									
<b>Financial assets not measured at FVTPL</b>									
Financial assets measured at FVOCI		355.8	11.4	86.8	454.0	245.0	10.0	65.1	320.1
Financial assets measured at AC		248.8	3.7	12.3	264.8	162.7	2.0	6.7	171.4
<b>Total interest revenue calculated using the effective interest rate</b>		<b>604.6</b>	<b>15.1</b>	<b>99.1</b>	<b>718.8</b>	407.7	12.0	71.8	491.5
<b>Financial assets measured at FVTPL</b>		<b>1,632.6</b>	<b>2.0</b>	<b>30.2</b>	<b>1,664.8</b>	1,626.3	2.4	25.6	1,654.3
<b>Total interest revenue</b>		<b>2,237.2</b>	<b>17.1</b>	<b>129.3</b>	<b>2,383.6</b>	2,034.0	14.4	97.4	2,145.8

### 5.2 Other investment revenue/(loss)

Underlying assets for contracts with direct participation features									
Dividend income from financial assets measured at FVTPL		507.6	-	-	507.6	596.2	-	-	596.2
Changes in fair value of investments									
- Mandatorily measured at FVTPL		1,718.6	-	-	1,718.6	(3,873.5)	-	-	(3,873.5)
- Designated as at FVTPL		951.4	-	-	951.4	(3,351.8)	-	-	(3,351.8)
Changes in fair value of investment properties	24	6.2	-	-	6.2	84.0	-	-	84.0
Realised gain on sale of investment properties		17.6	-	-	17.6	-	-	-	-
Rental income		39.4	-	-	39.4	38.9	-	-	38.9
Loss on exchange differences		(6.9)	-	-	(6.9)	(4.1)	-	-	(4.1)
		<b>3,233.9</b>	<b>-</b>	<b>-</b>	<b>3,233.9</b>	(6,510.3)	<b>-</b>	<b>-</b>	(6,510.3)



## Notes to the Financial Statements

### 5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

#### 5.3 Investment return in OCI related to insurance and reinsurance contracts measured under the modified retrospective or fair value transition approach

On transition to SFRS(I) 17, for certain groups of insurance and reinsurance contracts measured using the GMM where the OCI option is applied, the Group determined the cumulative insurance finance income and expenses recognised in OCI at 1 January 2022 using the modified retrospective approach or the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of contracts was as follows.

in Singapore Dollars (millions)	Group	
	2023	2022 (restated)
Balance at 1 January	(387.9)	6.5
Net gains/(losses) on investments in debt securities measured at FVOCI	114.6	(462.7)
Changes in allowance for expected credit losses	2.1	3.5
Net losses on investments in debt securities measured at FVOCI reclassified to profit or loss	25.2	28.8
Income tax relating to these items	13.2	36.0
<b>Balance at 31 December</b>	<b>(232.8)</b>	<b>(387.9)</b>

### 6 EXPENSES

in Singapore Dollars (millions)	Note	Group	
		2023	2022 (restated)

An analysis of the expenses incurred by the Group in the reporting year is included below:

Claims and benefits		3,232.7	3,532.5
Commissions and distribution expenses		1,360.7	1,449.8
Fees paid to auditors		7.5	5.1
Audit fees paid to Auditor of the Company		4.8	3.9
Audit fees paid to other auditors		1.7	0.8
Non-audit fees paid to Auditor of the Company		1.0	0.4
Staff costs and related expenses		499.6	398.9
Salaries, wages, bonuses and other costs net of government grant		443.4	353.7
Central Provident Fund/Employee Provident Fund		48.2	37.0
Share-based payments		8.0	8.2
Depreciation and amortisation expenses		87.8	88.0
Depreciation	26	43.6	45.3
Amortisation	23	44.2	42.7
Interest expense on lease liability	26	1.6	1.9
Losses on onerous contracts		127.2	324.9
Investment related expenses		125.7	143.4
Agents' retirement benefits	12	44.0	38.3
Others		691.0	462.2
<b>Total</b>		<b>6,177.8</b>	<b>6,445.0</b>
Amounts attributed to insurance acquisition cash flows incurred during the year		(1,591.7)	(1,641.7)
Amortisation of insurance acquisition cash flows		614.4	435.5
		<b>5,200.5</b>	<b>5,238.8</b>
<b>Represented by:</b>			
Insurance service expenses	13	5,050.5	5,083.7
Other expenses		150.0	155.1
		<b>5,200.5</b>	<b>5,238.8</b>

## Notes to the Financial Statements

### 7 INCOME TAX

#### Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2023 and 31 December 2022 are:

in Singapore Dollars (millions)	Group	
	2023	2022 (restated)
<b>(a) Income tax attributable to policyholders' returns:</b>		
Current income tax:		
– Current income taxation	127.9	109.4
– Over provision in respect of previous years	(8.2)	(20.7)
	119.7	88.7
Deferred income tax:		
– Origination and reversal of temporary differences	11.5	(8.9)
	11.5	(8.9)
	131.2	79.8
<b>(b) Income tax attributable to shareholders' profits</b>		
Current income tax:		
– Current income taxation	86.8	261.9
– Over provision in respect of previous years	(0.6)	(49.3)
	86.2	212.6
Deferred income tax:		
– Origination and reversal of temporary differences	63.9	(95.1)
	63.9	(95.1)
	150.1	117.5
<b>Total tax charge for the year recognised in the Profit or Loss Statement</b>	<b>281.3</b>	<b>197.3</b>

#### Relationship between income tax expense and accounting profit

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2023 and 2022 is as follows:

Profit before tax	1,070.5	810.0
Tax at the domestic rates applicable to profits in the countries where the Group operates	192.9	153.7
Adjustments:		
Foreign tax paid not recoverable	5.0	5.9
Permanent differences	(11.8)	15.3
Tax exempt income	(14.3)	(15.4)
Over provision in respect of previous years	(0.6)	(49.3)
Effect of income tax attributable to policyholders' returns	131.2	79.8
Others	(21.1)	7.3
<b>Income tax expense recognised in the Profit or Loss Statement</b>	<b>281.3</b>	<b>197.3</b>

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

## Notes to the Financial Statements

### 7 INCOME TAX (continued)

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

in Singapore Dollars (millions)	Group	
	2023	2022 (restated)
Presented after appropriate offsetting as follows:		
Deferred tax assets	16.6	53.3
Deferred tax liabilities	268.7	105.8
Net deferred tax liabilities	252.1	52.5

#### Deferred Tax

The movement in the net deferred tax is as follows:

Balance at the beginning of the year	52.5	2,579.0
Adoption of SFRS(I) 17	-	(2,230.9)
Balance at the beginning of the year, restated	52.5	348.1
Change in tax basis *	123.3	-
Balance at the beginning of the year	175.8	348.1
Currency translation reserve adjustment	(5.1)	(14.8)
Deferred tax charge taken to the Profit or Loss Statement:		
Other temporary differences	71.2	(99.5)
Fair value changes	4.2	(4.5)
Deferred tax on fair value changes of investments at FVOCI	17.7	(205.1)
Deferred tax on insurance/reinsurance finance reserve	36.4	28.3
Unutilised tax losses carried forward	(48.1)	-
Balance at the end of the year	252.1	52.5

#### Deferred taxes at 31 December related to the following:

	Balance Sheet	
<u>Deferred tax liabilities:</u>		
Differences in depreciation for tax purposes	19.4	18.4
Accrued investment income	-	0.6
Net unrealised gains on investments	192.7	21.1
Differences in tax basis for insurance/reinsurance contract liabilities	121.5	38.0
<b>Deferred tax liabilities</b>	<b>333.6</b>	<b>78.1</b>
<u>Deferred tax assets:</u>		
Unutilised tax losses carried forward	75.4	20.2
Net amortisation on fixed income investments	1.8	1.5
Other accruals and provisions	3.8	3.5
Leases	0.5	0.4
<b>Deferred tax assets</b>	<b>81.5</b>	<b>25.6</b>
<b>Net deferred tax liabilities</b>	<b>252.1</b>	<b>52.5</b>

\* With effect from 1 January 2023, Singapore insurers will use the insurance returns filed with MAS for regulatory purposes ("MAS Statutory Returns") instead of their financial statements prepared in accordance with the SFRS(I) as the basis for preparing tax computations. With the change in taxation basis effective 1 January 2023, a one-time adjustment of \$123.3 million of deferred tax asset was reclassified to current income tax in the Balance Sheet. As The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited were in an overall tax loss position for Year of Assessment 2024, there were nil current tax provision as at 31 December 2023. Instead, \$73.1 million of deferred tax was been recognised as at 31 December 2023 on the tax losses which are available to offset against future taxable profits.



## Notes to the Financial Statements

### 7 INCOME TAX (continued)

in Singapore Dollars (millions)	Group	
	2023	2022 (restated)
	<b>Profit or Loss Statement</b>	
<u>Deferred tax liabilities:</u>		
Differences in depreciation for tax purposes	<b>1.0</b>	1.5
Accrued investment income	<b>(0.6)</b>	(0.3)
Net unrealised gain on investments	<b>35.5</b>	2.8
Differences in tax basis for insurance/reinsurance contract liabilities	<b>47.2</b>	(82.1)
<u>Deferred tax assets:</u>		
Unutilised tax losses carried forward	<b>(7.0)</b>	(21.5)
Net amortisation on fixed income investments	<b>(0.3)</b>	(2.5)
Other accruals and provisions	<b>(0.3)</b>	(1.9)
Leases	<b>(0.1)</b>	-
<b>Deferred tax expense/(credit)</b>	<b>75.4</b>	<b>(104.0)</b>

#### Unrecognised tax losses

At the balance sheet date, the Group has tax losses of approximately \$37.2 million (31 December 2022: \$28.7 million) expiring in 2024 – 2027 (31 December 2022: 2023 – 2026) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

#### OECD Pillar Two model rules

The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules. Pillar Two legislation has not been enacted in Singapore, the jurisdiction in which the Company's immediate and ultimate holding company, OCBC is incorporated. Pillar Two legislation was enacted or substantively enacted in Japan, Luxembourg, Malaysia, South Korea, the United Kingdom, and Vietnam, and will come into effect from 1 January 2024 for Luxembourg, South Korea, the United Kingdom, and Vietnam, fiscal year beginning on or after 1 April 2024 for Japan and 1 January 2025 for Malaysia. Under the legislation, the Group is expected to be subject to top-up tax for the difference between their Global Anti-Base Erosion (GloBE) rules effective tax rate per jurisdiction and the 15% minimum rate.

As the Group is in the process of assessing its exposure to the Pillar Two legislation, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable.

The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to SFRS(I) 1-12 issued in May 2023.

## Notes to the Financial Statements

### 8 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted and basic earnings per share are the same as there are no dilutive potential ordinary shares.

The following reflects the profit for the year attributable to ordinary shareholders and the weighted average number of shares outstanding during the year, used in the computation of basic and diluted earnings per share for the years ended 31 December:

		Group	
		2023	2022 (restated)
Profit attributable to ordinary shareholders for computation of basic and diluted earnings per share	(in millions of Singapore Dollars)	<b>774.6</b>	610.0
Weighted average number of ordinary shares on issue applicable to basic and diluted earnings per share	(in millions)	<b>473.3</b>	473.3
Basic and diluted earnings per share	(in Singapore Dollars)	<b>\$1.64</b>	\$1.29

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

### 9 SHARE CAPITAL

	Group and Company			
	2023		2022	
	Number of shares	Amount \$'mil	Number of shares	Amount \$'mil

#### Ordinary shares: Issued and fully paid

Balance at the beginning and end of the year	<b>473,319,069</b>	<b>152.7</b>	473,319,069	152.7
--	--------------------	--------------	-------------	-------

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

In accordance with the Companies Act 1967, the shares of the Company have no par value.

### 10 OTHER RESERVES

#### 10.1 Currency translation reserve

The currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. The currency translation reserve is also used to record the effect of hedging of net investment in foreign operations.

#### 10.2 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of financial assets measured at FVOCI and the related loss allowance recognised in the Profit or Loss Statement until the assets are derecognised, net of tax.

#### 10.3 Insurance finance reserve

The insurance finance reserve comprises the cumulative insurance finance income and expenses recognised in OCI.

## Notes to the Financial Statements

### 11 OTHER CREDITORS

in Singapore Dollars (millions)	Group		Company	
	2023	2022 (restated)	2023	2022
Other creditors comprise the following:				
Accrued expenses and other creditors	<b>727.9</b>	771.0	<b>9.3</b>	8.5
Investment creditors	<b>1,012.7</b>	410.7	-	-
Amount due to holding company <sup>(1)</sup>	<b>3.9</b>	6.2	-	-
Third-party interests in consolidated investment funds <sup>(2)</sup>	<b>35.9</b>	35.3	-	-
Lease liabilities	<b>51.5</b>	62.6	-	-
Premiums in suspense	<b>77.7</b>	72.1	-	-
Provision for reinstatement costs	<b>2.9</b>	2.8	-	-
	<b>1,912.5</b>	1,360.7	<b>9.3</b>	8.5

<sup>(1)</sup> Amount due to holding company is non-trade related, unsecured, interest-free, repayable upon demand and is to be settled in cash.

<sup>(2)</sup> Third-party interests in consolidated investment funds consist of third-party unit holders' interests in consolidated investment funds which are reflected as a liability since they can be put back to the Group for cash.

### 12 PROVISION FOR AGENTS' RETIREMENT BENEFITS

in Singapore Dollars (millions)	Note	Group	
		2023	2022
Balance at the beginning of the year		<b>295.8</b>	291.3
Currency translation reserve adjustment		<b>(18.7)</b>	(17.6)
Increase in provision for the year	6	<b>44.0</b>	38.3
Paid during the year		<b>(23.5)</b>	(16.2)
Balance at the end of the year		<b>297.6</b>	295.8

As at 31 December 2023, \$151.6 million (31 December 2022: \$139.7 million) of the above provision for agents' retirement benefits is payable within one year.

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS

The breakdown of groups of insurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

in Singapore Dollars (millions)	Note	2023			2022 (restated)		
		Life	Non-life	Total	Life	Non-life	Total
Insurance contract liabilities	13.1.1, 13.2.1	<b>97,383.3</b>	<b>618.3</b>	<b>98,001.6</b>	94,155.1	650.7	94,805.8
Insurance contract assets	13.1.1, 13.2.1	<b>(12.4)</b>	<b>(27.2)</b>	<b>(39.6)</b>	(354.9)	(17.7)	(372.6)
<b>Total insurance contracts issued</b>		<b>97,370.9</b>	<b>591.1</b>	<b>97,962.0</b>	93,800.2	633.0	94,433.2
Reinsurance contract assets	13.1.2, 13.2.2	<b>512.4</b>	<b>356.3</b>	<b>868.7</b>	811.4	397.3	1,208.7
Reinsurance contract liabilities	13.1.2, 13.2.2	<b>(165.9)</b>	<b>(54.2)</b>	<b>(220.1)</b>	(445.0)	(36.6)	(481.6)
<b>Total reinsurance contracts held</b>		<b>346.5</b>	<b>302.1</b>	<b>648.6</b>	366.4	360.7	727.1

Detailed reconciliations of changes in insurance contract balances during the year are included in Notes 13.1 and 13.2.

# Notes to the Financial Statements

## 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

### 13.1 Life insurance

#### 13.1.1 Life insurance – insurance contracts issued

##### 13.1.1.1 Reconciliation of the liabilities for remaining coverage and incurred claims

in Singapore Dollars (millions)	Note	2023				2022 (restated)			
		Liabilities for remaining coverage		Liabilities for Incurred claims	Total	Liabilities for remaining coverage		Liabilities for Incurred claims	Total
		Excluding loss component	Loss component			Excluding loss component	Loss component		
Insurance contract liabilities as at 1 January		86,736.6	308.4	7,110.1	94,155.1	89,939.7	-	6,585.3	96,525.0
Insurance contract assets as at 1 January		(370.6)	24.9	(9.2)	(354.9)	(219.2)	9.6	(0.5)	(210.1)
<b>Net insurance contract liabilities/(assets) as at 1 January</b>		<b>86,366.0</b>	<b>333.3</b>	<b>7,100.9</b>	<b>93,800.2</b>	<b>89,720.5</b>	<b>9.6</b>	<b>6,584.8</b>	<b>96,314.9</b>
Insurance revenue									
Contracts under modified retrospective approach		(1,155.1)	-	-	(1,155.1)	(1,228.6)	-	-	(1,228.6)
Contracts under fair value transition approach		(3,094.8)	-	-	(3,094.8)	(3,589.7)	-	-	(3,589.7)
Other contracts		(1,586.1)	-	-	(1,586.1)	(807.5)	-	-	(807.5)
	4	(5,836.0)	-	-	(5,836.0)	(5,625.8)	-	-	(5,625.8)
Insurance service expenses									
Incurred claims and other expenses		-	-	4,103.5	4,103.5	-	-	3,959.8	3,959.8
Amortisation of insurance acquisition cash flows		514.8	-	-	514.8	338.2	-	-	338.2
Losses on onerous contracts and reversals of those losses		-	140.2	-	140.2	-	324.3	-	324.3
Changes to liabilities for incurred claims		-	-	-	-	-	-	73.5	73.5
	6	514.8	140.2	4,103.5	4,758.5	338.2	324.3	4,033.3	4,695.8
<b>Insurance service result</b>		<b>(5,321.2)</b>	<b>140.2</b>	<b>4,103.5</b>	<b>(1,077.5)</b>	<b>(5,287.6)</b>	<b>324.3</b>	<b>4,033.3</b>	<b>(930.0)</b>
<b>Insurance finance expenses/(income)</b>	5	<b>4,938.7</b>	<b>31.5</b>	<b>196.5</b>	<b>5,166.7</b>	<b>(5,626.9)</b>	<b>2.9</b>	<b>173.2</b>	<b>(5,450.8)</b>
<b>Effect of movements in exchange rates</b>		<b>(1,290.7)</b>	<b>(7.1)</b>	<b>(256.8)</b>	<b>(1,554.6)</b>	<b>(1,207.1)</b>	<b>(3.5)</b>	<b>(242.1)</b>	<b>(1,452.7)</b>
<b>Total changes in the statement of profit or loss and OCI</b>		<b>(1,673.2)</b>	<b>164.6</b>	<b>4,043.2</b>	<b>2,534.6</b>	<b>(12,121.6)</b>	<b>323.7</b>	<b>3,964.4</b>	<b>(7,833.5)</b>
Investment components		(9,449.6)	-	9,449.6	-	(7,428.7)	-	7,428.7	-
<b>Cash flows</b>									
Premiums received		16,124.5	-	-	16,124.5	17,821.0	-	-	17,821.0
Claims and other expenses paid		-	-	(13,840.6)	(13,840.6)	-	-	(11,287.5)	(11,287.5)
Insurance acquisition cash flows		(1,477.3)	-	-	(1,477.3)	(1,543.7)	-	-	(1,543.7)
<b>Total cash flows</b>		<b>14,647.2</b>	<b>-</b>	<b>(13,840.6)</b>	<b>806.6</b>	<b>16,277.3</b>	<b>-</b>	<b>(11,287.5)</b>	<b>4,989.8</b>
<b>Other movements</b>		<b>(217.8)</b>	<b>(0.5)</b>	<b>447.8</b>	<b>229.5</b>	<b>(81.5)</b>	<b>-</b>	<b>410.5</b>	<b>329.0</b>
<b>Net insurance contract liabilities/(assets) as at 31 December</b>		<b>89,672.6</b>	<b>497.4</b>	<b>7,200.9</b>	<b>97,370.9</b>	<b>86,366.0</b>	<b>333.3</b>	<b>7,100.9</b>	<b>93,800.2</b>
Insurance contract liabilities as at 31 December	13	89,706.4	466.1	7,210.8	97,383.3	86,736.6	308.4	7,110.1	94,155.1
Insurance contract assets as at 31 December	13	(33.8)	31.3	(9.9)	(12.4)	(370.6)	24.9	(9.2)	(354.9)
<b>Net insurance contract liabilities/(assets) as at 31 December</b>		<b>89,672.6</b>	<b>497.4</b>	<b>7,200.9</b>	<b>97,370.9</b>	<b>86,366.0</b>	<b>333.3</b>	<b>7,100.9</b>	<b>93,800.2</b>

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.1 Life insurance (continued)

##### 13.1.1 Life insurance – insurance contracts issued (continued)

##### 13.1.1.2 Reconciliation of the measurement components of insurance contract balances – contracts not measured under the PAA

in Singapore Dollars (millions)	Note	2023				2022 (restated)			
		Estimates of the present value of future cash flows	Risk adjustment	CSM	Total	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total
Insurance contract liabilities as at 1 January		83,362.3	3,925.3	6,867.5	94,155.1	85,061.0	3,580.1	7,883.9	96,525.0
Insurance contract assets as at 1 January		(580.0)	117.7	107.4	(354.9)	(419.3)	104.1	105.1	(210.1)
<b>Net insurance contract liabilities/(assets) as at 1 January</b>		<b>82,782.3</b>	<b>4,043.0</b>	<b>6,974.9</b>	<b>93,800.2</b>	<b>84,641.7</b>	<b>3,684.2</b>	<b>7,989.0</b>	<b>96,314.9</b>
Changes that relate to current services									
CSM recognised for services provided		-	-	(772.9)	(772.9)	-	-	(857.8)	(857.8)
Risk adjustment recognised for the risk expired		-	(514.6)	-	(514.6)	-	(465.8)	-	(465.8)
Experience adjustments		(464.8)	-	-	(464.8)	(279.8)	-	-	(279.8)
Changes that relate to future services									
Contracts initially recognised in the period		(862.8)	659.8	418.3	215.3	(1,049.1)	500.4	708.4	159.7
Changes in estimates that adjust the CSM		(221.3)	(22.6)	243.9	-	244.2	371.2	(615.4)	-
Changes that result in onerous losses or reversal of such losses		203.0	95.4	-	298.4	289.2	42.8	-	332.0
Changes that relate to past services									
Adjustments to liabilities for incurred claims		155.9	5.2	-	161.1	168.6	13.1	-	181.7
<b>Insurance service result</b>		<b>(1,190.0)</b>	<b>223.2</b>	<b>(110.7)</b>	<b>(1,077.5)</b>	<b>(626.9)</b>	<b>461.7</b>	<b>(764.8)</b>	<b>(930.0)</b>
<b>Insurance finance expenses/(income)</b>	5	<b>4,768.3</b>	<b>189.7</b>	<b>208.7</b>	<b>5,166.7</b>	<b>(5,452.5)</b>	<b>49.0</b>	<b>(47.3)</b>	<b>(5,450.8)</b>
<b>Effect of movements in exchange rates</b>		<b>(1,186.4)</b>	<b>(175.5)</b>	<b>(192.7)</b>	<b>(1,554.6)</b>	<b>(1,098.8)</b>	<b>(151.9)</b>	<b>(202.0)</b>	<b>(1,452.7)</b>
<b>Total changes in the statement of profit or loss and OCI</b>		<b>2,391.9</b>	<b>237.4</b>	<b>(94.7)</b>	<b>2,534.6</b>	<b>(7,178.2)</b>	<b>358.8</b>	<b>(1,014.1)</b>	<b>(7,833.5)</b>
<b>Cash flows</b>									
Premiums received		16,124.5	-	-	16,124.5	17,821.0	-	-	17,821.0
Claims and other expenses paid		(13,840.6)	-	-	(13,840.6)	(11,287.5)	-	-	(11,287.5)
Insurance acquisition cash flows		(1,477.3)	-	-	(1,477.3)	(1,543.7)	-	-	(1,543.7)
<b>Total cash flows</b>		<b>806.6</b>	<b>-</b>	<b>-</b>	<b>806.6</b>	<b>4,989.8</b>	<b>-</b>	<b>-</b>	<b>4,989.8</b>
<b>Other movements</b>		<b>242.4</b>	<b>-</b>	<b>(12.9)</b>	<b>229.5</b>	<b>329.0</b>	<b>-</b>	<b>-</b>	<b>329.0</b>
<b>Net insurance contract liabilities/(assets) as at 31 December</b>		<b>86,223.2</b>	<b>4,280.4</b>	<b>6,867.3</b>	<b>97,370.9</b>	<b>82,782.3</b>	<b>4,043.0</b>	<b>6,974.9</b>	<b>93,800.2</b>
Insurance contract liabilities as at 31 December	13	86,469.7	4,156.2	6,757.4	97,383.3	83,362.3	3,925.3	6,867.5	94,155.1
Insurance contract assets as at 31 December	13	(246.5)	124.2	109.9	(12.4)	(580.0)	117.7	107.4	(354.9)
<b>Net insurance contract liabilities/(assets) as at 31 December</b>		<b>86,223.2</b>	<b>4,280.4</b>	<b>6,867.3</b>	<b>97,370.9</b>	<b>82,782.3</b>	<b>4,043.0</b>	<b>6,974.9</b>	<b>93,800.2</b>

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.1 Life insurance (continued)

##### 13.1.1 Life insurance – insurance contracts issued (continued)

##### 13.1.1.3 Impact of contracts recognised during the year – contracts not measured under the PAA

in Singapore Dollars (millions)	Contracts issued					
	2023			2022 (restated)		
	Non-onerous	Onerous	Total	Non-onerous	Onerous	Total
Claims and other directly attributable expenses	8,047.4	5,268.0	13,315.4	13,996.6	1,274.2	15,270.8
Insurance acquisition cash flows	1,240.5	333.6	1,574.1	1,455.5	157.4	1,612.9
Estimates of present value of future cash outflows	9,287.9	5,601.6	14,889.5	15,452.1	1,431.6	16,883.7
Estimates of present value of future cash inflows	(10,177.3)	(5,575.0)	(15,752.3)	(16,472.8)	(1,460.0)	(17,932.8)
Risk adjustment	471.1	188.7	659.8	312.3	188.1	500.4
CSM	418.3	-	418.3	708.4	-	708.4
<b>Increase in insurance contract liabilities from contracts recognised during the year</b>	<b>-</b>	<b>215.3</b>	<b>215.3</b>	<b>-</b>	<b>159.7</b>	<b>159.7</b>

##### 13.1.1.4 Amounts determined on transition to SFRS(I) 17

in Singapore Dollars (millions)	2023				2022 (restated)			
	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total
<b>CSM as at 1 January</b>	<b>2,739.4</b>	<b>3,046.1</b>	<b>1,189.4</b>	<b>6,974.9</b>	<b>3,381.8</b>	<b>3,973.5</b>	<b>633.7</b>	<b>7,989.0</b>
Changes that relate to current services								
CSM recognised for services provided	(246.6)	(289.7)	(236.6)	(772.9)	(279.3)	(451.8)	(126.7)	(857.8)
Changes that relate to future services								
Contracts initially recognised in the period	-	-	418.3	418.3	-	-	708.4	708.4
Changes in estimates that adjust the CSM	(78.9)	53.1	269.7	243.9	(210.1)	(428.3)	23.0	(615.4)
<b>Insurance service result</b>	<b>(325.5)</b>	<b>(236.6)</b>	<b>451.4</b>	<b>(110.7)</b>	<b>(489.4)</b>	<b>(880.1)</b>	<b>604.7</b>	<b>(764.8)</b>
<b>Insurance finance expenses/ (income)</b>	<b>122.6</b>	<b>73.0</b>	<b>13.1</b>	<b>208.7</b>	<b>12.7</b>	<b>(23.2)</b>	<b>(36.8)</b>	<b>(47.3)</b>
<b>Effect of movements in exchange rates</b>	<b>(148.9)</b>	<b>(20.4)</b>	<b>(23.4)</b>	<b>(192.7)</b>	<b>(165.7)</b>	<b>(24.1)</b>	<b>(12.2)</b>	<b>(202.0)</b>
<b>Total changes in the statement of profit or loss or OCI</b>	<b>(351.8)</b>	<b>(184.0)</b>	<b>441.1</b>	<b>(94.7)</b>	<b>(642.4)</b>	<b>(927.4)</b>	<b>555.7</b>	<b>(1,014.1)</b>
Other movements	(7.4)	(2.2)	(3.3)	(12.9)	-	-	-	-
<b>CSM as at 31 December</b>	<b>2,380.2</b>	<b>2,859.9</b>	<b>1,627.2</b>	<b>6,867.3</b>	<b>2,739.4</b>	<b>3,046.1</b>	<b>1,189.4</b>	<b>6,974.9</b>

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.1 Life insurance (continued)

##### 13.1.2 Life insurance – reinsurance contracts held

##### 13.1.2.1 Reconciliation of the assets for remaining coverage and incurred claims

in Singapore Dollars (millions)	Note	2023				2022 (restated)			
		Assets for remaining coverage		Assets for incurred claims	Total	Assets for remaining coverage		Assets for incurred claims	Total
		Excluding loss-recovery component	Loss-recovery component			Excluding loss-recovery component	Loss-recovery component		
Reinsurance contract assets as at 1 January		618.6	4.5	188.3	811.4	780.7	-	146.9	927.6
Reinsurance contract liabilities as at 1 January		(506.9)	-	61.9	(445.0)	(387.3)	-	12.4	(374.9)
<b>Net reinsurance contract assets/(liabilities) as at 1 January</b>		<b>111.7</b>	<b>4.5</b>	<b>250.2</b>	<b>366.4</b>	<b>393.4</b>	<b>-</b>	<b>159.3</b>	<b>552.7</b>
Allocation of reinsurance premiums		(767.9)	-	-	(767.9)	(736.0)	-	-	(736.0)
Amounts recoverable from reinsurers									
Recoveries of incurred claims and other insurance service expenses		-	-	377.6	377.6	-	-	374.1	374.1
Recoveries and reversals of recoveries of losses on onerous underlying contracts		-	64.1	-	64.1	-	4.5	-	4.5
Adjustments to assets for incurred claims		-	-	(206.6)	(206.6)	-	-	229.1	229.1
<b>Net (expenses)/income from reinsurance contracts held</b>		<b>(767.9)</b>	<b>64.1</b>	<b>171.0</b>	<b>(532.8)</b>	<b>(736.0)</b>	<b>4.5</b>	<b>603.2</b>	<b>(128.3)</b>
<b>Finance (expenses)/income from reinsurance contracts held</b>	5	<b>(13.4)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(13.8)</b>	<b>(25.6)</b>	<b>-</b>	<b>(0.2)</b>	<b>(25.8)</b>
<b>Effect of movements in exchange rates</b>		<b>(1.8)</b>	<b>-</b>	<b>(45.7)</b>	<b>(47.5)</b>	<b>(115.4)</b>	<b>-</b>	<b>78.6</b>	<b>(36.8)</b>
<b>Total changes in the statement of profit or loss and OCI</b>		<b>(783.1)</b>	<b>63.9</b>	<b>125.1</b>	<b>(594.1)</b>	<b>(877.0)</b>	<b>4.5</b>	<b>681.6</b>	<b>(190.9)</b>
<b>Cash flows</b>									
Premiums paid		375.4	-	-	375.4	176.4	-	-	176.4
Amounts received		-	-	(309.0)	(309.0)	-	-	(235.3)	(235.3)
<b>Total cash flows</b>		<b>375.4</b>	<b>-</b>	<b>(309.0)</b>	<b>66.4</b>	<b>176.4</b>	<b>-</b>	<b>(235.3)</b>	<b>(58.9)</b>
<b>Other movements</b>		<b>286.2</b>	<b>-</b>	<b>221.6</b>	<b>507.8</b>	<b>418.9</b>	<b>-</b>	<b>(355.4)</b>	<b>63.5</b>
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>(9.8)</b>	<b>68.4</b>	<b>287.9</b>	<b>346.5</b>	<b>111.7</b>	<b>4.5</b>	<b>250.2</b>	<b>366.4</b>
Reinsurance contract assets as at 31 December	13	265.1	68.5	178.8	512.4	618.6	4.5	188.3	811.4
Reinsurance contract liabilities as at 31 December	13	(274.9)	(0.1)	109.1	(165.9)	(506.9)	-	61.9	(445.0)
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>(9.8)</b>	<b>68.4</b>	<b>287.9</b>	<b>346.5</b>	<b>111.7</b>	<b>4.5</b>	<b>250.2</b>	<b>366.4</b>



## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.1 Life insurance (continued)

##### 13.1.2 Life insurance – reinsurance contracts held (continued)

##### 13.1.2.2 Reconciliation of the measurement components of reinsurance contract balances – contracts not measured under the PAA

in Singapore Dollars (millions)	Note	2023				2022 (restated)			
		Estimates of the present value of future cash flows	Risk adjustment	CSM	Total	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total
Reinsurance contract assets as at 1 January		415.8	550.3	(154.7)	811.4	409.6	451.4	66.6	927.6
Reinsurance contract liabilities as at 1 January		(482.7)	18.9	18.8	(445.0)	(483.3)	96.9	11.5	(374.9)
<b>Net reinsurance contract assets/(liabilities) as at 1 January</b>		<b>(66.9)</b>	<b>569.2</b>	<b>(135.9)</b>	<b>366.4</b>	<b>(73.7)</b>	<b>548.3</b>	<b>78.1</b>	<b>552.7</b>
Changes that relate to current services									
CSM recognised for services provided		-	-	19.0	19.0	-	-	1.9	1.9
Risk adjustment recognised for the risk expired		-	(58.3)	-	(58.3)	-	(47.4)	-	(47.4)
Experience adjustments		(99.5)	0.1	-	(99.4)	(56.6)	1.1	-	(55.5)
Changes that relate to future services									
Contracts initially recognised in the period		59.0	92.7	(87.7)	64.0	34.1	97.5	(127.3)	4.3
Changes in estimates that adjust the CSM		(36.8)	(13.4)	50.2	-	81.3	8.6	(89.9)	-
Changes that relate to past services									
Changes in amounts recoverable arising from changes in liability for incurred claims		(457.5)	-	-	(457.5)	(31.1)	-	-	(31.1)
<b>Net (expense)/income from reinsurance contracts held</b>		<b>(534.8)</b>	<b>21.1</b>	<b>(18.5)</b>	<b>(532.2)</b>	<b>27.7</b>	<b>59.8</b>	<b>(215.3)</b>	<b>(127.8)</b>
<b>Finance (expenses)/income from reinsurance contracts held</b>	5	<b>(31.0)</b>	<b>23.4</b>	<b>(6.2)</b>	<b>(13.8)</b>	<b>0.1</b>	<b>(26.5)</b>	<b>0.6</b>	<b>(25.8)</b>
<b>Effect of movements in exchange rates</b>		<b>(42.1)</b>	<b>(15.4)</b>	<b>10.0</b>	<b>(47.5)</b>	<b>(25.1)</b>	<b>(12.4)</b>	<b>0.7</b>	<b>(36.8)</b>
<b>Total changes in the statement of profit or loss and OCI</b>		<b>(607.9)</b>	<b>29.1</b>	<b>(14.7)</b>	<b>(593.5)</b>	<b>2.7</b>	<b>20.9</b>	<b>(214.0)</b>	<b>(190.4)</b>
<b>Cash flows</b>									
Premiums paid		374.9	-	-	374.9	175.9	-	-	175.9
Amounts received		(309.0)	-	-	(309.0)	(235.3)	-	-	(235.3)
<b>Total cash flows</b>		<b>65.9</b>	<b>-</b>	<b>-</b>	<b>65.9</b>	<b>(59.4)</b>	<b>-</b>	<b>-</b>	<b>(59.4)</b>
<b>Other movements</b>		<b>507.8</b>	<b>-</b>	<b>-</b>	<b>507.8</b>	<b>63.5</b>	<b>-</b>	<b>-</b>	<b>63.5</b>
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>(101.1)</b>	<b>598.3</b>	<b>(150.6)</b>	<b>346.6</b>	<b>(66.9)</b>	<b>569.2</b>	<b>(135.9)</b>	<b>366.4</b>
Reinsurance contract assets as at 31 December		116.0	573.2	(176.7)	512.5	415.8	550.3	(154.7)	811.4
Reinsurance contract liabilities as at 31 December		(217.1)	25.1	26.1	(165.9)	(482.7)	18.9	18.8	(445.0)
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>(101.1)</b>	<b>598.3</b>	<b>(150.6)</b>	<b>346.6</b>	<b>(66.9)</b>	<b>569.2</b>	<b>(135.9)</b>	<b>366.4</b>

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.1 Life insurance (continued)

##### 13.1.2 Life insurance – reinsurance contracts held (continued)

##### 13.1.2.3 Impact of contracts recognised during the year – contracts not measured under the PAA

in Singapore Dollars (millions)	2023			2022 (restated)		
	Contracts originated not in a net gain	Contracts originated in a net gain	Total	Contracts originated not in a net gain	Contracts originated in a net gain	Total
Estimates of present value of future cash outflows	(307.0)	(193.1)	(500.1)	(455.2)	(50.6)	(505.8)
Estimates of present value of future cash inflows	317.3	241.8	559.1	476.7	63.2	539.9
Risk adjustment	49.4	43.3	92.7	85.5	12.0	97.5
CSM	(59.7)	(28.0)	(87.7)	(107.0)	(20.3)	(127.3)
<b>Increase in reinsurance contract assets from contracts recognised during the year</b>	<b>-</b>	<b>64.0</b>	<b>64.0</b>	<b>-</b>	<b>4.3</b>	<b>4.3</b>

##### 13.1.2.4 Amounts determined on transition to SFRS(I) 17

in Singapore Dollars (millions)	2023			2022 (restated)		
	Contracts using the fair value approach	All other contracts	Total	Contracts using the fair value approach	All other contracts	Total
<b>CSM as at 1 January</b>	<b>97.8</b>	<b>(233.7)</b>	<b>(135.9)</b>	74.8	3.3	78.1
Changes that relate to current services						
CSM recognised for services received	(14.3)	33.3	19.0	(11.9)	13.8	1.9
Changes that relate to future services						
Contracts initially recognised in the period	-	(87.7)	(87.7)	-	(127.3)	(127.3)
Changes in estimates that adjust the CSM	16.4	33.8	50.2	33.2	(123.1)	(89.9)
	2.1	(20.6)	(18.5)	21.3	(236.6)	(215.3)
<b>Finance (expenses)/income from reinsurance contracts held</b>	<b>1.9</b>	<b>(8.1)</b>	<b>(6.2)</b>	1.7	(1.1)	0.6
<b>Effect of movements in exchange rates</b>	<b>-</b>	<b>10.0</b>	<b>10.0</b>	-	0.7	0.7
<b>Total changes in the statement of profit or loss or OCI</b>	<b>4.0</b>	<b>(18.7)</b>	<b>(14.7)</b>	23.0	(237.0)	(214.0)
<b>CSM as at 31 December</b>	<b>101.8</b>	<b>(252.4)</b>	<b>(150.6)</b>	97.8	(233.7)	(135.9)

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.2 Non-life insurance

##### 13.2.1 Non-life insurance – insurance contracts issued

##### 13.2.1.1 Reconciliation of the liabilities for remaining coverage and incurred claims

in Singapore Dollars (millions)	2023					2022 (restated)					
	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims			
	Excluding loss component	Loss component	Contracts under PAA			Excluding loss component	Loss component	Contracts under PAA			
			Estimates of the present value of future cash flows	Risk adjustment	Total			Estimates of the present value of future cash flows	Risk adjustment	Total	
Note											
Insurance contract liabilities as at 1 January	96.8	29.3	460.5	64.1	650.7	116.9	28.9	447.7	56.7	650.2	
Insurance contract assets as at 1 January	(17.7)	-	-	-	(17.7)	(11.3)	0.1	-	-	(11.2)	
<b>Net insurance contract liabilities/(assets) as at 1 January</b>	<b>79.1</b>	<b>29.3</b>	<b>460.5</b>	<b>64.1</b>	<b>633.0</b>	<b>105.6</b>	<b>29.0</b>	<b>447.7</b>	<b>56.7</b>	<b>639.0</b>	
Insurance revenue											
Other contracts	(423.9)	-	-	-	(423.9)	(398.7)	-	-	-	(398.7)	
	4	(423.9)	-	-	(423.9)	(398.7)	-	-	-	(398.7)	
Insurance service expenses											
Incurred claims and other expenses	-	-	248.0	12.0	260.0	-	-	281.6	12.8	294.4	
Amortisation of insurance acquisition cash flows	99.6	-	-	-	99.6	97.3	-	-	-	97.3	
Losses on onerous contracts and reversals of those losses	-	(13.0)	-	-	(13.0)	-	0.6	-	-	0.6	
Changes to liabilities for incurred claims	-	-	(27.2)	(27.4)	(54.6)	-	-	(0.5)	(3.9)	(4.4)	
	6	99.6	(13.0)	220.8	(15.4)	292.0	97.3	0.6	281.1	8.9	387.9
<b>Insurance service result</b>	<b>(324.3)</b>	<b>(13.0)</b>	<b>220.8</b>	<b>(15.4)</b>	<b>(131.9)</b>	<b>(301.4)</b>	<b>0.6</b>	<b>281.1</b>	<b>8.9</b>	<b>(10.8)</b>	
Insurance finance expenses	5	5.4	1.3	13.6	2.1	22.4	3.4	0.4	2.2	0.1	6.1
<b>Effect of movements in exchange rates</b>	<b>(2.4)</b>	<b>(0.5)</b>	<b>(14.9)</b>	<b>(1.5)</b>	<b>(19.3)</b>	<b>(2.0)</b>	<b>(0.7)</b>	<b>(10.7)</b>	<b>(1.6)</b>	<b>(15.0)</b>	
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(321.3)</b>	<b>(12.2)</b>	<b>219.5</b>	<b>(14.8)</b>	<b>(128.8)</b>	<b>(300.0)</b>	<b>0.3</b>	<b>272.6</b>	<b>7.4</b>	<b>(19.7)</b>	
<b>Cash flows</b>											
Premiums received	438.4	-	-	-	438.4	373.9	-	-	-	373.9	
Claims and other expenses paid	-	-	(262.1)	-	(262.1)	-	-	(259.8)	-	(259.8)	
Insurance acquisition cash flows	(89.4)	-	-	-	(89.4)	(100.4)	-	-	-	(100.4)	
<b>Total cash flows</b>	<b>349.0</b>	<b>-</b>	<b>(262.1)</b>	<b>-</b>	<b>86.9</b>	<b>273.5</b>	<b>-</b>	<b>(259.8)</b>	<b>-</b>	<b>13.7</b>	
<b>Net insurance contract liabilities/(assets) as at 31 December</b>	<b>106.8</b>	<b>17.1</b>	<b>417.9</b>	<b>49.3</b>	<b>591.1</b>	<b>79.1</b>	<b>29.3</b>	<b>460.5</b>	<b>64.1</b>	<b>633.0</b>	
Insurance contract liabilities as at 31 December	13	134.0	17.1	417.9	49.3	618.3	96.8	29.3	460.5	64.1	650.7
Insurance contract assets as at 31 December	13	(27.2)	-	-	-	(27.2)	(17.7)	0.0	-	-	(17.7)
<b>Net insurance contract liabilities/(assets) as at 31 December</b>	<b>106.8</b>	<b>17.1</b>	<b>417.9</b>	<b>49.3</b>	<b>591.1</b>	<b>79.1</b>	<b>29.3</b>	<b>460.5</b>	<b>64.1</b>	<b>633.0</b>	

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (continued)

#### 13.2 Non-life insurance (continued)

##### 13.2.2 Non-life insurance – reinsurance contracts held

###### 13.2.2.1 Reconciliation of the assets for remaining coverage and incurred claims

in Singapore Dollars (millions)	Note	2023					2022 (restated)				
		Assets for remaining coverage		Assets for incurred claims			Assets for remaining coverage		Assets for incurred claims		
		Excluding loss component	Loss component	Contracts under PAA			Excluding loss component	Loss component	Contracts under PAA		
				Estimates of the present value of future cash flows	Risk adjustment	Total			Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 1 January		24.2	10.8	312.5	49.8	397.3	27.0	10.0	296.8	48.6	382.4
Reinsurance contract liabilities as at 1 January		(38.4)	0.4	1.4	-	(36.6)	(8.6)	0.2	-	-	(8.4)
<b>Net reinsurance contract assets/(liabilities) as at 1 January</b>		<b>(14.2)</b>	<b>11.2</b>	<b>313.9</b>	<b>49.8</b>	<b>360.7</b>	<b>18.4</b>	<b>10.2</b>	<b>296.8</b>	<b>48.6</b>	<b>374.0</b>
Allocation of reinsurance premiums		(160.4)	-	-	-	(160.4)	(116.7)	-	-	-	(116.7)
Amounts recoverable from reinsurers											
Recoveries of incurred claims and other insurance service expenses		-	-	106.5	7.2	113.7	-	-	119.2	8.7	127.9
Recoveries and reversals of recoveries of losses on onerous underlying contracts		-	(7.1)	-	-	(7.1)	-	1.1	-	-	1.1
Adjustments to assets for incurred claims		-	-	(27.8)	(20.2)	(48.0)	-	-	(8.0)	(6.8)	(14.8)
<b>Net (expenses)/income from reinsurance contracts held</b>		<b>(160.4)</b>	<b>(7.1)</b>	<b>78.7</b>	<b>(13.0)</b>	<b>(101.8)</b>	<b>(116.7)</b>	<b>1.1</b>	<b>111.2</b>	<b>1.9</b>	<b>(2.5)</b>
Finance income from reinsurance contracts held	5	2.2	0.5	4.6	1.7	9.0	1.4	0.1	2.3	0.3	4.1
Effect of movements in exchange rates		0.1	(0.1)	(11.1)	(1.0)	(12.1)	0.7	(0.2)	(10.4)	(1.0)	(10.9)
<b>Total changes in the statement of profit or loss and OCI</b>		<b>(158.1)</b>	<b>(6.7)</b>	<b>72.2</b>	<b>(12.3)</b>	<b>(104.9)</b>	<b>(114.6)</b>	<b>1.0</b>	<b>103.1</b>	<b>1.2</b>	<b>(9.3)</b>
<b>Cash flows</b>											
Premiums paid		182.0	-	-	-	182.0	82.0	-	-	-	82.0
Amounts received		-	-	(135.7)	-	(135.7)	-	-	(86.0)	-	(86.0)
<b>Total cash flows</b>		<b>182.0</b>	<b>-</b>	<b>(135.7)</b>	<b>-</b>	<b>46.3</b>	<b>82.0</b>	<b>-</b>	<b>(86.0)</b>	<b>-</b>	<b>(4.0)</b>
Other movements		(0.4)	-	0.4	-	-	-	-	-	-	-
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>9.3</b>	<b>4.5</b>	<b>250.8</b>	<b>37.5</b>	<b>302.1</b>	<b>(14.2)</b>	<b>11.2</b>	<b>313.9</b>	<b>49.8</b>	<b>360.7</b>
Reinsurance contract assets as at 31 December	13	74.3	4.1	241.1	36.8	356.3	24.2	10.8	312.5	49.8	397.3
Reinsurance contract liabilities as at 31 December	13	(65.0)	0.4	9.7	0.7	(54.2)	(38.4)	0.4	1.4	-	(36.6)
<b>Net reinsurance contract assets/(liabilities) as at 31 December</b>		<b>9.3</b>	<b>4.5</b>	<b>250.8</b>	<b>37.5</b>	<b>302.1</b>	<b>(14.2)</b>	<b>11.2</b>	<b>313.9</b>	<b>49.8</b>	<b>360.7</b>

## Notes to the Financial Statements

### 13 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

#### 13.3 Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

in Singapore Dollars (millions)	2023						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
<b>Insurance contracts issued</b>							
Life	601.6	489.4	448.8	418.3	387.9	4,521.3	6,867.3
<b>Total insurance contracts issued</b>	<b>601.6</b>	<b>489.4</b>	<b>448.8</b>	<b>418.3</b>	<b>387.9</b>	<b>4,521.3</b>	<b>6,867.3</b>
<b>Reinsurance contracts held</b>							
Life	17.3	6.4	8.9	9.0	8.0	101.0	150.6
<b>Total reinsurance contracts held</b>	<b>17.3</b>	<b>6.4</b>	<b>8.9</b>	<b>9.0</b>	<b>8.0</b>	<b>101.0</b>	<b>150.6</b>

in Singapore Dollars (millions)	2022 (restated)						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
<b>Insurance contracts issued</b>							
Life	621.9	499.6	452.3	420.9	390.7	4,589.5	6,974.9
<b>Total insurance contracts issued</b>	<b>621.9</b>	<b>499.6</b>	<b>452.3</b>	<b>420.9</b>	<b>390.7</b>	<b>4,589.5</b>	<b>6,974.9</b>
<b>Reinsurance contracts held</b>							
Life	28.3	22.6	10.7	4.9	5.6	63.8	135.9
<b>Total reinsurance contracts held</b>	<b>28.3</b>	<b>22.6</b>	<b>10.7</b>	<b>4.9</b>	<b>5.6</b>	<b>63.8</b>	<b>135.9</b>

### 14 OTHER DEBTORS

in Singapore Dollars (millions)	Note	Group	
		2023	2022 (restated)
Other debtors comprise the following:			
Financial Assets:			
Accrued interest and dividend receivable		651.2	586.8
Investment debtors		379.2	156.9
Other receivables		31.3	12.7
Deposits collected		3.5	3.6
	16	<b>1,065.2</b>	760.0
Non-Financial Assets:			
Prepayments and others		46.3	61.1
		<b>1,111.5</b>	821.1

As at 31 December 2023, the Company had no other debtor balance (31 December 2022: nil).

## Notes to the Financial Statements

### 15 AMOUNT DUE FROM SUBSIDIARIES

in Singapore Dollars (millions)	Note	Company	
		2023	2022
Amount due from subsidiaries		<b>2,380.1</b>	2,478.8
Loans to subsidiaries		-	9.1
Provision for impairment of unsecured loan to subsidiary		-	(7.0)
	16	<b>2,380.1</b>	<b>2,480.9</b>

The amounts due from subsidiaries and loans to subsidiaries are non-trade related, unsecured, interest-free, repayable on demand and are to be settled in cash.

### 16 LOANS AND OTHER FINANCIAL ASSETS AT AMORTISED COST

in Singapore Dollars (millions)	Note	Group		Company	
		2023	2022 (restated)	2023	2022
<b>Loans comprise the following:</b>					
Secured loans		<b>375.4</b>	294.6	-	-
Unsecured loans		<b>146.3</b>	194.7	-	-
		<b>521.7</b>	489.3	-	-
less: Provision for impairment of secured loans		<b>2.6</b>	2.6	-	-
Provision for impairment of unsecured loans		<b>8.1</b>	6.2	-	-
		<b>511.0</b>	480.5	-	-

If loans were carried at fair value, the carrying amounts would be as follows:

Loans		<b>524.7</b>	485.3	-	-
<b>Loans and other financial assets at amortised cost:</b>					
Cash and cash equivalents		<b>6,302.9</b>	9,607.9	<b>25.7</b>	20.4
Other debtors	14	<b>1,065.2</b>	760.0	-	-
Loans		<b>511.0</b>	480.5	-	-
Debt securities	18	<b>1,218.2</b>	1,802.5	-	-
Amount due from subsidiaries	15	-	-	<b>2,380.1</b>	2,480.9
<b>Total loans and other financial assets at amortised cost</b>		<b>9,097.3</b>	12,650.9	<b>2,405.8</b>	2,501.3

#### 16.1 Loans analysed by interest rate sensitivity and geography

<b>Fixed</b>					
Singapore		<b>14.5</b>	4.9	-	-
Malaysia		<b>120.6</b>	144.3	-	-
		<b>135.1</b>	149.2	-	-
<b>Floating</b>					
Singapore		<b>375.9</b>	331.3	-	-
<b>Total</b>		<b>511.0</b>	480.5	-	-

The analysis by interest rate sensitivity is based on where the transactions are booked and where the credit risk resides.

## Notes to the Financial Statements

### 17 DERIVATIVE FINANCIAL INSTRUMENTS

in Singapore Dollars (millions)	Notional Amount	Derivative Financial Assets	Derivative Financial Liabilities
<b>31 December 2023</b>			
<b>Foreign exchange:</b>			
Forwards	28,477.2	392.5	(124.5)
Currency swaps	1,982.2	96.1	(14.0)
<b>Interest rates:</b>			
Swaps	909.6	23.7	(32.7)
Exchange traded futures	3,703.6	371.1	(4.1)
<b>Equity:</b>			
Swaps	20.5	-	(0.6)
Futures	1,079.8	13.8	(3.0)
Options	472.2	54.6	-
<b>Credit:</b>			
Swaps	10.0	9.9	-
<b>Bond:</b>			
Forwards	175.0	2.2	(0.8)
	<b>36,830.1</b>	<b>963.9</b>	<b>(179.7)</b>
<b>31 December 2022</b>			
<b>Foreign exchange:</b>			
Forwards	27,976.0	510.6	(152.2)
Currency swaps	3,309.3	182.9	(6.8)
Options	69.0	12.0	-
<b>Interest rates:</b>			
Swaps	877.1	9.0	(64.5)
Exchange traded futures	841.8	2.2	(17.2)
<b>Equity:</b>			
Swaps	227.4	0.2	(35.6)
Futures	622.1	3.4	(0.1)
Options	996.3	39.2	(7.1)
<b>Credit:</b>			
Swaps	588.8	1.9	(3.7)
<b>Bond:</b>			
Forwards	210.6	0.3	(4.8)
	<b>35,718.4</b>	<b>761.7</b>	<b>(292.0)</b>

The table above shows the fair value of derivative financial instruments, recorded as assets or liabilities together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and the basis upon which changes in the value of derivatives are measured.

The fair value of derivatives shown above represents the current risk exposure but not the maximum risk exposure that would arise in the future as a result of the changes in value.

## Notes to the Financial Statements

### 18 INVESTMENTS

in Singapore Dollars (millions)	Group	
	2023	2022 (restated)
<b>18.1 Financial assets at FVOCI</b>		
Equity securities designated at FVOCI		
(i) Quoted equity securities	<b>1,883.8</b>	1,639.3
– Hong Kong Stock Exchange	<b>341.1</b>	392.3
– New York Stock Exchange	<b>240.4</b>	156.3
– Bursa Malaysia	<b>226.6</b>	222.0
– Tokyo Stock Exchange	<b>200.6</b>	149.7
– NASDAQ/NGS	<b>175.2</b>	34.5
– Singapore Exchange	<b>150.2</b>	229.7
– Korea Exchange	<b>129.6</b>	121.1
– Taiwan Stock Exchange	<b>116.1</b>	127.3
– Australian Stock Exchange	<b>82.1</b>	110.1
– Others	<b>221.9</b>	96.3
(ii) Unquoted equity securities	<b>22.3</b>	22.7
	<b>1,906.1</b>	1,662.0
Debt securities at FVOCI		
(iii) Quoted debt securities <sup>(1)</sup>	<b>9,419.1</b>	7,772.6
(iv) Unquoted debt securities	<b>4,576.1</b>	2,813.4
	<b>13,995.2</b>	10,586.0
Total securities measured at FVOCI	<b>15,901.3</b>	12,248.0

During the financial year ended 31 December 2023 and 2022, the Group sold listed equity securities as the underlying investments are no longer aligned with the Group's long-term investment strategy. These investments had a fair value of \$930.2 million (31 December 2022: \$952.9 million) at the date of disposal. The cumulative loss on disposal of \$2.5 million (31 December 2022: gain of \$19.2 million) was reclassified from fair value reserve to retained earnings.

### 18.2 Financial assets at FVTPL

#### Mandatorily measured at FVTPL

Equity securities		
(i) Quoted equity securities	<b>11,505.9</b>	11,469.2
(ii) Unquoted equity securities	<b>24.8</b>	21.8
	<b>11,530.7</b>	11,491.0
Debt securities		
(iii) Quoted debt securities	<b>3,937.5</b>	5,134.2
(iv) Unquoted debt securities	<b>3,239.7</b>	2,749.5
	<b>7,177.2</b>	7,883.7
Other investments		
(v) Collective investment schemes <sup>(2)</sup>	<b>19,244.9</b>	14,226.7
Total financial assets mandatorily measured at FVTPL	<b>37,952.8</b>	33,601.4

#### Designated at FVTPL

Debt securities		
(i) Quoted debt securities	<b>27,820.2</b>	28,761.2
(ii) Unquoted debt securities	<b>13,643.1</b>	12,347.3
Total financial assets designated at FVTPL	<b>41,463.3</b>	41,108.5
Total financial assets at FVTPL	<b>79,416.1</b>	74,709.9

<sup>(1)</sup> Included in quoted debt securities are quoted government securities amounting to \$42.6 million (2022: \$33.8 million) which are lodged with the regulator as statutory deposits.

<sup>(2)</sup> Collective investment schemes include but are not limited to hedge funds, private equity funds, unit trusts, real estate investment funds, exchange traded funds and open-ended investment company funds.



## Notes to the Financial Statements

### 18 INVESTMENTS (continued)

in Singapore Dollars (millions)	Note	Group	
		2023	2022 (restated)

#### 18.3 Financial assets at Amortised Cost

Debt securities			
(i) Quoted debt securities		<b>1,033.1</b>	1,097.7
(ii) Unquoted debt securities		<b>185.1</b>	704.8
Total financial assets at Amortised Cost <sup>(1)</sup>	16	<b>1,218.2</b>	1,802.5
<b>TOTAL INVESTMENTS</b>		<b>96,535.6</b>	88,760.4

<sup>(1)</sup> If these financial assets are measured using market value, the carrying amount would be as follows:

in Singapore Dollars (millions)	Group	
	2023	2022
Quoted debt securities	<b>1,014.3</b>	1,401.1
Unquoted debt securities	<b>184.5</b>	314.1
	<b>1,198.8</b>	1,715.2

### 19 UNDERLYING ITEMS

The following table sets out the composition and the fair value of underlying items of the Group's contracts with direct participation features.

in Singapore Dollars (millions)	Group	
	2023	2022
Cash and cash equivalents	<b>3,222.0</b>	6,356.7
Derivative financial instruments	<b>578.2</b>	213.8
Equity securities	<b>10,706.0</b>	10,777.8
Debt securities	<b>42,989.0</b>	40,322.7
Collective investment schemes	<b>17,184.5</b>	13,029.7
Loans	<b>392.3</b>	334.1
Investment properties	<b>1,375.7</b>	1,385.5
Property, plant and equipment	<b>841.4</b>	833.0
	<b>77,289.1</b>	73,253.3

### 20 INVESTMENT IN ASSOCIATE

in Singapore Dollars (millions)	Group	
	2023	2022
Investment in shares, at fair value	<b>95.1</b>	122.5
<b>Carrying amount at 31 December</b>	<b>95.1</b>	122.5

The Group's associate is as follows:

Name of associate	Principal place of business	Nature of the relationship with the Group	Effective % interest held	
			2023	2022
Boost Holdings Sdn Bhd	Malaysia	Strategic investment in digital payment solutions	<b>21.9</b>	21.9

## Notes to the Financial Statements

### 20 INVESTMENT IN ASSOCIATE (continued)

The Group has elected to measure its investment in associate, Boost Holdings Sdn Bhd, at fair value through profit or loss in accordance with SFRS(I) 9 as it is held through its venture capital organisation.

Information about the Group's investment in associate is as follows:

in Singapore Dollars (millions)	Group	
	2023	2022
Loss after income tax from continuing operations	(51.4)	(51.4)
Total comprehensive loss	(51.4)	(51.4)

### 21 INVESTMENT IN SUBSIDIARIES

in Singapore Dollars (millions)	Company	
	2023	2022
Investment in shares, at cost	1,331.1	1,323.4
Provision for impairment	(22.2)	-
Distribution from pre-acquisition reserve	(281.8)	(281.8)
	<b>1,027.1</b>	<b>1,041.6</b>
Investment in shares, at cost:		
Balance at the beginning of the year	1,323.4	1,288.9
Acquisition	7.7	34.5
Balance at the end of the year	<b>1,331.1</b>	<b>1,323.4</b>
Provision for impairment:		
Balance at the beginning of the year	-	-
Impairment loss recognised during the year	(22.2)	-
Balance at the end of the year	<b>(22.2)</b>	-

#### Significant restrictions:

The ability of insurance subsidiaries to transfer funds to the Group in the form of cash dividends is subject to local insurance laws and regulations and solvency requirements in certain jurisdictions in which the subsidiaries operate. These requirements do not constitute a material limitation on the ability of the subsidiaries to transfer funds to the Group.

#### 21.1 Interest in subsidiary with material non-controlling interest (NCI)

The Group has the following subsidiary that has NCI that is material to the Group.

Name of Subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit allocated to NCI during the reporting year	Accumulated NCI at the end of the reporting year	Dividends paid to NCI
in Singapore Dollars (millions)					
<b>31 December 2023:</b>					
Lion Global Investors Limited	Singapore	30%	13.7	85.3	9.5
31 December 2022:					
Lion Global Investors Limited	Singapore	30%	1.6	81.1	9.3

#### Significant restrictions:

There are no significant restrictions on the Group's ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests.

## Notes to the Financial Statements

### 21 INVESTMENT IN SUBSIDIARIES (continued)

#### 21.2 Summarised financial information about subsidiaries with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

in Singapore Dollars (millions)	Lion Global Investors Ltd	
	2023	2022
<b>Summarised balance sheets</b>		
<b>Current</b>		
Assets	<b>328.7</b>	318.6
Liabilities	<b>(42.1)</b>	(46.9)
Net current assets	<b>286.6</b>	271.7
<b>Non-current</b>		
Assets	<b>2.5</b>	3.2
Liabilities	<b>-</b>	(0.1)
Net non-current assets	<b>2.5</b>	3.1
Net assets	<b>289.1</b>	274.8
<b>Summarised statement of comprehensive income</b>		
Revenue	<b>103.8</b>	106.5
Profit before income tax	<b>55.0</b>	14.8
Income tax expense	<b>(9.2)</b>	(9.3)
Profit after income tax from continuing operations	<b>45.8</b>	5.5
Total comprehensive income	<b>45.8</b>	5.5
<b>Other summarised information</b>		
Net cash flows from operations	<b>44.5</b>	45.4

### 22 INTERESTS IN STRUCTURED ENTITIES

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The Group has interests in unconsolidated structured entities as described below.

The Group holds shares or units in investment vehicles, which consist of:

- Debt securities which comprise: Mortgage-Backed-Securities ("MBS"), Asset Backed Securities ("ABS") and Structured Deposits ("SD").
- Collective Investment Schemes which comprise: hedge funds, private equity funds, unit trusts, Real Estate Investment Trusts ("REITs"), Exchange Traded Funds ("ETF") and Open Ended Investment Companies ("OEIC").

The Group's holdings in investment vehicles are subject to the terms and conditions of the respective investment vehicle's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those investment vehicles.

The investment vehicles in the investment portfolio are managed by portfolio managers who are compensated by the respective investment vehicles for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee, and is reflected in the valuation of the investment vehicles.

## Notes to the Financial Statements

### 22 INTERESTS IN STRUCTURED ENTITIES (continued)

#### 22.1 Interests in unconsolidated structured entities

As part of its investment activities, the Group invests in unconsolidated structured entities. As at 31 December 2023, the Group's total interest in unconsolidated structured entities was \$20,771.7 million (31 December 2022: \$15,094.6 million) on the Group's balance sheet.

The Group does not sponsor any of the unconsolidated structured entities.

A summary of the Group's interest in unconsolidated structured entities is as follows:

in Singapore Dollars (millions)	Group	
	2023	2022
<b>Debt securities</b>		
<i>Analysed as:</i>		
MBS	571.3	201.7
ABS	125.2	197.4
SD	830.3	468.8
<b>Collective investment schemes</b>		
<i>Analysed as:</i>		
Hedge funds	1,778.4	1,508.6
Private equity funds	2,912.5	2,842.1
Unit trusts	3,647.6	3,071.1
REITs	854.0	780.5
ETF	1,093.4	551.5
OEIC	8,959.0	5,472.9
<b>Total</b>	<b>20,771.7</b>	<b>15,094.6</b>

The Group's maximum exposure to loss on the interests presented above is the carrying amount of the Group's investments.

The Group has not provided any financial or other support to the unconsolidated structured entities as at the reporting date, and there are no intentions to provide support in the foreseeable future.

#### 22.2 Other interests in unconsolidated structured entities

The Group receives management fees in respect of its asset management business. The Group does not sponsor any of the funds or investment vehicles from which it receives fees. Management fees received for investments that the Group manages but does not have a holding in also represent an interest in unconsolidated structured entities. As these investments are not held by the Group, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future management fees. The table below shows the assets under management of entities that the Group manages but does not have a holding in and the fees earned from those entities.

in Singapore Dollars (millions)	Assets under Management		Investment Management Fees	
	2023	2022	2023	2022
Collective investment schemes	2,885.4	2,963.8	19.2	23.5
<b>Total</b>	<b>2,885.4</b>	<b>2,963.8</b>	<b>19.2</b>	<b>23.5</b>

## Notes to the Financial Statements

### 23 INTANGIBLE ASSETS

in Singapore Dollars (millions)	Note	Group	
		2023	2022
Goodwill	23.1	26.4	26.7
Other intangible assets	23.3	186.1	176.9
<b>Carrying amount at 31 December</b>		<b>212.5</b>	<b>203.6</b>

#### 23.1 Goodwill

##### Cost:

At 1 January		33.5	34.0
Currency translation reserve adjustment		(0.3)	(0.5)
At 31 December		<b>33.2</b>	<b>33.5</b>

##### Impairment:

At 1 January and 31 December		<b>(6.8)</b>	<b>(6.8)</b>
------------------------------	--	--------------	--------------

##### Net carrying amount:

At 31 December	23	<b>26.4</b>	<b>26.7</b>
----------------	----	-------------	-------------

#### 23.2 Impairment test for goodwill

##### Subsidiary – Lion Global Investors Limited

Carrying value of capitalised goodwill as at 31 December 2023	\$18.9 million
Basis on which recoverable values are determined <sup>(1)</sup>	Value in use
Terminal growth rate <sup>(2)</sup>	3%
Discount rate <sup>(3)</sup>	5%

##### Business acquired – Tahan Insurance Malaysia Berhad

Carrying value of capitalised goodwill as at 31 December 2023	\$5.2 million
Basis on which recoverable values are determined <sup>(1)</sup>	Value in use
Terminal growth rate <sup>(2)</sup>	5%
Discount rate <sup>(3)</sup>	10%

##### Subsidiary – PT Great Eastern General Insurance Indonesia

Carrying value of capitalised goodwill as at 31 December 2023	\$2.3 million
Basis on which recoverable values are determined <sup>(1)</sup>	Value in use
Terminal growth rate <sup>(2)</sup>	5%
Discount rate <sup>(3)</sup>	13%

(1) The value-in-use calculation applies a discounted cash flow model using cash flow projections based on financial budget and forecast approved by management covering a five-year period. Cash flows beyond the fifth year are extrapolated using the terminal growth rate stated above.

(2) The terminal growth rates used do not exceed the long term average past growth rates of the industries and countries in which Lion Global Investors Limited, Great Eastern General Insurance (Malaysia) Berhad and PT Great Eastern General Insurance Indonesia operate.

(3) The discount rate applied to the cash flow projections is pre-tax and is derived from the cost of capital plus a reasonable risk premium. This is the benchmark used by management to assess the operating performance.

No impairment loss (2022: nil) was recognised for the financial year ended 31 December 2023 against the amounts of goodwill recorded above to write down the carrying value to recoverable value. A reasonably possible change in key assumptions will not cause the carrying values above to materially exceed the recoverable amounts.

## Notes to the Financial Statements

### 23 INTANGIBLE ASSETS (continued)

#### 23.3 Other intangible assets

in Singapore Dollars (millions)	Note	Group				Total
		Software	Capital works in progress	Club Membership	Distribution Platform	
<b>Cost</b>						
At 1 January 2022		410.2	95.4	0.6	4.0	510.2
Additions		20.4	35.6	-	-	56.0
Disposals		(11.5)	(0.3)	-	-	(11.8)
Reclassification		62.8	(62.8)	-	-	-
Currency translation reserve adjustment		(8.2)	(2.4)	-	(0.2)	(10.8)
At 31 December 2022 and 1 January 2023		473.7	65.5	0.6	3.8	543.6
<b>Additions</b>		<b>8.2</b>	<b>49.4</b>	-	-	<b>57.6</b>
<b>Disposals</b>		<b>(12.5)</b>	-	<b>(0.1)</b>	-	<b>(12.6)</b>
<b>Reclassification</b>		<b>46.1</b>	<b>(46.1)</b>	-	-	-
<b>Reclassification to property, plant and equipment</b>	26	-	<b>(0.1)</b>	-	-	<b>(0.1)</b>
<b>Currency translation reserve adjustment</b>		<b>(9.0)</b>	<b>(2.0)</b>	-	<b>(0.2)</b>	<b>(11.2)</b>
<b>At 31 December 2023</b>		<b>506.5</b>	<b>66.7</b>	<b>0.5</b>	<b>3.6</b>	<b>577.3</b>
<b>Accumulated amortisation and impairment loss</b>						
At 1 January 2022		(341.0)	-	(0.1)	(1.3)	(342.4)
Amortisation charge for the year	6	(42.1)	-	-	(0.6)	(42.7)
Disposals		11.3	-	-	-	11.3
Currency translation reserve adjustment		7.0	-	-	0.1	7.1
At 31 December 2022 and 1 January 2023		(364.8)	-	(0.1)	(1.8)	(366.7)
<b>Amortisation charge for the year</b>	6	<b>(43.7)</b>	-	-	<b>(0.5)</b>	<b>(44.2)</b>
<b>Disposals</b>		<b>12.5</b>	-	-	-	<b>12.5</b>
<b>Provision for impairment</b>		-	-	-	<b>(0.2)</b>	<b>(0.2)</b>
<b>Currency translation reserve adjustment</b>		<b>7.3</b>	-	-	<b>0.1</b>	<b>7.4</b>
<b>At 31 December 2023</b>		<b>(388.7)</b>	-	<b>(0.1)</b>	<b>(2.4)</b>	<b>(391.2)</b>
<b>Net book value</b>						
At 31 December 2022	23	108.9	65.5	0.5	2.0	176.9
<b>At 31 December 2023</b>	23	<b>117.8</b>	<b>66.7</b>	<b>0.4</b>	<b>1.2</b>	<b>186.1</b>

## Notes to the Financial Statements

### 24 INVESTMENT PROPERTIES

in Singapore Dollars (millions)	Note	Group	
		2023	2022
<b>Balance sheet:</b>			
At 1 January		<b>1,881.2</b>	1,883.9
Additions (subsequent expenditure)		<b>1.1</b>	1.0
Net gain from fair value adjustments	5	<b>16.3</b>	91.3
Reclassification to asset held for sale	25	<b>-</b>	(72.6)
Currency translation reserve adjustment		<b>(17.9)</b>	(22.4)
At 31 December		<b>1,880.7</b>	1,881.2
<b>Profit or Loss Statement:</b>			
Rental income from investment properties:			
– Minimum lease payments		<b>49.9</b>	47.3
Direct operating expenses (including repairs and maintenance) arising from:			
– Rental generating properties		<b>(17.5)</b>	(17.1)
– Non-rental generating properties		<b>(0.1)</b>	(0.1)
		<b>(17.6)</b>	(17.2)

Investment properties collectively form an asset class which is an integral part of the overall investment strategy for the asset-liability management of the life insurance business.

Investment properties are stated at fair value, which has been determined based on objective valuation undertaken by independent valuers as at the balance sheet date. Valuations are performed by accredited independent valuers with recent experience in the location and category of the properties being valued.

### 25 ASSET HELD FOR SALE

The directors of the Group's subsidiary approved the sale of a property as at 31 December 2022, and this sale had been completed in 2023. The property was reclassified from investment property to asset held for sale during 2022 and measured at fair value. The fair value of the property amounting to \$72.6 million as at 31 December 2022 and measured using the income approach. This was a level 3 measurement as per the fair value hierarchy set out in Note 32.3.

## Notes to the Financial Statements

### 26 PROPERTY, PLANT AND EQUIPMENT

in Singapore Dollars (millions)	Note	Group								Total
		Right-Of-Use Assets			Property, Plant and Equipment Owned					
		Leasehold Land <sup>(1)</sup>	Office space	Other Right-Of-Use Assets	Freehold Land <sup>(1)</sup>	Capital Works in Progress	Buildings <sup>(1)</sup>	Computer Equipment and Software Development Costs	Other Assets <sup>(2)</sup>	
<b>Cost</b>										
At 1 January 2022		37.9	102.8	1.3	60.5	15.2	606.3	144.7	108.2	1,076.9
Additions		-	0.5	-	-	1.4	-	9.0	3.0	13.9
Disposals/assets written off		-	(0.5)	-	-	-	-	(2.1)	(8.6)	(11.2)
Reclassification		-	-	-	-	(11.6)	-	-	11.6	-
Currency translation reserve adjustment		(0.3)	(0.2)	(0.1)	(0.2)	-	(8.3)	(5.4)	(2.9)	(17.4)
At 31 December 2022 and 1 January 2023		37.6	102.6	1.2	60.3	5.0	598.0	146.2	111.3	1,062.2
<b>Additions</b>		-	<b>0.7</b>	-	-	<b>14.4</b>	<b>1.3</b>	<b>8.4</b>	<b>10.2</b>	<b>35.0</b>
<b>Disposals/assets written off</b>		-	-	-	-	-	-	<b>(3.8)</b>	<b>(6.1)</b>	<b>(9.9)</b>
<b>Reclassification</b>		-	-	-	-	<b>(1.0)</b>	-	-	<b>1.0</b>	-
<b>Reclassification from intangible assets</b>	23	-	-	-	-	-	-	<b>0.1</b>	-	<b>0.1</b>
<b>Currency translation reserve adjustment</b>		<b>(0.3)</b>	-	<b>(0.1)</b>	<b>(0.2)</b>	-	<b>(8.1)</b>	<b>(5.2)</b>	<b>(2.7)</b>	<b>(16.6)</b>
<b>At 31 December 2023</b>		<b>37.3</b>	<b>103.3</b>	<b>1.1</b>	<b>60.1</b>	<b>18.4</b>	<b>591.2</b>	<b>145.7</b>	<b>113.7</b>	<b>1,070.8</b>
<b>Accumulated Depreciation and Impairment Loss</b>										
At 1 January 2022		(2.1)	(27.6)	(0.9)	(1.4)	-	(302.4)	(120.2)	(75.3)	(529.9)
Depreciation charge for the year	6	-	(12.4)	(0.3)	-	-	(12.1)	(11.2)	(9.3)	(45.3)
Disposals/assets written off		-	0.1	-	-	-	-	2.1	8.5	10.7
Currency translation reserve adjustment		-	0.2	-	-	-	3.7	5.3	2.5	11.7
At 31 December 2022 and 1 January 2023		(2.1)	(39.7)	(1.2)	(1.4)	-	(310.8)	(124.0)	(73.6)	(552.8)
<b>Depreciation charge for the year</b>	6	-	<b>(12.3)</b>	<b>(0.1)</b>	-	-	<b>(12.1)</b>	<b>(11.0)</b>	<b>(8.1)</b>	<b>(43.6)</b>
<b>Disposals/assets written off</b>		-	-	-	-	-	-	<b>3.8</b>	<b>5.9</b>	<b>9.7</b>
<b>Currency translation reserve adjustment</b>		-	-	<b>0.2</b>	-	-	<b>3.7</b>	<b>5.0</b>	<b>2.7</b>	<b>11.6</b>
<b>At 31 December 2023</b>		<b>(2.1)</b>	<b>(52.0)</b>	<b>(1.1)</b>	<b>(1.4)</b>	-	<b>(319.2)</b>	<b>(126.2)</b>	<b>(73.1)</b>	<b>(575.1)</b>
<b>Net Book Value</b>										
At 31 December 2022		35.5	62.9	-	58.9	5.0	287.2	22.2	37.7	509.4
<b>At 31 December 2023</b>		<b>35.2</b>	<b>51.3</b>	-	<b>58.7</b>	<b>18.4</b>	<b>272.0</b>	<b>19.5</b>	<b>40.6</b>	<b>495.7</b>

<sup>(1)</sup> If the freehold land, leasehold land and buildings were measured using market value, the carrying amount would be as follows:

in Singapore Dollars (millions)	Group	
	2023	2022
Freehold land, Leasehold land and Buildings	<b>847.6</b>	846.6

<sup>(2)</sup> Other assets include motor vehicles, office furniture, fittings and equipment.



## Notes to the Financial Statements

### 26 PROPERTY, PLANT AND EQUIPMENT (continued)

#### 26.1 Leases

This note provides information for leases where the group is a lessee.

The Group has entered into operating lease agreements for computer equipment and office rental. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 5 years. There are several lease contracts that include extension and termination options.

The Group also has certain leases of office rental with lease terms of 12 months or less and leases of computer equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

The following are the amounts recognised in the Profit or Loss Statement:

in Singapore Dollars (millions)	Note	Group	
		2023	2022
Depreciation expense of right-of-use assets		<b>12.4</b>	12.7
Interest expense on lease liabilities	6	<b>1.6</b>	1.9
Expense relating to short-term leases		<b>2.6</b>	2.7
Expense relating to leases of low-value assets		<b>0.1</b>	0.2
Total amount recognised in the Profit or Loss Statement		<b>16.7</b>	17.5

The total cash outflow for leases in 2023 was \$13.3 million (2022: \$13.9 million).

### 27 EXECUTIVES' SHARE OPTION SCHEME

#### 27.1 OCBC Share Option Scheme

In April 2005, the GEH Optionholders were nominated to participate in the OCBC Share Option Scheme (2001) ("OCBC Option Scheme"). OCBC has ceased granting share options under the OCBC Option Scheme effective from financial year 2018 remuneration. Share options granted in prior years continue to be outstanding until the options lapse or are exercised by the recipients. The share options have a validity period of 10 years from date of grant.

For the financial year ended 31 December 2023, there were no options granted under the OCBC Share Option Scheme (2022: nil) to GEH Optionholders to acquire ordinary shares in OCBC ("OCBC shares") pursuant to 2001 scheme, and no options were granted to a director of the Company (2022: nil).

Information with respect to the number of options granted under the OCBC Option Scheme to GEH Optionholders is as follows:

	2023		2022	
	Number of Options	Average Price	Number of Options	Average Price
Number of shares comprised in options:				
At beginning of year	<b>1,900,145</b>	<b>\$10.433</b>	2,534,433	\$10.186
Lapsed during the year	<b>(10,224)</b>	<b>\$10.018</b>	(14,856)	\$12.113
Exercised during the year	<b>(836,133)</b>	<b>\$9.702</b>	(619,432)	\$9.384
Outstanding at end of year	<b>1,053,788</b>	<b>\$11.017</b>	1,900,145	\$10.433
Exercisable at end of year	<b>1,053,788</b>	<b>\$11.017</b>	1,900,145	\$10.433
Average share price underlying the options exercised during the financial year		<b>\$12.619</b>		\$12.245

## Notes to the Financial Statements

### 27 EXECUTIVES' SHARE OPTION SCHEME (continued)

#### 27.1 OCBC Share Option Scheme (continued)

Details of the options outstanding as at 31 December 2023 are as follows:

Grant Year	Grant Date	Exercise Period	Acquisition Price	2023	
				Outstanding	Exercisable
2014	14.03.2014	15.03.2015 – 13.03.2024	\$9.169	153,241	153,241
2015	16.03.2015	16.03.2016 – 15.03.2025	\$10.378	107,559	107,559
2016	16.03.2016	16.03.2017 – 15.03.2026	\$8.814	119,982	119,982
2017	23.03.2017	23.03.2018 – 22.03.2027	\$9.598	253,122	253,122
2018	22.03.2018	22.03.2019 – 21.03.2028	\$13.340	419,884	419,884
				<b>1,053,788</b>	<b>1,053,788</b>

The carrying amount of the liability recognised on the Group's balance sheet related to the above options at 31 December 2023 is \$3.9 million (31 December 2022: \$6.3 million).

As at 31 December 2023, the weighted average remaining contractual life of outstanding options was 2.9 years (2022: 2.9 years). There were 43,512 options held by directors of the Company as at 31 December 2023 (2022: nil).

#### 27.2 OCBC Deferred Share Plan ("DSP")

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

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

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

During the financial year, 429,882 (2022: 567,100) OCBC ordinary shares were granted to eligible executives of GEH Group under the DSP, of which none (2022: nil) were granted to a director of the Company.

Total awards of 90,119 (2022: 70,315) ordinary shares, which none (2022: nil) ordinary shares to directors of the Company, were granted to eligible executives of the Group and the Company under the DSP for the financial year ended 31 December 2023. The fair value of the shares at grant date was \$5.4 million (2022: \$6.5 million).

## Notes to the Financial Statements

### 27 EXECUTIVES' SHARE OPTION SCHEME (continued)

#### 27.3 OCBC Employee Share Purchase Plan ("ESP")

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

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

In July 2023, OCBC launched its eighteenth offering of ESP Plan for OCBC Group employees, which commenced on 1 September 2023 and will expire on 31 August 2025. Under the offering, OCBC granted 1,030,817 (2022: 1,023,893) rights to acquire ordinary shares in the Bank. The fair value of the rights, determined using the binomial valuation model was \$0.8 million (2022: \$0.9 million). Significant inputs to the valuation model are set out below.

	2023	2022
Acquisition price (\$)	<b>12.47</b>	12.07
Share price (\$)	<b>12.94</b>	12.24
Expected volatility based on historical volatility as of acceptance date (%)	<b>12.97</b>	16.51
Singapore government bond yields (%)	<b>3.36</b>	2.45
Expected dividend yield (%)	<b>4.91</b>	4.05

A summary of the movement in the number of acquisition rights of the ESP Plan issued to GEH Group's employees is as follows:

	2023		2022	
	Number of Subscription Rights	Weighted Average Subscription Price	Number of Subscription Rights	Weighted Average Subscription Price
At 1 January	<b>1,853,893</b>	<b>\$11.837</b>	2,241,236	\$10.253
Subscriptions on commencement of plan	<b>1,030,817</b>	<b>\$12.470</b>	1,023,893	\$12.070
Exercised	<b>(859,390)</b>	<b>\$11.603</b>	(1,066,832)	\$9.054
Lapsed / Forfeited	<b>(261,708)</b>	<b>\$12.101</b>	(344,404)	\$10.840
At 31 December	<b>1,763,612</b>	<b>\$12.282</b>	1,853,893	\$11.837
Average share price underlying acquisition rights exercised during the financial year		<b>\$12.649</b>		\$11.986

As at 31 December 2023, the weighted average remaining contractual life of outstanding acquisition rights was 1.2 years (2022: 1.2 years). No director of GEH Group has acquisition rights under the ESP Plan (2022: nil).

## Notes to the Financial Statements

### 28 OTHER MATTERS

in Singapore Dollars (millions)	Group	
	2023	2022
<b>28.1 Capital commitments</b>		
Commitments for capital expenditure not provided for in the financial statements:		
– investment properties	11.0	15.3
– property, plant and equipment	107.0	77.1
	<b>118.0</b>	<b>92.4</b>
<b>28.2 Investment commitments</b>		
Commitments for investments not provided for in the financial statements:		
– private equity	945.6	921.6
– private real estate investment trust (“REITs”)	359.4	484.9
– private debt	250.6	–
– loans	10.5	7.9
	<b>1,566.1</b>	<b>1,414.4</b>
<b>28.3 Minimum Lease Receivable</b>		
Future minimum lease receivable under non-cancellable operating leases are as follows as of 31 December:		
Within one year	40.2	43.4
After one year but not more than five years	27.0	28.5
	<b>67.2</b>	<b>71.9</b>

### 28.4 Acquisition of AmMetLife Insurance Berhad and AmMetLife Takaful Berhad by Great Eastern Life Assurance (Malaysia) Berhad and Great Eastern Takaful Berhad

On 2 October 2023, the Group's subsidiaries, Great Eastern Life Assurance (Malaysia) Berhad (“GELM”) and Great Eastern Takaful Berhad (“GETB”) entered into an implementation agreement with AMAB Holdings Sdn Bhd (“AMAB”) (a wholly-owned subsidiary of AMMB Holdings Berhad (“AMMB”)) and MetLife International Holdings, LLC (“MetLife”), in relation to the proposed acquisition by GELM and GETB of 100% of the shares in AmMetLife Insurance Berhad (“AML”) and AmMetLife Takaful Berhad (“AMT”) respectively.

In addition, the proposed acquisition will see GELM and GETB, together with AML and AMT respectively, entering into exclusive twenty-year bancassurance and bancatakal agreements for the distribution of life insurance and family takaful products through the distribution network of AMMB's banking subsidiaries. The consideration for the proposed acquisition and exclusive twenty-year distribution partnership is approximately RM1,121 million (approximately SGD325 million). The proposed acquisition is subject to regulatory and other relevant approvals and is expected to be completed in the first half of 2024.

## Notes to the Financial Statements

### 29 RELATED PARTY TRANSACTIONS

The Group enters into transactions with its related parties in the normal course of business.

#### 29.1 Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

in Singapore Dollars (millions)	Group		Company	
	2023	2022	2023	2022
Fees and commission and other income received from:				
– holding company	<b>1.6</b>	12.0	–	–
– related parties of the holding company	<b>16.6</b>	27.3	–	–
Premiums received from key management personnel	<b>0.9</b>	1.3	–	–
Fees and commission expense paid to:				
– holding company	<b>185.9</b>	242.6	–	–
– related parties of the holding company	<b>48.0</b>	52.1	–	–
Interest income received from:				
– holding company	<b>5.5</b>	2.0	<b>0.1</b>	–
– related parties of the holding company	<b>3.5</b>	8.7	–	–
Interest expense paid to holding company	<b>0.5</b>	0.2	–	–
Rental income received from:				
– related parties of the holding company	<b>0.2</b>	0.3	–	–
Other expenses paid to:				
– holding company	<b>8.2</b>	11.7	–	–
– related parties of the holding company	<b>9.9</b>	10.8	–	–
– associate	<b>1.3</b>	0.5	–	–
Dividend income from subsidiaries	–	–	<b>335.8</b>	153.4

#### 29.2 Balance sheet balances with related parties

Balance sheet balances with related parties as at 31 December are as follows:

Cash and cash equivalents held with:				
– holding company	<b>786.4</b>	938.3	<b>25.7</b>	20.4
– related parties of the holding company	<b>232.5</b>	319.4	–	–
Investments in debt securities of:				
– related parties of the holding company	<b>105.3</b>	114.9	–	–
Derivative financial assets held with:				
– holding company	<b>312.8</b>	365.0	–	–
Derivative financial liabilities held with:				
– holding company	<b>18.0</b>	82.8	–	–

Outstanding balances at balance sheet date are unsecured and interest free. Settlement will take place in cash.

There was no provision for doubtful debts at the balance sheet date and no bad debt expense for the year (31 December 2022: nil).

## Notes to the Financial Statements

### 29 RELATED PARTY TRANSACTIONS (continued)

in Singapore Dollars (millions)	Group		Company	
	2023	2022	2023	2022
<b>29.3 Compensation of key management personnel</b>				
Short-term employee benefits	27.5	29.0	2.6	2.1
Other long-term benefits	0.8	1.2	-	-
Central Provident Fund/Employee Provident Fund	1.3	1.3	-	-
Share-based payments	4.5	4.7	-	-
	<b>34.1</b>	<b>36.2</b>	<b>2.6</b>	<b>2.1</b>
Comprises amounts paid to:				
Directors of the Company	3.8	3.3	2.6	2.1
Other key management personnel	30.3	32.9	-	-
	<b>34.1</b>	<b>36.2</b>	<b>2.6</b>	<b>2.1</b>

### 30 SEGMENTAL INFORMATION

#### (1) By Business Segments

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations <sup>(1)</sup>		Consolidated	
	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)
Insurance revenue	-	-	423.9	398.7	5,837.3	5,627.2	(1.3)	(1.4)	6,259.9	6,024.5
Insurance service expenses	-	-	(292.0)	(387.9)	(4,810.8)	(4,740.2)	52.3	44.4	(5,050.5)	(5,083.7)
Net expenses from reinsurance contracts held	-	-	(101.8)	(2.5)	(532.8)	(128.3)	-	-	(634.6)	(130.8)
<b>Insurance service result</b>	-	-	<b>30.1</b>	<b>8.3</b>	<b>493.7</b>	<b>758.7</b>	<b>51.0</b>	<b>43.0</b>	<b>574.8</b>	<b>810.0</b>
Interest revenue on										
Financial assets not measured at FVTPL	99.1	71.8	15.1	12.0	604.6	407.7	-	-	718.8	491.5
Financial assets measured at FVTPL	30.2	25.6	2.0	2.4	1,632.6	1,626.3	-	-	1,664.8	1,654.3
Other investment revenue/(loss)	54.9	(102.9)	1.6	0.5	3,440.6	(6,941.1)	-	-	3,497.1	(7,043.5)
(Increase)/decrease in provision for impairment of financial assets	(0.1)	(3.8)	(0.7)	0.3	(12.8)	(25.2)	-	-	(13.6)	(28.7)
Change in third-party interests in consolidated investment funds	(1.2)	0.2	-	-	-	-	-	-	(1.2)	0.2
<b>Net investment income/(loss)</b>	<b>182.9</b>	<b>(9.1)</b>	<b>18.0</b>	<b>15.2</b>	<b>5,665.0</b>	<b>(4,932.3)</b>	<b>-</b>	<b>-</b>	<b>5,865.9</b>	<b>(4,926.2)</b>
Finance (expenses)/income from insurance contracts issued	-	-	(22.4)	(6.1)	(5,245.4)	5,020.7	14.0	13.8	(5,253.8)	5,028.4
Finance income from reinsurance contracts held	-	-	9.0	4.1	5.6	12.7	-	-	14.6	16.8
<b>Net insurance financial result</b>	-	-	<b>(13.4)</b>	<b>(2.0)</b>	<b>(5,239.8)</b>	<b>5,033.4</b>	<b>14.0</b>	<b>13.8</b>	<b>(5,239.2)</b>	<b>5,045.2</b>
<b>Net insurance and investment result</b>	<b>182.9</b>	<b>(9.1)</b>	<b>34.7</b>	<b>21.5</b>	<b>918.9</b>	<b>859.8</b>	<b>65.0</b>	<b>56.8</b>	<b>1,201.5</b>	<b>929.0</b>
Fees and other income	443.1	430.9	-	-	-	-	(424.1)	(394.8)	19.0	36.1
Other expenses	(435.6)	(426.9)	-	(0.8)	(73.5)	(65.4)	359.1	338.0	(150.0)	(155.1)
<b>Other income and expenses</b>	<b>7.5</b>	<b>4.0</b>	<b>-</b>	<b>(0.8)</b>	<b>(73.5)</b>	<b>(65.4)</b>	<b>(65.0)</b>	<b>(56.8)</b>	<b>(131.0)</b>	<b>(119.0)</b>
<b>Profit/(loss) before income tax</b>	<b>190.4</b>	<b>(5.1)</b>	<b>34.7</b>	<b>20.7</b>	<b>845.4</b>	<b>794.4</b>	<b>-</b>	<b>-</b>	<b>1,070.5</b>	<b>810.0</b>
Income tax expense	(46.0)	(34.9)	(7.0)	(4.4)	(228.3)	(158.0)	-	-	(281.3)	(197.3)
<b>Profit/(loss) after income tax</b>	<b>144.4</b>	<b>(40.0)</b>	<b>27.7</b>	<b>16.3</b>	<b>617.1</b>	<b>636.4</b>	<b>-</b>	<b>-</b>	<b>789.2</b>	<b>612.7</b>

<sup>(1)</sup> Inter-segment income and expenses comprising mainly dividend and management fee income are eliminated on consolidation.

## Notes to the Financial Statements

### 30 SEGMENTAL INFORMATION (continued)

#### (1) By Business Segments (continued)

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations <sup>(1)</sup>		Consolidated	
	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)
<b>Other material items:</b>										
Staff costs and related expenses	42.7	43.1	41.9	36.1	414.3	318.6	0.7	1.1	499.6	398.9
Rental expense	2.3	2.4	1.3	1.4	23.5	24.8	(22.9)	(24.7)	4.2	3.9
<b>Non-cash items:</b>										
Depreciation and amortisation expenses	4.0	5.0	4.4	4.8	79.4	78.2	-	-	87.8	88.0
Increase/(decrease) in provision for impairment of financial assets	0.1	3.8	0.7	(0.3)	12.8	25.2	-	-	13.6	28.7
Changes in fair value of investments:										
- through profit or loss statement	71.2	(95.2)	1.3	2.6	2,868.1	(7,644.5)	-	-	2,940.6	(7,737.1)
- through equity	57.4	(267.0)	8.4	(19.2)	354.6	(1,238.2)	-	-	420.4	(1,524.4)
<b>Assets and liabilities:</b>										
Segment assets	7,516.4	5,891.2	966.8	1,001.3	100,440.2	97,788.5	(1.3)	(1.3)	108,922.1	104,679.7
Investments in associate	95.1	122.5	-	-	-	-	-	-	95.1	122.5
Deferred tax assets	10.6	43.6	2.2	6.8	3.8	2.9	-	-	16.6	53.3
<b>Total assets</b>	<b>7,622.1</b>	<b>6,057.3</b>	<b>969.0</b>	<b>1,008.1</b>	<b>100,444.0</b>	<b>97,791.4</b>	<b>(1.3)</b>	<b>(1.3)</b>	<b>109,033.8</b>	<b>104,855.5</b>
Segment liabilities	130.1	125.6	789.6	842.4	99,691.8	96,267.9	-	-	100,611.5	97,235.9
Income tax and deferred tax liabilities	36.7	102.6	(1.8)	-	398.4	241.7	-	-	433.3	344.3
<b>Total liabilities</b>	<b>166.8</b>	<b>228.2</b>	<b>787.8</b>	<b>842.4</b>	<b>100,090.2</b>	<b>96,509.6</b>	<b>-</b>	<b>-</b>	<b>101,044.8</b>	<b>97,580.2</b>
<b>Other segment information:</b>										
Additions to non-current assets										
- property, plant and equipment	1.7	0.7	0.7	1.3	32.6	11.9	-	-	35.0	13.9
- investment properties	-	-	-	-	1.1	1.0	-	-	1.1	1.0
- goodwill and intangible assets	2.6	2.0	2.6	4.7	52.4	49.3	-	-	57.6	56.0

<sup>(1)</sup> Inter-segment income and expenses comprising mainly dividend and management fee income are eliminated on consolidation.

#### (2) By Geographical Segments

in Singapore Dollars (millions)	Group									
	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)	2023	2022 (restated)
Insurance revenue from customers	3,202.3	3,027.3	2,819.0	2,802.9	239.9	195.7	(1.3)	(1.4)	6,259.9	6,024.5
Dividend from subsidiaries	295.4	300.5	-	-	-	-	(295.4)	(300.5)	-	-
<b>Total revenue</b>	<b>3,497.7</b>	<b>3,327.8</b>	<b>2,819.0</b>	<b>2,802.9</b>	<b>239.9</b>	<b>195.7</b>	<b>(296.7)</b>	<b>(301.9)</b>	<b>6,259.9</b>	<b>6,024.5</b>
Profit after income tax	683.0	512.3	374.9	357.8	26.7	43.1	(295.4)	(300.5)	789.2	612.7
Non-current assets	2,152.9	2,160.2	439.2	470.1	13.4	17.2	-	-	2,605.5	2,647.5

Non-current assets information presented above consist of intangible assets, investment properties, property, plant and equipment and deferred tax assets as presented in the consolidated balance sheet.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES

#### **Governance framework**

Managing risk is an integral part of the Group's core business. As stated in the Enterprise Risk Management ("ERM") Framework, the Group shall:

- Operate within parameters and limits that are calibrated to the risk appetite approved by the Board; and
- Pursue appropriate risk-adjusted returns.

Group Risk Management department spearheads the development and implementation of the ERM Framework for the Group.

The Board is responsible for overseeing the Group's risk exposure and management matters. The Board may delegate this responsibility to the Risk Management Committee ("RMC") and Senior Management for the execution of these initiatives. At the Group level, detailed risk management and oversight activities are undertaken by the following Group Management committees, all of which are chaired by the Group Chief Executive Officer and comprise key Senior Management Executives:

- Group Management Committee ("GMC")
- Group Asset-Liability Committee ("Group ALC")
- Group Investment Committee ("Group IC")
- Group Product Management and Approval Committee ("Group PMAC")
- Group Technology Strategy Committee ("Group TSC")

GMC is responsible for providing leadership, direction and functional oversight on all matters including sustainability performance of the Group. In addition to complying with regulatory requirements, the GMC is also responsible for ensuring compliance and alignment with Group standards and guidelines. The GMC is supported by the Group IC, Group ALC, Group PMAC, Group TSC, Local Senior Management Team ("SMT"), Local ALC, Local Product Development Committee ("PDC") and Local IT Steering Committee ("ITSC").

Group IC is responsible for overseeing all investment management activities of the Group and ensuring that the interests and rights of policyholders are not compromised.

Group ALC is responsible for balance sheet management. Specifically, Group ALC reviews and formulates frameworks, policies, processes and methodologies relating to balance sheet management. Group ALC is supported by the Local ALC.

Group TSC is responsible for assisting GMC in providing the overall strategic direction and approval of all IT related issues and initiatives, including the digitalisation and transformation programs to support the Group's strategic growth into the future. Group TSC is supported by Local ITSC.

Group PMAC is responsible for reviewing, approving and managing new and existing products, ensuring the business operates within the risk appetite in delivering the annual business targets. Local PDC is responsible for reviewing and endorsing new products at the local operating subsidiaries.

#### **Regulatory framework**

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

Insurers are required to comply with the Insurance Act 1966 and relevant regulatory requirements, including requirements governing its investment activities. The responsibility for the formulation, establishment and approval of the policy for the investment of the funds rests with the respective Board of Directors ("Board"). The Board exercises oversight on investments to safeguard the interests of policyholders and shareholders.



# Notes to the Financial Statements

## 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

### **Capital management**

The objectives of GEH's capital management policy are to create shareholder value, deliver sustainable returns to shareholders, maintain a strong capital position with sufficient buffer to meet policyholders' obligations and regulatory requirements and make strategic investments for business growth.

The Group had no significant changes in the policies and processes relating to its capital structure during the year.

#### Regulatory Capital

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

The Group's approach to capital management aims to maintain an adequate level of capital to meet regulatory requirements, including any additional amounts required by the regulators of the Group and its insurance subsidiaries. This involves managing asset liability decisions and the associated risks in a coordinated way by assessing and monitoring the available and required capital (by each regulated entity) on a regular basis and, where appropriate, taking appropriate actions to adjust the asset liability position of the Group and/or its subsidiaries in light of changes in economic conditions and risk characteristics.

The primary sources of capital of the Group are shareholders' equity. The Group defines available capital as the amount of assets in excess of liabilities measured in accordance with the Insurance Regulations of the respective jurisdictions in which the insurance subsidiaries operate.

#### Dividend

GEH's dividend policy aims to provide shareholders with a predictable and sustainable dividend return, payable on a half-yearly basis.

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

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

### **Insurance Risk**

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

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### *Insurance Risk (continued)*

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

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

Insurance risks arise when the Group underwrites insurance contracts. While insurance risks may not vary significantly across the geographical locations in which the Group currently operates, the types of risks insured, assumptions used in pricing the insurance products and subsequent setting aside of provisions may give rise to potential shortfalls in provision for future claims and expenses when actual claims experience are worse than projections. Assumptions that may cause insurance risks to be underestimated include assumptions on policy lapses, mortality, morbidity and expenses.

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

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

Group ALC reviews the actual experience of mortality, morbidity, lapses and surrenders, and expenses and ensures that the policies, guidelines and limits established for managing the risks remain adequate and appropriate.

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

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

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

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Insurance Risk (continued)

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

TABLE 31(A): The table below sets out the concentration of the insurance contract liabilities by distribution of various life insurance risk as at the balance sheet date:

#### (i) by Class of business:

in Singapore Dollar (millions)	Gross	Reinsurance	Net
<b>2023</b>			
Whole life	59,278.6	(10.0)	59,268.6
Endowment	35,797.7	(63.8)	35,733.9
Term	1,831.7	(272.7)	1,559.0
Annuity	385.0	-	385.0
Others	77.9	-	77.9
<b>Total</b>	<b>97,370.9</b>	<b>(346.5)</b>	<b>97,024.4</b>
<b>2022 (restated)</b>			
Whole life	55,723.3	(37.1)	55,686.2
Endowment	35,924.5	(59.5)	35,865.0
Term	1,745.8	(270.3)	1,475.5
Annuity	400.3	-	400.3
Others	6.3	0.5	6.8
<b>Total</b>	<b>93,800.2</b>	<b>(366.4)</b>	<b>93,433.8</b>

#### (ii) by Country:

in Singapore Dollar (millions)	Gross	Reinsurance	Net
<b>2023</b>			
Singapore	70,520.7	(337.0)	70,183.7
Malaysia	25,603.9	(8.7)	25,595.2
Others	1,246.3	(0.8)	1,245.5
<b>Total</b>	<b>97,370.9</b>	<b>(346.5)</b>	<b>97,024.4</b>
<b>2022 (restated)</b>			
Singapore	66,770.5	(317.8)	66,452.7
Malaysia	25,964.8	(44.8)	25,920.0
Others	1,064.9	(3.8)	1,061.1
<b>Total</b>	<b>93,800.2</b>	<b>(366.4)</b>	<b>93,433.8</b>

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Insurance Risk (continued)

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

The sensitivity analysis below shows the impact of changes in key parameters on the value of insurance contract liabilities, and hence on the Profit or Loss Statement and shareholders' equity.

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

	Change in assumptions
(a) Scenario 1 – Mortality and Major Illness	+ 25% for all future years
(b) Scenario 2 – Mortality and Major Illness	– 25% for all future years
(c) Scenario 3 – Health and Disability	+ 25% for all future years
(d) Scenario 4 – Health and Disability	– 25% for all future years
(e) Scenario 5 – Lapse and Surrender rates	+ 25% for all future years
(f) Scenario 6 – Lapse and Surrender rates	– 25% for all future years
(g) Scenario 7 – Expenses	+ 30% for all future years

**TABLE 31(B1): Profit/(loss) after tax and shareholders' equity sensitivity for the Singapore segment:**

Impact on 1-year's Profit/(loss) after tax and shareholders' equity

in Singapore Dollars (millions)	Impact on Profit/(Loss) After Tax			Impact on Equity		
	Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
<b>2023</b>						
Scenario 1 – Mortality and Major Illness	<b>(651.6)</b>	<b>314.8</b>	<b>(336.8)</b>	<b>(596.0)</b>	<b>289.6</b>	<b>(306.4)</b>
Scenario 2 – Mortality and Major Illness	<b>155.9</b>	<b>(81.0)</b>	<b>74.9</b>	<b>81.9</b>	<b>(48.8)</b>	<b>33.1</b>
Scenario 3 – Health and Disability	<b>(113.9)</b>	<b>8.2</b>	<b>(105.7)</b>	<b>(139.1)</b>	<b>26.8</b>	<b>(112.3)</b>
Scenario 4 – Health and Disability	<b>81.6</b>	<b>(1.2)</b>	<b>80.4</b>	<b>106.9</b>	<b>(19.8)</b>	<b>87.1</b>
Scenario 5 – Lapse and Surrender rates	<b>(41.0)</b>	<b>(27.6)</b>	<b>(68.6)</b>	<b>(21.4)</b>	<b>(25.5)</b>	<b>(46.9)</b>
Scenario 6 – Lapse and Surrender rates	<b>(24.6)</b>	<b>61.6</b>	<b>37.0</b>	<b>(50.4)</b>	<b>58.9</b>	<b>8.5</b>
Scenario 7 – Expenses	<b>(176.5)</b>	<b>17.0</b>	<b>(159.5)</b>	<b>(177.8)</b>	<b>17.0</b>	<b>(160.8)</b>
<b>2022 (restated)</b>						
Scenario 1 – Mortality and Major Illness	(467.3)	202.5	(264.8)	(392.8)	160.3	(232.5)
Scenario 2 – Mortality and Major Illness	93.6	(20.5)	73.1	6.1	32.7	38.8
Scenario 3 – Health and Disability	(79.1)	2.3	(76.8)	(117.8)	27.0	(90.8)
Scenario 4 – Health and Disability	57.8	(0.1)	57.7	96.5	(24.9)	71.6
Scenario 5 – Lapse and Surrender rates	(53.9)	(7.5)	(61.4)	(37.6)	(5.2)	(42.8)
Scenario 6 – Lapse and Surrender rates	47.4	12.9	60.3	32.1	10.3	42.4
Scenario 7 – Expenses	(111.6)	6.2	(105.4)	(113.3)	6.2	(107.1)

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Insurance Risk (continued)

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

**TABLE 31(B2): Profit/(loss) after tax and shareholders' equity sensitivity for the Malaysia segment:**

Impact on 1-year's Profit/(loss) after tax and equity

in Singapore Dollars (millions)	Impact on Profit/(Loss) After Tax			Impact on Equity		
	Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
<b>2023</b>						
Scenario 1 – Mortality and Major Illness	(187.1)	37.8	(149.3)	(215.6)	48.3	(167.3)
Scenario 2 – Mortality and Major Illness	32.7	(8.1)	24.6	58.1	(17.1)	41.0
Scenario 3 – Health and Disability	(230.7)	11.4	(219.3)	(312.0)	12.4	(299.6)
Scenario 4 – Health and Disability	18.7	(1.5)	17.2	117.9	(2.5)	115.4
Scenario 5 – Lapse and Surrender rates	(54.5)	4.6	(49.9)	(75.2)	3.2	(72.0)
Scenario 6 – Lapse and Surrender rates	(7.2)	(0.5)	(7.7)	21.7	1.2	22.9
Scenario 7 – Expenses	(50.2)	3.1	(47.1)	(93.3)	3.1	(90.2)
<b>2022 (restated)</b>						
Scenario 1 – Mortality and Major Illness	(212.6)	42.4	(170.2)	(238.9)	49.2	(189.7)
Scenario 2 – Mortality and Major Illness	34.1	(7.6)	26.5	61.4	(14.6)	46.8
Scenario 3 – Health and Disability	(234.7)	15.8	(218.9)	(303.7)	17.7	(286.0)
Scenario 4 – Health and Disability	17.4	(2.6)	14.8	100.5	(4.6)	95.9
Scenario 5 – Lapse and Surrender rates	(67.5)	6.2	(61.3)	(89.2)	5.1	(84.1)
Scenario 6 – Lapse and Surrender rates	(8.4)	(0.4)	(8.8)	22.0	1.1	23.1
Scenario 7 – Expenses	(55.4)	3.9	(51.5)	(91.3)	3.9	(87.4)

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Insurance Risk (continued)

#### Insurance Risk of Non-Life Insurance Contracts

Risks under non-life insurance policies usually cover a twelve-month duration. The risk inherent in non-life insurance contracts is reflected in the insurance contract liabilities which include the liability for remaining coverage and liability for incurred claims, as set out under Note 13 of the financial statements.

**TABLE 31(C1): The table below sets out the distribution of the various categories of the non-life insurance risk for insurance contract liabilities as at the balance sheet date:**

#### (i) by Class of business:

in Singapore Dollars (millions)	Non-life Insurance Contracts					
	As at 31 December 2023			As at 31 December 2022 (restated)		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Fire	118.1	(83.4)	34.7	118.2	(74.6)	43.6
Motor	93.7	(1.5)	92.2	89.9	(2.7)	87.2
Marine & aviation	22.1	(4.3)	17.8	25.4	(10.5)	14.9
Workmen's compensation	37.0	(10.6)	26.4	41.4	(12.5)	28.9
Personal accident & health	61.1	(8.4)	52.7	48.1	(6.1)	42.0
Miscellaneous	259.1	(193.9)	65.2	310.0	(254.3)	55.7
<b>Total</b>	<b>591.1</b>	<b>(302.1)</b>	<b>289.0</b>	<b>633.0</b>	<b>(360.7)</b>	<b>272.3</b>

#### (ii) by Country:

in Singapore Dollars (millions)	Non-life Insurance Contracts					
	As at 31 December 2023			As at 31 December 2022 (restated)		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Singapore	262.2	(120.9)	141.3	263.1	(121.2)	141.9
Malaysia	284.0	(164.6)	119.4	308.7	(206.2)	102.5
Indonesia	44.9	(16.6)	28.3	61.2	(33.3)	27.9
<b>Total</b>	<b>591.1</b>	<b>(302.1)</b>	<b>289.0</b>	<b>633.0</b>	<b>(360.7)</b>	<b>272.3</b>

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### *Insurance Risk (continued)*

#### **Insurance Risk of Non-Life Insurance Contracts** (continued)

##### **Key Assumptions**

Non-life insurance contract liabilities are determined based on claims experience, knowledge of existing events, terms and conditions of the relevant policies and interpretation of circumstances. Of particular relevance is past experience with similar cases, trends in historical claims, legislative changes, judicial decisions, economic conditions and claims handling procedures. The estimates of the non-life insurance contract liabilities are therefore sensitive to various factors. The actual future premium and claims liabilities will not develop exactly as projected and may vary from initial estimates.

Insurance risk of non-life insurance contracts is mitigated by achieving a large and well-diversified portfolio of insurance contracts across various industries and geographical areas. The risks are further mitigated by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. Comprehensive assessment of new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to further reduce the risk exposure of the Group. In addition, the Group further enforces a policy of active management and prompt pursuit of claims to reduce its exposure to unpredictable future developments that can negatively impact the Group.

The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events such as hurricanes, earthquakes and flood damages.

**Table 31(C2): The sensitivity analysis below shows the impact of changes in key assumptions on profit/(loss) after tax and equity.**

in Singapore Dollars (millions)	Change in assumptions	Impact on Profit/(Loss) After Tax			Impact on Equity		
		Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
<b>As at 31 December 2023</b>							
Risk adjustment	+20%	(11.6)	7.3	(4.3)	(11.6)	7.3	(4.3)
Loss ratio <sup>(1)</sup>	+20%	(55.1)	20.4	(34.7)	(55.1)	20.4	(34.7)
<b>As at 31 December 2022 (restated)</b>							
Risk adjustment	+20%	(14.5)	9.6	(4.9)	(16.1)	10.1	(6.0)
Loss ratio <sup>(1)</sup>	+20%	(39.5)	10.0	(29.5)	(59.9)	21.0	(38.9)

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

<sup>(1)</sup> Best estimate reserves and current accident year payments.





## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### **Market, Credit and Liquidity Risk**

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

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

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

- (a) **Interest rate risk (including asset liability mismatch).** The Group is exposed to interest rate risk through (i) investments in fixed income instruments and (ii) policy liabilities in the Insurance Funds. Since the Shareholders' Fund has exposure to investments in fixed income instruments but no exposure to insurance policy liabilities, it will incur economic losses when interest rates rise. Given the long duration of policy liabilities and the uncertainties in the cash flows of Insurance Funds, it is not possible to hold assets with duration that perfectly matches the duration of the policy liabilities. This results in interest rate risk and asset liability mismatch risk, and these risks are managed and monitored by Group ALC and Local ALCs.

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

For portfolios whose liabilities are predominantly measured using the GMM and Modified GMM, and elect to disaggregate the insurance finance income and expenses between Profit or Loss and Other Comprehensive Income, the backing assets would also elect a similar option. Therefore, the effect of changes in assets due to interest rates are also expected to closely match changes in liabilities in profit or loss.

#### Managing interest rate benchmark reform

##### i) Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBOR) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has moderate exposure to IBORs on its financial instruments that will be reformed as part of this market-wide initiative. Most reforms affecting the Group had been completed by the end of 2021. However, the transition deadlines for USD LIBOR and SIBOR have been extended to end June 2023 and end December 2024 respectively, hence some instruments referencing these rates may not be transitioned until those dates. In 2023, Federal Reserve Act came into force, establishing benchmark replacements for contracts governed by U.S. law that reference certain tenors of U.S. dollar LIBOR, which will assist with the transition for tough legacy contracts with no fallback arrangements.

The Group anticipates that IBOR reform will have low to moderate operational, risk management and accounting impacts across all of its business lines. The main risks to which the Group is exposed as a result of IBOR reform are operational. For example, the bilateral renegotiation with private debt issuers, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (a) Interest rate risk (including asset liability mismatch) (continued)

##### Managing interest rate benchmark reform (continued)

##### i) Overview (continued)

The Group established a cross-functional IBOR Working Group to manage its transition to alternative rates. The objectives of the IBOR Working Group include evaluating the extent to which fixed income holdings, derivatives and liabilities reference IBOR cash flows, whether such contracts need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

##### ii) Non-derivative financial assets

The Group's IBOR exposures on bonds/FRN holdings include SGD Swap Offer Rate ("SOR"), USD LIBOR, EUR LIBOR and GBP LIBOR primarily at Great Eastern Life Singapore ("GELS").

The alternative reference rate for SOR and SIBOR is the Singapore Overnight Rate Average ("SORA"); and for USD LIBOR is the Secured Overnight Financing Rate (SOFR). The changes to the contractual terms of financial assets indexed to SOR, SIBOR, and USD LIBOR to incorporate new benchmark rates are still in progress as at 31 December 2023.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

The following table shows the total amounts of unreformed non-derivative financial assets as at 31 December 2023. The amounts of trading assets and investment securities are shown at their carrying amounts.

in Singapore Dollars (millions)	Group		
	Gross carrying amount		
	SOR	USD LIBOR	Total
Debt securities	634.0	426.0	1,060.0

##### iii) Non-derivative financial liabilities

The Group does not have any floating-rate liabilities which would be impacted by the IBOR reform.

##### iv) Derivatives

The Group holds derivatives for risk management and efficient portfolio management purposes, and are not designated in hedging relationships. The instruments used principally include interest rate, cross-currency, and total return swaps, which have floating legs that are indexed to various IBORs. Typically, derivative transactions that reference interest rate benchmarks incorporate standard terms such as the 2006 ISDA Definitions published by ISDA. ISDA has reviewed such definitions in light of IBOR reform and issued an IBOR fallback protocol on 23 October 2020 and a supplement to amend the 2006 ISDA Definitions effective 25 January 2021. This sets out how the amendments to new alternative benchmark rates (e.g. SORA, SOFR) in the 2006 ISDA Definitions will be accomplished. The effect of the supplement is to create fallback provisions in derivatives that describe what floating rates will apply on the permanent discontinuation of certain key IBORs or on ISDA declaring a non-representative determination of an IBOR. The Group has adhered to the protocol to implement the fallbacks to derivative contracts that were entered into before the effective date of the supplement, where the existing derivative counterparties have also adhered to the protocol. All new derivative contracts entered into on or after the effective date of the supplement that reference the 2006 ISDA Definitions will also include the fallback.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (a) Interest rate risk (including asset liability mismatch) (continued)

##### Managing interest rate benchmark reform (continued)

##### iv) Derivatives (continued)

The following table shows the total amounts of unreformed derivative instruments as at 31 December 2023. For cross-currency swaps, the Group used the notional amount of the receive leg of the swap. The Group expects both legs of cross-currency swaps to be reformed simultaneously.

in Singapore Dollars (millions)	Group	
	SOR	Total
Derivatives	20.0	20.0

- (b) **Foreign exchange risk.** The foreign exchange risk inherent in foreign currency fixed income portfolio is typically hedged using currency forwards and swaps wherever practical and cost-effective. Foreign exchange instruments are also used for efficient portfolio management.

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

Limits are set on the total amount of foreign currency (net of liabilities) to cap the Group's foreign exchange risk.

**TABLE 31(D):** The tables below show the foreign exchange position of the Group's financial and insurance-related assets and liabilities by major currencies:

in Singapore Dollars (millions)	SGD	RM	USD	Others	Total
<b>As at 31 December 2023</b>					
<b>FINANCIAL AND INSURANCE-RELATED ASSETS</b>					
<b>Financial assets at FVOCI</b>					
Equity securities	152.8	246.3	427.3	1,079.7	1,906.1
Debt securities	6,441.3	1,955.8	4,864.0	734.1	13,995.2
<b>Financial assets at FVTPL</b>					
Equity securities	798.9	6,297.7	1,011.7	3,422.4	11,530.7
Debt securities	19,145.2	14,850.2	11,532.5	3,112.6	48,640.5
Other investments	9,307.5	215.7	8,089.2	1,632.5	19,244.9
<b>Financial assets at amortised cost</b>					
Debt securities	438.8	-	747.2	32.2	1,218.2
Derivative financial assets	19,513.0	2.2	(19,617.3)	1,066.0	963.9
Loans	201.0	120.6	-	189.4	511.0
Other debtors	342.2	206.2	409.9	106.9	1,065.2
Cash and cash equivalents	3,813.3	881.2	1,171.1	437.3	6,302.9
Insurance contract assets	6.5	11.1	8.1	13.9	39.6
Reinsurance contract assets	505.9	308.7	45.6	8.5	868.7
	<b>60,666.4</b>	<b>25,095.7</b>	<b>8,689.3</b>	<b>11,835.5</b>	<b>106,286.9</b>
<b>FINANCIAL AND INSURANCE-RELATED LIABILITIES</b>					
Other creditors	766.0	380.2	548.6	85.6	1,780.4
Derivative financial liabilities	(3,092.0)	(101.3)	(2,631.6)	6,004.6	179.7
Provision for agents' retirement benefits	1.6	296.0	-	-	297.6
Insurance contract liabilities	67,331.5	25,899.0	4,035.0	736.1	98,001.6
Reinsurance contract liabilities	91.4	135.2	(6.6)	0.1	220.1
	<b>65,098.5</b>	<b>26,609.1</b>	<b>1,945.4</b>	<b>6,826.4</b>	<b>100,479.4</b>

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (b) Foreign exchange risk. (continued)

**TABLE 31(D): The tables below show the foreign exchange position of the Group's financial and insurance-related assets and liabilities by major currencies (continued):**

in Singapore Dollars (millions)	SGD	RM	USD	Others	Total
<u>As at 31 December 2022 (restated)</u>					
<u>FINANCIAL AND INSURANCE-RELATED ASSETS</u>					
Financial assets at FVOCI					
Equity securities	231.6	250.0	203.0	977.4	1,662.0
Debt securities	4,312.7	1,934.8	3,750.0	588.5	10,586.0
Financial assets at FVTPL					
Equity securities	878.6	6,608.1	668.1	3,336.2	11,491.0
Debt securities	20,252.5	14,140.2	11,253.3	3,346.2	48,992.2
Other investments	6,500.2	203.9	5,988.4	1,534.2	14,226.7
Financial assets at Amortised Cost					
Debt securities	804.1	-	995.0	3.4	1,802.5
Derivative financial assets	18,684.9	0.3	(15,907.1)	(2,016.4)	761.7
Loans	222.1	144.3	-	114.1	480.5
Other debtors	356.3	199.2	161.2	43.3	760.0
Cash and cash equivalents	6,819.6	1,509.4	886.1	392.8	9,607.9
Insurance contract assets	1.5	357.1	3.2	10.8	372.6
Reinsurance contract assets	473.3	665.6	51.2	18.6	1,208.7
	<u>59,537.4</u>	<u>26,012.9</u>	<u>8,052.4</u>	<u>8,349.1</u>	<u>101,951.8</u>
<u>FINANCIAL AND INSURANCE-RELATED LIABILITIES</u>					
Other creditors	739.2	341.7	88.9	53.4	1,223.2
Derivative financial liabilities	(978.7)	4.8	(1,502.1)	2,768.0	292.0
Provision for agents' retirement benefits	0.8	295.0	-	-	295.8
Insurance contract liabilities	63,693.5	26,630.6	3,865.7	616.0	94,805.8
Reinsurance contract liabilities	66.7	414.7	0.1	0.1	481.6
	<u>63,521.5</u>	<u>27,686.8</u>	<u>2,452.6</u>	<u>3,437.5</u>	<u>97,098.4</u>

The financial assets and financial liabilities of the Company are not material.

- (c) **Equity price risk.** Exposure to equity price risk exists in investment assets through direct equity, equity derivatives and fund investments, where the Group, through investments, bears all or most of the equity volatility and investment risks. Equity price risk also exists in investment-linked products where the revenues of the insurance operations are linked to the performances of underlying equity funds since this has an impact on the level of fees earned. Limits are set for single security holdings as a percentage of total equity holdings.
- (d) **Credit spread risk.** Exposure to credit spread risk exists in the Group's bond investments and credit derivatives. Credit spread is the difference between the quoted yields of a credit and a government bond of the same maturity. Credit spreads widen when the default risk of credit bonds increases. Hence, widening credit spreads will result in mark-to-market losses in the Group's bond portfolio.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

- (e) **Alternative investment risk.** The Group is exposed to alternative investment risk through investments in real estate that it owns in Singapore and Malaysia, and through real estate funds, private equities, private debt, infrastructure and hedge funds. A monitoring process is established to manage foreign exchange, country and manager concentration risks. This process and the acquisition or divestment of alternative investments are reviewed and approved by RMC and Group IC.
- (f) **Commodity risk.** The Group does not have any exposure to commodity risk.
- (g) **Liquidity risk.** Liquidity risk arises when the Group is unable to meet its cash flow demands, or if the assets backing the liabilities cannot be sold quickly enough without incurring significant losses. For an insurance company, the greatest liquidity needs typically arise from its insurance liabilities. Demands for funds can usually be met through ongoing normal operations via premiums received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by surrender of insurance policies due to negative publicity, deterioration of the economy, adverse news on other companies in the same or similar lines of business, unanticipated policy claims, other unexpected cash demands from policyholders or derivative margin requirements.

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

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (g) Liquidity risk. (continued)

##### Maturity Profile

TABLE 31(E1): The following tables show the expected recovery or settlement of financial assets and maturity profile of the Group's financial liabilities which are presented based on contractual undiscounted cash flows basis.

in Singapore Dollars (millions)	Carrying amount	< 1 Year	1 – 5 Years	> 5 Years	No maturity date	Total
<b>As at 31 December 2023</b>						
<b>FINANCIAL ASSETS</b>						
<b>Financial assets at FVOCI</b>						
Equity securities	1,906.1	–	–	–	1,906.1	1,906.1
Debt securities	13,995.2	2,957.2	5,899.2	9,556.7	–	18,413.1
<b>Financial assets at FVTPL</b>						
Equity securities	11,530.7	–	–	–	11,530.7	11,530.7
Debt securities	48,640.5	6,023.3	15,723.3	44,280.1	740.4	66,767.1
Other investments	19,244.9	–	–	–	19,244.9	19,244.9
<b>Financial assets at Amortised Cost</b>						
Debt securities	1,218.2	779.6	158.7	633.8	–	1,572.1
Derivative financial assets	963.9	852.9	77.5	33.5	–	963.9
Loans	511.0	95.5	435.6	12.1	–	543.2
Other debtors	1,065.2	1,060.0	4.4	0.8	–	1,065.2
Cash and cash equivalents	6,302.9	6,302.9	–	–	–	6,302.9
	<b>105,378.6</b>	<b>18,071.4</b>	<b>22,298.7</b>	<b>54,517.0</b>	<b>33,422.1</b>	<b>128,309.2</b>
<b>FINANCIAL LIABILITIES</b>						
Other creditors	1,780.4	1,738.9	5.4	0.2	35.9	1,780.4
Derivative financial liabilities	179.7	142.0	33.6	4.1	–	179.7
Provision for agents' retirement benefits	297.6	151.6	56.4	89.6	–	297.6
	<b>2,257.7</b>	<b>2,032.5</b>	<b>95.4</b>	<b>93.9</b>	<b>35.9</b>	<b>2,257.7</b>

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (g) Liquidity risk. (continued)

##### Maturity Profile (continued)

**TABLE 31(E1): The following tables show the expected recovery or settlement of financial assets and maturity profile of the Group's financial liabilities which are presented based on contractual undiscounted cash flows basis.** (continued)

in Singapore Dollars (millions)	Carrying amount	< 1 Year	1 - 5 Years	> 5 Years	No maturity date	Total
<u>As at 31 December 2022 (restated)</u>						
<b>FINANCIAL ASSETS</b>						
Financial assets at FVOCI						
Equity securities	1,662.0	-	-	-	1,662.0	1,662.0
Debt securities	10,586.0	957.7	5,165.4	9,502.8	-	15,625.9
Financial assets at FVTPL						
Equity securities	11,491.0	-	-	-	11,491.0	11,491.0
Debt securities	48,992.2	4,966.9	19,283.5	39,202.5	1,185.4	64,638.3
Other investments	14,226.7	-	-	-	14,226.7	14,226.7
Financial assets at Amortised Cost						
Debt securities	1,802.5	788.5	845.5	640.7	-	2,274.7
Derivative financial assets	761.7	640.9	80.1	40.7	-	761.7
Loans	480.5	113.7	395.0	14.3	-	523.0
Other debtors	760.0	756.7	1.5	1.6	0.2	760.0
Cash and cash equivalents	9,607.9	9,607.9	-	-	-	9,607.9
	<u>100,370.5</u>	<u>17,832.3</u>	<u>25,771.0</u>	<u>49,402.6</u>	<u>28,565.3</u>	<u>121,571.2</u>
<b>FINANCIAL LIABILITIES</b>						
Other creditors	1,223.2	1,183.1	4.4	0.3	35.4	1,223.2
Derivative financial liabilities	292.0	221.1	12.3	58.6	-	292.0
Provision for agents' retirement benefits	295.8	139.7	56.7	99.4	-	295.8
	<u>1,811.0</u>	<u>1,543.9</u>	<u>73.4</u>	<u>158.3</u>	<u>35.4</u>	<u>1,811.0</u>

The Company's financial assets and financial liabilities are not material.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

##### (g) Liquidity risk. (continued)

#### Maturity Profile for insurance and reinsurance contract liabilities

TABLE 31(E2): The following tables show the maturity profile of insurance contracts issued and reinsurance contracts held that are liabilities of the Group based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

in Singapore Dollars (millions)	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
<b>As at 31 December 2023</b>							
Insurance contract liabilities	15,644.9	5,091.2	2,266.5	2,197.3	3,013.1	58,825.7	87,038.7
Reinsurance contract liabilities held	56.8	8.1	10.8	11.5	12.0	172.8	272.0
<b>Total</b>	<b>15,701.7</b>	<b>5,099.3</b>	<b>2,277.3</b>	<b>2,208.8</b>	<b>3,025.1</b>	<b>58,998.5</b>	<b>87,310.7</b>

#### As at 31 December 2022 (restated)

Insurance contract liabilities	11,079.1	8,021.9	3,501.4	1,986.5	2,043.7	57,316.3	83,948.9
Reinsurance contract liabilities held	343.3	15.0	23.4	12.6	11.9	113.1	519.3
<b>Total</b>	<b>11,422.4</b>	<b>8,036.9</b>	<b>3,524.8</b>	<b>1,999.1</b>	<b>2,055.6</b>	<b>57,429.4</b>	<b>84,468.2</b>

#### Amounts payable on demand

The amounts payable on demand are as follows.

in Singapore Dollars (millions)	2023		2022	
	Amounts payable on demand	Carrying Amount	Amounts payable on demand	Carrying Amount
Universal life contracts	3,493.2	3,692.5	3,222.5	3,418.4
Investment-linked contracts	8,439.7	8,966.0	7,909.2	8,225.0
Participating contracts	54,292.5	65,640.4	54,544.7	63,781.5
<b>Total</b>	<b>66,225.4</b>	<b>78,298.9</b>	<b>65,676.4</b>	<b>75,424.9</b>



## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (g) Liquidity risk. (continued)

#### Current/non-current classification of assets and liabilities

TABLE 31(E3): The following tables show the current/non-current classification of assets and liabilities:

in Singapore Dollars (millions)	Current*	Non-Current	Total
<b>As at 31 December 2023</b>			
<b>ASSETS</b>			
Cash and cash equivalents	6,302.9	–	6,302.9
Other debtors	1,076.4	35.1	1,111.5
Loans	86.9	424.1	511.0
Derivative financial assets	852.9	111.0	963.9
Investments	19,286.0	77,249.6	96,535.6
Deferred tax assets	3.3	13.3	16.6
Reinsurance contract assets	159.9	708.8	868.7
Insurance contract assets	37.9	1.7	39.6
Investment in associate	–	95.1	95.1
Intangible assets	45.3	167.2	212.5
Investment properties	–	1,880.7	1,880.7
Property, plant and equipment	43.8	451.9	495.7
	<b>27,895.3</b>	<b>81,138.5</b>	<b>109,033.8</b>
<b>LIABILITIES</b>			
Other creditors	1,824.6	87.9	1,912.5
Income tax payable	164.6	–	164.6
Derivative financial liabilities	142.0	37.7	179.7
Provision for agents' retirement benefits	19.5	278.1	297.6
Deferred tax liabilities	1.0	267.7	268.7
Reinsurance contract liabilities	61.6	158.5	220.1
Insurance contract liabilities	17,216.5	80,785.1	98,001.6
	<b>19,429.8</b>	<b>81,615.0</b>	<b>101,044.8</b>

\* expected recovery or settlement within 12 months from the balance sheet date.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (g) Liquidity risk. (continued)

**TABLE 31(E3): The following tables show the current/non-current classification of assets and liabilities (continued):**

in Singapore Dollars (millions)	Current*	Non-Current	Total
<u>As at 31 December 2022 (restated)</u>			
<b>ASSETS</b>			
Cash and cash equivalents	9,607.9	-	9,607.9
Other debtors	757.3	63.8	821.1
Asset held for sale	72.6	-	72.6
Loans	103.3	377.2	480.5
Derivative financial assets	640.9	120.8	761.7
Investments	18,800.9	69,959.5	88,760.4
Deferred tax assets	20.6	32.7	53.3
Reinsurance contract assets	712.2	496.5	1,208.7
Insurance contract assets	190.2	182.4	372.6
Investment in associate	-	122.5	122.5
Intangible assets	42.6	161.0	203.6
Investment properties	-	1,881.2	1,881.2
Property, plant and equipment	45.6	463.8	509.4
	<u>30,994.1</u>	<u>73,861.4</u>	<u>104,855.5</u>
<b>LIABILITIES</b>			
Other creditors	1,264.1	96.6	1,360.7
Income tax payable	238.5	-	238.5
Derivative financial liabilities	221.1	70.9	292.0
Provision for agents' retirement benefits	19.9	275.9	295.8
Deferred tax liabilities	-	105.8	105.8
Reinsurance contract liabilities	351.1	130.5	481.6
Insurance contract liabilities	12,677.6	82,128.2	94,805.8
	<u>14,772.3</u>	<u>82,807.9</u>	<u>97,580.2</u>

\* expected recovery or settlement within 12 months from the balance sheet date.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

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

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

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

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

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

The loans in the Group's portfolio are generally secured by collateral, with a maximum loan-to-value ratio of 70%. The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines on the collateral eligibility have been established, and all collaterals are revalued on a regular basis. Management monitors the market values of collaterals, requests additional collaterals when needed and performs an impairment valuation when applicable. The fair values of collaterals, held by the Group as lender, for which it is entitled to sell or pledge in the event of default is as tabulated below:

in Singapore Dollars (millions)	Type of Collateral	Carrying Amount	Fair Value
<b>As at 31 December 2023</b>			
<b>Secured loans</b>	<b>Properties</b>	<b>372.2</b>	<b>882.0</b>
	<b>Others</b>	<b>0.6</b>	<b>0.6</b>
<b>Derivatives</b>	<b>Cash</b>	<b>257.3</b>	<b>257.3</b>
		<b>630.1</b>	<b>1,139.9</b>
<b>As at 31 December 2022</b>			
Secured loans	Properties	291.8	545.4
	Others	0.2	0.2
Derivatives	Cash	186.1	186.1
		478.1	731.7

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

##### (h) Credit risk. (continued)

There were no securities lending arrangements as at 31 December 2023 (31 December 2022: nil).

As at the balance sheet date, no investments (2022: nil) were placed as collateral for currency hedging purposes.

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

For explanation of the terms: '12-month ECL', 'lifetime ECL' and 'credit-impaired', refer to Note 2.10.9.

in Singapore Dollars (millions)	31 December 2023			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
<b>Loans and other receivables at amortised cost</b>				
Investment Grade* (BBB to AAA)	400.8	116.4	-	517.2
Not Rated	2.1	-	47.2	49.3
	<b>402.9</b>	<b>116.4</b>	<b>47.2</b>	<b>566.5</b>
Loss allowance	(0.5)	(7.8)	(47.2)	(55.5)
Carrying amount	<b>402.4</b>	<b>108.6</b>	-	<b>511.0</b>
<b>Debt securities at amortised cost</b>				
Investment Grade* (BBB to AAA)	1,219.4	-	-	1,219.4
	<b>1,219.4</b>	-	-	<b>1,219.4</b>
Loss allowance	(1.2)	-	-	(1.2)
Carrying amount	<b>1,218.2</b>	-	-	<b>1,218.2</b>
<b>Debt securities at FVOCI</b>				
Investment Grade* (BBB to AAA)	13,944.8	48.6	-	13,993.4
Non Investment Grade* (C to BB)	-	1.8	-	1.8
	<b>13,944.8</b>	<b>50.4</b>	-	<b>13,995.2</b>

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (h) Credit risk. (continued)

in Singapore Dollars (millions)	31 December 2022 (restated)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
<u>Loans and other receivables at amortised cost</u>				
Investment Grade* (BBB to AAA)	373.2	112.1	-	485.3
Not Rated	1.7	-	36.7	38.4
	<u>374.9</u>	<u>112.1</u>	<u>36.7</u>	<u>523.7</u>
Loss allowance	(0.6)	(5.9)	(36.7)	(43.2)
Carrying amount	<u>374.3</u>	<u>106.2</u>	<u>-</u>	<u>480.5</u>
<u>Debt securities at amortised cost</u>				
Investment Grade* (BBB to AAA)	1,803.6	-	-	1,803.6
	<u>1,803.6</u>	<u>-</u>	<u>-</u>	<u>1,803.6</u>
Loss allowance	(1.1)	-	-	(1.1)
Carrying amount	<u>1,802.5</u>	<u>-</u>	<u>-</u>	<u>1,802.5</u>
<u>Debt securities at FVOCI</u>				
Investment Grade* (BBB to AAA)	10,404.3	79.1	-	10,483.4
Non Investment Grade* (C to BB)	-	5.3	-	5.3
Not Rated	97.3	-	-	97.3
	<u>10,501.6</u>	<u>84.4</u>	<u>-</u>	<u>10,586.0</u>

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

##### (h) Credit risk. (continued)

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

in Singapore Dollars (millions)	Investment Grade* (BBB to AAA)	Non Investment Grade* (C to BB)	Not Rated	Not subject to credit risk	Total carrying amount
<b>As at 31 December 2023</b>					
<b>Financial assets at FVOCI</b>					
Equity securities	-	-	-	1,906.1	1,906.1
<b>Financial assets at FVTPL</b>					
Equity securities	-	-	-	11,530.7	11,530.7
Debt securities	40,852.3	3,089.7	4,698.5	-	48,640.5
Other investments	-	-	-	19,244.9	19,244.9
Derivative financial assets	963.9	-	-	-	963.9
Other debtors	3.0	12.0	1,050.2	-	1,065.2
Cash and cash equivalents	5,672.9	-	630.0	-	6,302.9
Reinsurance contract assets	868.7	-	-	-	868.7
	<b>48,360.8</b>	<b>3,101.7</b>	<b>6,378.7</b>	<b>32,681.7</b>	<b>90,522.9</b>
<b>As at 31 December 2022 (restated)</b>					
<b>Financial assets at FVOCI</b>					
Equity securities	-	-	-	1,662.0	1,662.0
<b>Financial assets at FVTPL</b>					
Equity securities	-	-	-	11,491.0	11,491.0
Debt securities	42,302.5	2,362.4	4,327.3	-	48,992.2
Other investments	-	-	-	14,226.7	14,226.7
Derivative financial assets	737.5	-	24.2	-	761.7
Other debtors	2.4	1.1	756.5	-	760.0
Cash and cash equivalents	8,024.0	-	1,583.9	-	9,607.9
Reinsurance contract assets	1,208.7	-	-	-	1,208.7
	<b>52,275.1</b>	<b>2,363.5</b>	<b>6,691.9</b>	<b>27,379.7</b>	<b>88,710.2</b>

The Company's financial assets are not material.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (h) **Credit risk.** *(continued)*

##### **Amounts arising from Expected Credit Losses ("ECL")**

ECL provisioning is the setting of allowance for credit-impaired and non-credit impaired exposure in accordance to SFRS(I) 9 through forward-looking ECL models.

##### **Measurement of ECL – Explanation of inputs, assumptions and estimation techniques**

The key inputs into the measurement of ECL are the following variables:

- probability of default ('PD');
- loss given default ('LGD'); and
- exposure at default ('EAD').

These parameters are derived from statistical models internally developed by the Group.

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months ('12M PD'), or over the remaining lifetime ('Lifetime PD') of the obligation. PD estimates are derived from PD models that incorporate both quantitative and qualitative inputs, which are in turn derived from internally and externally compiled data. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

LGD is the magnitude of the likely loss incurred during a default. LGD is expressed as a percentage of loss per unit of exposure at the time of default and represents an estimate of the economic loss in the event of the default of the counterparty. Factors in determining LGDs include claim seniority, availability and quality of collateral, legal enforceability processes in the jurisdiction and industry of borrower and prevailing market conditions. They are estimates at a certain date and are derived using statistical models. These statistical models are developed using internally compiled data and incorporate both quantitative and qualitative factors. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

EAD represents the expected exposure in the event of a default. The Group derives the EAD based on the current exposure to the counterparty and potential future exposure.

The ECL is determined by the PD, LGD and EAD for each individual exposure. The ECLs are first determined from the product of these three components, which are then adjusted to take into account forward-looking information. The ECLs are finally discounted to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

##### **Significant increase in credit risk**

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default assessed at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information, which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.

A movement of an obligor's credit rating along the rating scale represents a change in the credit risk as measured by the change in PD.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

##### (h) **Credit risk.** (continued)

##### **Significant increase in credit risk** (continued)

The criteria for assessing whether credit risk has increased significantly will be determined by changes in 12M PDs and other qualitative factors. The credit risk of an obligor is deemed to have increased significantly since initial recognition if, based on the Group's quantitative model, the 12M PD is determined to have more than doubled since origination, except when the obligor remains within the investment grade ratings.

Using expert credit judgment and, where possible, relevant historical experience, the Group may determine that an obligor has undergone a significant increase in credit risk based on qualitative factors that are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. The Group uses the watch-list as an additional trigger for the identification of significant increase in credit risk.

The Group considers an obligor to have relatively lower credit risk if it is of investment grade quality, taking into account both internal and external credit ratings.

##### **Credit risk grades**

The Group assigns each obligor to a credit risk grade that reflects the PD of the obligor. Credit risk grades are established based on qualitative and quantitative factors that are indicative of default risk. These factors vary depending on the nature of the exposure and the type of counterparty.

Credit risk grades are defined and calibrated such that the default risk increases as credit risk deteriorates. Each exposure is assigned with a credit risk grade at initial recognition, based on available information on the borrower. Obligors are subject to ongoing monitoring and review, and may be assigned with new credit risk grades that better reflects their creditworthiness. The monitoring typically involves the use of information obtained during periodic review, including published financial statements, external rating (where available), as well as qualitative information on an obligor's industry, competitive positioning, management, financial policy and financial flexibility.

##### **Definition of default**

The Group considers a financial asset to be in default by assessing the following criteria:

##### Quantitative criteria

For insurance receivables, the obligor is said to be in default if it fails to make contractual payments within 6 months after it falls due (i.e. after expiration of the maximum granted credit terms). For bonds and loans, the obligor is said to be in default if it fails to meet its contractual obligation and there are non-payments on another debt obligation of the same issuer to the Group.

##### Qualitative criteria

The counterparty is in bankruptcy or has indications of potentially significant financial difficulty such as lawsuits or similar actions that threaten the financial viability of the counterparty; distressed exchange, merger or amalgamation without assumption or breach of material loan covenants not rectified within a given timeframe, restructuring with expected principal haircut or a breach in material loan covenant that is not rectified within given timeframe.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Group's expected loss calculations.



## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

##### (h) *Credit risk. (continued)*

###### **Incorporating of forward-looking information**

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and in its ECL measurement. The Group has performed historical analysis and identified key economic variables impacting credit risk and ECLs for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are obtained from publicly available economic databases published on a quarterly basis and provide the best estimate view of the economy over the next four to five years, and based on such information to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach is used. The impact of these economic variables on PDs, EADs and LGDs has been determined via regression analyses.

In addition to the base economic scenario, the Group uses multiple scenarios to ensure non-linear risks are captured. The number of scenarios and their attributes are reviewed at each reporting date. At 31 December 2023, the Group concluded that two particular scenarios are capable of capturing non-linear risks inherent in all portfolios. The scenario weightings are determined by expert credit judgment, taking into account the range of possible outcomes presented by the chosen scenarios. The assessment of significant increase in credit risk is performed using the 12M PD under each scenario multiplied by the associated scenario weights. This determines whether the financial instrument is in Stage 1, 2 or 3, and hence whether 12M or lifetime ECL should be applied. Following this assessment, the Group measures ECL as either a probability-weighted 12M ECL (Stage 1), or a probability-weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of uncertainty and the actual outcomes may be significantly different from projected outcomes. The Group considers these forecasts being representative of the best estimates of the possible outcomes and has analysed the non-linear risks and asymmetries within the various portfolios of the Group to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not material to the Group for the year ended 31 December 2023.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (h) Credit risk. (continued)

##### Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

in Singapore Dollars (millions)	Note	31 December 2023			Total
		12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	
<b>Loans and other receivables at amortised cost</b>					
Balance at the beginning of the year		0.6	5.9	36.7	43.2
Net remeasurement of loss allowance		-	1.9	10.5	12.4
New financial assets purchased		0.4	-	-	0.4
Financial assets that have been derecognised		(0.4)	-	-	(0.4)
Changes in models/risk parameters		(0.1)	-	-	(0.1)
Balance at the end of the year		0.5	7.8	47.2	55.5
<b>Debt securities at amortised cost</b>					
Balance at the beginning of the year		1.1	-	-	1.1
Net remeasurement of loss allowance		0.3	-	-	0.3
New financial assets purchased		0.2	-	-	0.2
Financial assets that have been derecognised		(0.4)	-	-	(0.4)
Balance at the end of the year		1.2	-	-	1.2
<b>Debt securities at FVOCI</b>					
Balance at the beginning of the year		8.2	11.7	2.8	22.7
Transfer to 12-month ECL		1.1	(1.1)	-	-
Additional losses due to transfer		(1.0)	-	-	(1.0)
Net remeasurement of loss allowance		0.3	0.7	-	1.0
New financial assets purchased		5.8	(0.4)	-	5.4
Financial assets that have been derecognised		(3.4)	(0.7)	-	(4.1)
Changes in models/risk parameters		(0.2)	0.1	-	(0.1)
Foreign exchange and other movements		-	(0.2)	-	(0.2)
Balance at the end of the year		10.8	10.1	2.8	23.7
Increase in provision for impairment of financial assets for the year	5	2.6	0.5	10.5	13.6

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (h) Credit risk. (continued)

##### Loss allowance (continued)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

in Singapore Dollars (millions)	Note	31 December 2022 (restated)			Total
		12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	
<u>Loans and other receivables at amortised cost</u>					
Balance at the beginning of the year		0.9	9.5	2.3	12.7
Net remeasurement of loss allowance		-	-	34.4	34.4
New financial assets purchased		0.6	3.7	-	4.3
Financial assets that have been derecognised		(0.7)	(4.2)	-	(4.9)
Changes in models/risk parameters		(0.2)	(2.5)	-	(2.7)
Foreign exchange and other movements		-	(0.6)	-	(0.6)
Balance at the end of the year		0.6	5.9	36.7	43.2
<u>Debt securities at amortised cost</u>					
Balance at the beginning of the year		1.7	-	-	1.7
Net remeasurement of loss allowance		0.1	-	-	0.1
New financial assets purchased		0.6	-	-	0.6
Financial assets that have been derecognised		(1.2)	-	-	(1.2)
Changes in models/risk parameters		0.1	-	-	0.1
Foreign exchange and other movements		(0.2)	-	-	(0.2)
Balance at the end of the year		1.1	-	-	1.1
<u>Debt securities at FVOCI</u>					
Balance at the beginning of the year		7.2	4.4	2.8	14.4
Adoption of SFRS(I) 17		0.9	9.5	-	10.4
Balance at the beginning of the year, restated		8.1	13.9	2.8	24.8
Net remeasurement of loss allowance		0.1	(0.1)	-	-
New financial assets purchased		4.0	2.4	-	6.4
Financial assets that have been derecognised		(3.3)	(3.4)	-	(6.7)
Changes in models/risk parameters		(0.7)	(0.9)	-	(1.6)
Foreign exchange and other movements		-	(0.2)	-	(0.2)
Balance at the end of the year		8.2	11.7	2.8	22.7
(Decrease)/increase in provision for impairment of financial assets for the year	5	(0.7)	(5.0)	34.4	28.7

The changes in risk parameters may consist of management overlays, including but not limited to, the application of judgment to:

- i) key economic variables including GDP growth projections;
- ii) scenario weightings;
- iii) obligor's credit rating to reflect a deterioration of credit risk;
- iv) events arose after post-model-run that require adjustment.

Loss allowances are reviewed quarterly, taking into consideration the adequacy of key variables.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

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

The Group actively manages its investment mix to ensure that there is no significant concentration in Market, Credit and Liquidity Risk.

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

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

Market risk sensitivity analysis:

in Singapore Dollars (millions)	Impact on Profit After Tax					
	2023			2022 (restated)		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables:						
(a) <u>Interest rate</u>						
+ 100 basis points	(2,798.1)	2,739.9	(58.2)	(2,225.9)	2,205.0	(20.9)
- 100 basis points	3,238.4	(3,210.7)	27.7	2,526.7	(2,530.2)	(3.5)
(b) <u>Foreign Currency</u>						
5% increase in market value of USD denominated assets	109.1	(146.5)	(37.4)	120.0	(123.1)	(3.1)
5% decrease in market value of USD denominated assets	(109.1)	140.7	31.6	(120.0)	123.1	3.1
(c) <u>Equity</u>						
20% increase in market indices:						
- STI	333.9	(317.5)	16.4	272.6	(260.3)	12.3
- KLCI	947.8	(951.4)	(3.6)	681.1	(681.5)	(0.4)
20% decrease in market indices:						
- STI	(334.7)	318.0	(16.7)	(272.6)	260.2	(12.4)
- KLCI	(947.8)	927.3	(20.5)	(681.1)	656.4	(24.7)

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (j) Sensitivity analysis on financial risks. (continued)

Market risk sensitivity analysis (continued):

in Singapore Dollars (millions)	Impact on Profit After Tax					
	2023			2022 (restated)		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
<u>Change in variables (continued):</u>						
(d) <u>Credit</u>						
Spread + 100 basis points	<b>(1,237.3)</b>	<b>1,193.8</b>	<b>(43.5)</b>	(1,073.0)	1,065.7	(7.3)
Spread - 100 basis points	<b>1,417.4</b>	<b>(1,372.6)</b>	<b>44.8</b>	1,191.4	(1,178.3)	13.1
(e) <u>Alternative Investments<sup>(1)</sup></u>						
10% increase in market value of all alternative investments	<b>592.4</b>	<b>(520.1)</b>	<b>72.3</b>	425.9	(354.2)	71.7
10% decrease in market value of all alternative investments	<b>(592.4)</b>	<b>519.9</b>	<b>(72.5)</b>	(425.9)	353.9	(72.0)

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

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

#### (j) Sensitivity analysis on financial risks. (continued)

in Singapore Dollars (millions)	Impact on Equity					
	2023			2022 (restated)		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables:						
(a) <u>Interest rate</u>						
+ 100 basis points	<b>(3,374.3)</b>	<b>3,054.4</b>	<b>(319.9)</b>	(2,728.6)	2,460.7	(267.9)
- 100 basis points	<b>3,888.7</b>	<b>(3,644.3)</b>	<b>244.4</b>	3,097.5	(2,882.0)	215.5
(b) <u>Foreign Currency</u>						
5% increase in market value of USD denominated assets	<b>109.1</b>	<b>(144.6)</b>	<b>(35.5)</b>	120.0	(131.5)	(11.5)
5% decrease in market value of USD denominated assets	<b>(109.1)</b>	<b>138.8</b>	<b>29.7</b>	(120.0)	134.1	14.1
(c) <u>Equity</u>						
20% increase in market indices:						
- STI	<b>357.7</b>	<b>(327.8)</b>	<b>29.9</b>	308.7	(269.5)	39.2
- KLCI	<b>981.6</b>	<b>(983.6)</b>	<b>(2.0)</b>	716.3	(715.3)	1.0
20% decrease in market indices:						
- STI	<b>(358.6)</b>	<b>328.3</b>	<b>(30.3)</b>	(308.7)	269.5	(39.2)
- KLCI	<b>(981.6)</b>	<b>959.5</b>	<b>(22.1)</b>	(716.3)	690.2	(26.1)
(d) <u>Credit</u>						
Spread + 100 basis points	<b>(1,587.1)</b>	<b>1,277.6</b>	<b>(309.5)</b>	(1,382.6)	1,149.9	(232.7)
Spread - 100 basis points	<b>1,807.3</b>	<b>(1,478.3)</b>	<b>329.0</b>	1,541.1	(1,280.9)	260.2
(e) <u>Alternative Investments<sup>(1)</sup></u>						
10% increase in market value of all alternative investments	<b>609.6</b>	<b>(536.8)</b>	<b>72.8</b>	449.4	(377.6)	71.8
10% decrease in market value of all alternative investments	<b>(609.6)</b>	<b>536.6</b>	<b>(73.0)</b>	(449.4)	377.3	(72.1)

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

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

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### **Operational and Compliance Risk**

Operational risk is an event or action that may potentially impact partly or completely the achievement of the organisation's objectives resulting from inadequate or failed internal processes and systems, human factors, or external events.

Compliance risk is any event or action that may potentially impact partly or completely the achievement of the organisation's objectives and its reputation as a result of its failure to comply with the following applicable laws, regulations and standards:

- local laws, regulations and rules governing licensed activities undertaken by the Group;
- foreign laws, regulations and rules that have extraterritorial jurisdiction over the Group's licensed activities;
- codes of practice promoted by industry associations of which the Group are members of; and
- any other applicable regulations which do not specifically govern the licensed activities undertaken by the Group but can expose the organisation to legal, regulatory or reputational loss.

The day-to-day management of operational and compliance risk is through the maintenance of comprehensive internal control frameworks, supported by an infrastructure of systems and procedures to monitor processes and transactions. GMC reviews operational and compliance issues on a group basis at its monthly meetings while local level issues are managed and monitored by the local SMTs. The Internal Audit team reviews the systems of internal controls to assess their ongoing relevance and effectiveness, and reports at least quarterly to the Audit Committee.

#### **Technology, Information and Cyber Risks**

Technology risk is defined as risk related to any potential adverse outcome, damage, loss, disruption, violation, system/hardware failure, capacity deficiency arising from the use of technologies such as electronic hardware/ devices, software, online networks and telecommunications systems.

Information Risk is defined as risk related to confidentiality, integrity and availability of information (in physical or digital form).

Cyber Risk is defined as risk related to acts perpetrated by malicious threat actors including internal sabotage, espionage, malicious attacks, hacking incidents, fraudulent conduct using information and communication technologies.

The Group adopts a risk-based approach in managing technology, risks relating to IT disruption, cyber threats, data loss and third parties. The Group has put in place technological and procedural risk controls to defend against external and insider threats. Key risk indicators related to technology, information and cyber risks are reported to the Board on a regular basis. Independent assessment is performed by Internal Audit on the adequacy and effectiveness of the technology risk controls.

#### **Sustainability Risk**

Sustainability risk is defined as any environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment and enterprise value. The Group has integrated ESG considerations into the investment, underwriting and its own operational activities.

At present, the Group manages social and governance-related risk through existing frameworks and policies. In order to build resilience as the world transits to a low-carbon economy, the Group has formalised the Group Environmental Risk Management Policy which sets forth guiding principles and minimum standards in managing environmental risk within the Group. Environmental risk arises from the potential adverse impact of changes in the environment on economic activities and human well-being. Environmental issues that are of concern include climate change, loss of biodiversity, pollution and changes in land use. Environmental risk can manifest in three dimensions of risk as follows:

- Physical risk – impact of weather events and long-term or widespread environmental changes. It arises from acute (event-driven) and chronic (long term shift) climate-related events that damage property, reduce productivity and disrupt trade.
- Transition risk – arises from the process of adjustment to an environmentally sustainable economy, including change in public policies, disruptive technological developments, and shifts in consumer and investor preferences.
- Liability risk – arises from legal risk and claims on damages and losses incurred from inaction or lack of action that results in the effects of physical and transition risks.

## Notes to the Financial Statements

### 31 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### *Sustainability Risk (continued)*

The Group's risk assessment considers the financial and non-financial impacts from physical and transition risks arising from climate change. With this, the Group organisation has put in place processes, methodology, and both qualitative and quantitative tools to identify and assess environmental risk for investment and underwriting portfolios.

For underwriting portfolio, risk transfer tool such as reinsurance is used to assist in managing environmental risk. For investment portfolio, the objective is to build resilient investment portfolios whilst striking a balance between ESG considerations, impact and financial returns.

The Group has made its first disclosures on climate-related risks aligned to the Task Force on Climate-related Financial Disclosures ("TCFD") in May 2021 as part of GEH Sustainability Report 2021. The report provides some insights into the Group's governance approach, strategy and risk management, as well as key metrics and targets for climate-related financial risks.

### 32 FAIR VALUE OF ASSETS AND LIABILITIES

#### 32.1 Fair Value Hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly, quotes from brokers and market makers, cash flow discounting and other valuation techniques commonly used by market participants, and

Level 3 – Unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement would be categorised in its entirety in the same level of the fair value hierarchy as the lowest input that is significant to the entire measurement (with Level 3 being the lowest).

#### Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.



## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.2 Assets and Liabilities Measured at Fair Value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year:

in Singapore Dollars (millions)	Group			
	31 December 2023			
	Fair value measurements at the end of the reporting year using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Recurring Fair Value Measurements</b>				
<b>FINANCIAL ASSETS</b>				
<b>Derivative financial assets</b>				
Foreign exchange				
Forwards	-	392.5	-	392.5
Currency swaps	-	96.1	-	96.1
Interest rates				
Swaps	-	23.7	-	23.7
Exchange traded futures	371.1	-	-	371.1
Equity				
Futures	13.8	-	-	13.8
Options	-	54.6	-	54.6
Credit				
Swaps	-	9.9	-	9.9
Bond				
Forwards	-	2.2	-	2.2
	<b>384.9</b>	<b>579.0</b>	<b>-</b>	<b>963.9</b>
<b>Financial assets at FVOCI</b>				
Equity securities	1,883.8	-	22.3	1,906.1
Debt securities	9,234.3	4,760.9	-	13,995.2
	<b>11,118.1</b>	<b>4,760.9</b>	<b>22.3</b>	<b>15,901.3</b>

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.2 Assets and Liabilities Measured at Fair Value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year (continued):

in Singapore Dollars (millions)	Group			
	31 December 2023			
	Fair value measurements at the end of the reporting year using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Recurring Fair Value Measurements</b>				
<b>FINANCIAL ASSETS</b>				
<b>Financial assets at FVTPL</b>				
Equity securities	11,505.8	3.5	21.4	11,530.7
Debt securities	28,485.2	20,155.3	-	48,640.5
Other investments	1,980.5	14,352.1	2,912.3	19,244.9
	<b>41,971.5</b>	<b>34,510.9</b>	<b>2,933.7</b>	<b>79,416.1</b>
<b>Financial assets as at 31 December 2023</b>	<b>53,474.5</b>	<b>39,850.8</b>	<b>2,956.0</b>	<b>96,281.3</b>
<b>NON-FINANCIAL ASSETS</b>				
Investment properties	-	-	1,880.7	1,880.7
Investment in associate	-	-	95.1	95.1
<b>Non-financial assets as at 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>1,975.8</b>	<b>1,975.8</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Derivative financial liabilities</b>				
Foreign exchange				
Forwards	-	124.5	-	124.5
Currency swaps	-	14.0	-	14.0
Interest rates				
Swaps	-	32.7	-	32.7
Exchange traded futures	4.1	-	-	4.1
Equity				
Swaps	-	0.6	-	0.6
Futures	3.0	-	-	3.0
Bond				
Forwards	-	0.8	-	0.8
<b>Financial liabilities as at 31 December 2023</b>	<b>7.1</b>	<b>172.6</b>	<b>-</b>	<b>179.7</b>

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.2 Assets and Liabilities Measured at Fair Value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year (continued):

in Singapore Dollars (millions)	Group				Total
	31 December 2022 (restated)				
	Fair value measurements at the end of the reporting year using				
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)		
<b>Recurring Fair Value Measurements</b>					
<b>FINANCIAL ASSETS</b>					
Derivative financial assets					
Foreign exchange					
Forwards	-	510.6	-	-	510.6
Currency swaps	-	182.9	-	-	182.9
Options	-	12.0	-	-	12.0
Interest rates					
Swaps	-	9.0	-	-	9.0
Exchange traded futures	2.2	-	-	-	2.2
Equity					
Swaps	-	0.2	-	-	0.2
Futures	3.4	-	-	-	3.4
Options	6.3	32.9	-	-	39.2
Credit					
Swaps	-	1.9	-	-	1.9
Bond					
Forwards	-	0.3	-	-	0.3
	11.9	749.8	-	-	761.7
Financial assets at FVOCI					
Equity securities	1,639.3	-	22.7	-	1,662.0
Debt securities	5,295.0	5,215.7	75.3	-	10,586.0
	6,934.3	5,215.7	98.0	-	12,248.0

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.2 Assets and Liabilities Measured at Fair Value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year (continued):

in Singapore Dollars (millions)	Group			Total
	31 December 2022 (restated)			
	Fair value measurements at the end of the reporting year using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
<b>Recurring Fair Value Measurements</b>				
<b>FINANCIAL ASSETS</b>				
Financial assets at FVTPL				
Equity securities	11,469.0	0.2	21.8	11,491.0
Debt securities	33,577.1	14,844.5	570.6	48,992.2
Other investments	6,869.6	4,514.9	2,842.2	14,226.7
	51,915.7	19,359.6	3,434.6	74,709.9
Financial assets as at 31 December 2022	58,861.9	25,325.1	3,532.6	87,719.6
<b>NON-FINANCIAL ASSETS</b>				
Investment properties	-	-	1,881.2	1,881.2
Investment in associate	-	-	122.5	122.5
Asset held for sale	-	-	72.6	72.6
Non-financial assets as at 31 December 2022	-	-	2,076.3	2,076.3
<b>FINANCIAL LIABILITIES</b>				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	152.2	-	152.2
Currency swaps	-	6.8	-	6.8
Interest rates				
Swaps	-	64.5	-	64.5
Exchange traded futures	17.2	-	-	17.2
Equity				
Swaps	-	35.6	-	35.6
Futures	0.1	-	-	0.1
Options	2.3	4.8	-	7.1
Credit				
Swaps	-	3.7	-	3.7
Bond				
Forwards	-	4.8	-	4.8
Financial liabilities as at 31 December 2022	19.6	272.4	-	292.0

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.3 Level 3 Fair Value Measurements

(i) **Information about significant unobservable inputs used in Level 3 fair value measurements:**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 31 December 2023	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,880.7	Income approach	Rental per square foot ("p.s.f.") per month	\$2.11 to \$2.13
			Car park bay rental rate	\$88.96
			Monthly outgoing rate p.s.f	\$0.40
			Capitalisation rate	5.75% – 6.00%
			Void rate	5%
			Comparison approach	Estimated per square foot ("psf")
Investment in associate	95.1	Income approach	Discount for liquidity	28%-45%
			Capitalisation approach	Capitalisation rate
<b>Investments</b>				
Unquoted equities	43.7	Net asset value <sup>(1)</sup>	Not applicable	Not applicable
Collective Investment Schemes	2,912.3	Net asset value <sup>(1)</sup>	Not applicable	Not applicable

<sup>(1)</sup> These investments are valued using net asset value. Accordingly, these investments are classified as Level 3 investments within the fair value hierarchy.

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.3 Level 3 Fair Value Measurements (continued)

(i) **Information about significant unobservable inputs used in Level 3 fair value measurements (continued):**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3) (continued):

Description	Fair value as at 31 December 2022	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,881.2	Comparison approach	Estimated per square foot ("psf")	\$10 to \$4,173
			Capitalisation rate	3.25%
Asset held for sale	72.6	Income approach	Rental psf per month	\$0.72 to \$1.78
			Rental growth rate	0.00%
			Long-term vacancy rate	12.50%
			Discount rate	5.75% to 6.00%
Investment in associate	122.5	Market approach	Discount for liquidity	40%-50%
Investments				
Unquoted debt securities	22.3	Discounted cash flow	Yield	4.00% to 6.00%
Unquoted debt securities	623.6	Income approach	Risk adjusted discounted rate	Spread of 1-2% above risk free interest rate
Unquoted equities	44.5	Net asset value <sup>(1)</sup>	Not applicable	Not applicable
Collective Investment Schemes	2,842.2	Net asset value <sup>(1)</sup>	Not applicable	Not applicable

<sup>(1)</sup> These investments are valued using net asset value. Accordingly, these investments are classified as Level 3 investments within the fair value hierarchy.

For investment properties, a significant increase/(decrease) in unobservable inputs would result in a significantly higher/(lower) fair value measurement.

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.3 Level 3 Fair Value Measurements (continued)

##### (ii) Valuation process:

The valuations of financial instruments are performed by the custodians and the valuations of investment properties are performed by the external valuers. The valuations conducted by the custodians are verified and assessed for reasonableness by Group Finance against available market conditions. The valuations of investment properties are based primarily on the comparable approach and the capitalisation approach. The major inputs of the valuation of investment properties are reviewed by management. The property management department also held discussions with external valuers on any significant fluctuation noted from the independent valuation reports. The valuations conducted by the external valuers are verified and assessed for reasonableness by management against property values of other comparable properties.

##### (iii) Movements in Level 3 assets and liabilities measured at fair value:

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

in Singapore Dollars (millions)	Group						
	Fair value measurements using significant unobservable inputs (Level 3)						
	31 December 2023						
	Investments			Investment in associate	Investment properties	Asset held for sale	Total
Unquoted debt securities	Unquoted equities	Collective investment schemes					
<b>Opening balance as at 1 January 2023</b>	<b>645.9</b>	<b>44.5</b>	<b>2,842.2</b>	<b>122.5</b>	<b>1,881.2</b>	<b>72.6</b>	<b>5,608.9</b>
Total gain/(loss) for the year:							
Included in Profit or Loss Statement							
– Gain/(loss) on sale of investments and changes in fair value	<b>14.9</b>	<b>(0.5)</b>	<b>(151.7)</b>	<b>(27.4)</b>	<b>16.3</b>	<b>–</b>	<b>(148.4)</b>
Included in other comprehensive income							
– Changes in fair value	<b>–</b>	<b>(0.3)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(0.3)</b>
Purchases and sales for the year:							
Purchases	<b>–</b>	<b>–</b>	<b>221.8</b>	<b>7.8</b>	<b>1.1</b>	<b>–</b>	<b>230.7</b>
Sales	<b>(636.1)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(72.6)</b>	<b>(708.7)</b>
Transfer to/from during the year:							
Transfer to Level 2	<b>(24.7)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(24.7)</b>
Currency translation reserve adjustment	<b>–</b>	<b>–</b>	<b>–</b>	<b>(7.8)</b>	<b>(17.9)</b>	<b>–</b>	<b>(25.7)</b>
<b>Closing balance as at 31 December 2023</b>	<b>–</b>	<b>43.7</b>	<b>2,912.3</b>	<b>95.1</b>	<b>1,880.7</b>	<b>–</b>	<b>4,931.8</b>

## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.3 Level 3 Fair Value Measurements (continued)

##### (iii) Movements in Level 3 assets and liabilities measured at fair value (continued):

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3) (continued):

in Singapore Dollars (millions)	Group							Total
	Fair value measurements using significant unobservable inputs (Level 3)							
	31 December 2022							
	Investments			Investment in associate	Investment properties	Asset held for sale		
Unquoted debt securities	Unquoted equities	Collective investment schemes						
Opening balance as at 1 January 2022	-	51.5	2,680.5	95.2	1,883.9	-	4,711.1	
Total gain/(loss) for the year:								
Included in Profit or Loss Statement								
- Gain/(loss) on sale of investments and changes in fair value	-	(2.7)	(85.9)	24.4	91.3	-	27.1	
Included in other comprehensive income								
- Changes in fair value	-	(4.3)	-	-	-	-	(4.3)	
Purchases and sales for the year:								
Purchases	-	-	609.4	-	1.0	-	610.4	
Sales	-	-	(361.8)	-	-	-	(361.8)	
Reclassification	-	-	-	-	(72.6)	72.6	-	
Transfer to/from during the year:								
Transfer from Level 1	636.9	-	-	-	-	-	636.9	
Transfer from Level 2	9.0	-	-	-	-	-	9.0	
Currency translation reserve adjustment	-	-	-	2.9	(22.4)	-	(19.5)	
Closing balance as at 31 December 2022	645.9	44.5	2,842.2	122.5	1,881.2	72.6	5,608.9	



## Notes to the Financial Statements

### 32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

#### 32.4 Assets and Liabilities Not Carried at Fair Value but for which Fair Value is Disclosed

The following table shows an analysis of the Group's assets and liabilities not measured at fair value but for which fair value is disclosed:

in Singapore Dollars (millions)	Group				
	31 December 2023				
	Fair value measurements at the end of the reporting year using				
	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total	Carrying Amount
<b>Assets</b>					
Debt securities at amortised cost	1,089.2	109.6	–	1,198.8	1,218.2
Loans	–	524.7	–	524.7	511.0
Freehold land, leasehold land and buildings	–	–	847.6	847.6	365.9
in Singapore Dollars (millions)	Group				
	31 December 2022				
	Fair value measurements at the end of the reporting year using				
	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total	Carrying Amount
<b>Assets</b>					
Debt securities at amortised cost	1,609.6	105.6	–	1,715.2	1,802.5
Loans	–	485.3	–	485.3	480.5
Freehold land, leasehold land and buildings	–	–	846.6	846.6	381.6

## Notes to the Financial Statements

### 33 DIVIDENDS

in Singapore Dollars (millions)	Group and Company	
	2023	2022
Final one-tier tax exempt dividend for the previous year of 55 cents per ordinary share (2022: 55 cents per ordinary share)	<b>260.3</b>	260.3
Interim one-tier tax exempt dividend of 35 cents per ordinary share (2022: 10 cents per ordinary share)	<b>165.7</b>	47.3
	<b>426.0</b>	307.6

The Directors proposed a final one-tier tax exempt dividend of 40 cents per ordinary share amounting to \$189.3 million (2022: \$260.3 million) be paid in respect of the financial year ended 31 December 2023. This has not been recognised as distributions to shareholders.

There are no income tax consequences attached to the dividend to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

### 34 AUTHORISATION OF FINANCIAL STATEMENTS

At the Board of Directors' Meeting held on 23 February 2024, the Board authorised these financial statements for issue and that two Directors of the Board, Mr Soon Tit Koon and Mr Tam Chee Chong, sign the Directors' Report on behalf of the Board.

## List of Major Properties

Location	Tenure	Site Area (sq m)	Gross Floor Area (sq m)	Purpose
<b>SINGAPORE PROPERTIES – 100% HELD BY THE GREAT EASTERN LIFE ASSURANCE COMPANY LIMITED:</b>				
Great Eastern Centre 1 Pickering Street	99 years leasehold (Expiry date: 31 August 2096)	6,600	21,515 (strata area excluding voids)	Commercial – Offices
Great Eastern @ Changi 200 Changi Road	Freehold	3,503	10,891	Commercial – Offices
Holland GEMS 1, 3 & 5 Taman Nakhoda	Freehold	8,685	13,895	Residential – 64-unit condominium
Gallop Court 6, 6A, 6B Gallop Road	Freehold	8,225	5,565	Residential – 25-unit condominium
Gallop Gardens 1, 1A, 1B, 1C, 3, 3A, 3B, 3C Tyersall Road	Freehold	12,636	4,805	Residential – 8-unit Good Class Bungalows
Newton GEMS 50, 52 & 54 Newton Road Lot 660 TS 28, Newton Road and Lot 56 TS 28, Lincoln Road	Freehold  999 years leasehold (Expiry date: 12 February 2884)	2,809  6,945	28,819	Residential – 190-unit condominium
3 Pickering Street	99 years leasehold (Expiry date: 31 August 2096)	7,086	15,004 (strata area excluding voids)	Commercial – Retail & Offices 65-unit shophouses
Orchard Gateway @ Emerald 216 & 218 Orchard Road	Freehold	1,444	9,733	Commercial – Retail & Offices (including adjoining conservation shophouse)
<b>MALAYSIA PROPERTIES – 100% HELD BY GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD:</b>				
Menara Great Eastern/ Great Eastern Mall 303, Jalan Ampang, Kuala Lumpur	Freehold	25,600	149,464	Commercial – Retail & Offices
Seri Hening Residence 28, Jalan Ampang Hilir, Kuala Lumpur	Freehold	20,026	53,111	Residential – Condominiums
Equatorial Plaza Jalan Sultan Ismail, Kuala Lumpur	Freehold	strata title	51,873	Commercial – Offices
<b>INDONESIA PROPERTIES – 100% HELD BY P.T. GREAT EASTERN LIFE INDONESIA:</b>				
Menara Karya Building Jl. HR. Rasuna Said Blok X-5, Kav. 1-2, Setiabudi Kuningan, Jakarta Selatan 12950	Freehold	6,109	1,318	Commercial – Offices

## Additional Information

Required under the Listing Manual of the Singapore Exchange Securities Trading Limited

### 1. INTERESTED PERSON TRANSACTIONS

Interested person transactions carried out during the financial year under review:-

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$ million	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$ million
<b>Oversea-Chinese Banking Corporation Limited ("OCBC"):</b>	Controlling shareholder of the Company		
• Marketing expenses for product launches		0.810	NA
• Subsidy fee payment to OCBC for agency		0.199	NA
• Share of Financial Protection Specialists and Bancassurance Specialists costs		0.827	NA
<b>OCBC Group of Companies</b>			
- E2 Power Pte. Ltd.:	Each interested person is an associate of the Company's controlling shareholder, OCBC		
• Data analytics services and data centre facilities		4.213	NA
- E2 Power Sdn. Bhd.:			
• Data centre facilities, IT equipment and professional services		2.076	NA
- OCBC Property Services Private Limited:			
• Lease of premises at OCBC Centre		0.323	NA

### 2. MATERIAL CONTRACTS

Since the end of the previous financial year, no material contract involving the interest of the Group Chief Executive Officer, any Director or any controlling shareholder of the Company has been entered into by the Company or any of its subsidiaries, and no such contract subsisted as at 31 December 2023, save as disclosed above or via SGXNET, in the Directors' Statement and in the financial statements for FY2023.

# Shareholding Statistics

As at 5 March 2024

## CLASS OF SHARES

Ordinary shares

## VOTING RIGHTS

1 vote per share (other than treasury shares and subsidiary holdings, which are treated as having no voting rights)

## DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
1 – 99	43	1.24	771	0.00
100 – 1,000	1,968	56.78	1,216,315	0.26
1,001 – 10,000	1,168	33.70	3,990,587	0.84
10,001 – 1,000,000	275	7.93	19,887,744	4.20
1,000,001 and above	12	0.35	448,223,652	94.70
<b>Total</b>	<b>3,466</b>	<b>100.00</b>	<b>473,319,069</b>	<b>100.00</b>

Number of issued shares	:	473,319,069
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil
Percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares	:	Nil

Note:  
"Subsidiary holdings" is defined in the listing manual of the SGX-ST to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% <sup>(1)</sup>
1	Citibank Nominees Singapore Pte Ltd	422,989,254	89.37
2	The Nyalas Rubber Estates Ltd	4,014,000	0.85
3	Wong Hong Sun	3,223,000	0.68
4	DBS Nominees Pte Ltd	3,089,653	0.65
5	Kuchai Development Berhad	3,032,000	0.64
6	Yong Pui Leng	2,634,060	0.56
7	HSBC (Singapore) Nominees Pte Ltd	2,499,450	0.53
8	Sungei Bagan Rubber Company (Malaya) Berhad	1,733,120	0.37
9	Wong Hong Yen	1,711,868	0.36
10	Shaw Vee Meng	1,204,000	0.25
11	Raffles Nominees (Pte) Limited	1,056,447	0.22
12	Shaw Vee Foong	1,036,800	0.22
13	Maybank Securities Pte. Ltd.	860,700	0.18
14	Thia Cheng Song	822,000	0.17
15	Lee Hak Heng	728,150	0.15
16	United Overseas Bank Nominees Pte Ltd	684,264	0.15
17	OCBC Securities Private Ltd	680,300	0.15
18	Phillip Securities Pte Ltd	535,534	0.11
19	Yeo Kok Seng	535,100	0.11
20	Yeap Holdings (Pte) Ltd	487,238	0.10
<b>Total</b>		<b>453,556,938</b>	<b>95.82</b>

Note:  
(1) Based on 473,319,069 issued shares as at 5 March 2024.

## Shareholding Statistics

As at 5 March 2024

Substantial Shareholder	Direct Interest No. of Shares	Deemed Interest No. of Shares	Total Interest No. of Shares	% of Issued Shares <sup>(1)</sup>
Oversea-Chinese Banking Corporation Limited	418,586,759 <sup>(2)</sup>	74,000 <sup>(3)</sup>	418,660,759	88.45

Notes:

(1) Based on 473,319,069 issued shares as at 5 March 2024.

(2) Shares registered in the name of Citibank Nominees Singapore Pte Ltd.

(3) Oversea-Chinese Banking Corporation Limited is deemed to have an interest in 74,000 shares held by its subsidiary, BOS Trustee Limited, as trustee of The SOME Trust for 67,000 shares and as trustee of The Kudzu 2022 Trust for 7,000 shares.

Based on information available to the Company as at 5 March 2024, approximately 11.55% of the issued ordinary shares of the Company are held by the public, and therefore Rule 723 of the listing manual of the Singapore Exchange Securities Trading Limited has been complied with.

## Management Team

### GROUP AND SINGAPORE

**Great Eastern Holdings Limited**  
**The Great Eastern Life Assurance**  
**Company Limited**  
**Great Eastern General**  
**Insurance Limited**

Khor Hock Seng  
 Group Chief Executive Officer

Ronnie Tan  
 Group Chief Financial Officer

Dato Koh Yaw Hui  
 Chief Executive Officer (Malaysia)

Jimmy Tong  
 Managing Director, General and Group  
 Insurance

Patrick Peck  
 Managing Director, Regional Agency/  
 FA and Bancassurance

Clement Lien  
 Chief Executive Officer (Indonesia)

Ryan Cheong  
 Managing Director, Group Customer  
 and Business

Colin Chan  
 Managing Director, Group Marketing

Chua Keng Hong  
 Group Chief Investment Officer

Kate Chiew  
 Group Chief Risk Officer

Jennifer Wong Pakshong  
 Group Company Secretary and  
 General Counsel

Gary Teh  
 Managing Director,  
 Group Information Technology

James Lee  
 Managing Director, Group Human  
 Capital

Patrick Kok  
 Managing Director, Group Operations

Jeffrey Lowe  
 Group Chief Internal Auditor

Zhao Jingyuan  
 Group Chief Data Officer

Jesslyn Tan  
 Chief Executive Officer, Great Eastern  
 Financial Advisers

Tan Eng Yau  
 Appointed Actuary, Great Eastern Life  
 and Great Eastern General

Toh Yun Ying  
 Certifying Actuary, Great Eastern  
 General

### MALAYSIA

**Great Eastern Life Assurance**  
**(Malaysia) Berhad**

Dato Koh Yaw Hui  
 Chief Executive Officer

Loke Chang Yueh  
 Chief Financial Officer

Jeffrey Yem  
 Chief Operations Officer

Alexis Jong  
 Chief Investment Officer

Koh Ken Yong  
 Chief Agency Distribution Officer

Audra Chung  
 Chief Internal Auditor

Chan Chee Wei  
 Division Head, Bancassurance

Chan Chia Khaw  
 Appointed Actuary

Vincent Chin  
 Division Head, Information Technology

Liza Hanim Binti Zainal Abidin  
 Division Head, Company Secretary  
 and Legal

Dennis Tan  
 Division Head, Human Capital

Teo Chun Seng  
 Division Head, Risk Management

Helen Quat  
 Division Head, Compliance

## Management Team

### Great Eastern General Insurance (Malaysia) Berhad

Ng Kok Kheng  
Chief Executive Officer

Khoo Sook Hooi  
Chief Financial Officer

Steven Tai Miow Chong  
Division Head, Corporate Distribution

Eileen Yap Ai Ling  
Division Head, Claims Management

Chew Han Wah  
Appointed Actuary

William Tan Wee Leng  
Division Head, Agency Distribution

Jarron Khoo Eng Siong  
Division Head, Underwriting and Policy Processing Management  
*Date of appointment: 1 May 2023*

### Great Eastern Takaful Berhad

Shahrul Azlan Shahrman  
Chief Executive Officer

Jasveen Kaur Marne  
Chief Financial Officer

Lilian Ooi Lay Peng  
Head, Operations  
*Date of appointment: 1 January 2024*

Borhanudin Samsudin  
Head, Agency Distribution

Max Goh Khim Yao  
Appointed Actuary  
*Date of appointment: 1 January 2023*

Norazlin Mohd Dahari  
Head, Corporate Takaful Business

Raja Mazlena Raja Aziz  
Head, Legal, Secretarial and Shariah

Razali Kipli  
Head, Human Capital

Jennifer Ng Abdullah  
Head, Partnership Distribution

Nurul Sheila Khalib  
Head, Marketing

### INDONESIA

#### PT Great Eastern Life Indonesia

Clement Lien  
President Director & CEO

Yungki Aldrin  
Compliance Director

Nina Ong  
Bancassurance Director

Hana  
Head, Finance  
*Date of appointment: 11 October 2023*

R. Daniel Herjun Putranto  
Head, Group Insurance and Affinity

Suryati  
Head, Operations

Roy Hendrata Gozalie  
Head, Marketing

#### PT Great Eastern General Insurance Indonesia

Aziz Adam Sattar  
President Director

Andy Soen  
Finance Director

Linggawati Tok  
Marketing Director

Lee Pooi Hor  
Operations Director

### BRUNEI

#### The Great Eastern Life Assurance Company Limited

Aariz Patrick Ng  
Head, Brunei Office

### CHINA

#### The Great Eastern Life Assurance Company Limited Beijing Representative Office

Ryan Cheong  
Authorised Representative

Ada Zhou  
Chief Representative

### MYANMAR

#### The Great Eastern Life Assurance Co., Ltd. Great Eastern General Insurance Limited Myanmar Representative Office

Jimmy Tong  
Chief Representative



## Group Network

### SINGAPORE

**Great Eastern Holdings Limited  
The Great Eastern Life Assurance  
Company Limited  
Great Eastern General Insurance  
Limited**

1 Pickering Street #01-01  
Great Eastern Centre  
Singapore 048659  
Tel: +65 6248 2888  
Website: www.greasternlife.com  
E-mail: wecare-sg@greasternlife.com  
Website: www.greasterngeneral.com  
E-mail: gicare-sg@greasterngeneral.com

**Customer Service Centres**

1 Pickering Street, Level 1  
Great Eastern Centre  
Singapore 048659  
Tel: +65 6248 2888  
E-mail: wecare-sg@greasternlife.com

Great Eastern @ Paya Lebar Quarter  
2 Tanjong Katong Road #13-01  
Paya Lebar Quarter 3  
Singapore 437161

**Service Centres for Financial  
Representatives**

VOLTAGE @ Great Eastern Centre  
1 Pickering Street #01-03  
Great Eastern Centre  
Singapore 048659

Great Eastern House  
49 Beach Road #01-01  
Singapore 189685

Great Eastern @ Paya Lebar Quarter  
2 Tanjong Katong Road #13-01  
Paya Lebar Quarter 3  
Singapore 437161

**Great Eastern Financial Advisers  
Private Limited**

1 Pickering Street #01-01  
Great Eastern Centre  
Singapore 048659  
Tel: +65 6248 2121  
Fax: +65 6327 3073  
Website: www.greasternfa.com.sg  
E-mail: contact\_us@greasternfa.com.sg

**Lion Global Investors Limited**

65 Chulia Street #18-01  
OCBC Centre  
Singapore 049513  
Tel: +65 6417 6800  
Fax: +65 6417 6801  
Website: www.lionglobalinvestors.com  
E-mail: contactus@lionglobalinvestors.com

### MALAYSIA

**Great Eastern Life Assurance  
(Malaysia) Berhad**

Menara Great Eastern  
303, Jalan Ampang  
50450 Kuala Lumpur  
Malaysia  
Tel: +603 4259 8888  
Fax: +603 4259 8000  
Website: www.greasternlife.com/my  
E-mail: wecare-my@greasternlife.com

**Branch Offices**

**Alor Setar**

No. 66 & 68, Jalan Teluk Wanjah  
05200 Alor Setar, Kedah  
Malaysia

**Batu Pahat**

No. 109, Jalan Rahmat  
83000 Batu Pahat, Johor  
Malaysia

**Bintulu**

No. 313, Lot 3956, Phase 4  
Bintulu Parkcity Commerce Square  
Jalan Tun Ahmad Zaidi /  
Jalan Tanjung Batu  
97000 Bintulu, Sarawak  
Malaysia

**Ipoh**

Wisma Great Eastern  
No. 16, Persiaran Tugu  
Greentown Avenue  
30450 Ipoh, Perak  
Malaysia

**Johor Bahru**

Wisma Great Eastern  
02-01, Blok A, Komersial Southkey Mozek  
Persiaran Southkey 1, Kota Southkey  
80150 Johor Bahru  
Malaysia

**Klang**

No. 8 & 10, Jalan Tiara 2A  
Bandar Baru Klang  
41150 Klang, Selangor  
Malaysia

**Kluang**

No. 22 & 24  
Jalan Md Lazim Saim  
86000 Kluang, Johor  
Malaysia

**Kota Bharu**

No. S25 / 5252-T & U  
Jalan Sultan Yahya Petra  
15200 Kota Bharu, Kelantan  
Malaysia

**Kota Kinabalu**

Wisma Great Eastern  
Level 4 & 5  
No. 65, Jalan Gaya  
88000 Kota Kinabalu, Sabah  
Malaysia

**Kuala Terengganu**

2nd Floor, No. 6F  
Bangunan Persatuan Hin Ann  
Jalan Air Jernih  
20300 Kuala Terengganu  
Terengganu  
Malaysia

**Kuantan**

No. A25, Jalan Dato Lim Hoe Lek  
25200 Kuantan, Pahang  
Malaysia

## Group Network

### **Kuching**

No. 51, Lot 435  
Section 54, KTLD  
Travilion Commercial Centre  
Jalan Padungan  
93100 Kuching, Sarawak  
Malaysia

### **Lahad Datu**

Ground & 1st Floor  
MDLD 3804, Lot 66  
Fajar Centre, Jalan Segama  
91100 Lahad Datu, Sabah  
Malaysia

### **Melaka**

No. 23, Jalan PM 15  
Plaza Mahkota  
75000 Melaka  
Malaysia

### **Miri**

Lots 1260 & 1261, Block 10, M.C.L.D  
Jalan Melayu  
98000 Miri, Sarawak  
Malaysia

### **Penang**

No. 25, Light Street  
10200 Penang  
Malaysia

### **Sandakan**

Lot 5 & 6, Block 40, Lorong Indah 15  
Bandar Indah, Phase 7  
Mile 4, North Road  
90000 Sandakan, Sabah  
Malaysia

### **Seremban**

No. 101 & 103  
Jalan Yam Tuan  
70000 Seremban  
Negeri Sembilan  
Malaysia

### **Sibu**

Wisma Great Eastern  
No. 10 A-F, Persiaran Brooke  
96000 Sibu, Sarawak  
Malaysia

### **Taiping**

No. 133A, Jalan Barrack  
34000 Taiping  
Perak  
Malaysia

### **Tawau**

Wisma Great Eastern  
Ground Floor, Jalan Billian  
91000 Tawau, Sabah  
Malaysia

### **Great Eastern General Insurance (Malaysia) Berhad**

Menara Great Eastern  
Level 18, 303 Jalan Ampang  
50450 Kuala Lumpur  
Malaysia  
Tel: +603 4259 8888  
Fax: +603 4813 0055  
Website: [www.greasterngeneral.com/my](http://www.greasterngeneral.com/my)  
E-mail: [gicare-my@greasterngeneral.com](mailto:gicare-my@greasterngeneral.com)

### **Branch Offices**

#### **Kuala Lumpur**

Menara Great Eastern  
Level 18, 303 Jalan Ampang  
50450 Kuala Lumpur  
Malaysia  
Tel: +603 4259 8888  
Fax: +603 4813 0088

#### **Alor Setar**

No. 69 & 70, 1st Floor,  
Jalan Teluk Wanjah  
05200 Alor Setar, Kedah  
Malaysia  
Tel: +604 734 6515  
Fax: +604 734 6516

#### **Ipoh**

Wisma Great Eastern, 2nd Floor  
No.16, Persiaran Tugu  
Greentown Avenue  
30450 Ipoh, Perak  
Malaysia  
Tel: +605 253 6649  
Fax: +605 253 3066

### **Johor Bahru**

Wisma Great Eastern  
03-01, Block A,  
Komersil Southkey Mozek  
Persiaran Southkey 1  
Kota Southkey  
80150 Johor Bahru, Johor  
Malaysia  
Tel: +607 336 9899  
Fax: +607 336 9869

### **Klang**

3rd Floor, No. 10, Jalan Tiara 2A  
Bandar Baru Klang  
41150 Klang, Selangor  
Malaysia  
Tel: +603 3345 1027  
Fax: +603 3345 1029

### **Kota Bharu**

No. S25/5252-S, Tingkat 1  
Jalan Sultan Yahya Petra  
15200 Kota Bharu, Kelantan  
Malaysia  
Tel: +609 748 2698  
Fax: +609 744 8533

### **Kota Kinabalu**

Wisma Great Eastern,  
Suite 6.3, Level 6,  
No. 65, Jalan Gaya  
88000 Kota Kinabalu, Sabah  
Malaysia  
Tel: +6088 235 636  
Fax: +6088 248 879

### **Kuantan**

1st Floor, No. A25  
Jalan Dato' Lim Hoe Lek  
25200 Kuantan, Pahang  
Malaysia  
Tel: +609 516 2849  
Fax: +609 516 2848

### **Kuching**

No. 51, Level 3  
Level 435, Section 54, KTLD  
Travilion Commercial Centre  
Jalan Padungan  
93100 Kuching, Sarawak  
Malaysia  
Tel: +6082 420 197  
Fax: +6082 248 072

## Group Network

### **Melaka**

No. 2-23, Jalan PM15  
Plaza Mahkota  
75000 Melaka  
Malaysia  
Tel: +606 284 3297  
Fax: +606 283 5478

### **Penang**

Suite 2-3, Level 2  
No. 25, Lebu Light  
10200 Pulau Pinang  
Malaysia  
Tel: +604 261 9361  
Fax: +604 261 9058

### **Seremban**

No. 103-2, Jalan Yam Tuan  
70000 Seremban, Negeri Sembilan  
Malaysia  
Tel: +606 764 9082  
Fax: +606 761 6178

### **Sibu**

Wisma Great Eastern  
2nd Floor, No. 10 A-F  
Persiaran Brooke  
96000 Sibu, Sarawak  
Malaysia  
Tel: +6084 328 392  
Fax: +6084 326 392

### **Great Eastern Takaful Berhad**

Level 3, Menara Great Eastern  
303 Jalan Ampang  
50450 Kuala Lumpur  
Malaysia  
Tel: +603 4259 8338  
Fax: +603 4259 8808  
Website: [www.greateastertakaful.com](http://www.greateastertakaful.com)  
E-mail: [i-greatcare@greateastertakaful.com](mailto:i-greatcare@greateastertakaful.com)

### **Agency Synergy Stations**

#### **Alor Setar**

No. 18D-1 & 18D-2,  
Lebuhraya Darul Aman,  
05100 Alor Setar, Kedah

#### **Kota Bharu**

Lot 360 Tingkat 2  
Jalan Seri Cemerlang,  
Seksyen 27,  
15300 Kota Bharu, Kelantan

## **INDONESIA**

### **PT Great Eastern Life Indonesia**

Menara Karya, 5th Floor  
Jl. H.R. Rasuna Said, Blok X-5 Kav. 1-2  
Jakarta Selatan 12950  
Indonesia  
Tel: +6221 2554 3888  
Website: [www.greateasternlife.com/id](http://www.greateasternlife.com/id)  
E-mail: [wecare-ID@greateasternlife.com](mailto:wecare-ID@greateasternlife.com)

### **PT Great Eastern General Insurance Indonesia**

MidPlaza 2, 23rd Floor,  
Jalan Jenderal Sudirman Kav. 10-11  
Jakarta 10220, Indonesia  
Tel: +62 21 5723737  
Website: [www.greateasterngeneral.com/id](http://www.greateasterngeneral.com/id)  
E-mail: [wecare-id@greateasterngeneral.com](mailto:wecare-id@greateasterngeneral.com)

### **Branch, Marketing and Sales Offices**

#### **Jakarta**

Maspion Plaza 8th Floor  
Jalan Gunung Sahari Raya Kav. 18  
Jakarta 14420  
Tel: +62 21 64701278  
Fax: +62 21 64701267/8

#### **Surabaya**

Gedung Medan Pemuda 7th Floor  
Jalan Pemuda No. 27 - 31  
Surabaya 60271  
Tel: +62 31 5477300  
Fax: +62 31 5477370

#### **Medan**

Kompleks Ruko Jati Junction  
Jalan Timor No. 3 - T  
Medan 20234  
Tel: +62 61 88817009  
Fax: +62 61 88817010

#### **Bali**

Jalan Jaya Giri Nomor 9B Renon,  
Dangin Puri Kelod, Denpasar Timur,  
Denpasar 80234  
Tel: +62 361 229894  
Fax: +62 361 255150

### **Batam**

Ruko Orchard Park Blok B No. 9  
Jalan Orchard Boulevard, Belian  
Batam 29464  
Tel: +62 778 4167700, 4166700  
Fax: +62 778 4165700

### **Samarinda**

Jalan Jenderal Ahmad Yani No. 12  
Samarinda 75117  
Tel: +62 541 200833  
Fax: +62 541 748878

### **Semarang**

Ruko Metro Plaza Blok B-12  
Jalan MT Haryono 970  
Semarang 50242  
Tel: +62 24 8457058/9  
Fax: +62 24 8417867

### **Makassar**

Jalan Jenderal Ahmad Yani  
Komplek Ruko A. Yani No. 23/25  
Blok C 46, Makassar 90174  
Tel: +62 411 3617978  
Fax: +62 411 3610434

### **Serpong**

Sutera Niaga 3 Blok C No. 11  
Jalan Raya Serpong  
Tangerang 15325  
Tel: +62 21 53122468  
Fax: +62 21 53122431

### **Cirebon**

Komplek Ruko Pulasaren  
Jalan Pulasaren Raya No. C-5  
Cirebon 45116  
Tel: +62 231 207784, 234054  
Fax: +62 231 207784

### **Pekanbaru**

Jalan KH. Hasyim Ashari 16  
Pekanbaru 28113  
Tel: +62 761 32708  
Fax: +62 761 31427

## Group Network

### BRUNEI

#### **The Great Eastern Life Assurance Company Limited**

Unit 17/18, Block B  
Bangunan Habza  
Spg 150, Kpg. Kiarong  
Bandar Seri Begawan BE1318  
Negara Brunei Darussalam  
Tel: +673 223 3118  
Fax: +673 223 8118  
Website: [www.greateasternlife.com/bn](http://www.greateasternlife.com/bn)  
E-mail: [wecare-bn@greateasternlife.com](mailto:wecare-bn@greateasternlife.com)

#### **Lion Global Investors Limited**

Unit 3A, Level 5  
Retail Arcade  
The Empire Hotel & Country Club  
Jerudong BG3122  
Negara Brunei Darussalam  
Tel: +673 261 0925/6  
Fax: +673 261 1823

### CHINA

#### **The Great Eastern Life Assurance Company Limited**

(Beijing Representative Office)  
Room 901  
China Garments Mansion  
No. 99 Jianguo Rd  
Beijing 100020  
People's Republic of China  
Tel: +8610 6581 5501  
Fax: +8610 6583 8727

### MYANMAR

#### **The Great Eastern Life Assurance Company Limited Great Eastern General Insurance Limited**

(Myanmar Representative Office)  
Suite No #06-05A  
Level 6, Junction City Tower  
No. 3/A, Corner of Bogyoke Aung San Road and 27th Street  
Pabedan Township, Yangon  
The Republic of the Union of Myanmar  
Tel: +95 9254054093

# Notice of Annual General Meeting

## GREAT EASTERN HOLDINGS LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)  
(COMPANY REGISTRATION NO. 199903008M)

NOTICE IS HEREBY GIVEN that the Twenty-Fifth Annual General Meeting (“AGM”) of Great Eastern Holdings Limited (the “Company”) will be held at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Thursday, 25 April 2024 at 3.00 p.m. to transact the following business:

### AS ORDINARY BUSINESS

- 1 To receive and adopt the Directors’ Statement and the audited Financial Statements for the financial year ended 31 December 2023 and the Auditor’s Report thereon.
- 2 To approve a final one-tier tax exempt dividend of 40 cents per ordinary share in respect of the financial year ended 31 December 2023.
- 3(a) To re-elect Mr Ng Chee Peng, a Director who is retiring by rotation under Article 97 of the Company’s Constitution and who, being eligible, offers himself for re-election.

*Mr Lee Khai Fatt, Kyle will also be retiring by rotation under Article 97 of the Company’s Constitution at the AGM but will not be offering himself for re-election.*

- 3(b) To re-elect the following Directors, who are retiring under Article 103 of the Company’s Constitution and who, being eligible, offer themselves for re-election:-
  - (i) Mr Lee Kok Keng Andrew
  - (ii) Mr George Lee Lap Wah
  - (iii) Mr Tam Chee Chong
  - (iv) Dr Chong Yoke Sin
  - (v) Dr Lim Kuo Yi

- 4 To approve Directors’ fees of S\$2,870,000 for the financial year ended 31 December 2023 (2022: S\$2,457,000).
- 5 To re-appoint PricewaterhouseCoopers LLP as the Auditor of the Company and to authorise the Directors to fix its remuneration.

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions, which will be proposed as Ordinary Resolutions:

- 6 That authority be and is hereby given to the Directors of the Company to:
  - (a)
    - (i) issue shares of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
    - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and
  - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

## Notice of Annual General Meeting

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of ordinary shares to be issued other than on a *pro rata* basis to shareholders of the Company (including ordinary shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the Singapore Exchange Securities Trading Limited (the "SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue, consolidation or subdivision of shares,and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning given to it in the listing manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

7 That authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of shares as may be required to be allotted and issued pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme.

By Order of the Board

**JENNIFER WONG PAKSHONG**  
Company Secretary

Singapore  
3 April 2024

# Notice of Annual General Meeting

## EXPLANATORY NOTES

### Resolution 3(a)

Resolution 3(a) is to re-elect Mr Ng Chee Peng, a Director who is retiring by rotation under Article 97 of the Company's Constitution.

Mr Ng Chee Peng will, upon re-election, continue to serve as Chairman of the GEH Group Sustainability Council and a Member of the Audit Committee.

Please refer to the "Board of Directors" section and the "Board Composition and Independence" section in the Corporate Governance Report in the Company's Annual Report for the financial year ended 31 December 2023 ("FY2023 Annual Report") for information on Mr Ng Chee Peng (including information as set out in Appendix 7.4.1 of the listing manual of the SGX-ST).

### Resolutions 3(b)(i), (ii), (iii), (iv) and (v)

Resolutions 3(b)(i), (ii), (iii), (iv) and (v) are to re-elect Directors who are retiring under Article 103 of the Company's Constitution.

Mr Lee Kok Keng Andrew will, upon re-election, continue to serve as a Member of the Nominating Committee.

Mr George Lee Lap Wah will, upon re-election, continue to serve as Chairman of the Risk Management Committee and a Member of the Executive Committee.

Mr Tam Chee Chong will, upon re-election, continue to serve as Chairman of the Audit Committee.

Dr Chong Yoke Sin will, upon re-election, continue to serve as a Member of the Audit Committee.

Please refer to the "Board of Directors" section and the "Board Composition and Independence" section in the Corporate Governance Report in the FY2023 Annual Report for information on these Directors (including information as set out in Appendix 7.4.1 of the listing manual of the SGX-ST).

### Resolution 4

Resolution 4 is to approve the payment of Directors' fees of S\$2,870,000 for the financial year ended 31 December 2023 ("FY2023") (2022: S\$2,457,000). The increase in Directors' fees for FY2023 is mainly attributable to the increase in the retainer fees for the Chairman and non-executive directors ("NEDs"), and the increase in the number of meetings held during FY2023.

Willis Towers Watson Consulting (Singapore) Pte Ltd ("WTW"), an independent remuneration consultant, was engaged to perform a review of the fee structure for the NEDs based on the latest board remuneration market data available. Based on recommendations from WTW, a revised fee structure for the NEDs was endorsed by the Remuneration Committee and approved by the Board to be applied to the calculation of the fees for FY2023. The proposed changes to the fee structure took into consideration the following factors:

- (i) There had been no change to the fee structure for the NEDs since the financial year ended 31 December 2011, notwithstanding that the scale and complexity of the Group's businesses had increased considerably along with the stringent regulatory requirements and fiduciary oversight required of the Directors.
- (ii) The revised fee structure would allow the Company to fairly compensate its NEDs, taking into consideration their skills, contributions, time commitment and responsibilities which their roles entail.

Please refer to the "Remuneration of non-executive Directors" section in the Corporate Governance Report in the FY2023 Annual Report for more information on the revised fee structure.

# Notice of Annual General Meeting

## Resolution 6

Resolution 6 is to authorise the Directors of the Company from the date of the AGM until the next annual general meeting to issue shares of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 50% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings), with a sub-limit of 10% for issues other than on a *pro rata* basis to shareholders of the Company.

For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) at the time this proposed Ordinary Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this proposed Ordinary Resolution is passed, and (b) any subsequent bonus issue, consolidation or subdivision of shares. For the avoidance of doubt, any consolidation or subdivision of shares of the Company will require shareholders' approval. The Directors will only issue shares and instruments under this Resolution if they consider it necessary and in the interests of the Company. As at 5 March 2024, the Company had no treasury shares and no subsidiary holdings.

## Resolution 7

Resolution 7 is to authorise the Directors of the Company to issue shares pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme to members who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.

### Notes:

#### Format of Meeting

- The AGM will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Thursday, 25 April 2024 at 3.00 p.m. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for shareholders to participate virtually.**

Printed copies of this Notice and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company's website at the URL <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

#### Appointment of Proxy(ies)

- A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
  - A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

'Relevant intermediary' has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.
- A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
- The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
  - if submitted electronically, be submitted via email to the Company at [GEH\\_AGM@greateasternlife.com](mailto:GEH_AGM@greateasternlife.com), and in each case, must be deposited or received (as the case may be) by **3.00 p.m. on 22 April 2024**, being 72 hours before the time appointed for holding the AGM.
- CPF and SRS investors may:
  - vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 15 April 2024.



# Notice of Annual General Meeting

## Submission of Questions

6. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM:

(a) via email to the Company at [GEH\\_AGM@greateasternlife.com](mailto:GEH_AGM@greateasternlife.com); or

(b) by post to the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659.

When submitting questions via email or by post, shareholders should also provide the following details: (i) the shareholder's full name (as per NRIC/passport); (ii) the shareholder's correspondence address; and (iii) the manner in which the shareholder holds shares in the Company (e.g. via CDP, CPF, SRS and/or scrip), for verification purposes.

All questions submitted in advance must be received by 12 April 2024.

7. The Company will address all substantial and relevant questions received from shareholders by the 12 April 2024 deadline by publishing its responses to such questions on the Company's website at the URL <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions received after the 12 April 2024 deadline either within a reasonable timeframe before the AGM, or at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

8. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

## Access to FY2023 Annual Report

9. The FY2023 Annual Report may be accessed at the Company's website at the URL <https://www.greateasternlife.com/sg/en/about-us/investor-relations/annual-reports.html> by clicking on the icon for the FY2023 Annual Report. The FY2023 Annual Report may also be accessed at the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. A member who wishes to request for a printed copy of the FY2023 Annual Report may do so by completing and submitting the request form sent to the member by post together with printed copies of this Notice and the accompanying proxy form by 15 April 2024.

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## RECORD DATE AND PAYMENT DATE FOR FINAL DIVIDEND

The Share Transfer Books and the Register of Members of the Company will be closed from 5.00 p.m. on 2 May 2024 up to (and including) 3 May 2024 for the purpose of determining members' entitlements to the final one-tier tax exempt dividend for the financial year ended 31 December 2023 (the "FY2023 Final Dividend") of 40 cents for every ordinary share held, subject to the approval of members to the FY2023 Final Dividend at the Annual General Meeting of the Company to be held on 25 April 2024.

Duly completed registrable transfers of ordinary shares received by the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 2 May 2024 will be registered before entitlements to the FY2023 Final Dividend are determined. Subject to the aforesaid, members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 2 May 2024 will rank for the FY2023 Final Dividend.

The FY2023 Final Dividend, if approved by members, will be paid on 17 May 2024.

**IMPORTANT:****Arrangements for Twenty-Fifth Annual General Meeting ("AGM")**

- The AGM of Great Eastern Holdings Limited (the "Company") will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Thursday, 25 April 2024 at 3.00 p.m. **There will be no option for shareholders to participate virtually.**
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).

**CPF and SRS Investors**

- This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF and SRS investors.
- CPF and SRS investors may:
  - vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 15 April 2024.

**Personal Data**

- By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 3 April 2024.

# Proxy Form

## ANNUAL GENERAL MEETING

**GREAT EASTERN HOLDINGS LIMITED**  
 (INCORPORATED IN THE REPUBLIC OF SINGAPORE)  
 (COMPANY REGISTRATION NO. 199903008M)

I/We, \_\_\_\_\_

NRIC/Passport/Company Registration No.: \_\_\_\_\_

of \_\_\_\_\_

being a member/members of Great Eastern Holdings Limited (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)

and/or (delete as appropriate)

--	--	--	--	--

or, failing whom, the Chairman of the Meeting as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Twenty-Fifth Annual General Meeting of the Company ("AGM") to be held at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659, on Thursday, 25 April 2024 at 3.00 p.m. and at any adjournment thereof.

I/We have indicated with an "X" or with the number of shares in the appropriate box against each item below how I/we wish my/our proxy/proxies to vote, or to abstain from voting.

No.	Ordinary Resolutions	For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	Adoption of Directors' Statement, 2023 audited Financial Statements and Auditor's Report			
2	Approval of a final one-tier tax exempt dividend of 40 cents per ordinary share			
3(a)	Re-election of Mr Ng Chee Peng			
3(b)(i)	Re-election of Mr Lee Kok Keng Andrew			
3(b)(ii)	Re-election of Mr George Lee Lap Wah			
3(b)(iii)	Re-election of Mr Tam Chee Chong			
3(b)(iv)	Re-election of Dr Chong Yoke Sin			
3(b)(v)	Re-election of Dr Lim Kuo Yi			
4	Approval of Directors' fees of S\$2,870,000			
5	Re-appointment of PricewaterhouseCoopers LLP as Auditor and authorisation for Directors to fix their remuneration			
<b>SPECIAL BUSINESS</b>				
6	Authority for Directors to allot and issue shares and make or grant instruments convertible into shares			
7	Authority for Directors to allot and issue shares pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme			

**Note:** Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/proxies is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
 Signature(s) of Member(s) or Common Seal

**Total Number of Shares Held**

**IMPORTANT: PLEASE READ NOTES OVERLEAF.**

**NOTES:**

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

2. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
  - (b) if submitted electronically, be submitted via email to the Company at [GEH\\_AGM@greatasteasternlife.com](mailto:GEH_AGM@greatasteasternlife.com),and in each case, must be deposited or received (as the case may be), by **3.00 p.m. on 22 April 2024**, being 72 hours before the time appointed for holding the AGM.
3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

1<sup>st</sup> fold here

4. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.
5. Completion and submission of the instrument appointing a proxy(ies) does not preclude a member from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
6. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of a director or an officer or attorney duly authorised.
7. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.
9. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

2<sup>nd</sup> fold here

**Proxy Form  
Annual Report 2023**

**BUSINESS REPLY SERVICE  
PERMIT NO. 01008**



**THE COMPANY SECRETARY**  
Great Eastern Holdings Limited  
c/o The Great Eastern Life Assurance Company Limited  
1 Pickering Street  
#01-01 Great Eastern Centre  
Singapore 048659

Postage  
will be paid by  
addressee.  
For posting in  
Singapore only.

3<sup>rd</sup> fold and glue overleaf. Do not staple.

3<sup>rd</sup> fold and glue overleaf. Do not staple.

3<sup>rd</sup> fold and glue overleaf. Do not staple.

# CORPORATE INFORMATION

As at 1 March 2024

## BOARD OF DIRECTORS

Soon Tit Koon, Chairman  
Chong Yoke Sin  
Lee Fook Sun  
Kyle Lee  
Andrew Lee  
George Lee  
Lim Kuo Yi  
Ng Chee Peng  
Tam Chee Chong  
Teoh Lian Ee  
Helen Wong

## AUDIT COMMITTEE

Tam Chee Chong, Chairman  
Chong Yoke Sin  
Kyle Lee  
Ng Chee Peng  
Teoh Lian Ee

## EXECUTIVE COMMITTEE

Soon Tit Koon, Chairman  
Lee Fook Sun  
Kyle Lee  
George Lee  
Helen Wong

## NOMINATING COMMITTEE

Lee Fook Sun, Chairman  
Kyle Lee  
Andrew Lee  
Soon Tit Koon  
Helen Wong

## REMUNERATION COMMITTEE

Lee Fook Sun, Chairman  
Soon Tit Koon  
Helen Wong

## RISK MANAGEMENT COMMITTEE

George Lee, Chairman  
Soon Tit Koon  
Helen Wong

## GEH GROUP SUSTAINABILITY COUNCIL

Ng Chee Peng, Chairman  
Lee Boon Ngiap  
Leo Mun Wai  
Teoh Lian Ee

## GROUP CHIEF EXECUTIVE OFFICER

Khor Hock Seng

## GROUP COMPANY SECRETARY

Jennifer Wong Pakshong

## REGISTERED OFFICE

1 Pickering Street  
#16-01 Great Eastern Centre  
Singapore 048659  
Telephone: (65) 6248 2000  
Facsimile: (65) 6438 3889  
Website: [www.greateasternlife.com](http://www.greateasternlife.com)  
Email: [wecare-sg@greateasternlife.com](mailto:wecare-sg@greateasternlife.com)

## SHARE REGISTRAR

M & C Services Private Limited\*  
112 Robinson Road #05-01  
Singapore 068902  
Telephone: (65) 6228 0505

## AUDITOR

PricewaterhouseCoopers LLP  
7 Straits View  
Marina One East Tower, Level 12  
Singapore 018936  
Partner In Charge:  
Koopmans Hans Bernardus  
(since financial year 2020)

\* Boardroom Corporate & Advisory Services Pte. Ltd. ("Boardroom") has been appointed as the Company's Share Registrar, in place of M & C Services Private Limited, with effect from 15 March 2024. Boardroom's address is located at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. The general line for Boardroom is (65) 6536 5355.



This annual report has been produced by a printer certified according to the standards from the Forest Stewardship Council® (FSC®), and has been printed on environmentally-friendly paper in accordance to the FSC® standard.



GREAT EASTERN HOLDINGS LIMITED  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 199903008M)

1 Pickering Street #01-01  
Great Eastern Centre  
Singapore 048659  
Tel: +65 6248 2888  
Website: [www.greasternlife.com](http://www.greasternlife.com)  
E-mail: [wecare-sg@greasternlife.com](mailto:wecare-sg@greasternlife.com)