United Overseas Bank Limited
(Incorporated in Singapore)
and Its Subsidiaries
31 December 2024

Financial Report

Directors' Statement

for the financial year ended 31 December 2024

The directors are pleased to present their statement to the members together with the audited financial statements of United Overseas Bank Limited (the Bank) and its subsidiaries (collectively, the Group) for the financial year ended 31 December 2024.

In the opinion of the directors,

(a) the accompanying balance sheets, income statements, statements of comprehensive income, statements of changes in equity and consolidated cash flow statement together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2024, the results of the business and changes in equity of the Bank and the Group and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

Directors

The directors of the Bank in office are:

Wong Kan Seng *(Chairman)*
Wee Ee Cheong *(Deputy Chairman and Chief Executive Officer)*
Michael Lien Jown Leam
Wee Ee Lim
Steven Phan Swee Kim
Chia Tai Tee
Tracey Woon Kim Hong
Dinh Ba Thanh
Teo Lay Lim
Ong Chong Tee

Arrangements to Enable Directors to Acquire Shares or Debentures

The UOB Share Plan (previously known as the UOB Restricted Share Plan) (Plan) commenced on 7 August 2007 and was initially set to expire on 6 August 2017. On 21 April 2016 at the Bank's Annual General Meeting (AGM), shareholders approved the extension of the expiry to 6 August 2027. At the Bank's AGM on 21 April 2022, shareholders approved amendments to the Rules of the Plan. This included an amendment to allow non-executive directors to participate in the Plan such that grants of fully paid shares could be made to eligible non-executive directors as part payment of their directors' fees in lieu of cash. The Plan only allows for the delivery of shares which are held by the Bank as treasury shares and does not involve the issuance of new shares.

Other than as disclosed in this Directors' Statement, neither at the end of nor at any time during the financial year was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares or debentures of the Bank or any other body corporate.

Directors' Interests in Shares or Debentures

The following directors, who held office at the end of the financial year, had interests in shares and debentures of the Bank or its related corporations as stated below:

	Direct interest		Deemed interest	
	At 31.12.2024	At 1.1.2024 or date of appointment	At 31.12.2024	At 1.1.2024 or date of appointment
The Bank				
Ordinary shares				
Wong Kan Seng	**63,100**	49,000	**1,970**	1,970
Wee Ee Cheong	**5,668,929**	3,281,455	**173,701,487**	173,701,487
Wee Ee Lim	**4,119,377**	1,831,903	**173,280,943**	173,280,943
Steven Phan Swee Kim	**–**	–	**11,500**	7,500
Chia Tai Tee	**9,300**	5,900	**–**	–
Tracey Woon Kim Hong	**7,600**	4,400	**–**	–
Dinh Ba Thanh	**2,400**	1,300	**–**	–
Teo Lay Lim	**4,500**	2,000	**1,263**	1,263
Ong Chong Tee	**2,500**	–	**–**	–
3.58% perpetual capital securities				
Wong Kan Seng	**$1,000,000**	$1,000,000	**–**	–
4.25% perpetual capital securities				
Chia Tai Tee	**$500,000**	$500,000	**–**	–
United Overseas Insurance Limited				
Ordinary shares				
Wee Ee Cheong	**4,762**	–	**–**	–
Wee Ee Lim	**4,762**	–	**–**	–

There was no change in any of the above interests between the end of the financial year and 21 January 2025.

Audit Committee

The Audit Committee comprises five members, all of whom are independent directors. The members of the Audit Committee are:

Steven Phan Swee Kim *(Chairman)*
Wong Kan Seng *(appointed on 1 March 2024)*
Chia Tai Tee
Tracey Woon Kim Hong
Ong Chong Tee *(appointed on 1 September 2024)*

The Audit Committee has reviewed the financial statements, the internal and external audit plans and audit reports, the external auditor's evaluation of the system of internal accounting controls, the scope and results of the internal and external audit procedures, the adequacy of internal audit resources, the cost effectiveness, independence and objectivity of the external auditor and the significant findings of internal audit investigations. The reviews were made with the internal and external auditors, the Chief Financial Officer and/or other senior management staff, as appropriate.

Directors' Statement

for the financial year ended 31 December 2024

Auditor

The Audit Committee has nominated Ernst & Young LLP for reappointment as auditor of the Bank and Ernst & Young LLP has expressed its willingness to be reappointed.

On behalf of the Board of Directors,

Wong Kan Seng
Chairman

Wee Ee Cheong
Deputy Chairman and Chief Executive Officer

Singapore
18 February 2025

Independent Auditor's Report

for the financial year ended 31 December 2024

To the Shareholders of United Overseas Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Overseas Bank Limited (the Bank) and its subsidiaries (collectively, the Group), set out on pages 129 to 222, which comprise the balance sheets of the Bank and the Group as at 31 December 2024, the income statements, the statements of comprehensive income, and the statements of changes in equity of the Bank and the Group and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Bank, are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and of the financial performance and changes in equity of the Bank for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent Auditor's Report

for the financial year ended 31 December 2024

<table>
<tr><th>Areas of focus</th><th>How our audit addressed the risk factors</th></tr>
<tr><td>
Expected credit losses
Refer to Notes 2(d)(vi), 3(i), 12, 21(b), 24, 25, 27(b), 28(d), 30(b) and 31 to the consolidated financial statements.

The Group applies SFRS(I) 9: Financial Instruments requirements to calculate the expected credit loss (ECL) for its credit exposures. The credit exposures are categorised into non-impaired credit exposures and impaired credit exposures.

a) <u>Non-impaired credit exposures</u>

The ECL calculation for non-impaired credit exposures involves significant judgements and estimates. Areas we have identified which have greater levels of management judgement are:

• the economic scenarios used, and the probability weightages applied to them to measure ECLs on a forward-looking basis, reflecting management's view of potential future economic scenarios;

• the significant increase in credit risk (SICR) criteria;

• the model assumptions; and

• the adjustments to the model-driven ECL results to address model limitations or emerging trends.
</td><td>
a) <u>Non-impaired credit exposures</u>

We assessed the design and evaluated the operating effectiveness of the key controls over the Group's ECL on non-impaired credit exposures computation processes with a focus on:

• the completeness and accuracy of the data inputs into the ECL calculation system;

• the validation of models;

• the selection and implementation of economic scenarios and probabilities;

• the staging of credit exposures based on the Group's SICR criteria and early warning indicators; and

• the governance over post-model adjustments.

We involved our internal modelling specialists to assist us in performing the following procedures on a sampling basis:

• independently reviewed the appropriateness of ECL model methodologies;

• assessed the reasonableness of the probabilities of default (PD), loss given default (LGD) and exposure at default (EAD) models by performing sensitivity analyses, benchmarking or back-testing; and

• reviewed the Group's assessment of its SICR criteria.

We also reviewed the Group's approach for the selection of economic scenario to assess the reasonableness of the economic scenarios and corresponding weightages applied by the Group, as well as inspected the Group's SFRS(I) 9 Working Group decisions to assess the appropriateness of management's rationale over the post-model adjustments and performed a recalculation, where applicable.
</td></tr>
</table>

Areas of focus	How our audit addressed the risk factors
b) Impaired credit exposures As at 31 December 2024, the Stage 3 ECL for impaired credit exposures of the Group was $1,567 million, out of which 69% pertained to the Group Wholesale Banking (GWB) portfolio. We focused on the Stage 3 ECL for the GWB portfolio as the identification and estimation of impairment within this portfolio can be inherently subjective and requires significant judgements.	*b) Impaired credit exposures* We assessed the design and evaluated the operating effectiveness of the key controls over the Stage 3 ECL estimation process for the GWB portfolio. These controls included: • collateral valuation and monitoring; • identification of impairment indicators; and • MAS Notice 612 credit grading. We considered the magnitude of the credit exposures, macroeconomic factors and industry trends in our audit sampling to focus on customers that were assessed to be of higher risk and for our selected sample of impaired loans, we performed the following procedures: • assessed management's forecast of recoverable cash flows, including the basis for the amounts and timing of recoveries. Where possible, we compared key assumptions to external evidence, e.g. independent valuation reports of the collaterals; considered and corroborated the borrowers' latest developments through adverse news search and/or publicly available information; • checked that underlying data was accurate by agreeing to source documents such as loan agreements; and • assessed the reasonableness and tested the calculation of the Stage 3 ECL. Overall, the results of our evaluation of the Group's ECL were within a reasonable range of expectations.

Independent Auditor's Report

for the financial year ended 31 December 2024

Areas of focus	How our audit addressed the risk factors
Valuation of illiquid or complex financial instruments *Refer to Notes 2(d)(ii), 3(ii) and 19(b) to the consolidated financial statements.* At 31 December 2024, 4% ($5 billion) of the Group's total financial instruments that were carried at fair value were classified as Level 3. The Level 3 instruments mainly comprised unquoted equity investments and funds, callable interest rate swaps and debt securities. We focused on the financial instruments that are measured at fair value using valuation techniques based on inputs which involve a higher degree of complexity and estimates made by management. The determination of certain Level 3 prices is considerably more subjective as it may require the exercise of judgement by management or the use of complex models and assumptions given the lack of availability of market-based data.	We assessed the design and evaluated the operating effectiveness of the key controls over the Group's Level 3 financial instruments valuation processes. These controls included: • model validation and approval; • observability, completeness and accuracy of pricing inputs; • independent price verification, including stale price checks; and • monitoring of collateral disputes. In addition, with the assistance of our internal valuation specialists, we assessed the reasonableness of the valuation methodologies, assumptions and inputs used by management for a sample of financial instruments with significant unobservable inputs. The results of our assessment of the Group's valuation of illiquid or complex financial instruments were within the range of expected outcomes.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (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 (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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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.

Independent Auditor's Report

for the financial year ended 31 December 2024

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Woo Siew Wah.

ERNST & YOUNG LLP
Public Accountants and Chartered Accountants
Singapore

18 February 2025

Income Statements

for the financial year ended 31 December 2024

		The Group		The Bank	
In $ millions	Note	**2024**	2023	**2024**	2023
Interest income	4	**23,259**	22,242	**18,634**	17,740
Less: Interest expense	5	**13,585**	12,563	**11,815**	10,907
Net interest income		**9,674**	9,679	**6,819**	6,833
Net fee and commission income	6	**2,395**	2,235	**1,679**	1,525
Rental income		**101**	99	**74**	73
Net trading income	7	**1,689**	1,607	**1,231**	1,210
Net gain from investment securities	8	**314**	133	**260**	10
Other income	9	**121**	179	**1,387**	500
Non-interest income		**4,620**	4,253	**4,631**	3,318
Total operating income		**14,294**	13,932	**11,450**	10,151
Less: Staff costs	10	**3,699**	3,553	**2,310**	2,267
Other operating expenses	11	**2,611**	2,664	**1,689**	1,633
Total operating expenses		**6,310**	6,217	**3,999**	3,900
Operating profit before allowance and amortisation		**7,984**	7,715	**7,451**	6,251
Less: Amortisation of intangible assets	37	**28**	24	**–**	–
Allowance for credit and other losses	12	**926**	921	**383**	362
Operating profit after allowance and amortisation		**7,030**	6,770	**7,068**	5,889
Share of profit of associates and joint ventures		**121**	93	**–**	–
Profit before tax		**7,151**	6,863	**7,068**	5,889
Less: Tax	13	**1,092**	1,138	**875**	912
Profit for the financial year		**6,059**	5,725	**6,193**	4,977
Attributable to:					
Equity holders of the Bank		**6,045**	5,711	**6,193**	4,977
Non-controlling interests		**14**	14	**–**	–
		6,059	5,725	**6,193**	4,977
Earnings per share ($)	14				
Basic		**3.56**	3.34		
Diluted		**3.54**	3.33		

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

Statements of Comprehensive Income

for the financial year ended 31 December 2024

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Profit for the financial year	**6,059**	5,725	**6,193**	4,977
Other comprehensive income that will not be reclassified to income statement				
Net gain/(loss) on equity instruments at fair value through other comprehensive income	**23**	(165)	**21**	(194)
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	**5**	(14)	**4**	(15)
Remeasurement of defined benefit obligation	**(6)**	(3)	**#**	#
Related tax on items at fair value through other comprehensive income	**1**	#	**(1)**	3
	23	(182)	**24**	(206)
Other comprehensive income that may be subsequently reclassified to income statement				
Currency translation adjustments	**264**	(380)	**(44)**	9
Net gain/(loss) on debt instruments classified at fair value through other comprehensive income and cash flow hedge:				
Net valuation taken to equity	**508**	730	**315**	558
Transferred to income statement	**(293)**	(78)	**(226)**	(29)
Change in allowance for expected credit losses	**1**	15	**7**	12
Related tax	**(32)**	(41)	**(7)**	(15)
	448	246	**45**	535
Change in share of other comprehensive income of associates and joint ventures	**4**	(19)	**–**	–
Other comprehensive income for the financial year, net of tax	**475**	45	**69**	329
Total comprehensive income for the financial year, net of tax	**6,534**	5,770	**6,262**	5,306
Attributable to:				
Equity holders of the Bank	**6,515**	5,753	**6,262**	5,306
Non-controlling interests	**19**	17	**–**	–
	6,534	5,770	**6,262**	5,306

Amount less than $500,000

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

Balance Sheets

as at 31 December 2024

		The Group		The Bank	
In $ millions	Note	**2024**	2023	**2024**	2023
Equity					
Share capital and other capital	15	**7,709**	7,752	**7,709**	7,752
Retained earnings	16	**34,834**	31,800	**26,561**	23,363
Other reserves	17	**7,190**	6,674	**8,528**	8,429
Equity attributable to equity holders of the Bank		**49,733**	46,226	**42,798**	39,544
Non-controlling interests		**224**	242	**–**	–
Total equity		**49,957**	46,468	**42,798**	39,544
Liabilities					
Deposits and balances of:					
Banks		**19,735**	32,371	**16,047**	27,385
Customers	20	**403,978**	385,469	**314,153**	303,300
Subsidiaries		**–**	–	**20,606**	13,590
Bills and drafts payable		**665**	900	**562**	702
Derivative financial liabilities	40	**12,514**	11,768	**10,178**	10,433
Other liabilities	21	**8,377**	8,842	**6,481**	6,570
Tax payable		**751**	909	**681**	825
Deferred tax liabilities	22	**320**	513	**303**	284
Debts issued	23	**41,367**	36,280	**39,316**	34,146
Total liabilities		**487,707**	477,052	**408,327**	397,235
Total equity and liabilities		**537,664**	523,520	**451,125**	436,779
Assets					
Cash, balances and placements with central banks	24	**38,577**	52,350	**33,690**	46,044
Singapore government treasury bills and securities		**13,281**	13,322	**13,260**	13,322
Other government treasury bills and securities	25	**33,570**	24,958	**17,790**	11,144
Trading securities	26	**3,792**	4,260	**2,377**	2,913
Placements and balances with banks	27	**37,432**	35,093	**29,698**	27,230
Loans to customers	28	**333,930**	317,005	**258,570**	246,336
Placements with and advances to subsidiaries		**–**	–	**22,637**	17,765
Derivative financial assets	40	**12,132**	9,707	**10,090**	8,412
Investment securities	30	**44,680**	46,533	**41,905**	43,043
Other assets	31	**8,480**	8,782	**5,855**	6,419
Deferred tax assets	22	**657**	752	**239**	154
Investment in associates and joint ventures	32	**1,302**	1,266	**301**	308
Investment in subsidiaries	33	**–**	–	**8,067**	6,980
Investment properties	35	**683**	726	**550**	804
Fixed assets	36	**4,169**	3,782	**2,914**	2,723
Intangible assets	37	**4,979**	4,984	**3,182**	3,182
Total assets		**537,664**	523,520	**451,125**	436,779

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

Statements of Changes in Equity

for the financial year ended 31 December 2024

	The Group					
	Attributable to equity holders of the Bank					
In $ millions	Share capital and other capital	Retained earnings	Other reserves	Total	Non-controlling interests	Total equity
2024						
Balance at 1 January	**7,752**	**31,800**	**6,674**	**46,226**	**242**	**46,468**
Profit for the financial year	**–**	**6,045**	**–**	**6,045**	**14**	**6,059**
Other comprehensive income for the financial year	**–**	**(12)**	**482**	**470**	**5**	**475**
Total comprehensive income for the financial year	**–**	**6,033**	**482**	**6,515**	**19**	**6,534**
Transfers	**–**	**(9)**	**9**	**–**	**–**	**–**
Change in non-controlling interests	**–**	**–**	**–**	**–**	**(30)**	**(30)**
Dividends	**–**	**(2,990)**	**–**	**(2,990)**	**(7)**	**(2,997)**
Shares re-purchased – held in treasury	**(102)**	**–**	**–**	**(102)**	**–**	**(102)**
Share-based compensation	**–**	**–**	**83**	**83**	**–**	**83**
Shares issued under share-based compensation plan	**59**	**–**	**(58)**	**1**	**–**	**1**
Balance at 31 December	**7,709**	**34,834**	**7,190**	**49,733**	**224**	**49,957**
2023						
Balance at 1 January	7,855	28,925	6,586	43,366	240	43,606
Profit for the financial year	–	5,711	–	5,711	14	5,725
Other comprehensive income for the financial year	–	(24)	66	42	3	45
Total comprehensive income for the financial year	–	5,687	66	5,753	17	5,770
Transfers	–	(28)	28	–	–	–
Change in non-controlling interests	–	–	–	–	(5)	(5)
Dividends	–	(2,783)	–	(2,783)	(10)	(2,793)
Shares re-purchased – held in treasury	(145)	–	–	(145)	–	(145)
Share-based compensation	–	–	64	64	–	64
Shares issued under share-based compensation plan	71	–	(70)	1	–	1
Perpetual capital securities issued	850	–	–	850	–	850
Redemption of perpetual capital securities	(879)	(1)	–	(880)	–	(880)
Balance at 31 December	7,752	31,800	6,674	46,226	242	46,468
Note	15	16	17			

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

In $ millions		The Bank Share capital and other capital	Retained earnings	Other reserves	Total equity
2024					
Balance at 1 January		**7,752**	**23,363**	**8,429**	**39,544**
Profit for the financial year		**–**	**6,193**	**–**	**6,193**
Other comprehensive income for the financial year		**–**	**(7)**	**76**	**69**
Total comprehensive income for the financial year		**–**	**6,186**	**76**	**6,262**
Transfers		**–**	**2**	**(2)**	**–**
Dividends		**–**	**(2,990)**	**–**	**(2,990)**
Shares re-purchased – held in treasury		**(102)**	**–**	**–**	**(102)**
Share-based compensation		**–**	**–**	**83**	**83**
Shares issued under share-based compensation plan		**59**	**–**	**(58)**	**1**
Balance at 31 December		**7,709**	**26,561**	**8,528**	**42,798**
2023					
Balance at 1 January		7,855	21,192	8,084	37,131
Profit for the financial year		–	4,977	–	4,977
Other comprehensive income for the financial year		–	(22)	351	329
Total comprehensive income for the financial year		–	4,955	351	5,306
Dividends		–	(2,783)	–	(2,783)
Shares re-purchased – held in treasury		(145)	–	–	(145)
Share-based compensation		–	–	64	64
Shares issued under share-based compensation plan		71	–	(70)	1
Perpetual capital securities issued		850	–	–	850
Redemption of perpetual capital securities		(879)	(1)	–	(880)
Balance at 31 December		7,752	23,363	8,429	39,544
	Note	15	16	17	

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

Consolidated Cash Flow Statement

for the financial year ended 31 December 2024

In $ millions	2024	2023
Cash flows from operating activities		
Profit for the financial year	**6,059**	5,725
Adjustments for:		
Allowance for credit and other losses	**926**	921
Amortisation of intangible assets	**28**	24
Fair value change in other debts issued	**(148)**	23
Share of profit of associates and joint ventures	**(121)**	(93)
Tax	**1,092**	1,138
Depreciation of assets	**647**	597
Net gain on disposal of assets	**(591)**	(895)
Share-based compensation	**83**	64
Operating profit before working capital changes	**7,975**	7,504
Change in working capital:		
Deposits and balances of banks	**(12,521)**	8,143
Deposits and balances of customers	**15,709**	18,812
Bills and drafts payable	**(239)**	118
Other liabilities	**243**	(2,889)
Restricted balances with central banks	**(111)**	(520)
Government treasury bills and securities	**(7,787)**	(6,901)
Trading securities	**708**	1,022
Placements and balances with banks	**(2,141)**	(48)
Loans to customers	**(15,064)**	(4,994)
Investment securities	**1,835**	(11,289)
Other assets	**(2,107)**	2,887
Cash (used in)/generated from operations	**(13,500)**	11,845
Income tax paid	**(1,349)**	(1,079)
Net cash (used in)/provided by operating activities	**(14,849)**	10,766
Cash flows from investing activities		
Capital injection into associates and joint ventures	**(5)**	–
Distribution from associates and joint ventures	**69**	45
Net proceeds from acquisition of consumer business	**–**	148
Purchase of properties and other fixed assets	**(867)**	(872)
Disposal of properties and other fixed assets	**32**	34
Net cash used in investing activities	**(771)**	(645)
Cash flows from financing activities		
Perpetual capital securities issued	**–**	850
Redemption of perpetual capital securities	**–**	(890)
Issuance of debts issued (Note 23)	**36,256**	33,415
Redemption of debts issued (Note 23)	**(31,861)**	(37,999)
Shares re-purchased – held in treasury	**(102)**	(145)
Change in non-controlling interests	**(30)**	(5)
Dividends paid on ordinary shares	**(2,896)**	(2,681)
Distribution on perpetual capital securities	**(108)**	(118)
Dividends paid to non-controlling interests	**(7)**	(10)
Lease payments	**(125)**	(104)
Net cash provided by/(used in) financing activities	**1,127**	(7,687)
Currency translation adjustments	**567**	32
Net (decrease)/increase in cash and cash equivalents	**(13,926)**	2,466
Cash and cash equivalents at beginning of the financial year	**45,731**	43,265
Cash and cash equivalents at end of the financial year (Note 24)	**31,805**	45,731

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

Notes to the Financial Statements

for the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate Information

United Overseas Bank Limited (the Bank) is a limited liability company incorporated and domiciled in Singapore and listed on the Singapore Exchange. The registered office of the Bank is at 80 Raffles Place, UOB Plaza, Singapore 048624.

The Bank is principally engaged in the business of banking in all its aspects. The principal activities of its major subsidiaries are set out in Note 33 to the financial statements.

2. Summary of Material Accounting Policies

(a) Basis of Preparation

The financial statements of the Bank and its subsidiaries (collectively, the Group) have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)s) as required by the Companies Act 1967 (the Act) and IFRS Accounting Standards as issued by the International Accounting Standards Board.

Except as otherwise stated, the financial statements have been prepared under the historical cost convention and are presented to the nearest million in Singapore Dollars.

(b) Changes in Accounting Policies

(i) Changes During the Financial Year

The Group adopted the following financial reporting standard during the financial year which had no significant effect on the financial statements of the Group:

- Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback

Other than the above, the accounting policies applied by the Group in the financial year were consistent with those adopted in the previous financial year.

(ii) Changes Subsequent to the Financial Year

The following SFRS(I)s that are in issue will apply to the Group for the financial years as indicated:

Effective for the financial year beginning on or after 1 January 2025:

- Amendments to SFRS(I) 1-21: Lack of Exchangeability

Effective for the financial year beginning on or after 1 January 2026:

- Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments
- Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity

Effective for the financial year beginning on or after 1 January 2027:

- SFRS(I) 18 Presentation and Disclosure in Financial Statements

Effective for a financial year beginning on or after a date to be determined:

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Summary of Material Accounting Policies (continued)

(b) Changes in Accounting Policies (continued)

(ii) Changes Subsequent to the Financial Year (continued)

The amendments to SFRS(I) 9 and SFRS(I) 7 clarify how to assess classification of financial assets with contractual cash flows with environmental, social and governance linked features or other contingent features. Clarification is also provided for non-recourse and contractually linked instruments. In addition, clarification is provided that for financial liabilities settled through an electronic payment system, there is an accounting policy choice to derecognise before settlement date if specific conditions are met. The Group is currently assessing the impact of adopting these amendments.

SFRS(I) 18 Presentation and Disclosure in Financial Statements replaces SFRS(I) 1-1 Presentation of Financial Statements and includes new presentation requirements for the income statement including specified totals and subtotals, as well as disclosure requirements for management-defined performance measures. The Group is currently assessing the impact of adopting this standard.

Application of the other SFRS(I)s listed above is not expected to have a significant impact on the Group's financial statements.

(c) Interests in Other Entities

(i) Subsidiaries

Subsidiaries are entities over which the Group has control. 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.

The Group applies the acquisition method to account for business acquisitions. Consideration for an acquisition includes the fair value of the assets transferred, liabilities incurred, equity interests issued and any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed are, with limited exceptions, measured at their fair values at the acquisition date. Non-controlling interests are measured at fair value or the proportionate share of the acquiree's net identifiable assets at the acquisition date, determined on a case-by-case basis. Acquisition-related costs are expensed off when incurred. Goodwill is determined and accounted for in accordance with Note 2(i).

Subsidiaries are consolidated from the date the Group obtains control until the date such control ceases. Intra-group balances and income and expenses are eliminated on consolidation. Adjustments are made to align the accounting policies of the subsidiaries to those of the Group. The portion of profit or loss and net assets of subsidiaries that belong to the non-controlling interests is disclosed separately in the consolidated financial statements. Gain or loss arising from changes of the Bank's interest in subsidiaries is recognised in the income statement if they result in loss of control in the subsidiaries, otherwise, in equity.

In the Bank's separate financial statements, investment in subsidiaries is stated at cost less allowance for impairment, if any, determined on an individual basis.

2. Summary of Material Accounting Policies (continued)

(c) Interests in Other Entities (continued)

(ii) Associates and Joint Ventures

Associates are entities in which the Group has significant influence but not control or joint control. This generally coincides with the Group having 20% or more of the voting power of the investees. Joint ventures are entities in which the Group and its joint venturers have joint control and rights to the net assets of the investees.

The Group's investment in associates and joint ventures is accounted for using the equity method from the date the Group obtains significant influence or joint control over the entities until the date such significant influence or joint control ceases. Unrealised gains on transactions with associates and joint ventures are eliminated to the extent of the Group's interest in the entities. Unrealised losses are also eliminated unless they relate to impairment of the assets transferred. Adjustments are made to align the accounting policies of the associates and joint ventures to those of the Group.

Under the equity method, the Group's investment in associates and joint ventures is carried in the balance sheet at cost (including goodwill on acquisition), plus post-acquisition changes in the Group's share of net assets of the associates and joint ventures, less allowance for impairment, if any, determined on an individual basis. The Group recognises its share of the results of operations and changes in other comprehensive income of the associates and joint ventures in the consolidated income statement and in equity respectively. Where the share of losses of an associate or joint venture exceeds the Group's interest in the associate or joint venture, such excess is not recognised in the consolidated income statement.

Upon loss of significant influence over the associates or joint control over the joint ventures, any resulting gain or loss is recognised in the income statement and the related share of reserves is accounted for in the same manner as if the associates or joint ventures have directly disposed of the related assets and liabilities. Any retained investment is measured at its fair value.

In the Bank's separate financial statements, investment in associates and joint ventures is stated at cost less allowance for impairment, if any, determined on an individual basis.

(iii) Joint Operations

Joint operations are arrangements over which the Group and its joint operators have joint control and rights to the assets, and obligations for the liabilities, relating to the arrangements.

The Bank and the Group account for joint operations by taking their share of the relevant assets, liabilities, income and expenses of the joint operations accordingly.

(d) Financial Instruments

(i) Classification

Financial assets and financial liabilities are classified as follows:

Held for Trading

Financial instruments within a held for trading (HFT) business model are classified and measured at fair value through profit or loss (mandatorily at FVPL). Derivatives are classified as held for trading unless they are designated as effective hedging instruments.

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Summary of Material Accounting Policies (continued)

(d) Financial Instruments (continued)

(i) Classification (continued)

Non-Trading Debt Assets
Non-trading debt assets with contractual cash flows that represent solely payments of principal and interest are classified and measured as follows:

- at amortised cost (AC) if they are held within a business model whose objective is to collect contractual cash flows from the assets;
- at fair value through other comprehensive income (FVOCI) if the objective of the business model is both for collection of contractual cash flows and for sale; or
- at fair value through profit or loss (designated as FVPL) if so designated to eliminate or reduce accounting inconsistency.

All other non-trading debt assets are mandatorily classified and measured at fair value through profit or loss (mandatorily at FVPL).

Non-Trading Equity Instruments
Non-trading equity instruments are classified and measured at FVPL unless elected at inception to be classified and measured at FVOCI.

Non-Trading Financial Liabilities
Non-trading financial liabilities are classified and measured at AC. They may be designated as FVPL at initial recognition if they meet the following criteria:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities on a different basis;
- the assets and liabilities are managed on a fair value basis in accordance with a documented risk management or investment strategy; or
- the financial instrument contains an embedded derivative that would otherwise require bifurcation.

For financial liabilities with embedded derivatives, if the economic characteristics and risks of the embedded derivative is not closely related to the host, the embedded derivative is bifurcated and accounted for separately unless the entire instrument is measured at FVPL. If the embedded derivative is closely related to the host, the financial liability is accounted for in its entirety based on the host's classification.

(ii) Measurement

Initial Measurement
Financial instruments are recognised initially at their fair value which is generally the transaction price, reduced by loss allowance for financial assets at amortised cost. Directly attributable transaction costs are included as part of the initial cost for financial instruments that are not measured at FVPL.

2. Summary of Material Accounting Policies (continued)

(d) Financial Instruments (continued)

(ii) Measurement (continued)

Subsequent Measurement

Financial instruments designated as FVPL and mandatorily at FVPL are remeasured at fair value with fair value changes recognised in the income statement; as an exception fair value changes attributable to own credit risk of financial liabilities that are designated as FVPL are taken into other comprehensive income unless this would create an accounting mismatch, in which case such fair value changes are taken to the income statement. Any such gains or losses on own credit risk recognised in other comprehensive income are not reclassified to the income statement upon derecognition, but are transferred to retained earnings.

Financial instruments classified as FVOCI are remeasured at fair value with fair value changes taken to the fair value reserve. For debt assets, the fair value change in the fair value reserve is taken to the income statement upon disposal or impairment of the assets. For equity instruments elected to be classified as FVOCI, only dividend income is recognised in the income statement. Gains or losses recognised in the fair value reserve are not reclassified to the income statement upon derecognition, but are transferred to retained earnings.

All other financial instruments are measured at AC using the effective interest method, and for financial assets, less allowance for impairment. Any gain or loss on derecognition is recognised in the income statement.

Interest and dividend income on all non-derivative financial instruments at FVPL are recognised separately from fair value changes, except for interest expense on structured liabilities at FVPL which is included with other fair value changes in trading income. The effective interest rate applied to performing financial assets is on their gross carrying amount. For non-performing financial assets the effective interest rate is applied to the net carrying amount.

Fair Value Determination

Fair values of financial assets and financial liabilities with active markets are determined based on the market bid and ask prices respectively at the balance sheet date. For financial instruments with no active markets, fair values are established using valuation techniques such as making reference to recent transactions or other comparable financial instruments, discounted cash flow method and option pricing models. Valuation inputs include spot and forward prices, volatilities, correlations and credit spreads.

(iii) Recognition and Derecognition

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets that require delivery within the period generally established by regulation or market convention are recognised on the settlement date.

Financial instruments are derecognised when the contractual rights to cash flows and risks and rewards associated with the instruments are substantially transferred, cancelled or expired.

(iv) Offsetting

Financial assets and financial liabilities are offset and presented net in the balance sheet if there is a current, unconditional and legally enforceable right and intention to settle them simultaneously or on a net basis.

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Summary of Material Accounting Policies (continued)

(d) Financial Instruments (continued)

(v) Modification

A financial instrument may be exchanged for another, or the terms of its contractual cash flows may be modified. Where the terms are substantially different, the existing instrument is derecognised and the new one recognised. In all other cases, the existing instrument continues to be recognised and its carrying amount is adjusted to reflect the present value of the cash flows of the modified instrument, discounted at the original effective interest rate.

(vi) Impairment

Loans, debt assets, undrawn loan commitments and financial guarantees that are not measured at FVPL are subject to credit loss provisioning which is made on an expected loss basis, point-in-time, forward-looking and probability-weighted. Where there is no significant increase in credit risk since initial recognition, expected credit loss (ECL) representing possible default for the next 12 months is required (Stage 1). Lifetime ECL is required for non-credit-impaired financial assets with significant increase in credit risk since initial recognition (Stage 2) and credit-impaired financial assets (Stage 3).

The Group considers a range of qualitative and quantitative parameters to assess whether a significant increase in credit risk since initial recognition has occurred. Parameters such as changes in credit risk ratings, delinquency, special mention, behavioural scores and non-investment grade status are considered where available and relevant. Exposures are considered credit-impaired if they are past due for 90 days or more or exhibit weaknesses which are likely to jeopardise repayments on existing terms. The definition of default is consistent with that used for risk management purposes.

Exposures with significant increase in credit risk are transferred from Stage 1 to Stage 2. Exposures are transferred back to Stage 1 when they no longer meet the criteria for a significant increase in credit risk. Exposures, including restructured exposures, that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 1 or Stage 2 if supported by repayment capability, cash flows and financial position of the borrower and when it is unlikely that the exposure will be classified again as credit-impaired in the future.

Although the Group leverages its Basel credit risk models and systems, modifications are required to ensure that outcomes are in line with SFRS(I) 9 ECL requirements. Such modifications include transforming regulatory probabilities of default (PD), loss given default (LGD) and exposure at default (EAD), considering forward-looking information, discount rate and discounting period. Macro-economic variables considered include interest rates, property price indices, unemployment rates, consumer price indices, gross domestic products and equity price indices.

The Group determines ECL using macro-economic probability-weighted scenarios which are derived from internal economic risk models. Scenarios to be used and probability-weighting assigned is determined by the Group's SFRS(I) 9 Working Group and, where judged to be appropriate, use of a management overlay.

ECL is computed by discounting the product of PD, LGD and EAD to the reporting date at the original effective interest rate or an approximation thereof. The ECL is adjusted with a management overlay where considered appropriate.

2. Summary of Material Accounting Policies (continued)

(d) Financial Instruments (continued)

(vi) Impairment (continued)

Financial assets in Stage 1 and Stage 2 are assessed for impairment collectively while exposures in Stage 3 are individually assessed. Those collectively assessed are grouped based on similar credit risks and assessed on a portfolio basis. ECL is recognised in the income statement.

Financial assets are written off when the prospect of recovery is considered poor or when all avenues of recovery have been exhausted.

Minimum Regulatory Loss Allowance

Monetary Authority of Singapore (MAS) Notice 612 Credit Files, Grading and Provisioning requires Singapore-incorporated Domestic Systemically Important Banks to maintain a Minimum Regulatory Loss Allowance (MRLA) equivalent to 1% of the gross carrying amount of the selected credit exposures net of collaterals. Where the loss allowance provided for under SFRS(I) 9 for the selected credit exposures falls below the MRLA, an additional loss allowance is required to be maintained in a non-distributable Regulatory Loss Allowance Reserve (RLAR) through an appropriation of retained earnings.

(e) Financial Derivatives

Financial derivatives are recognised and measured at fair value initially and subsequently. Derivatives with positive and negative fair values are presented under assets and liabilities in the balance sheet respectively. Fair value changes of derivatives are recognised in the income statement unless they are designated as hedging instruments and accounted for in accordance with Note 2(f).

Financial derivatives embedded in non-financial host contracts are bifurcated and accounted for separately if their economic characteristics and risks are not closely related to those of the host contracts and the combined contracts are not carried at FVPL.

(f) Hedge Accounting

The Group applies the requirements of SFRS(I) 9 for hedge accounting.

(i) Fair Value Hedge

A fair value hedge is a hedge of changes in the fair value of an asset, liability or a firm commitment.

For a fair value hedge of an equity instrument designated at FVOCI, fair value changes of the hedging instrument are recognised in other comprehensive income and transferred to retained earnings when the hedge is terminated.

For other fair value hedges, fair value changes of the hedging instrument are recognised in the income statement, together with fair value changes of the hedged item attributable to the hedged risk. The adjustment made to the carrying amount of the hedged item is amortised over the expected life of the hedged item when the hedge is terminated and taken to income statement upon disposal of the hedged item.

2. Summary of Material Accounting Policies (continued)

(f) Hedge Accounting (continued)

(ii) Cash Flow Hedge

A cash flow hedge is a hedge of the variability in the cash flows of an asset, liability or highly probable forecast transaction, and may include hedges designated at portfolio level, with hedging derivatives allocated to time buckets based on expected repricing dates of forecast transactions.

Fair value changes of the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and taken to the hedge reserve under equity while those relating to the ineffective portion are recognised in the income statement. If the hedge transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedge reserve is transferred and included in the initial carrying amount of the hedged item. For other cash flow hedges, the amount in the hedge reserve is transferred to the income statement at the same time the cash flow of the hedged item is recognised in the income statement or immediately when the forecasted hedged item is no longer expected to occur.

(iii) Hedge of Net Investment in a Foreign Operation

A hedge of a net investment in a foreign operation is a hedge of foreign exchange rate fluctuation on the net assets of a foreign operation.

Fair value changes of the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and taken to the foreign currency translation reserve under equity while those relating to the ineffective portion are recognised in the income statement. The amount taken to the reserve is transferred to the income statement upon disposal of the foreign operation.

(iv) Economic Relationship and Hedge Ineffectiveness

For the purpose of the prospective effectiveness assessment, the economic relationship between the hedging instrument and hedged item may be assessed qualitatively, by comparing that critical terms match or closely match, or by quantitative methods. The hedge ratio is determined by aligning the principal amount of the hedging instrument with that of the hedged item.

The hedge ineffectiveness of a hedging relationship is derived by comparing the fair value change of the hedging instrument with the fair value change of the hedged item. The sources of hedge ineffectiveness include differences in the timing of cash flows of the hedging instrument and the hedged item, and the change in fair value due to the credit risk of the hedging instrument.

2. Summary of Material Accounting Policies (continued)

(g) Investment Properties and Fixed Assets

Investment properties and fixed assets are stated at cost less accumulated depreciation and impairment allowance.

Investment properties are properties held for rental income and/or capital appreciation while owner-occupied properties are for office use.

Freehold land and leasehold land with remaining leases of 100 years or more are not depreciated. Other leasehold land is depreciated on a straight-line basis over the lease period. Buildings are depreciated on a straight-line basis over 50 years or the lease period, whichever is shorter. Other fixed assets are depreciated on a straight-line basis over their expected useful lives of three to ten years. The expected useful life, depreciation method and residual value of investment properties and fixed assets are reviewed annually.

Investment properties and fixed assets are reviewed for impairment when events or changes in circumstances indicate that their recoverable amounts, being the higher of fair value less cost to sell and value in use, may be below their carrying amounts.

Investment properties and fixed assets are derecognised upon disposal and the resulting gain or loss is recognised in the income statement.

(h) Leases as a Lessee

As a lessee, at the commencement date of a lease contract a right-of-use asset (representing the right to use the underlying leased asset) and a lease liability (representing the obligation to make lease payment) is recognised for all leases unless they are short-term or of low value. Leases payments of short-term leases and leases of low-value assets are recognised in the income statement on a straight-line basis over the lease term.

Right-of-use assets are stated at cost less accumulated depreciation and impairment allowance, and adjusted for any remeasurement of lease liabilities.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amount of lease liabilities is remeasured for modifications to the lease contract or changes in expected lease obligations.

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Summary of Material Accounting Policies (continued)

(i) Intangible Assets

(i) Goodwill

Goodwill in a business combination represents the excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over (b) the net fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. Where (b) exceeds (a) and the measurement of all amounts has been reviewed, the gain is recognised in the income statement. Goodwill is measured at cost less accumulated impairment allowance, if any.

Goodwill is reviewed for impairment annually or more frequently if the circumstances indicate that its carrying amount may be impaired. At the date of acquisition, goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the business combination. The Group's CGU correspond with the business segments reported in Note 44(a). Where the recoverable amount, being the higher of fair value less cost to sell and value in use, of a CGU is below its carrying amount, the impairment allowance is recognised in the income statement and subsequent reversal is not allowed.

(ii) Other Intangible Assets

Intangible assets of the Group include separately identifiable intangible items with finite useful lives that are acquired in business combinations and are stated at cost, being their fair value at the date of acquisition less accumulated amortisation and impairment allowance. These intangible assets are amortised on a straight-line basis over their estimated useful lives of ten years. The estimated useful life, amortisation method and residual value of intangible assets are reviewed annually.

Intangible assets are reviewed for impairment when events or changes in circumstances indicate that their recoverable amounts, being the higher of fair value less cost to sell and value in use, may be below their carrying amounts. Impairment allowance is recognised in the income statement and subsequent reversal is permitted when there is indication that the impairment loss recognised in prior periods no longer exist or may have decreased.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. The resulting gain or loss upon derecognition is recognised in the income statement.

(j) Foreign Currencies

(i) Foreign Currency Transactions

On initial recognition, transactions in foreign currencies are recorded in the respective functional currencies of the Bank and its subsidiaries at the exchange rate at the transaction date. Subsequent to initial recognition, monetary assets and monetary liabilities denominated in foreign currencies are translated at the closing rate of exchange at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

2. Summary of Material Accounting Policies (continued)

(j) Foreign Currencies (continued)

(i) Foreign Currency Transactions (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at balance sheet date are recognised in the income statement. Exchange differences arising from monetary items that form part of the net investment in foreign operations, or on foreign currency borrowings that provide a hedge against a net investment in a foreign operation, are recognised initially in the foreign currency translation reserve in the consolidated balance sheet, and subsequently in the consolidated income statement on disposal of the foreign operation.

(ii) Foreign Operations

Income and expenses of foreign operations are translated into Singapore Dollars at the exchange rate prevailing at each respective month-end which approximates the exchange rate at the transaction date. Foreign operations' assets and liabilities are translated at the exchange rate as at the balance sheet date. All resultant exchange differences are recognised in the foreign currency translation reserve, and subsequently to the consolidated income statement upon disposal of the foreign operations. In the case of a partial disposal without loss of control of a subsidiary, the proportionate share of the accumulated exchange differences is not recognised in the income statement but re-attributed to the non-controlling interests. For partial disposal of an associate or joint venture, the proportionate share of the accumulated exchange differences is reclassified to income statement.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are recorded in the functional currency of the foreign operations and translated at the exchange rate at the balance sheet date. For acquisitions prior to 1 January 2005, goodwill and fair value adjustments were recorded in Singapore Dollars at the exchange rate prevailing at the date of acquisition.

(k) Tax

(i) Current Tax

Current tax is measured at the amount expected to be recovered from or paid to the tax authorities. The tax rate and tax law applied are those that have been enacted or substantively enacted by the balance sheet date. The Group will account for any additional income taxes arising from the Pillar Two model rules as current tax when it is incurred.

(ii) Deferred Tax

Deferred tax is provided on temporary differences between the tax bases and carrying amounts of assets and liabilities. Deferred tax is measured at the tax rate that is expected to apply when the assets are realised or the liabilities are settled, based on the tax rate and tax law that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not provided for temporary differences arising from (a) initial recognition of goodwill, (b) initial recognition of an asset or liability in a transaction that is not a business combination, that does not affect accounting or taxable profit at the time of the transaction, and that does not give rise to equal taxable and deductible temporary differences at the time of the transaction, (c) taxable temporary differences related to investments in subsidiaries, associates and joint ventures 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 and (d) income taxes that may arise from implementation of the OECD Pillar Two model rules under the mandatory temporary exception.

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Summary of Material Accounting Policies (continued)

(k) Tax (continued)

(ii) Deferred Tax (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Where gains and losses are recognised directly in equity, the related deferred tax is also taken to equity.

(iii) Offsetting

Current and deferred tax assets are offset with current and deferred tax liabilities respectively if (a) there is a legally enforceable right and intention to settle them simultaneously or on a net basis, (b) they are of the same tax reporting entity or group and (c) they relate to the same tax authority.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and an outflow of resources to settle the obligation is probable and can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation. When an outflow of resources to settle the obligation is no longer probable, the provision is reversed.

(m) Financial Guarantees

Financial guarantees are recognised initially at their fair value which is generally the fees received. The fees are recognised on a straight-line basis over the contractual terms. Subsequent to initial recognition, the financial guarantees are measured at the higher of: (a) their carrying amount, being the amount initially recognised less the cumulative amount amortised to profit or loss, and (b) the loss allowance determined in accordance with Note 2(d)(vi) under SFRS(I) 9.

(n) Undrawn Credit Facilities

Undrawn credit facilities (both revocable and irrevocable) are recorded under commitments and the amount is adjusted for subsequent drawdowns.

(o) Contingent Liabilities

Contingent liabilities are (a) possible obligations arising from past events, whose existence will be confirmed only by uncertain future events or (b) present obligations arising from past events where no provision is recognised either because an outflow of economic benefits is not probable or the amount required to fulfil the obligation cannot be reliably measured.

(p) Revenue Recognition

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive it is established.

Fee and commission income is recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer. For services that are provided over a period of time, fee and commission income is recognised over the service period.

Rental income is recognised on a time proportion basis.

2. Summary of Material Accounting Policies (continued)

(q) Employee Compensation/Benefits

Base salaries, cash bonuses, allowances, commissions and defined contributions under regulations are recognised in the income statement when incurred. Leave entitlements are recognised when they accrue to employees based on contractual terms of employment.

Cost of share-based compensation, being the fair value of the equity instrument at grant date, is expensed to the income statement over the vesting period with a corresponding adjustment to the share-based compensation reserve. The cost is reviewed and adjusted accordingly at each balance sheet date to reflect the number of equity instruments expected to vest ultimately.

(r) Dividend Payment

Dividends are accounted for as an appropriation of retained earnings. Interim dividends on ordinary shares and dividends on preference shares are recorded when declared payable while final dividends on ordinary shares are recognised upon approval of equity holders.

(s) Treasury Shares

Ordinary shares of the Bank reacquired are accounted for as treasury shares. Consideration paid, including directly attributable costs, is presented as a deduction from equity. Subsequent cancellation, sale or reissuance of treasury shares is recognised as changes in equity.

3. Critical Accounting Estimates and Judgements

Preparation of the financial statements involves making certain assumptions and estimates. This often requires management's judgement for the appropriate policies, assumptions, inputs and methodologies to be used. As judgements are made based on information available at the time the financial statements are prepared, the ultimate results could differ from those disclosed in the statements due to subsequent changes in the information. The following are the Group's critical accounting estimates that involve judgement:

(i) Allowance for Impairment of Financial Assets

Allowance for impairment of financial assets is determined in accordance with Note 2(d)(vi). This requires management's experience and significant judgement. The process involves assessing various factors such as economic indicators, business prospects, timing and amount of future cash flows and liquidation proceeds from collateral.

(ii) Fair Valuation of Financial Instruments

Fair value of financial instruments is determined in accordance with Notes 2(d)(ii) and 19(a). Valuation of financial instruments that are not quoted in the market or with complex structures requires considerable judgement of management in selecting the appropriate valuation models and data inputs.

(iii) Goodwill and Other Intangible Assets

The fair value of other intangible assets acquired is determined using valuation methodologies that include (a) discounted cash flow model and management's best estimate of future cash flows, and (b) multi-period excess earnings method for customer relationships. Useful lives of these intangible assets are based on management's best estimates of periods over which value from the intangible assets will be realised.

Management reassesses the estimated useful lives at each financial year end, taking into account the period over which the intangible assets are expected to generate future economic benefit.

Goodwill and other intangible assets are reviewed for impairment in accordance with Notes 2(i) and 37(c). The process requires management's assessment of key factors such as future economic growth, business forecasts and discount rates.

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for the financial year ended 31 December 2024

3. Critical Accounting Estimates and Judgements (continued)

(iv) Income Taxes

Income taxes are provided in accordance with Note 2(k). The Group is subject to income taxes in various jurisdictions. Provision for these taxes involves interpretation of the tax regulations on certain transactions and computations. In cases of uncertainty, provision is estimated based on the technical merits of the situation.

4. Interest Income

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Loans to customers	**17,055**	16,529	**13,260**	12,813
Placements and balances with banks	**2,890**	3,163	**2,648**	2,930
Government treasury bills and securities	**1,331**	1,005	**833**	569
Trading and investment securities	**1,983**	1,545	**1,893**	1,428
	23,259	22,242	**18,634**	17,740
Of which, interest income on:				
Financial assets measured at amortised cost	**19,897**	19,929	**15,862**	15,901
Financial assets measured at FVPL	**894**	589	**783**	498
Financial assets measured at FVOCI	**2,468**	1,724	**1,989**	1,341

5. Interest Expense

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Deposits of customers	**10,936**	10,096	**9,286**	8,602
Deposits and balances of banks and debts issued	**2,641**	2,460	**2,524**	2,301
Lease payables	**8**	7	**5**	4
	13,585	12,563	**11,815**	10,907
Of which, interest expense on:				
Financial liabilities measured at amortised cost	**13,472**	12,494	**11,704**	10,843
Financial liabilities measured at FVPL	**113**	69	**111**	64

6. Net Fee and Commission Income

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Credit card [1]	**1,107**	940	**604**	535
Fund management	**212**	203	**#**	#
Wealth management	**698**	595	**562**	439
Loan-related [2]	**684**	644	**578**	543
Service charges	**146**	144	**123**	124
Trade-related [3]	**305**	307	**195**	199
Others	**4**	6	**10**	10
Fee and commission income	**3,156**	2,839	**2,072**	1,850
Fee and commission expenses	**(761)**	(604)	**(393)**	(325)
	2,395	2,235	**1,679**	1,525
Of which, fee and commission from:				
Financial assets not measured at FVPL	**541**	500	**468**	431
Provision of trust and other fiduciary services	**–**	#	**–**	–

Amount less than $500,000

(1) Credit card fees are net of interchange fees paid.
(2) Loan-related fees include fees earned from corporate finance activities.
(3) Trade-related fees include trade, remittance and guarantees related fees.

7. Net Trading Income

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Net gain/(loss) from:				
Foreign exchange	**1,054**	1,287	**660**	907
Interest rate and others	**635**	523	**571**	506
Dividend income [1]	**3**	7	**3**	7
Financial liabilities designated at FVPL	**(3)**	(210)	**(3)**	(210)
	1,689	1,607	**1,231**	1,210

(1) With effect from 1 January 2024, dividend income is presented in net trading income, net gain from investment securities (Note 8) and other income (Note 9) to better align to market practice. Comparatives have been restated accordingly.

8. Net Gain from Investment Securities

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
FVOCI [1]	**342**	137	**271**	95
Amortised cost	**#**	3	**(2)**	(17)
Mandatorily at FVPL [2]	**(28)**	(7)	**(9)**	(68)
	314	133	**260**	10

Amount less than $500,000

(1) Includes dividend income of $51 million (2023: $31 million) at the Group and $32 million (2023: $28 million) at the Bank.
(2) Includes dividend income of $4 million (2023: $12 million) at the Group and nil (2023: nil) at the Bank.

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9. Other Income

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Net gain/(loss) from:				
Disposal of investment properties [1]	**27**	22	**213**	22
Disposal of owner-occupied properties [1]	**2**	–	**397**	–
Disposal of other fixed assets	**#**	1	**#**	#
Disposal/liquidation of subsidiaries, associates or joint ventures	**(11)**	(4)	**56**	1
Dividend income from subsidiaries and associates	**–**	–	**296**	86
Intra-group service recovery income	**–**	–	**362**	311
Others	**103**	160	**63**	80
	121	179	**1,387**	500

Amount less than $500,000

(1) The amount reported for the Bank for 2024 includes gain from disposal of properties to subsidiaries. Refer to Notes 35, 36 and 43 for details.

10. Staff Costs

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Salaries, bonuses and allowances	**2,858**	2,781	**1,805**	1,780
Employer's contribution to defined contribution plans	**223**	220	**130**	132
Share-based compensation	**87**	68	**71**	55
Others	**531**	484	**304**	300
	3,699	3,553	**2,310**	2,267
Of which:				
The Bank's directors' remuneration	**15**	16	**15**	16

11. Other Operating Expenses

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Revenue-related	**906**	1,027	**518**	441
Occupancy-related	**386**	363	**226**	216
IT-related	**1,057**	1,006	**812**	744
Others	**262**	268	**133**	232
	2,611	2,664	**1,689**	1,633
Of which:				
Directors' fees	**5**	5	**4**	3
Depreciation of fixed assets and investment properties	**536**	500	**379**	363
Depreciation of right-of-use assets	**111**	96	**77**	66
Auditors' remuneration paid/payable to:				
Auditors of the Bank	**4**	5	**3**	4
Affiliates of auditors of the Bank	**3**	3	**1**	1
Other auditors	**#**	#	**#**	#
Non-audit fees paid/payable to:				
Auditors of the Bank	**2**	1	**1**	1
Affiliates of auditors of the Bank	**1**	1	**#**	1
Other auditors	**#**	#	**#**	#
Expenses on investment properties	**54**	57	**35**	38
Fee expenses arising from financial liabilities not at FVPL	**132**	131	**49**	35
One-off expenses related to acquisition of consumer business	**182**	394	**–**	–

Amount less than $500,000

12. Allowance for Credit and Other Losses

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Stage 1 and 2 ECL (write-back)/allowance	**(148)**	111	**(54)**	61
Stage 3 ECL allowance/(write-back) for:				
Loans (Note 28(d))	**1,063**	807	**399**	318
Others	**(2)**	6	**1**	(2)
Allowance/(Write-back) for other losses	**13**	(3)	**37**	(15)
	926	921	**383**	362

Notes to the Financial Statements

for the financial year ended 31 December 2024

13. Tax

The tax charge to the income statements comprises the following:

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
On profit for the financial year				
Current tax	**1,304**	1,243	**1,050**	934
Deferred tax	**(109)**	(89)	**(72)**	(2)
	1,195	1,154	**978**	932
(Over)/Under-provision of prior years				
Current tax	**(109)**	(28)	**(104)**	(20)
Deferred tax	**(10)**	(3)	**1**	–
Share of tax of associates and joint ventures	**16**	15	**–**	–
	1,092	1,138	**875**	912

The tax charge on profit for the financial year differs from the theoretical amount computed using Singapore corporate tax rate due to the following factors:

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Operating profit after allowance	**7,030**	6,770	**7,068**	5,889
Prima facie tax calculated at tax rate of 17% (2023: 17%)	**1,195**	1,151	**1,202**	1,001
Effects of:				
Income taxed at concessionary rates	**(204)**	(200)	**(204)**	(198)
Different tax rates in other countries	**167**	181	**91**	116
Income not subject to tax	**(23)**	(55)	**(168)**	(31)
Expenses not deductible for tax	**59**	88	**62**	63
Others	**1**	(11)	**(5)**	(19)
Tax expense on profit for the financial year	**1,195**	1,154	**978**	932

13. Tax (continued)

Pillar Two Global Anti-Base Erosion model rules

On 20 December 2021, the Organisation for Economic Co-operation and Development (OECD) published Pillar Two model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis.

Singapore enacted the Multinational Enterprise (Minimum Tax) Act 2024 (MMT Act) to introduce BEPS 2.0 Pillar Two measures. The MMT Act was passed by the Singapore Parliament on 15 October 2024 and received Presidential assent on 8 November 2024 to become law in Singapore. Similar legislation has been passed in other jurisdictions in which the Group operates.

The rules are effective for the Group from years beginning on or after 31 December 2023.

An assessment has been performed of the Group's potential exposure to Pillar Two taxes. Except for Singapore, the Group does not have a material presence in jurisdictions that have headline corporate tax rates of less than 15%, hence no material Pillar Two top-up taxes are expected to arise in jurisdictions other than Singapore. As at 31 December 2024, the Group's effective tax rate in Singapore is below 15% due to Financial Sector Incentives granted by the Monetary Authority of Singapore. From 1 January 2025, when Income Inclusion Rate (IIR) and Qualified Domestic Minimum Top-up Tax (QDMTT) are effective in Singapore, the Group expects to top up tax to the global minimum effective tax rate of 15% in Singapore. The amount of top up tax that would have been required for the financial year ended 31 December 2024 is estimated to be in the range of $100 million to $110 million.

14. Earnings Per Share

Basic and diluted earnings per share (EPS) are determined as follows:

	The Group	
In $ millions	**2024**	2023
Profit attributable to equity holders of the Bank	**6,045**	5,711
Distribution on perpetual capital securities	**(93)**	(114)
Adjusted profit	**5,952**	5,597
Weighted average number of ordinary shares ('000)		
In issue	**1,672,973**	1,674,126
Adjustment for potential ordinary shares under share-based compensation plan	**8,221**	6,814
Diluted	**1,681,194**	1,680,940
EPS ($)		
Basic	**3.56**	3.34
Diluted	**3.54**	3.33

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for the financial year ended 31 December 2024

15. Share Capital and Other Capital

(a)

	2024		2023	
	Number of shares '000	**Amount $ millions**	Number of shares '000	Amount $ millions
Ordinary shares				
Balance at 1 January and 31 December	**1,685,923**	**5,351**	1,685,923	5,351
Treasury shares				
Balance at 1 January	**(13,485)**	**(347)**	(11,314)	(273)
Shares re-purchased – held in treasury	**(3,200)**	**(102)**	(5,100)	(145)
Shares issued under share-based compensation plan	**2,288**	**59**	2,929	71
Balance at 31 December	**(14,397)**	**(390)**	(13,485)	(347)
Ordinary share capital	**1,671,526**	**4,961**	1,672,438	5,004
3.58% non-cumulative non-convertible perpetual capital securities issued on 17 July 2019		**749**		749
2.25% non-cumulative non-convertible perpetual capital securities issued on 15 January 2021		**150**		150
2.55% non-cumulative non-convertible perpetual capital securities issued on 22 June 2021		**599**		599
4.25% non-cumulative non-convertible perpetual capital securities issued on 4 July 2022		**400**		400
5.25% non-cumulative non-convertible perpetual capital securities issued on 19 January 2023		**850**		850
Share capital and other capital of the Bank and the Group		**7,709**		7,752

(b) The ordinary shares have no par value and are fully paid. The holders of ordinary shares (excluding treasury shares) have unrestricted rights to dividends, return of capital and voting.

(c) During the financial year, the Bank issued 2,288,000 (2023: 2,929,000) treasury shares to participants of the share-based compensation plan.

15. Share Capital and Other Capital (continued)

(d) The 3.58% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 17 July 2019. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 17 July 2026 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 3.58% per annum, subject to a reset on 17 July 2026 (and every seven years thereafter) to a rate equal to the prevailing seven-year Singapore Dollar Swap Offer Rate (SOR) plus the initial margin of 1.795%. Distributions are payable semi-annually on 17 January and 17 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(e) The 2.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 15 January 2021. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 15 January 2026 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 2.25% per annum, subject to a reset on 15 January 2026 (and every five years thereafter) to a rate equal to the prevailing five-year Singapore Overnight Rate Average Overnight Indexed Swap (SORA OIS) plus the initial margin of 1.81%. Distributions are payable semi-annually on 15 January and 15 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(f) The 2.55% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 22 June 2021. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 22 June 2028 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 2.55% per annum, subject to a reset on 22 June 2028 (and every seven years thereafter) to a rate equal to the prevailing seven-year SORA OIS plus the initial margin of 1.551%. Distributions are payable semi-annually on 22 June and 22 December of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

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for the financial year ended 31 December 2024

15. Share Capital and Other Capital (continued)

(g) The 4.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 4 July 2022. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 4 October 2027 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 4.25% per annum, subject to a reset on 4 October 2027 (and every five years thereafter) to a rate equal to the prevailing five-year SORA OIS plus the initial margin of 1.47%. Distributions are payable semi-annually on 4 January and 4 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(h) The 5.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 19 January 2023. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 19 January 2028 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 5.25% per annum, subject to a reset on 19 January 2028 (and every five years thereafter) to a rate equal to the prevailing five-year SORA OIS plus the initial margin of 2.393%. Distributions are payable semi-annually on 19 January and 19 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

16. Retained Earnings

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Balance at 1 January	**31,800**	28,925	**23,363**	21,192
Profit for the financial year attributable to equity holders of the Bank	**6,045**	5,711	**6,193**	4,977
Net loss on equity instruments at FVOCI	**(6)**	(21)	**(7)**	(22)
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	**#**	#	**#**	#
Redemption of perpetual capital securities	**–**	(1)	**–**	(1)
Remeasurement of defined benefit obligation	**(6)**	(3)	**#**	#
Transfer (to)/from other reserves	**(9)**	(28)	**2**	–
Dividends				
Ordinary shares				
Final dividend of 85 cents (2023: 75 cents) tax-exempt per share paid in respect of prior financial year	**(1,424)**	(1,258)	**(1,424)**	(1,258)
Interim dividend of 88 cents (2023: 85 cents) tax-exempt per share paid in respect of the financial year	**(1,472)**	(1,423)	**(1,472)**	(1,423)
3.875% non-cumulative non-convertible perpetual capital securities issued on 19 October 2017	**–**	(29)	**–**	(29)
3.58% non-cumulative non-convertible perpetual capital securities issued on 17 July 2019	**(24)**	(23)	**(24)**	(23)
2.25% non-cumulative non-convertible perpetual capital securities issued on 15 January 2021	**(3)**	(3)	**(3)**	(3)
2.55% non-cumulative non-convertible perpetual capital securities issued on 22 June 2021	**(13)**	(13)	**(13)**	(13)
4.25% non-cumulative non-convertible perpetual capital securities issued on 4 July 2022	**(15)**	(15)	**(15)**	(15)
5.25% non-cumulative non-convertible perpetual capital securities issued on 19 January 2023	**(39)**	(19)	**(39)**	(19)
	(2,990)	(2,783)	**(2,990)**	(2,783)
Balance at 31 December	**34,834**	31,800	**26,561**	23,363

\# *Amount less than $500,000*

(b) The retained earnings are distributable reserves except for an amount of $781 million (2023: $737 million), being the Group's share of revenue reserves of associates and joint ventures which is distributable only upon realisation by way of dividend from or disposal of investment in the associates and joint ventures.

(c) In respect of the financial year ended 31 December 2024, the directors have proposed a final tax-exempt dividend of 92 cents per ordinary share. The proposed final dividend and the 90th anniversary special tax-exempt dividend of 50 cents per ordinary share will be accounted for in Year 2025 financial statements upon approval of the equity holders of the Bank.

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17. Other Reserves

(a)

	The Group									
In $ millions	Fair value reserve	Cash flow hedge reserve	Foreign currency translation reserve	Share-based compensation reserve	Merger reserve	Statutory reserve	General reserve	Share of reserves of associates and joint ventures	Others	Total
2024										
Balance at 1 January	**(432)**	**(1)**	**(2,674)**	**100**	**3,056**	**783**	**6,213**	**50**	**(421)**	**6,674**
Other comprehensive income for the financial year	**163**	**53**	**261**	**–**	**–**	**–**	**–**	**5**	**–**	**482**
Transfers	**–**	**–**	**–**	**–**	**(2)**	**11**	**–**	**–**	**–**	**9**
Share-based compensation	**–**	**–**	**–**	**83**	**–**	**–**	**–**	**–**	**–**	**83**
Shares issued under share-based compensation plan	**–**	**–**	**–**	**(60)**	**–**	**–**	**–**	**–**	**2**	**(58)**
Balance at 31 December	**(269)**	**52**	**(2,413)**	**123**	**3,054**	**794**	**6,213**	**55**	**(419)**	**7,190**
2023										
Balance at 1 January	(903)	(4)	(2,287)	95	3,056	755	6,213	71	(410)	6,586
Other comprehensive income for the financial year	471	3	(387)	–	–	–	–	(21)	–	66
Transfers	–	–	–	–	–	28	–	–	–	28
Share-based compensation	–	–	–	64	–	–	–	–	–	64
Shares issued under share-based compensation plan	–	–	–	(59)	–	–	–	–	(11)	(70)
Balance at 31 December	(432)	(1)	(2,674)	100	3,056	783	6,213	50	(421)	6,674

17. Other Reserves (continued)

(a) (continued)

In $ millions	Fair value reserve	Cash flow hedge reserve	Foreign currency translation reserve	Share-based compensation reserve	Merger reserve	Statutory reserve	General reserve	Others	Total
	The Bank								
2024									
Balance at 1 January	**(525)**	**1**	**(165)**	**100**	**3,056**	**328**	**5,720**	**(86)**	**8,429**
Other comprehensive income for the financial year	**63**	**54**	**(41)**	**–**	**–**	**–**	**–**	**–**	**76**
Transfers	**–**	**–**	**–**	**–**	**(2)**	**–**	**–**	**–**	**(2)**
Share-based compensation	**–**	**–**	**–**	**83**	**–**	**–**	**–**	**–**	**83**
Shares issued under share-based compensation plan	**–**	**–**	**–**	**(60)**	**–**	**–**	**–**	**2**	**(58)**
Balance at 31 December	**(462)**	**55**	**(206)**	**123**	**3,054**	**328**	**5,720**	**(84)**	**8,528**
2023									
Balance at 1 January	(866)	(4)	(170)	95	3,056	328	5,720	(75)	8,084
Other comprehensive income for the financial year	341	5	5	–	–	–	–	–	351
Share-based compensation	–	–	–	64	–	–	–	–	64
Shares issued under share-based compensation plan	–	–	–	(59)	–	–	–	(11)	(70)
Balance at 31 December	(525)	1	(165)	100	3,056	328	5,720	(86)	8,429

(b) Fair value reserve contains cumulative fair value changes of FVOCI financial assets and changes attributable to own credit risk. The cumulative amount attributable to own credit risk is an unrealised loss of $11 million (2023: $16 million) for the Group and $10 million (2023: $14 million) for the Bank.

(c) Cash flow hedge reserve represents the effective portion of the change in fair value of derivatives designated as hedging instruments in cash flow hedges. The amount in reserve is reclassified to the income statement when the underlying hedged item affects profit or loss or when a forecast transaction is no longer expected to occur.

(d) Foreign currency translation reserve represents differences arising from the use of year end exchange rates versus historical rates in translating the net assets of foreign operations, net of the effective portion of the fair value changes of related hedging instruments.

(e) Share-based compensation reserve reflects the Bank's and the Group's commitments under the share-based compensation plan.

(f) Merger reserve represents the premium on shares issued in connection with the acquisition of Overseas Union Bank Limited.

(g) Statutory reserve includes regulatory loss allowance reserve and reserve maintained in accordance with the provisions of applicable laws and regulations.

(h) General reserve has not been earmarked for any specific purpose.

(i) Share of reserves of associates and joint ventures comprises the Group's share of associates' and joint ventures' reserves, other than retained earnings. These reserves are non-distributable until they are realised by way of dividend from or disposal of investment in the associates and joint ventures.

(j) Other reserves are maintained for capital-related transactions such as transactions associated with non-controlling interests, business combination and bonus share issuance by subsidiaries.

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18. Classification of Financial Assets and Financial Liabilities

(a)

	The Group				
In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2024					
Cash, balances and placements with central banks	**1,865**	**–**	**3,267**	**33,445**	**38,577**
Singapore government treasury bills and securities	**472**	**–**	**7,874**	**4,935**	**13,281**
Other government treasury bills and securities	**2,097**	**–**	**23,179**	**8,294**	**33,570**
Trading securities	**3,792**	**–**	**–**	**–**	**3,792**
Placements and balances with banks	**11,385**	**–**	**4,392**	**21,655**	**37,432**
Loans to customers	**5,789**	**–**	**66**	**328,075**	**333,930**
Derivative financial assets	**12,132**	**–**	**–**	**–**	**12,132**
Investment securities					
Debt	**5**	**–**	**27,088**	**15,291**	**42,384**
Equity	**615**	**–**	**1,681**	**–**	**2,296**
Other assets	**3,327**	**–**	**2**	**4,952**	**8,281**
Total financial assets	**41,479**	**–**	**67,549**	**416,647**	**525,675**
Non-financial assets					**11,989**
Total assets					**537,664**
Deposits and balances of banks and customers	**1,449**	**2,145**	**–**	**420,119**	**423,713**
Bills and drafts payable	**–**	**–**	**–**	**665**	**665**
Derivative financial liabilities	**12,514**	**–**	**–**	**–**	**12,514**
Other liabilities	**1,160**	**251**	**–**	**5,686**	**7,097**
Debts issued	**–**	**3,098**	**–**	**38,269**	**41,367**
Total financial liabilities	**15,123**	**5,494**	**–**	**464,739**	**485,356**
Non-financial liabilities					**2,351**
Total liabilities					**487,707**

18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
	The Group				
2023					
Cash, balances and placements with central banks	1,644	–	616	50,090	52,350
Singapore government treasury bills and securities	359	–	7,661	5,302	13,322
Other government treasury bills and securities	1,022	–	18,752	5,184	24,958
Trading securities	4,260	–	–	–	4,260
Placements and balances with banks	11,535	–	3,836	19,722	35,093
Loans to customers	3,744	–	34	313,227	317,005
Derivative financial assets	9,707	–	–	–	9,707
Investment securities					
Debt	5	–	30,848	13,154	44,007
Equity	857	–	1,669	–	2,526
Other assets	3,458	–	3	5,156	8,617
Total financial assets	36,591	–	63,419	411,835	511,845
Non-financial assets					11,675
Total assets					523,520
Deposits and balances of banks and customers	2,692	2,292	–	412,856	417,840
Bills and drafts payable	–	–	–	900	900
Derivative financial liabilities	11,768	–	–	–	11,768
Other liabilities	1,023	215	–	6,252	7,490
Debts issued	–	2,809	–	33,471	36,280
Total financial liabilities	15,483	5,316	–	453,479	474,278
Non-financial liabilities					2,774
Total liabilities					477,052

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18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

	The Bank				
In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2024					
Cash, balances and placements with central banks	**1,397**	**–**	**2,604**	**29,689**	**33,690**
Singapore government treasury bills and securities	**472**	**–**	**7,853**	**4,935**	**13,260**
Other government treasury bills and securities	**1,603**	**–**	**12,410**	**3,777**	**17,790**
Trading securities	**2,377**	**–**	**–**	**–**	**2,377**
Placements and balances with banks	**10,187**	**–**	**2,812**	**16,699**	**29,698**
Loans to customers	**5,339**	**–**	**–**	**253,231**	**258,570**
Placements with and advances to subsidiaries	**2,042**	**–**	**–**	**20,595**	**22,637**
Derivative financial assets	**10,090**	**–**	**–**	**–**	**10,090**
Investment securities					
Debt	**480**	**–**	**25,347**	**14,630**	**40,457**
Equity	**177**	**–**	**1,271**	**–**	**1,448**
Other assets	**2,199**	**–**	**–**	**3,566**	**5,765**
Total financial assets	**36,363**	**–**	**52,297**	**347,122**	**435,782**
Non-financial assets					**15,343**
Total assets					**451,125**
Deposits and balances of banks, customers and subsidiaries	**1,410**	**1,268**	**–**	**348,128**	**350,806**
Bills and drafts payable	**–**	**–**	**–**	**562**	**562**
Derivative financial liabilities	**10,178**	**–**	**–**	**–**	**10,178**
Other liabilities	**1,003**	**206**	**–**	**4,183**	**5,392**
Debts issued	**–**	**3,064**	**–**	**36,252**	**39,316**
Total financial liabilities	**12,591**	**4,538**	**–**	**389,125**	**406,254**
Non-financial liabilities					**2,073**
Total liabilities					**408,327**

18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

In $ millions	The Bank Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2023					
Cash, balances and placements with central banks	1,467	–	30	44,547	46,044
Singapore government treasury bills and securities	359	–	7,661	5,302	13,322
Other government treasury bills and securities	608	–	9,544	992	11,144
Trading securities	2,913	–	–	–	2,913
Placements and balances with banks	10,509	–	2,610	14,111	27,230
Loans to customers	3,470	–	–	242,866	246,336
Placements with and advances to subsidiaries	1,423	–	–	16,342	17,765
Derivative financial assets	8,412	–	–	–	8,412
Investment securities					
Debt	459	–	28,303	12,760	41,522
Equity	258	–	1,263	–	1,521
Other assets	2,626	–	2	3,722	6,350
Total financial assets	32,504	–	49,413	340,642	422,559
Non-financial assets					14,220
Total assets					436,779
Deposits and balances of banks, customers and subsidiaries	2,408	1,466	–	340,401	344,275
Bills and drafts payable	–	–	–	702	702
Derivative financial liabilities	10,433	–	–	–	10,433
Other liabilities	960	210	–	4,360	5,530
Debts issued	–	2,788	–	31,358	34,146
Total financial liabilities	13,801	4,464	–	376,821	395,086
Non-financial liabilities					2,149
Total liabilities					397,235

(b) Certain financial derivatives were designated as hedging instruments for fair value hedges and cash flow hedges as set out in Note 41.

(c) For the financial instruments designated as FVPL, the amounts payable at maturity are as follows:

In $ millions	The Group **2024**	The Group 2023	The Bank **2024**	The Bank 2023
Financial liabilities				
Deposits and balances of banks and customers	**2,136**	2,298	**1,266**	1,474
Debts issued	**3,630**	3,183	**3,483**	3,145
Other liabilities	**213**	184	**164**	173
	5,979	5,665	**4,913**	4,792

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19. Fair Values of Financial Instruments

(a) The valuation process adopted by the Group is governed by the valuation, market data, and valuation adjustment policies. These policies set the methodologies and controls for the valuation of financial assets and liabilities where mark-to-market or mark-to-model is required. These policies apply to all assets and liabilities classified as FVPL and FVOCI. The valuation processes incorporating the market rates, the methodologies and models, including the analysis of the valuation are regularly reviewed by Group Risk Management. Processes and controls are also subject to periodic reviews by internal auditors.

The valuation inputs are independently verified by checking against information from market sources. These are applicable to products or instruments with liquid markets or those traded on an exchange. Where market prices are not liquid, additional techniques will be used such as historical estimation or available proxies as additional reasonableness checks. Where products or instruments are complex, the Group utilises approved valuation models. All valuation models are independently validated by Group Risk Management.

Fair value for instruments classified as Level 2 use inputs such as yield curves, volatilities and market prices which are observable and of high reliability.

When unobservable inputs are used in the valuation models for Level 3 financial assets or liabilities, apart from utilising market proxies, other valuation techniques such as cash flow, profit and loss or net asset value in financial statements are used as a reasonableness check.

The valuation process is supplemented by valuation adjustments for valuation uncertainties. Valuation adjustment methodologies and adjustments are approved by the Group Asset and Liability Committee (ALCO).

The valuation adjustments include bid/offer rate adjustments, illiquidity adjustments, concentration adjustments and other adjustments such as Day 1 profit adjustments, where applicable. Adjustments are also considered for use of proxies, models or estimated parameters.

For financial instruments carried at amortised cost, their fair values are expected to approximate the carrying amounts and determined as follows:

- Cash, balances, placements and deposits of central banks, banks and subsidiaries, deposits of customers with short-term or no stated maturity, as well as interest and other short-term receivables and payables are short-term in nature or subject to frequent re-pricing;
- Loans to customers are substantially subject to frequent re-pricing;
- Fair values of investment debt securities and non-subordinated debts issued are estimated based on independent broker quotes; and
- Fair values of subordinated notes issued are determined based on quoted market prices.

19. Fair Values of Financial Instruments (continued)

(b) The Group classifies financial instruments carried at fair value by level following the fair value measurement hierarchy:

- Level 1 - Unadjusted quoted prices in active markets for identical financial instruments
- Level 2 - Inputs other than quoted prices that are observable either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

	The Group					
	2024			2023		
In $ millions	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Cash, balances and placements with central banks	**5,007**	**125**	**–**	1,242	1,018	–
Singapore government treasury bills and securities	**8,346**	**–**	**–**	8,020	–	–
Other government treasury bills and securities	**22,859**	**2,417**	**–**	18,146	1,628	–
Trading securities	**375**	**3,117**	**300**	198	3,710	352
Placements and balances with banks	**–**	**15,777**	**–**	–	15,371	–
Loans to customers	**–**	**5,855**	**–**	–	3,778	–
Derivative financial assets	**939**	**11,192**	**1**	439	8,844	424
Investment securities						
Debt	**1,683**	**22,561**	**2,849**	3,341	25,528	1,984
Equity	**897**	**–**	**1,399**	979	–	1,547
Other assets	**3,319**	**10**	**–**	3,084	377	–
	43,425	**61,054**	**4,549**	35,449	60,254	4,307
Total financial assets carried at fair value			**109,028**			100,010
Deposits and balances of banks and customers	**–**	**3,594**	**–**	–	4,984	–
Derivative financial liabilities	**1,149**	**11,120**	**245**	477	11,096	195
Other liabilities	**253**	**1,158**	**–**	357	881	–
Debts issued	**–**	**3,098**	**–**	–	2,809	–
	1,402	**18,970**	**245**	834	19,770	195
Total financial liabilities carried at fair value			**20,617**			20,799

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for the financial year ended 31 December 2024

19. Fair Values of Financial Instruments (continued)

(b) (continued)

	The Bank					
	2024			2023		
In $ millions	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Cash, balances and placements with central banks	**3,876**	**125**	**–**	479	1,018	–
Singapore government treasury bills and securities	**8,325**	**–**	**–**	8,020	–	–
Other government treasury bills and securities	**12,960**	**1,053**	**–**	9,875	277	–
Trading securities	**331**	**1,998**	**48**	188	2,715	10
Placements and balances with banks	**–**	**12,999**	**–**	–	13,119	–
Loans to customers	**–**	**5,339**	**–**	–	3,470	–
Placements with and advances to subsidiaries	**–**	**2,042**	**–**	–	1,423	–
Derivative financial assets	**110**	**9,979**	**1**	46	7,952	414
Investment securities						
Debt	**1,683**	**21,247**	**2,897**	2,662	24,429	1,671
Equity	**710**	**–**	**738**	784	–	737
Other assets	**2,194**	**5**	**–**	2,606	22	–
	30,189	**54,787**	**3,684**	24,660	54,425	2,832
Total financial assets carried at fair value			**88,660**			81,917
Deposits and balances of banks, customers and subsidiaries	**–**	**2,678**	**–**	–	3,874	–
Derivative financial liabilities	**145**	**9,792**	**241**	249	9,998	186
Other liabilities	**253**	**956**	**–**	357	813	–
Debts issued	**–**	**3,064**	**–**	–	2,788	–
	398	**16,490**	**241**	606	17,473	186
Total financial liabilities carried at fair value			**17,129**			18,265

19. Fair Values of Financial Instruments (continued)

(c) The following table presents the changes in Level 3 instruments for the financial year ended:

In $ millions	The Group							
		Fair value gains or losses						
	Balance at 1 January	Income statement	Other comprehensive income	Purchases	Settlements	Transfer in/(out)	Balance at 31 December	Unrealised gains or losses included in income statement
2024								
Assets								
Trading securities	**352**	**–**	**–**	**300**	**(352)**	**–**	**300**	**–**
Derivative financial assets	**424**	**(423)**	**–**	**–**	**–**	**–**	**1**	**(423)**
Investment securities - debt	**1,984**	**–**	**20**	**2,326**	**(767)**	**(714)** (1)	**2,849**	**–**
Investment securities – equity	**1,547**	**(35)**	**76**	**337**	**(526)**	**–**	**1,399**	**(35)**
Liabilities								
Derivative financial liabilities	**195**	**50**	**–**	**–**	**–**	**–**	**245**	**50**
2023								
Assets								
Trading securities	29	–	–	344	(29)	8	352	–
Derivative financial assets	444	(20)	–	–	–	–	424	(20)
Investment securities - debt	1,620	–	(3)	929	(297)	(265) (1)	1,984	–
Investment securities – equity	1,776	(11)	(149)	156	(225)	–	1,547	(11)
Liabilities								
Derivative financial liabilities	234	(39)	–	–	–	–	195	(40)

In $ millions	The Bank							
		Fair value gains or losses						
	Balance at 1 January	Income statement	Other comprehensive income	Purchases	Settlements	Transfer out	Balance at 31 December	Unrealised gains or losses included in income statement
2024								
Assets								
Trading securities	**10**	**–**	**–**	**48**	**(10)**	**–**	**48**	**–**
Derivative financial assets	**414**	**(413)**	**–**	**–**	**–**	**–**	**1**	**(413)**
Investment securities - debt	**1,671**	**19**	**2**	**2,137**	**(410)**	**(522)** (1)	**2,897**	**19**
Investment securities – equity	**737**	**(22)**	**83**	**4**	**(64)**	**–**	**738**	**(22)**
Liabilities								
Derivative financial liabilities	**186**	**55**	**–**	**–**	**–**	**–**	**241**	**55**
2023								
Assets								
Trading securities	4	–	–	10	(4)	–	10	–
Derivative financial assets	444	(30)	–	–	–	–	414	(30)
Investment securities - debt	1,248	–	(1)	824	(141)	(259) (1)	1,671	–
Investment securities – equity	1,016	(7)	(176)	1	(97)	–	737	(7)
Liabilities								
Derivative financial liabilities	234	(48)	–	–	–	–	186	(48)

(1) Investment securities - debt were transferred out from Level 3 during the year due to an increased contribution of observable inputs to their valuation.

19. Fair Values of Financial Instruments (continued)

(d) *Effect of changes in significant unobservable inputs*

At 31 December 2024, financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) included unquoted equity investments and funds, debt securities and callable interest rate swaps with multiple calls, summarised as follows:

In $ millions	The Group 2024	2023	Classification	Valuation technique	Unobservable inputs
Assets					
Trading securities – debt	**300**	352	FVPL	Discounted Cash Flow	Credit Spreads
Derivative financial assets	**1**	424	FVPL	Option Pricing Model	Volatilities and Correlations
Investment securities – debt	**2,849**	1,984	FVOCI/FVPL	Discounted Cash Flow and Option Pricing Model	Credit Spreads, Volatilities and Correlations
Investment securities – equity	**1,399**	1,547	FVOCI/FVPL	Multiples, Net Asset Value and Recent Transaction Price	Net Asset Value, Earnings and Financial Ratio Multiples
Liabilities					
Derivative financial liabilities	**245**	195	FVPL	Option Pricing Model	Volatilities and Correlations

In estimating significance, the Group performed sensitivity analyses based on methodologies applied for fair value adjustments. These adjustments reflect the values which the Group estimates to be appropriate to reflect uncertainties in the inputs. The methodologies used can be statistical or based on other relevant approved techniques.

The effect on fair value arising from reasonably possible changes to the significant unobservable inputs is assessed to be insignificant.

20. Deposits and Balances of Customers

In $ millions	The Group 2024	2023	The Bank 2024	2023
Fixed deposits	**166,807**	180,019	**127,124**	141,618
Savings deposits	**118,033**	98,689	**86,947**	72,003
Current accounts	**102,611**	89,949	**84,109**	73,439
Others	**16,527**	16,812	**15,973**	16,240
	403,978	385,469	**314,153**	303,300

21. Other Liabilities

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Accrued interest payable	**1,505**	2,078	**1,319**	1,821
Accrued operating expenses	**1,783**	1,908	**1,179**	1,153
ECL allowance (Note 21(b))	**339**	313	**175**	166
Lease liabilities (Note 21(c))	**277**	264	**335**	192
Sundry creditors	**2,733**	2,526	**1,905**	1,815
Others	**1,740**	1,753	**1,568**	1,423
	8,377	8,842	**6,481**	6,570

(b) *Movements in ECL allowance for commitments and contingent liabilities*

In $ millions	The Group Stage 1	Stage 2	Stage 3	Total
2024				
Balance at 1 January	**212**	**91**	**10**	**313**
Transfers between Stages	**27**	**(27)**	**#**	**–**
Remeasurement (1)	**(18)**	**23**	**#**	**5**
Changes in models (2)	**(12)**	**(2)**	**–**	**(14)**
Charge/(Write-back) to income statement	**35**	**(1)**	**(5)**	**29**
Currency translation adjustments	**3**	**3**	**#**	**6**
Balance at 31 December	**247**	**87**	**5**	**339**
2023				
Balance at 1 January	156	48	18	222
Transfers between Stages	9	(9)	#	–
Remeasurement (1)	(8)	20	1	13
Changes in models (2)	20	(1)	–	19
Charge/(Write-back) to income statement	28	32	(8)	52
Currency translation and other adjustments (3)	7	1	(1)	7
Balance at 31 December	212	91	10	313

Amount less than $500,000

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.
(3) Includes the impact on allowance arising from the exposures of acquisition of consumer business.

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21. Other Liabilities (continued)

(b) *Movements in ECL allowance for commitments and contingent liabilities (continued)*

	The Bank			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2024				
Balance at 1 January	**119**	**44**	**3**	**166**
Transfers between Stages	**7**	**(7)**	**#**	**–**
Remeasurement [1]	**(4)**	**9**	**#**	**5**
Changes in models [2]	**(8)**	**(1)**	**–**	**(9)**
Charge/(Write-back) to income statement	**12**	**3**	**(1)**	**14**
Currency translation adjustments	**(1)**	**#**	**–**	**(1)**
Balance at 31 December	**125**	**48**	**2**	**175**
2023				
Balance at 1 January	87	26	4	117
Transfers between Stages	3	(3)	#	–
Remeasurement [1]	(3)	11	–	8
Changes in models [2]	20	#	–	20
Charge/(Write-back) to income statement	13	10	(1)	22
Currency translation adjustments	(1)	#	–	(1)
Balance at 31 December	119	44	3	166

\# *Amount less than $500,000*

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

(c) *Contractual maturity for lease liabilities*

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Maturity for lease liabilities				
Within 1 year	**97**	82	**85**	58
Over 1 to 5 years	**163**	172	**219**	133
Over 5 years	**17**	10	**31**	1
	277	264	**335**	192

22. Deferred Tax

(a) Deferred tax comprises the following:

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Deferred tax liabilities on:				
Unrealised gain on FVOCI financial assets	**46**	34	**7**	13
Accelerated tax depreciation	**326**	279	**303**	267
Unrealised gain on financial instruments at FVPL	**315**	167	**–**	–
Depreciable assets acquired in business combination	**33**	34	**19**	20
Others	**124**	95	**100**	72
	844	609	**429**	372
Amount offset against deferred tax assets	**(524)**	(96)	**(126)**	(88)
	320	513	**303**	284
Deferred tax assets on:				
Allowance for impairment	**443**	329	**225**	135
Unrealised loss on FVOCI financial assets	**30**	26	**24**	22
Tax losses	**40**	#	**–**	–
Unrealised loss on financial instruments at FVPL	**363**	188	**–**	–
Others	**305**	305	**116**	85
	1,181	848	**365**	242
Amount offset against deferred tax liabilities	**(524)**	(96)	**(126)**	(88)
	657	752	**239**	154
Net deferred tax assets/(liabilities)	**337**	239	**(64)**	(130)

Amount less than $500,000

(b) Movements in deferred tax during the financial year are as follows:

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Balance at 1 January	**239**	200	**(130)**	(118)
Currency translation adjustments/others	**12**	(16)	**3**	(2)
Credit to income statement	**119**	92	**71**	2
Charge to equity	**(33)**	(37)	**(8)**	(12)
Balance at 31 December	**337**	239	**(64)**	(130)

The Group has not recognised deferred tax assets in respect of tax losses of $28 million (2023: $30 million) which can be carried forward to offset against future taxable income, subject to meeting certain statutory requirements of the relevant tax authorities. These tax losses have no expiry date except for an amount of $12 million (2023: $14 million) which will expire between the years 2025 and 2032 (2023: 2024 and 2032).

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23. Debts Issued

(a)

In $ millions		Issue/ Maturity date	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Subordinated notes	**Note (b)**					
SGD750 million 3.50% notes callable in 2024	(i)	27 Feb 2017/ 27 Feb 2029	**–**	748	**–**	748
USD600 million 3.75% notes callable in 2024	(ii)	15 Apr 2019/ 15 Apr 2029	**–**	783	**–**	783
USD600 million 1.75% notes callable in 2026	(iii)	16 Sep 2020/ 16 Mar 2031	**782**	734	**782**	734
USD750 million 2.00% notes callable in 2026	(iv)	14 Apr 2021/ 14 Oct 2031	**958**	904	**958**	904
CNH650 million 4.50% notes callable in 2027	(v)	6 Apr 2022/ 6 Apr 2032	**120**	121	**120**	121
USD1 billion 3.863% notes callable in 2027	(vi)	7 Apr 2022/ 7 Oct 2032	**1,292**	1,249	**1,292**	1,249
RM750 million 3.00% notes callable in 2025	(vii)	3 Aug 2020/ 2 Aug 2030	**228**	216	**–**	–
RM1 billion 4.91% notes callable in 2027	(viii)	27 Oct 2022/ 27 Oct 2032	**304**	287	**–**	–
RM500 million 4.01% notes callable in 2029	(ix)	8 Feb 2024/ 8 Feb 2034	**152**	–	**–**	–
THB13.735 billion 4.07% notes callable in 2027	(x)	7 Jun 2022/ 7 Jun 2032	**549**	532	**–**	–
THB5 billion 4.00% notes callable in 2029	(xi)	19 Sep 2022/ 19 Sep 2034	**40**	39	**–**	–
THB12 billion 5.10% notes callable in 2028	(xii)	23 May 2023/ Perpetual	**2**	1	**–**	–
IDR500 billion 9.25% notes	(xiii)	17 Oct 2017/ 17 Oct 2024	**–**	43	**–**	–
IDR100 billion 9.85% notes	(xiv)	5 Jul 2019/ 5 Jul 2026	**8**	8	**–**	–
IDR650 billion 9.25% notes	(xv)	13 Nov 2019/ 13 Nov 2026	**55**	56	**–**	–
IDR100 billion 8.00% notes	(xvi)	8 Mar 2022/ 8 Mar 2029	**8**	8	**–**	–
IDR100 billion 7.50% notes	(xvii)	26 Jun 2024/ 26 Jun 2031	**8**	–	**–**	–
CNY1 billion 4.80% notes callable in 2024	(xviii)	19 Nov 2019/ 19 Nov 2029	**–**	176	**–**	–
Total subordinated notes			**4,506**	5,905	**3,152**	4,539

23. Debts Issued (continued)

(a) (continued)

In $ millions		The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Other debts	**Note (c)**				
Commercial papers	(i)	**16,401**	12,790	**16,401**	12,790
Covered bonds	(ii)	**7,846**	6,561	**7,846**	6,561
Equity-linked notes	(iii)	**478**	349	**478**	349
Fixed rate notes	(iv)	**4,897**	4,058	**4,234**	3,310
Floating rate notes	(v)	**4,619**	4,157	**4,619**	4,157
Interest rate-linked notes	(vi)	**872**	911	**872**	911
Others	(vii)	**1,748**	1,549	**1,714**	1,529
Total other debts		**36,861**	30,375	**36,164**	29,607
Total debts issued		**41,367**	36,280	**39,316**	34,146
Of which, fair value hedge gain:					
Subordinated notes		**(155)**	(212)	**(158)**	(214)
Other debts		**(272)**	(497)	**(272)**	(496)

(b) *Subordinated notes*

Subordinated notes are redeemable at par at the option of the issuers, in whole but not in part, or at the occurrence of a tax event or change of qualification event, subject to the prior approval of the relevant regulators and other redemption conditions. As a Basel III capital instrument, the subordinated notes can be written off in whole or in part if the issuer was determined by the regulators to be non-viable.

(i) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.50% per annum up to but excluding 27 February 2024. From and including 27 February 2024, the interest rate shall be reset to a fixed rate equal to the prevailing five-year Singapore Dollar SOR plus 1.08%. The notes were redeemed on 27 February 2024.

(ii) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.75% per annum up to but excluding 15 April 2024. From and including 15 April 2024, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.50%. The notes were redeemed on 15 April 2024.

(iii) Issued by the Bank with interest payable semi-annually at a fixed rate of 1.75% per annum up to but excluding 16 March 2026. From and including 16 March 2026, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.52%.

(iv) Issued by the Bank with interest payable semi-annually at a fixed rate of 2.00% per annum up to but excluding 14 October 2026. From and including 14 October 2026, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.23%.

(v) Issued by the Bank with interest payable semi-annually at a fixed rate of 4.50% per annum.

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23. Debts Issued (continued)

(b) *Subordinated notes (continued)*

(vi) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.863% per annum up to but excluding 7 October 2027. From and including 7 October 2027, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Reset Spread of 1.455%.

(vii) Issued by United Overseas Bank (Malaysia) Bhd with interest payable semi-annually at 3.00% per annum. The notes are redeemable on 1 August 2025 or at any interest payment date thereafter.

(viii) Issued by United Overseas Bank (Malaysia) Bhd with interest payable semi-annually at 4.91% per annum. The notes are redeemable on 27 October 2027 or at any interest payment date thereafter.

(ix) Issued by United Overseas Bank (Malaysia) Bhd with profit payable semi-annually at 4.01% per annum. The notes are redeemable on 8 February 2029 or at any profit payment date thereafter.

(x) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 4.07% per annum. The notes are redeemable on 7 June 2027 or at any interest payment date thereafter.

(xi) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 4.00% per annum. The notes are redeemable on 19 September 2029 or at any interest payment date thereafter. THB4 billion of the notes were subscribed by the Bank.

(xii) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 5.10% per annum. The notes are perpetual with no maturity date. The notes are redeemable on 23 May 2028 or at any interest payment date thereafter. THB11.960 billion of the notes were subscribed by the Bank.

(xiii) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.25% per annum. The notes were redeemed on 17 October 2024.

(xiv) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.85% per annum.

(xv) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.25% per annum.

(xvi) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 8.00% per annum.

(xvii) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 7.50% per annum.

(xviii) Issued by United Overseas Bank (China) Limited with interest payable annually at a fixed rate of 4.80% per annum. The notes were redeemed on 19 November 2024.

23. Debts Issued (continued)

(c) *Other debts*

(i) The commercial papers were issued by the Bank between 15 July 2024 and 11 December 2024 and mature between 15 January 2025 and 16 June 2025. Interest rates of the papers ranged from 4.61% to 4.63% per annum (2023: 5.48% to 5.66% per annum).

(ii) As at 31 December 2024, there were six covered bonds outstanding comprising:

EUR500 million fixed rate covered bonds issued by the Bank on 16 January 2018 at 99.412 with maturity on 16 January 2025. Interest is payable annually at a fixed rate of 0.50% per annum.

EUR1 billion fixed rate covered bonds issued by the Bank on 1 December 2020 at 101.553 with maturity on 1 December 2027. Interest is payable annually at a fixed rate of 0.01% per annum.

EUR750 million fixed rate covered bonds issued by the Bank on 25 May 2021 at 99.809 with maturity on 25 May 2029. Interest is payable annually at a fixed rate of 0.10% per annum.

GBP850 million floating rate covered bonds issued by the Bank on 21 September 2021 at 103.52 with maturity on 21 September 2026. Interest is payable quarterly at a compounded daily Sterling Overnight Index Average (SONIA) plus 1.00% per annum.

EUR1,500 million fixed rate covered bonds issued by the Bank on 17 March 2022 at par value with maturity on 17 March 2025. Interest is payable annually at a fixed rate of 0.387% per annum.

GBP750 million floating rate covered bonds issued by the Bank on 13 September 2024 at par value with maturity on 13 September 2027. Interest is payable quarterly at a compounded daily SONIA plus 0.53% per annum.

(iii) The equity-linked notes, with embedded equity derivatives, were issued at par with maturities ranging from 2 January 2025 to 6 April 2026. The periodic payments and payouts of the notes at maturity are linked to the closing value of certain underlying equities or equity indices.

(iv) The fixed rate notes comprise notes issued by the Group with maturities ranging from 7 April 2025 to 22 October 2027. Interest is payable quarterly, semi-annually and annually at a fixed rate as follows:

Currency notes	Interest rate
AUD	4.64% to 4.67% per annum
CNY	2.30% to 2.88% per annum
HKD	5.03% per annum
IDR	6.70% per annum
THB	Zero-coupon and 2.01% to 3.00% per annum
USD	1.21% to 3.06% per annum
CNH	2.90% per annum

(v) The floating rate notes comprise mainly notes issued at par with maturities ranging from 7 April 2025 to 8 August 2028. Interest is payable quarterly at a floating rate.

(vi) The interest rate-linked notes, with embedded interest rate derivatives, were issued at par with maturities ranging from 9 March 2030 to 16 September 2052. The periodic payouts and redemptions of the notes are linked to the interest rate indices.

(vii) Others comprise currency, credit and commodity-linked notes issued by the Group.

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23. Debts Issued (continued)

(d) Changes in liabilities arising from financing activities

	The Group				
		Cash flows		Non-cash changes	
In $ millions	Balance at 1 January	Issuance	Redemption	Foreign exchange movement/Others	Balance at 31 December
2024					
Debts issued	**36,280**	**36,256**	**(31,861)**	**692**	**41,367**
2023					
Debts issued	40,593	33,415	(37,999)	271	36,280

24. Cash, Balances and Placements with Central Banks

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Cash on hand	**860**	854	**542**	588
Non-restricted balances with central banks	**30,945**	44,877	**27,863**	40,245
Cash and cash equivalents	**31,805**	45,731	**28,405**	40,833
Restricted balances with central banks	**6,774**	6,620	**5,287**	5,211
ECL allowance	**(2)**	(1)	**(2)**	#
	38,577	52,350	**33,690**	46,044

Amount less than $500,000

25. Other Government Treasury Bills and Securities

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Other government treasury bills and securities [(1)]	**33,571**	24,959	**17,790**	11,144
ECL allowance	**(1)**	(1)	**–**	#
	33,570	24,958	**17,790**	11,144

Amount less than $500,000

(1) Includes ECL allowance on other government treasury bills and securities at FVOCI of $8 million (2023: $8 million) for the Group and $2 million (2023: $1 million) for the Bank.

26. Trading Securities

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Quoted securities				
Debt	**1,767**	2,262	**937**	1,471
Equity	**159**	116	**160**	116
Unquoted securities				
Debt	**1,866**	1,882	**1,280**	1,326
	3,792	4,260	**2,377**	2,913

27. Placements and Balances with Banks

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Placements and balances with banks [1]	**37,471**	35,122	**29,727**	27,252
ECL allowance (Note 27(b))	**(39)**	(29)	**(29)**	(22)
	37,432	35,093	**29,698**	27,230

(1) Includes ECL allowance on placements and balances with banks at FVOCI of $2 million (2023: $2 million) for the Group and $1 million (2023: $1 million) for the Bank.

(b) *Movements in ECL allowance for placements and balances with banks*

In $ millions	The Group Stage 1	The Group Stage 2	The Group Total
2024			
Balance at 1 January	**27**	**2**	**29**
Charge to income statement	**5**	**5**	**10**
Currency translation adjustments	**1**	**(1)**	**#**
Balance at 31 December	**33**	**6**	**39**
2023			
Balance at 1 January	18	1	19
Charge to income statement	10	#	10
Currency translation adjustments	(1)	1	#
Balance at 31 December	27	2	29

In $ millions	The Bank Stage 1	The Bank Stage 2	The Bank Total
2024			
Balance at 1 January	**20**	**2**	**22**
Charge to income statement	**3**	**5**	**8**
Currency translation adjustments	**#**	**(1)**	**(1)**
Balance at 31 December	**23**	**6**	**29**
2023			
Balance at 1 January	12	1	13
Charge to income statement	9	1	10
Currency translation adjustments	(1)	#	(1)
Balance at 31 December	20	2	22

\# *Amount less than $500,000*

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28. Loans to Customers

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Gross loans to customers	**337,831**	321,150	**260,566**	248,515
ECL allowance (Note 28(d))	**(3,901)**	(4,145)	**(1,996)**	(2,179)
	333,930	317,005	**258,570**	246,336
Comprising:				
Trade bills	**4,828**	4,665	**2,404**	2,438
Advances to customers	**329,102**	312,340	**256,166**	243,898
	333,930	317,005	**258,570**	246,336

(b) *Gross loans to customers analysed by industry*

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Transport, storage and communication	**16,065**	14,175	**13,152**	11,674
Building and construction	**91,713**	86,658	**84,205**	79,438
Manufacturing	**23,394**	21,451	**14,025**	12,954
Financial institutions, investment and holding companies	**39,768**	40,456	**35,572**	36,335
General commerce	**35,507**	32,857	**23,069**	21,591
Professionals and private individuals	**29,914**	29,294	**16,800**	16,475
Housing loans	**82,036**	77,629	**58,421**	55,241
Others	**19,434**	18,630	**15,322**	14,807
	337,831	321,150	**260,566**	248,515

(c) *Gross loans to customers analysed by currency*

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Singapore Dollar	**146,557**	139,031	**146,502**	138,903
United States Dollar	**59,994**	56,940	**54,717**	52,502
Malaysian Ringgit	**31,576**	29,155	**–**	–
Thai Baht	**25,327**	23,868	**–**	–
Indonesian Rupiah	**6,026**	5,514	**–**	–
Others	**68,351**	66,642	**59,347**	57,110
	337,831	321,150	**260,566**	248,515

28. Loans to Customers (continued)

(d) *Movements in ECL allowance for loans to customers*

	The Group			
In $ millions	Stage 1	Stage 2	Stage 3	Total
2024				
Balance at 1 January	**1,191**	**1,395**	**1,559**	**4,145**
New loans originated or purchased	**202**	**–**	**–**	**202**
Loans derecognised or repaid	**(96)**	**(107)**	**(312)**	**(515)**
Transfers to Stage 1	**112**	**(95)**	**(17)**	**–**
Transfers to Stage 2	**(24)**	**117**	**(93)**	**–**
Transfers to Stage 3	**(5)**	**(54)**	**59**	**–**
Remeasurement [(1)]	**(80)**	**121**	**250**	**291**
Changes in models [(2)]	**(45)**	**(63)**	**–**	**(108)**
(Write-back)/Charge for existing loans	**(295)**	**122**	**1,459**	**1,286**
Bad debts recovery	**–**	**–**	**(283)**	**(283)**
Net (write-back)/charge to income statement	**(231)**	**41**	**1,063**	**873**
Unwind of discounts	**–**	**–**	**(114)**	**(114)**
Net write-off	**–**	**–**	**(1,066)**	**(1,066)**
Currency translation and other movements	**14**	**(145)**	**194**	**63**
Balance at 31 December	**974**	**1,291**	**1,636**	**3,901**
2023				
Balance at 1 January	1,391	1,197	1,720	4,308
New loans originated or purchased	138	–	–	138
Loans derecognised or repaid	(80)	(52)	(420)	(552)
Transfers to Stage 1	107	(85)	(22)	–
Transfers to Stage 2	(26)	69	(43)	–
Transfers to Stage 3	(4)	(42)	46	–
Remeasurement [(1)]	(84)	164	277	357
Changes in models [(2)]	73	16	–	89
(Write-back)/Charge for existing loans	(344)	126	1,234	1,016
Bad debts recovery	–	–	(265)	(265)
Net (write-back)/charge to income statement	(220)	196	807	783
Unwind of discounts	–	–	(90)	(90)
Net write-off	–	–	(862)	(862)
Currency translation and other movements	20	2	(16)	6
Balance at 31 December	1,191	1,395	1,559	4,145

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

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28. Loans to Customers (continued)

(d) *Movements in ECL allowance for loans to customers (continued)*

	The Bank			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2024				
Balance at 1 January	**694**	**553**	**932**	**2,179**
New loans originated or purchased	**129**	**–**	**–**	**129**
Loans derecognised or repaid	**(77)**	**(55)**	**(152)**	**(284)**
Transfers to Stage 1	**49**	**(48)**	**(1)**	**–**
Transfers to Stage 2	**(16)**	**87**	**(71)**	**–**
Transfers to Stage 3	**(1)**	**(25)**	**26**	**–**
Remeasurements (1)	**(25)**	**49**	**122**	**146**
Changes in models (2)	**(36)**	**(20)**	**–**	**(56)**
(Write-back)/Charge for existing loans	**(233)**	**138**	**533**	**438**
Bad debts recovery	**–**	**–**	**(58)**	**(58)**
Net (write-back)/charge to income statement	**(210)**	**126**	**399**	**315**
Unwind of discounts	**–**	**–**	**(92)**	**(92)**
Net write-off	**–**	**–**	**(436)**	**(436)**
Currency translation and other movements	**2**	**(80)**	**108**	**30**
Balance at 31 December	**486**	**599**	**911**	**1,996**
2023				
Balance at 1 January	742	541	1,044	2,327
New loans originated or purchased	98	–	–	98
Loans derecognised or repaid	(60)	(35)	(125)	(220)
Transfers to Stage 1	44	(38)	(6)	–
Transfers to Stage 2	(18)	30	(12)	–
Transfers to Stage 3	(1)	(15)	16	–
Remeasurements (1)	(39)	118	161	240
Changes in models (2)	76	38	–	114
(Write-back)/Charge for existing loans	(145)	(84)	347	118
Bad debts recovery	–	–	(63)	(63)
Net (write-back)/charge to income statement	(45)	14	318	287
Unwind of discounts	–	–	(66)	(66)
Net write-off	–	–	(347)	(347)
Currency translation adjustments	(3)	(2)	(17)	(22)
Balance at 31 December	694	553	932	2,179

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

(e) *Sensitivity of ECL*

The Group assessed ECL sensitivity for financial instruments not measured at FVPL with reference to the probability weightage of base and downside scenarios. Should a 100% weightage be applied on the downside scenario, ECL allowance is estimated to increase by $905 million (2023: $735 million).

29. Financial Assets Transferred

The Group transfers financial assets to third parties in the ordinary course of business. Transferred assets where the Group retains substantially all the risks and rewards of the transferred assets continue to be recognised on the Group's balance sheet.

(a) *Assets pledged or transferred*

Assets transferred under repurchase agreements (repo) are conducted under terms and conditions that are usual market practice. The counterparty is typically allowed to sell or re-pledge the securities but has an obligation to return them. Assets pledged or transferred are summarised below:

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Singapore government and central bank treasury bills and securities	**899**	1,068	**899**	1,068
Other government and central bank treasury bills and securities	**1,967**	6,640	**836**	4,467
Investment securities	**5,226**	7,385	**5,182**	7,237
	8,092	15,093	**6,917**	12,772

The amount of the associated liabilities approximates the carrying amount of the assets pledged.

(b) *Collateral received*

Assets the Group received as collateral for reverse repurchase agreements (reverse repo) are summarised below:

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Assets received for reverse repo transactions, at fair value	**13,688**	16,667	**10,549**	11,224
Of which, sold or re-pledged	**504**	1,406	**504**	1,406

(c) *Repo and reverse repo transactions subject to netting agreements*

The Bank and the Group enter into global master repurchase agreements with counterparties where it is appropriate and practicable to mitigate counterparty credit risk. Such agreements allow the Bank and the Group to settle outstanding amounts with the counterparty on a net basis in the event of default. These agreements also allow the Bank and the Group to further reduce its credit risk by requiring periodic mark-to-market of outstanding positions and posting of collateral when pre-established thresholds are exceeded. The counterparty that receives non-cash collateral is typically allowed to sell or re-pledge such collateral in accordance with the terms of these agreements.

29. Financial Assets Transferred (continued)

(c) *Repo and reverse repo transactions subject to netting agreements (continued)*

The table below shows the Bank's and the Group's repo and reverse repo transactions that are not offset in the balance sheet but are subject to enforceable netting agreements:

In $ millions	**2024** Reverse repo	**2024** Repo	2023 Reverse repo	2023 Repo
The Group				
Carrying amount on the balance sheet subject to netting agreements (1)	**13,354**	**8,068**	15,963	15,315
Amount nettable (2)	**(1,326)**	**(1,326)**	(1,187)	(1,187)
Financial collateral	**(11,984)**	**(6,724)**	(14,768)	(14,126)
Net amounts	**44**	**18**	8	2
The Bank				
Carrying amount on the balance sheet subject to netting agreements (1)	**10,368**	**6,924**	10,704	13,056
Amount nettable (2)	**(1,326)**	**(1,326)**	(1,187)	(1,187)
Financial collateral	**(9,002)**	**(5,580)**	(9,513)	(11,867)
Net amounts	**40**	**18**	4	2

(1) The carrying amount of reverse repo is presented under 'Cash, balances and placements with central banks', 'Placements and balances with banks' and 'Loans to customers' while repo is under 'Deposits and balances of banks and customers' on the balance sheet.
(2) Amount that could be netted under the netting agreements.

(d) *Covered bonds*

Pursuant to the Bank's USD15 billion Global Covered Bond Programme, selected pools of residential mortgages that were originated by the Bank have been assigned to a bankruptcy-remote structured entity, Glacier Eighty Pte Ltd. These residential mortgages continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2024, there were six (2023: five) covered bonds outstanding comprising four EUR fixed rate covered bonds and two GBP floating rate covered bonds, with assigned residential mortgages of approximately $14,309 million (2023: $11,809 million).

30. Investment Securities

(a)

In $ millions	The Group **2024**	The Group 2023	The Bank **2024**	The Bank 2023
Quoted securities				
Debt (1)	**21,711**	20,948	**20,279**	18,836
Equity	**896**	979	**710**	784
Unquoted securities				
Debt (2)	**20,711**	23,099	**20,211**	22,720
Equity	**1,400**	1,547	**738**	737
ECL allowance (Note 30(b))	**(38)**	(40)	**(33)**	(34)
	44,680	46,533	**41,905**	43,043

(1) Includes ECL allowance on quoted debt securities at FVOCI of $18 million (2023: $16 million) for the Group and $18 million (2023: $15 million) for the Bank.
(2) Includes ECL allowance on unquoted debt securities at FVOCI of $13 million (2023: $22 million) for the Group and $12 million (2023: $10 million) for the Bank.

30. Investment Securities (continued)

(b) *Movements in ECL allowance for investment securities*

	The Group		
In $ millions	**Stage 1**	**Stage 2**	**Total**
2024			
Balance at 1 January	**24**	**16**	**40**
Transfers between Stages	**8**	**(8)**	**–**
Remeasurement (1)	**(7)**	**#**	**(7)**
Changes in models (2)	**(2)**	**1**	**(1)**
Charge to income statement	**3**	**3**	**6**
Currency translation adjustments	**1**	**(1)**	**#**
Balance at 31 December	**27**	**11**	**38**
2023			
Balance at 1 January	13	10	23
Transfers between Stages	4	(4)	–
Remeasurement (1)	(5)	(1)	(6)
Changes in models (2)	1	1	2
Charge to income statement	11	10	21
Currency translation adjustments	#	#	#
Balance at 31 December	24	16	40

	The Bank		
In $ millions	**Stage 1**	**Stage 2**	**Total**
2024			
Balance at 1 January	**19**	**15**	**34**
Transfers between Stages	**9**	**(9)**	**–**
Remeasurement (1)	**(7)**	**#**	**(7)**
Changes in models (2)	**(2)**	**#**	**(2)**
Charge to income statement	**6**	**3**	**9**
Currency translation adjustments	**(1)**	**#**	**(1)**
Balance at 31 December	**24**	**9**	**33**
2023			
Balance at 1 January	11	4	15
Transfers between Stages	#	#	–
Remeasurement (1)	–	#	#
Changes in models (2)	#	1	1
Charge to income statement	7	10	17
Currency translation adjustments	1	#	1
Balance at 31 December	19	15	34

Amount less than $500,000

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

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30. Investment Securities (continued)

(c) *Investment securities analysed by industry*

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Transport, storage and communication	**1,784**	1,885	**1,376**	1,557
Building and construction	**3,110**	2,241	**2,806**	2,035
Manufacturing	**1,513**	1,418	**1,079**	1,130
Financial institutions, investment and holding companies	**19,077**	25,146	**17,990**	22,935
General commerce	**1,114**	1,231	**999**	1,061
Others	**18,082**	14,612	**17,655**	14,325
	44,680	46,533	**41,905**	43,043

(d) *Equity investments designated at FVOCI*

Equity investments designated at FVOCI comprise ordinary shares and funds, mainly held for yield enhancement or strategic purposes.

In 2024, the related dividend income was $40 million (2023: $31 million) at the Group and $32 million (2023: $28 million) at the Bank.

During the year, equity investments of $124 million (2023: $153 million) at the Group and $57 million (2023: $78 million) at the Bank were realised. Related net loss recognised within equity was $7 million (2023: $21 million) at the Group and $6 million (2023: $22 million) at the Bank.

31. Other Assets

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Sundry debtors	**1,999**	2,359	**1,163**	1,283
Interest receivable	**2,441**	2,774	**2,112**	2,254
Foreclosed properties	**80**	91	**–**	–
Allowance for impairment	**(67)**	(76)	**(12)**	(1)
ECL allowance	**(23)**	(19)	**(7)**	(5)
Others	**4,050**	3,653	**2,599**	2,888
	8,480	8,782	**5,855**	6,419

32. Investment in Associates and Joint Ventures

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Material associate:				
UOB-Kay Hian Holdings Limited	**698**	660	**67**	67
Other associates and joint ventures	**619**	621	**358**	365
	1,317	1,281	**425**	432
Allowance for impairment (Note 34)	**(15)**	(15)	**(124)**	(124)
	1,302	1,266	**301**	308
Fair value of quoted investments at 31 December	**526**	417	**526**	417

Name of associate	Principal activities	Country of incorporation	Effective equity interest of the Group 2024 %	Effective equity interest of the Group 2023 %
Quoted				
UOB-Kay Hian Holdings Limited	Stockbroking	Singapore	**34**	35

(b) Aggregate information about the Group's share of investments in associates and joint ventures that were not individually material is as follows:

In $ millions	The Group 2024	The Group 2023
Profit for the financial year	**25**	23
Other comprehensive income	**8**	(11)
Total comprehensive income	**33**	12

(c) The summarised financial information in respect of UOB-Kay Hian Holdings Limited, based on its financial statements, and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

In $ millions	2024	2023
Statement of comprehensive income		
Operating income	**670**	592
Profit for the financial year	**218**	155
Other comprehensive income	**–**	(5)
Total comprehensive income	**218**	150

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for the financial year ended 31 December 2024

32. Investment in Associates and Joint Ventures (continued)

(c) (continued)

In $ millions	2024	2023
Balance sheet		
Current assets	**7,404**	3,770
Non-current assets	**186**	180
Total assets	**7,590**	3,950
Current liabilities	**5,504**	2,018
Non-current liabilities	**3**	36
Total liabilities	**5,507**	2,054
Net assets	**2,083**	1,896
Group's ownership interest	**34%**	35%
Group's share of net assets	**698**	660

Dividends of $29 million (2023: $19 million) were received from UOB-Kay Hian Holdings Limited.

33. Investment in Subsidiaries

(a)

	The Bank	
In $ millions	2024	2023
Quoted investments	**45**	45
Unquoted investments	**8,332**	7,235
	8,377	7,280
Allowance for impairment (Note 34)	**(310)**	(300)
	8,067	6,980
Fair value of quoted investments at 31 December	**251**	212

33. Investment in Subsidiaries (continued)

(b) Major subsidiaries of the Group as at the balance sheet date are as follows:

Name of subsidiary	Country of incorporation	Effective equity interest of the Group 2024 %	2023 %
Commercial Banking			
United Overseas Bank (Malaysia) Bhd	Malaysia	**100**	100
United Overseas Bank (Thai) Public Company Limited	Thailand	**99.7**	99.7
PT Bank UOB Indonesia	Indonesia	**99**	99
United Overseas Bank (China) Limited	China	**100**	100
United Overseas Bank (Vietnam) Limited	Vietnam	**100**	100
Financial Services			
United Overseas Insurance Limited	Singapore	**58**	58
Asset Management/Investment Management			
UOB Asset Management Ltd	Singapore	**100**	100
UOB Asset Management (Malaysia) Berhad	Malaysia	**70**	70
UOB Asset Management (Thailand) Co., Ltd	Thailand	**100**	100
UOB Capital Management Pte Ltd	Singapore	**100**	100
UOB Global Capital LLC (1)	United States	**70**	70
UOB Holdings (USA) Inc. (2)	United States	**100**	100
UOB Venture Management (Shanghai) Co., Ltd	China	**100**	100
UOB Venture Management Private Limited	Singapore	**100**	100
United Private Equity Investments (Cayman) Limited (2)	Cayman Islands	**100**	100
Property Investment Holding			
Industrial & Commercial Property (S) Pte Ltd	Singapore	**100**	100
PT UOB Property	Indonesia	**100**	100
UOB Property Investments China Pte Ltd	Singapore	**100**	100
UOB Property Investments Pte Ltd	Singapore	**100**	100
UOB Realty (USA) Ltd Partnership (2)	United States	**100**	100
Others			
UOB International Investment Private Limited	Singapore	**100**	100
UOB Travel Planners Pte Ltd	Singapore	**100**	100

Except as indicated, all subsidiaries incorporated in Singapore are audited by Ernst & Young LLP, Singapore and those incorporated overseas are audited by member firms of Ernst & Young Global Limited.

(1) Audited by other auditors.
(2) Not required to be audited.

33. Investment in Subsidiaries (continued)

(c) *Interest in subsidiaries with material non-controlling interest (NCI)*

Only United Overseas Insurance Limited has NCI that is material to the Group:

Principal place of business	Proportion of ownership interest held by NCI %	Profit allocated to NCI during the reporting period $ million	Accumulated NCI at the end of reporting period $ million	Dividends paid to NCI $ million
2024				
Singapore	**42**	**13**	**190**	**5**
2023				
Singapore	42	9	179	5

(d) *Summarised financial information [(1)] about United Overseas Insurance Limited*

In $ millions	2024	2023
Statement of comprehensive income		
Operating income	**46**	36
Profit before tax	**35**	27
Less: Tax	**3**	6
Profit for the financial year	**32**	21
Other comprehensive income	**9**	6
Total comprehensive income	**41**	27
Balance sheet		
Total assets	**581**	577
Total liabilities	**125**	148
Net assets	**456**	429
Other information		
Net cash flows from operations	**6**	21

(1) Including consolidation adjustments but before inter-company eliminations.

(e) *Consolidated structured entities*

The Group has established a USD15 billion Global Covered Bond Programme to augment its funding programmes. Under the Programme, the Bank may from time to time issue covered bonds (the Covered Bonds). The payments of interest and principal under the Covered Bonds are guaranteed by the Covered Bond Guarantor (the CBG), Glacier Eighty Pte Ltd. The Covered Bonds issued under the Programme will be backed by a portfolio of Singapore residential mortgages transferred by the Bank to the CBG when certain conditions are met.

33. Investment in Subsidiaries (continued)

(f) *Interests in unconsolidated structured entities*

The Group has interests in certain investment funds where the Group is the fund manager and the investors have no or limited removal rights over the fund manager. These funds are primarily financed by the investors. The table below summarises the Group's involvement in the funds.

	The Group	
In $ millions	**2024**	2023
Total assets of structured entities [1]	**22,472**	18,038
Maximum exposure to loss – Investment in funds	**315**	308
Fee income	**159**	174
Net loss from investment securities	**(13)**	(#)

Amount less than $500,000

(1) Based on the latest available financial reports of the structured entities.

34. Movements in Allowance for Impairment on Investment in Associates, Joint Ventures and Subsidiaries

	The Group	
	Investment in associates and joint ventures	
In $ millions	**2024**	2023
Balance at 1 January and 31 December	**15**	15

	The Bank			
	Investment in associates and joint ventures		Investment in subsidiaries	
In $ millions	**2024**	2023	**2024**	2023
Balance at 1 January	**124**	143	**300**	300
(Credit)/Charge to income statement	**–**	(19)	**22**	–
Amounts written off	**–**	–	**(12)**	–
Balance at 31 December	**124**	124	**310**	300

35. Investment Properties

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Balance at 1 January	**726**	746	**804**	749
Currency translation adjustments	**2**	(6)	**#**	#
Additions	**2**	#	**1**	#
Disposals	**(9)**	(10)	**(201)**	(10)
Depreciation charge	**(17)**	(18)	**(11)**	(13)
Write-back of impairment	**#**	#	**#**	1
Transfers	**(21)**	14	**(43)**	77
Balance at 31 December	**683**	726	**550**	804
Represented by:				
Cost	**1,008**	1,062	**732**	1,061
Accumulated depreciation	**(324)**	(334)	**(182)**	(256)
Allowance for impairment	**(1)**	(2)	**#**	(1)
Net carrying amount	**683**	726	**550**	804
Freehold property	**351**	386	**442**	501
Leasehold property	**332**	340	**108**	303
	683	726	**550**	804
Fair value hierarchy				
Level 2	**346**	308	**341**	304
Level 3	**2,313**	2,479	**1,483**	2,029
	2,659	2,787	**1,824**	2,333

Amount less than $500,000

The valuations of investment properties were performed by external valuers with professional qualifications and experience, taking into account market prices and rentals of comparable properties using a market comparison approach or using a combination of comparable sales and investment approaches.

Fair values for properties under Level 2 of the fair value hierarchy are determined based on a market comparison approach using comparable price transactions as significant observable inputs. Fair values for properties under Level 3 of the fair value hierarchy are determined using a combination of market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

In 2024, the Bank sold investment properties to property investment holding subsidiaries of the Group as part of the Group's property portfolio realignment strategy. Properties with a net carrying amount of $192 million were sold, on arm's length basis, at their market value of $378 million resulting in a gain of $186 million recognised in other income (Note 9).

36. Fixed Assets

In $ millions	2024 Owner-occupied properties	2024 Others	2024 Right-of-use assets	2024 Total	2023 Owner-occupied properties	2023 Others	2023 Right-of-use assets	2023 Total
The Group								
Balance at 1 January	**1,174**	**2,346**	**262**	**3,782**	1,231	1,972	250	3,453
Currency translation adjustments	**16**	**18**	**(4)**	**30**	(19)	(19)	(6)	(44)
Additions	**2**	**863**	**179**	**1,044**	2	870	138	1,010
Disposals	**(1)**	**(31)**	**(48)**	**(80)**	#	(24)	(23)	(47)
Depreciation charge	**(30)**	**(489)**	**(112)**	**(631)**	(29)	(453)	(97)	(579)
Write-back of impairment	**3**	**–**	**–**	**3**	3	–	–	3
Transfers	**21**	**–**	**–**	**21**	(14)	–	–	(14)
Balance at 31 December	**1,185**	**2,707**	**277**	**4,169**	1,174	2,346	262	3,782
Represented by:								
Cost	**1,770**	**5,736**	**532**	**8,038**	1,711	5,045	457	7,213
Accumulated depreciation	**(558)**	**(3,029)**	**(255)**	**(3,842)**	(509)	(2,699)	(195)	(3,403)
Allowance for impairment	**(27)**	**–**	**–**	**(27)**	(28)	–	–	(28)
Net carrying amount	**1,185**	**2,707**	**277**	**4,169**	1,174	2,346	262	3,782
Freehold property	**949**				929			
Leasehold property	**236**				245			
	1,185				1,174			
Fair value hierarchy								
Level 2	**1,191**				1,185			
Level 3	**3,526**				3,244			
	4,717				4,429			

Amount less than $500,000

36. Fixed Assets (continued)

	2024				2023			
In $ millions	Owner-occupied properties	Others	Right-of-use assets	Total	Owner-occupied properties	Others	Right-of-use assets	Total
The Bank								
Balance at 1 January	**872**	**1,665**	**186**	**2,723**	963	1,445	183	2,591
Currency translation adjustments	**#**	**1**	**1**	**2**	#	(1)	#	(1)
Additions	**#**	**623**	**129**	**752**	#	577	69	646
Disposals	**(122)**	**(36)**	**(3)**	**(161)**	#	(20)	#	(20)
Depreciation charge	**(15)**	**(353)**	**(77)**	**(445)**	(14)	(336)	(66)	(416)
Transfers	**43**	**–**	**–**	**43**	(77)	–	–	(77)
Balance at 31 December	**778**	**1,900**	**236**	**2,914**	872	1,665	186	2,723
Represented by:								
Cost	**1,050**	**4,114**	**395**	**5,559**	1,177	3,691	308	5,176
Accumulated depreciation	**(272)**	**(2,214)**	**(159)**	**(2,645)**	(305)	(2,026)	(122)	(2,453)
Net carrying amount	**778**	**1,900**	**236**	**2,914**	872	1,665	186	2,723
Freehold property	**670**				721			
Leasehold property	**108**				151			
	778				872			
Fair value hierarchy								
Level 2	**211**				256			
Level 3	**2,247**				2,580			
	2,458				2,836			

\# *Amount less than $500,000*

The valuations of owner-occupied properties were performed by external valuers with professional qualifications and experience, taking into account market prices and rentals of comparable properties using a market comparison approach or using a combination of comparable sales and investment approaches.

Fair values for properties under Level 2 of the fair value hierarchy are determined based on a market comparison approach using comparable price transactions as significant observable inputs. Fair values for properties under Level 3 of the fair value hierarchy are determined using a combination of market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

Fixed assets – others comprise mainly computer equipment, software and furniture and fittings.

Right-of-use assets comprise mainly properties, computer equipment and motor vehicles.

In 2024, the Bank entered into sale and leaseback transactions for owner-occupied properties with property investment holding subsidiaries of the Group, as part of the Group's property portfolio realignment strategy. Properties with a net carrying amount of $133 million were sold, on arm's length basis, at their market value of $625 million resulting in a gain of $395 million recognised in other income (Note 9).

37. Intangible Assets

(a)

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Goodwill	**4,773**	4,767	**3,182**	3,182
Other intangible assets [1]	**206**	217	**–**	–
	4,979	4,984	**3,182**	3,182
Represented by:				
Goodwill	**4,773**	4,767	**3,182**	3,182
Other intangible assets, at cost	**257**	241	**–**	–
Accumulated amortisation for other intangible assets	**(51)**	(24)	**–**	–
Net carrying amount	**4,979**	4,984	**3,182**	3,182

(1) Other intangible assets relate to customer relationships and core deposits.

(b) *Movements in goodwill*

In $ millions	The Group 2024	The Group 2023	The Bank 2024	The Bank 2023
Balance at 1 January	**4,767**	4,703	**3,182**	3,182
Addition [1]	**–**	106	**–**	–
Currency translation adjustments and others	**6**	(42)	**–**	–
Balance at 31 December	**4,773**	4,767	**3,182**	3,182

(1) Goodwill from acquisition of Citigroup's consumer businesses in Indonesia and Vietnam of $106 million was recognised on a provisional basis in 2023. The purchase price allocation was finalised in the financial year ended 31 December 2024. There were no significant adjustments to the provisional amounts.

(c) *Impairment tests for goodwill*

Goodwill was allocated on the date of acquisition to the reportable business segments expected to benefit from the synergies of business combination. The recoverable amount of the business segments is based on their value in use, computed by discounting the expected future cash flows of the segments. The key assumptions in computing the value in use include the discount rates and growth rates applied. Discount rates are estimated based on current market assessments of time value of money and risks specific to the Group as a whole and to individual countries such as Thailand, Indonesia and Malaysia. The growth rates used do not exceed the historical long-term average growth rate of the major countries. Cash flow projections are based on the most recent five-year financial forecasts provided by key business segments and approved by management. These cash flows are derived based on the outlook of macroeconomic conditions from external sources, in particular, interest rates and foreign exchange rates, taking into account management's past experience on the impact of such changes to the cash flows of the Group. Long-term growth rate is imputed on fifth-year cash flow and then discounted to determine the terminal value. Key assumptions are as follows:

	Discount rate 2024	Discount rate 2023	Growth rate 2024	Growth rate 2023
Singapore	**7.56**	7.73	**2.76**	2.92
Thailand	**8.12**	8.35	**1.96**	1.97
Indonesia	**10.55**	10.73	**4.25**	4.23
Malaysia	**8.52**	8.68	**4.04**	4.11

Impairment is recognised in the income statement when the carrying amount of a business segment exceeds its recoverable amount. Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount of the business segments to exceed their recoverable amount.

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38. Contingent Liabilities

In the normal course of business, the Bank and the Group issue guarantees, performance bonds and indemnities. The bulk of these liabilities are backed by the corresponding obligations of the customers. No assets of the Bank and the Group were pledged as security for these contingent liabilities at the balance sheet date.

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Direct credit substitutes	**4,212**	4,185	**2,765**	2,920
Transaction-related contingencies	**16,337**	15,439	**11,386**	10,696
Trade-related contingencies	**11,242**	10,936	**9,758**	8,963
Others	**311**	208	**4**	1
	32,102	30,768	**23,913**	22,580

39. Commitments

(a)

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Undrawn credit facilities	**218,965**	204,052	**164,680**	158,245
Spot/Forward contracts	**10,074**	1,232	**10,536**	1,157
Trade commitments	**3,220**	2,539	**1,974**	1,520
Capital commitments	**686**	653	**611**	563
Others	**346**	498	**221**	350
	233,291	208,974	**178,022**	161,835

(b) *Minimum lease receivable*

The Group leases out investment properties typically on three-year leases based on market rental rates. These leases may contain options to renew at prevailing market rates.

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Within 1 year	**76**	79	**54**	56
Over 1 to 5 years	**151**	156	**90**	95
Over 5 years	**5**	17	**4**	4
	232	252	**148**	155

40. Financial Derivatives

Financial derivatives, such as forwards, swaps, futures and options, are instruments whose values change in response to the change in prices of the underlying instruments.

In the normal course of business, the Bank and the Group transact in customised derivatives to meet specific needs of their customers. The Bank and the Group also transact in these derivatives for proprietary trading purposes, as well as to manage their assets, liabilities and structural positions. Risks associated with the use of derivatives and policies for managing these risks are set out in Note 45.

(a) The table below shows the Bank's and the Group's financial derivatives and their fair values at the balance sheet date. These amounts do not necessarily represent future cash flows and amounts at risk of the derivatives.

	2024			2023		
In $ millions	**Notional amount**	**Positive fair value**	**Negative fair value**	Notional amount	Positive fair value	Negative fair value
The Group						
Foreign exchange contracts						
Forwards	**112,080**	**1,566**	**1,305**	90,041	1,155	1,097
Swaps	**336,065**	**3,280**	**3,024**	299,112	2,515	3,175
Options purchased	**8,206**	**97**	**–**	7,010	67	–
Options written	**7,718**	**–**	**135**	6,434	–	78
Interest rate contracts						
Swaps	**601,959**	**5,586**	**6,322**	465,473	5,179	6,249
Futures	**3,728**	**3**	**3**	163	#	2
Options purchased	**5,766**	**73**	**–**	2,812	58	–
Options written	**9,526**	**–**	**175**	6,833	–	122
Equity-related contracts						
Swaps	**–**	**–**	**–**	33	–	1
Options purchased	**983**	**74**	**–**	1,144	39	–
Options written	**1,835**	**–**	**108**	1,601	–	45
Credit-related contracts						
Swaps	**1,747**	**61**	**11**	749	21	12
Others						
Forwards	**1,495**	**211**	**210**	1,150	161	142
Swaps	**23,282**	**244**	**110**	15,317	74	375
Futures	**9,049**	**935**	**1,109**	6,781	438	470
Options purchased	**92**	**2**	**–**	227	#	–
Options written	**106**	**–**	**2**	67	–	#
	1,123,637	**12,132**	**12,514**	904,947	9,707	11,768

\# *Amount less than $500,000*

40. Financial Derivatives (continued)

(a) (continued)

In $ millions	2024 Notional amount	2024 Positive fair value	2024 Negative fair value	2023 Notional amount	2023 Positive fair value	2023 Negative fair value
The Bank						
Foreign exchange contracts						
Forwards	**112,709**	**1,467**	**1,289**	89,183	1,080	1,224
Swaps	**257,328**	**2,717**	**2,264**	240,719	2,079	2,538
Options purchased	**5,727**	**82**	**–**	5,467	47	–
Options written	**5,852**	**–**	**114**	5,234	–	63
Interest rate contracts						
Swaps	**550,891**	**5,096**	**5,867**	411,739	4,827	5,883
Futures	**3,674**	**3**	**3**	152	#	1
Options purchased	**5,546**	**74**	**–**	2,621	60	–
Options written	**9,285**	**–**	**175**	6,611	–	123
Equity-related contracts						
Swaps	**26**	**1**	**#**	33	–	1
Options purchased	**993**	**74**	**–**	1,152	40	–
Options written	**1,894**	**–**	**109**	1,690	–	46
Credit-related contracts						
Swaps	**1,742**	**60**	**10**	739	21	12
Others						
Forwards	**1,445**	**231**	**229**	1,099	178	142
Swaps	**21,794**	**245**	**88**	14,552	58	374
Futures	**1,679**	**38**	**28**	1,427	22	26
Options purchased	**91**	**2**	**–**	228	#	–
Options written	**106**	**–**	**2**	67	–	#
	980,782	**10,090**	**10,178**	782,713	8,412	10,433

Amount less than $500,000

40. Financial Derivatives (continued)

(b) *Financial derivatives subject to netting agreements*

The Bank and the Group enter into derivative master netting agreements (such as the International Swaps and Derivatives Association Master Agreement) with counterparties where it is appropriate and practicable to mitigate counterparty credit risk. Such agreements allow the Bank and the Group to settle outstanding derivative contracts' amounts with the counterparty on a net basis in the event of default. These agreements also allow the Bank and the Group to further reduce its credit risk by requiring periodic mark-to-market of outstanding positions and posting of collateral when pre-established thresholds are exceeded. The counterparty that receives non-cash collateral is typically allowed to sell or re-pledge such collateral in accordance with the terms of these agreements.

The table below shows the Bank's and the Group's financial derivatives that are not offset in the balance sheet but are subject to enforceable netting agreements.

	2024		2023	
In $ millions	**Positive fair value**	**Negative fair value**	Positive fair value	Negative fair value
The Group				
Carrying amount on the balance sheet	**12,132**	**12,514**	9,707	11,768
Amount not subject to netting agreements	**(1,154)**	**(833)**	(792)	(952)
Amount subject to netting agreements	**10,978**	**11,681**	8,915	10,816
Amount nettable [(1)]	**(8,582)**	**(8,582)**	(7,250)	(7,250)
Financial collateral	**(918)**	**(1,270)**	(511)	(1,785)
Net amounts	**1,478**	**1,829**	1,154	1,781
The Bank				
Carrying amount on the balance sheet	**10,090**	**10,178**	8,412	10,433
Amount not subject to netting agreements	**(1,322)**	**(923)**	(919)	(1,044)
Amount subject to netting agreements	**8,768**	**9,255**	7,493	9,389
Amount nettable [(1)]	**(6,891)**	**(6,891)**	(6,290)	(6,290)
Financial collateral	**(862)**	**(870)**	(297)	(1,691)
Net amounts	**1,015**	**1,494**	906	1,408

(1) Amount that could be netted under the netting agreements.

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41. Hedge Accounting

The impact of the hedging instruments and hedged items on the balance sheet as at 31 December is as follows:

	The Group					
	Carrying amount		Changes in fair value	Type of risk hedged	Notional amount	Maturity profile of hedging instruments
In $ millions	Assets	Liabilities				
2024						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	**280**	**546**	**(35)**	**Interest rate**	**24,042**	**Less than 20 years**
Customer deposits	**–**	**45**	**(1)**	**Foreign exchange**	**–**	**Within 1 year**
Cash flow hedge						
Derivatives – Interest rate swaps	**51**	**–**	**48**	**Interest rate**	**5,800**	**Less than 5 years**
Derivatives – Currency swaps	**155**	**119**	**25**	**Interest rate and foreign exchange**	**4,611**	**Less than 10 years**
Derivatives – Foreign exchange swaps	**3**	**–**	**3**	**Foreign exchange**	**109**	**Within 1 year**
Net investment hedge						
Customer deposits	**–**	**5,979**	**(87)**	**Foreign exchange**	**–**	
Hedged items relating to fair value hedges						
Assets						
Debt securities	**11,584**	**–**	**(120)**			
Equity securities at FVOCI	**45**	**–**	**1**			
Liabilities						
Subordinated debts	**–**	**3,502**	**(61)**			
Other debts issued	**–**	**9,821**	**200**			
2023						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	260	904	208	Interest rate	26,666	Less than 10 years
Customer deposits	–	53	#	Foreign exchange	–	Within 1 year
Cash flow hedge						
Derivatives – Interest rate swaps	3	1	5	Interest rate	750	Less than 5 years
Derivatives – Currency swaps	618	636	(25)	Interest rate and foreign exchange	3,402	Less than 10 years
Net investment hedge						
Customer deposits	–	5,889	70	Foreign exchange	–	
Hedged items relating to fair value hedges						
Assets						
Debt securities	12,335	–	211			
Equity securities at FVOCI	53	–	#			
Liabilities						
Certificates of deposit	–	34	#			
Subordinated debts	–	4,868	(106)			
Other debts issued	–	7,935	(309)			

\# *Amount less than $500,000*

The carrying amount of hedged items relating to cash flow hedges at 31 December 2024 was $14,063 million (2023: $6,624 million). The hedged items include debt securities, loans to customers, subordinated debts and other debts issued.

41. Hedge Accounting (continued)

	The Bank					
	Carrying amount		Changes in fair value	Type of risk hedged	Notional amount	Maturity profile of hedging instruments
In $ millions	Assets	Liabilities				
2024						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	**275**	**546**	**(37)**	**Interest rate**	**23,449**	**Less than 20 years**
Customer deposits	**–**	**45**	**(1)**	**Foreign exchange**	**–**	**Within 1 year**
Cash flow hedge						
Derivatives – Interest rate swaps	**51**	**–**	**48**	**Interest rate**	**5,800**	**Less than 5 years**
Derivatives – Currency swaps	**155**	**114**	**24**	**Interest rate and foreign exchange**	**4,140**	**Less than 10 years**
Derivatives – Foreign exchange swaps	**3**	**–**	**3**	**Foreign exchange**	**109**	**Within 1 year**
Net investment hedge						
Customer deposits	**–**	**5,539**	**(74)**	**Foreign exchange**	**–**	
Hedged items relating to fair value hedges						
Assets						
Debt securities	**11,553**	**–**	**(120)**			
Equity securities at FVOCI	**45**	**–**	**1**			
Liabilities						
Subordinated debts	**–**	**3,032**	**(60)**			
Other debts issued	**–**	**9,722**	**201**			
2023						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	255	903	205	Interest rate	26,027	Less than 10 years
Customer deposits	–	53	#	Foreign exchange	–	Within 1 year
Cash flow hedge						
Derivatives – Interest rate swaps	3	1	5	Interest rate	750	Less than 5 years
Derivatives – Currency swaps	618	631	(19)	Interest rate and foreign exchange	2,941	Less than 10 years
Net investment hedge						
Customer deposits	–	5,330	59	Foreign exchange	–	
Hedged items relating to fair value hedges						
Assets						
Debt securities	12,335	–	211			
Equity securities at FVOCI	53	–	#			
Liabilities						
Certificates of deposit	–	34	#			
Subordinated debts	–	4,419	(102)			
Other debts issued	–	7,743	(310)			

\# *Amount less than $500,000*

The carrying amount of hedged items relating to cash flow hedges at 31 December 2024 was $13,592 million (2023: $6,163 million). The hedged items include debt securities, loans to customers, subordinated debts and other debts issued.

The ineffectiveness arising from hedge accounting was insignificant.

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42. Share-Based Compensation Plan

As approved by shareholders at the Annual General Meeting on 21 April 2016, the UOB Restricted Share Plan will be in force up to (and including) 6 August 2027. The UOB Restricted Share Plan only allows the delivery of UOB ordinary shares held in treasury by the Bank.

In 2018, following a review of the total compensation model, the Remuneration and Human Capital Committee (RHCC) approved, inter alia, a revised variable pay deferral framework for senior employees and Material Risk Takers. Under this framework, a portion of variable pay is deferred as restricted shares (RS) under the UOB Restricted Share Plan. Such deferred RS vest over a minimum three-year period, subject to local regulatory requirements, and the fair value of the RS were estimated at grant date using the Trinomial valuation methodology. Following the approval from the RHCC in 2020, the fair value of RS awarded from 2021 are computed using market value instead and with it, dividends on unvested RS awards are accrued to participating employees at the same rate as those declared on ordinary shares.

Participating employees who leave the Group before the RS vest will forfeit their rights unless otherwise decided by the RHCC.

At the Annual General Meeting on 21 April 2022, the UOB Restricted Share Plan was approved by shareholders to be renamed the UOB Share Plan and to allow for eligible non-executive directors to be granted share awards in the form of UOB ordinary shares under the UOB Share Plan.

Movements and outstanding balances of the plan are as follows:

	The Group	
	Number of restricted shares	
	2024	2023
	'000	'000
Balance at 1 January	**6,813**	6,629
Granted	**3,311**	2,849
Adjustments or Dividends on unvested awards	**457**	371
Forfeited/Cancelled	**(103)**	(136)
Vested	**(2,257)**	(2,900)
Balance at 31 December	**8,221**	6,813

Year granted	Expiry date	Fair value per grant at grant date $	Number of outstanding grants 2024 '000	2023 '000
2020	15 Apr 2022, 15 Apr 2023 and 15 Apr 2024	18.88 and 18.05	**–**	5
2021	15 Mar 2023, 15 Mar 2024 and 15 Mar 2025	25.41	**4**	1,585
2022	15 Mar 2024, 15 Mar 2025 and 15 Mar 2026	29.60	**1,651**	2,251
2023	15 Mar 2025, 15 Mar 2026 and 15 Mar 2027	28.87	**3,103**	2,972
2024	15 Mar 2026, 15 Mar 2027 and 15 Mar 2028	28.39	**3,463**	–
			8,221	6,813

Prior to 2021, fair values of the RS were estimated at the grant date using the Trinomial valuation methodology. From 2021, fair values of the RS are estimated using market value.

43. Related Party Transactions

Related parties cover the Group's subsidiaries, associates, joint ventures and their subsidiaries, and key management personnel and their related parties.

Key management personnel refers to the Bank's directors and members of its Management Executive Committee.

All related party transactions of the Group were done in the ordinary course of business and at arm's length. In addition to the information disclosed elsewhere in the financial statements, other related party transactions include the following:

(a)

	The Group		The Bank	
In $ millions	**2024**	2023	**2024**	2023
Interest income				
Subsidiaries	**–**	–	**706**	646
Associates and joint ventures	**17**	20	**15**	19
Interest expense				
Subsidiaries	**–**	–	**576**	457
Associates and joint ventures	**54**	63	**49**	59
Dividend income				
Subsidiaries	**–**	–	**246**	42
Associates and joint ventures	**–**	–	**50**	44
Rental and other expenses				
Subsidiaries	**–**	–	**125**	93
Associates and joint ventures	**23**	13	**23**	20
Fee and commission and other income				
Subsidiaries	**–**	–	**418**	354
Associates and joint ventures	**3**	3	**#**	#
Gain from disposal of investment properties				
Subsidiaries	**–**	–	**186**	–
Gain from disposal of owner-occupied properties				
Subsidiaries	**–**	–	**395**	–
Lease liabilities				
Subsidiaries	**–**	–	**142**	–
Placements, securities, loans and advances				
Subsidiaries	**–**	–	**23,275**	18,388
Associates and joint ventures	**351**	272	**319**	256
Deposits				
Subsidiaries	**–**	–	**20,606**	13,590
Associates and joint ventures	**2,628**	1,417	**2,381**	1,211
Off-balance sheet credit facilities (1)				
Subsidiaries	**–**	–	**28**	47
Associates and joint ventures	**545**	561	**545**	561

Amount less than $500,000

(1) Includes guarantees issued by the Group of $4 million (2023: $4 million) and the Bank of $26 million (2023: $46 million).

During the financial year, the Group had banking transactions with key management personnel-related entities and personnel of the Group. These transactions were not material.

43. Related Party Transactions (continued)

(b)

	The Bank	
In $ millions	**2024**	2023
Compensation of key management personnel		
Short-term employee benefits	**25**	32
Long-term employee benefits	**3**	4
Share-based compensation	**22**	25
	50	61

44. Segment Information

(a) Business segments

Business segment performance reporting is prepared based on the Group's organisation structure. Business segments' results include all applicable revenue, expenses, internal fund transfer price and cost allocations associated with the activities of the business. Transactions between business segments are on an arm's length basis in a manner similar to third party transactions and they are eliminated on consolidation.

The Banking Group is organised into three major business segments – Group Retail, Group Wholesale Banking and Global Markets. Others include non-banking activities and corporate functions.

Group Retail (GR)

GR segment covers individual customers.

Customers have access to a diverse range of products and services, including deposits, insurance, card, wealth management, investment, and loan products which are available across the Group's global branch network.

Group Wholesale Banking (GWB)

GWB encompasses corporate and institutional client segments which include small, medium and large enterprises, local and multi-national corporations, financial institutions, government-linked entities, financial sponsors and property funds.

GWB provides customers with a broad range of products and services, including loans, trade services, cash management, capital markets solutions and advisory and treasury products.

Global Markets (GM)

GM provides a comprehensive suite of treasury products and services across multi-asset classes which includes foreign exchange, interest rate, credit, commodities, equities and structured investment products to help customers manage market risks and volatility. GM also engages in market making activities and management of funding and liquidity.

Income from products and services offered to customers of Group Retail and Group Wholesale Banking are reflected in the respective client segments.

Others

Others includes corporate support functions, decisions not attributable to business segments mentioned above and other activities, which comprise property, insurance and investment management.

44. Segment Information (continued)

(a) *Business segments [1] (continued)*

Selected income statement items

In $ millions	The Group GR	GWB	GM	Others	Total
2024					
Net interest income	**3,841**	**5,130**	**(330)**	**1,033**	**9,674**
Non-interest income	**1,650**	**1,596**	**1,034**	**340**	**4,620**
Operating income	**5,491**	**6,726**	**704**	**1,373**	**14,294**
Operating expenses	**(2,949)**	**(1,731)**	**(266)**	**(1,364)**	**(6,310)**
Amortisation of intangible assets	**(28)**	**–**	**–**	**–**	**(28)**
(Allowance for)/Write-back of credit and other losses	**(439)**	**(615)**	**(14)**	**142**	**(926)**
Share of (loss)/profit of associates and joint ventures	**(1)**	**4**	**–**	**118**	**121**
Profit/(Loss) before tax	**2,074**	**4,384**	**424**	**269**	**7,151**
Tax					**(1,092)**
Profit for the financial year					**6,059**
Other information:					
Additions to fixed assets	**31**	**44**	**1**	**970**	**1,046**
Depreciation of assets	**63**	**49**	**11**	**524**	**647**
2023					
Net interest income	4,080	5,493	(511)	617	9,679
Non-interest income	1,421	1,582	925	325	4,253
Operating income	5,501	7,075	414	942	13,932
Operating expenses	(2,834)	(1,682)	(261)	(1,440)	(6,217)
Amortisation of intangible assets	(24)	–	–	–	(24)
(Allowance for)/Write-back of credit and other losses	(302)	(850)	(21)	252	(921)
Share of (loss)/profit of associates and joint ventures	(2)	1	–	94	93
Profit/(Loss) before tax	2,339	4,544	132	(152)	6,863
Tax					(1,138)
Profit for the financial year					5,725
Other information:					
Additions to fixed assets	47	49	#	914	1,010
Depreciation of assets	64	48	12	473	597

Amount less than $500,000

(1) Comparative segment information for prior periods has been adjusted for changes in organisational structure, if any.

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for the financial year ended 31 December 2024

44. Segment Information (continued)

(a) *Business segments [1] (continued)*

Selected balance sheet items

	The Group				
In $ millions	**GR**	**GWB**	**GM**	**Others**	**Total**
2024					
Segment assets	**114,263**	**246,486**	**167,768**	**2,866**	**531,383**
Intangible assets	**2,014**	**2,221**	**657**	**87**	**4,979**
Investment in associates and joint ventures	**#**	**182**	**–**	**1,120**	**1,302**
Total assets	**116,277**	**248,889**	**168,425**	**4,073**	**537,664**
Total liabilities	**202,138**	**208,231**	**59,762**	**17,576**	**487,707**
Other information:					
Gross customer loans	**114,060**	**222,530**	**1,239**	**2**	**337,831**
Non-performing assets	**1,323**	**3,614**	**–**	**273**	**5,210**
2023					
Segment assets	109,873	231,274	172,876	3,247	517,270
Intangible assets	2,019	2,221	657	87	4,984
Investment in associates and joint ventures	1	208	–	1,057	1,266
Total assets	111,893	233,703	173,533	4,391	523,520
Total liabilities	193,424	196,567	67,635	19,426	477,052
Other information:					
Gross customer loans	109,344	210,000	1,712	94	321,150
Non-performing assets	1,138	3,566	22	220	4,946

\# *Amount less than $500,000*

(1) Comparative segment information for prior periods has been adjusted for changes in organisational structure, if any.

44. Segment Information (continued)

(b) *Geographical segments* [1]

The following geographical segment performance reporting is prepared based on the location where the transactions or assets are booked. The information is stated after elimination of inter-segment transactions.

	The Group						
In $ millions	Singapore	Malaysia	Thailand	Indonesia	Other Asia Pacific	Rest of the world	Total
2024							
Net interest income	**5,388**	**931**	**1,093**	**473**	**1,136**	**653**	**9,674**
Non-interest income	**2,671**	**580**	**385**	**156**	**702**	**126**	**4,620**
Operating income	**8,059**	**1,511**	**1,478**	**629**	**1,838**	**779**	**14,294**
Operating expenses	**(3,268)**	**(770)**	**(1,002)**	**(521)**	**(676)**	**(73)**	**(6,310)**
Amortisation of intangible assets	**–**	**(4)**	**(18)**	**(3)**	**(3)**	**–**	**(28)**
Write-back of/(Allowance for) credit and other losses	**175**	**(31)**	**(404)**	**(55)**	**(315)**	**(296)**	**(926)**
Share of profit/(loss) of associates and joint ventures	**123**	**–**	**–**	**–**	**#**	**(2)**	**121**
Profit before tax	**5,089**	**706**	**54**	**50**	**844**	**408**	**7,151**
Total assets before intangible assets	**314,970**	**48,083**	**36,412**	**12,822**	**94,075**	**26,323**	**532,685**
Intangible assets	**3,182**	**138**	**1,318**	**315**	**26**	**–**	**4,979**
Total assets	**318,152**	**48,221**	**37,730**	**13,137**	**94,101**	**26,323**	**537,664**
2023							
Net interest income	5,615	917	1,159	453	977	558	9,679
Non-interest income	2,286	553	375	161	698	180	4,253
Operating income	7,901	1,470	1,534	614	1,675	738	13,932
Operating expenses	(3,271)	(756)	(997)	(483)	(643)	(67)	(6,217)
Amortisation of intangible assets	–	(4)	(17)	(#)	(3)	–	(24)
Allowance for credit and other losses	(86)	(98)	(356)	(52)	(213)	(116)	(921)
Share of profit/(loss) of associates and joint ventures	95	–	–	–	#	(2)	93
Profit before tax	4,639	612	164	79	816	553	6,863
Total assets before intangible assets	311,003	46,587	32,890	13,566	89,879	24,611	518,536
Intangible assets	3,182	134	1,318	322	28	–	4,984
Total assets	314,185	46,721	34,208	13,888	89,907	24,611	523,520

\# *Amount less than $500,000*

(1) Based on the location where the transactions and assets are booked, the information is stated after elimination of inter-segment transactions.

45. Financial Risk Management

The Group's business activities involve the use of financial instruments, including derivatives. These activities expose the Group to a variety of financial risks, mainly credit risk, foreign exchange risk, interest rate risk, equity risk, commodity risk and liquidity risk.

The Group's financial risks are centrally managed by the various specialist committees within the authority delegated by the Board of Directors. These various specialist committees formulate, review and approve policies and limits to monitor and manage risk exposures under their respective supervision. The major policy decisions and proposals approved by these committees are subject to further review by the Group Board Risk Management Committee (BRMC).

The Group Risk Management Sector assumes the independent oversight of risks undertaken by the Group, and takes the lead in the formulation and approval of risk policies, controls and processes. The Group Market Risk and Product Control within the Group Risk Management Sector monitor Global Markets' compliance with trading policies and limits. This is further enhanced by the periodic risk assessment audit carried out by Group Audit.

The main financial risks that the Group is exposed to and how they are managed are set out below:

(a) Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet its financial obligations when they are due.

The Group Credit Committee (CC) supports the CEO and BRMC in managing the Group's overall credit risk exposures and serves as an executive forum for discussions on all credit-related matters. The CC also reviews and assesses the Group's credit portfolios and credit risk profiles.

Credit risk exposures are managed through a robust credit underwriting, structuring and monitoring process. The process includes monthly review of all non-performing and special mention loans, ensuring credit quality and the timely recognition of asset impairment. Past due exposures and credit limit excesses are tracked and analysed by business and product lines.

Country risk is the risk of loss due to specific events in a country that the Group has exposure to. These events include political and economic events, social unrest, nationalisation and expropriation of assets, government repudiation of external indebtedness, and currency depreciation or devaluation.

Climate risks are complex and transverse in nature and may potentially translate into known financial risk types for banks including credit risk, market risk, liquidity risk and operational risk. The Group has assessed the various climate risk transmission channels and considered potential credit risk impact to be the most material.

Climate risk is identified, assessed, managed and monitored through our Group Environmental Risk Management (ENRM) Framework, which is approved by the BRMC. In 2024, no material climate-related financial losses were incurred through our corporate lending activities.

Refer to Risk Management section of the annual report (Environmental, Social and Governance Risk) and UOB Sustainability Report 2024 for more information.

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(i) Credit exposure

The Group's maximum exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, before taking into account any collateral held, other credit enhancements and netting arrangements, is shown in the table below:

	The Group	
In $ millions	**2024**	2023
Balances and placements with central banks	**37,717**	51,496
Singapore government treasury bills and securities	**13,281**	13,322
Other government treasury bills and securities	**33,570**	24,958
Trading debt securities	**3,633**	4,144
Placements and balances with banks	**37,432**	35,093
Loans to customers	**333,930**	317,005
Derivative financial assets	**12,132**	9,707
Investment debt securities	**42,384**	44,006
Others	**4,440**	5,133
	518,519	504,864
Contingent liabilities	**32,098**	30,768
Commitments (excluding capital commitments)	**232,605**	208,321
	783,222	743,953

As a fundamental credit principle, the Group generally does not grant credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate the credit risk assumed. The value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value. The collaterals are mostly properties while other types of collateral taken by the Group include cash, marketable securities, equipment, inventories and receivables. Policies and processes are in place to monitor collateral concentration.

In extending credit facilities to small- and medium-enterprises, personal guarantees are often taken as a form of moral support to ensure moral commitment from the principal shareholders and directors.

Corporate guarantees are often obtained when the borrower's creditworthiness is not sufficient to justify an extension of credit.

Exposures arising from foreign exchange, derivatives and securities financing transactions are typically mitigated through agreements such as the International Swaps and Derivatives Association Master Agreements, the Credit Support Annex and the Global Master Repurchase Agreements. Such agreements help to minimise credit exposure by allowing us to offset what we owe to a counterparty against what is due from that counterparty in the event of a default.

In addition, derivative transactions are cleared through Central Counterparties, where possible, to reduce counterparty credit exposure further through multilateral netting and the daily margining processes.

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45. Financial Risk Management (continued)

(a) Credit risk (continued)

(ii) Major on-balance sheet credit exposures

The exposures are determined based on country of incorporation/operation for non-individuals and residence for individuals.

	The Group				
In $ millions	Loans to customers (gross)	Government treasury bills and securities	Placements and balances with banks	Debt securities	Total
Analysed by geography					
2024					
Singapore	**164,255**	**13,284**	**780**	**11,463**	**189,782**
Malaysia	**33,651**	**10,071**	**3,542**	**2,484**	**49,748**
Thailand	**26,607**	**6,706**	**2,268**	**1,143**	**36,724**
Indonesia	**10,899**	**2,520**	**2,201**	**75**	**15,695**
Greater China	**52,177**	**1,955**	**13,471**	**6,063**	**73,666**
Others	**50,242**	**12,315**	**15,170**	**24,789**	**102,516**
	337,831	**46,851**	**37,432**	**46,017**	**468,131**
2023					
Singapore	157,903	13,325	940	10,852	183,020
Malaysia	31,692	10,660	2,450	2,504	47,306
Thailand	25,364	3,476	2,582	1,562	32,984
Indonesia	9,670	2,190	1,969	270	14,099
Greater China	49,177	1,897	12,649	8,779	72,502
Others	47,344	6,732	14,503	24,183	92,762
	321,150	38,280	35,093	48,150	442,673

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(ii) Major on-balance sheet credit exposures (continued)

	The Group				
In $ millions	Loans to customers (gross)	Government treasury bills and securities	Placements and balances with banks	Debt securities	Total
Analysed by industry					
2024					
Transport, storage and communication	**16,065**	**–**	**–**	**2,471**	**18,536**
Building and construction	**91,713**	**–**	**–**	**3,229**	**94,942**
Manufacturing	**23,394**	**–**	**–**	**2,003**	**25,397**
Financial institutions, investment and holding companies	**39,768**	**–**	**37,432**	**20,118**	**97,318**
General commerce	**35,507**	**–**	**–**	**1,065**	**36,572**
Professionals and private individuals	**29,914**	**–**	**–**	**–**	**29,914**
Housing loans	**82,036**	**–**	**–**	**–**	**82,036**
Government	**–**	**46,851**	**–**	**–**	**46,851**
Others	**19,434**	**–**	**–**	**17,131**	**36,565**
	337,831	**46,851**	**37,432**	**46,017**	**468,131**
2023					
Transport, storage and communication	14,175	–	–	2,198	16,373
Building and construction	86,658	–	–	2,121	88,779
Manufacturing	21,451	–	–	1,357	22,808
Financial institutions, investment and holding companies	40,456	–	35,093	27,556	103,105
General commerce	32,857	–	–	1,126	33,983
Professionals and private individuals	29,294	–	–	–	29,294
Housing loans	77,629	–	–	–	77,629
Government	–	38,280	–	–	38,280
Others	18,630	–	–	13,792	32,422
	321,150	38,280	35,093	48,150	442,673

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45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iii) Major off-balance sheet credit exposures

The exposures are determined based on country of incorporation/operation for non-individuals and residence for individuals.

	The Group			
	2024		2023	
In $ millions	**Contingent liabilities**	**Commitments [1]**	Contingent liabilities	Commitments [1]
Analysed by geography				
Singapore	**15,400**	**105,246**	14,866	93,054
Malaysia	**3,766**	**23,792**	3,131	21,249
Thailand	**2,190**	**27,537**	2,017	25,331
Indonesia	**2,289**	**9,595**	1,631	9,812
Greater China	**4,962**	**38,066**	5,274	34,604
Others	**3,491**	**28,369**	3,849	24,271
	32,098	**232,605**	30,768	208,321
Analysed by industry				
Transport, storage and communication	**2,218**	**8,865**	1,921	8,173
Building and construction	**10,213**	**33,893**	9,793	31,902
Manufacturing	**4,474**	**31,863**	4,047	28,229
Financial institutions, investment and holding companies	**2,616**	**28,974**	2,789	29,129
General commerce	**8,611**	**51,682**	8,506	48,627
Professionals and private individuals	**204**	**47,715**	221	44,674
Housing loans	**–**	**4,637**	–	5,030
Others	**3,762**	**24,976**	3,491	12,557
	32,098	**232,605**	30,768	208,321

(1) Excluding capital commitments.

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iv) Credit quality

i. Non-trading gross loans are graded in accordance with MAS Notice 612 as follows:

	The Group			
In $ millions	Stage 1	Stage 2	Stage 3	Total
2024				
Pass	**307,990**	**12,832**	**–**	**320,822**
Special mention	**–**	**6,056**	**–**	**6,056**
Substandard	**–**	**–**	**3,550**	**3,550**
Doubtful	**–**	**–**	**605**	**605**
Loss	**–**	**–**	**1,009**	**1,009**
	307,990	**18,888**	**5,164**	**332,042**
2023				
Pass	292,976	14,262	–	307,238
Special mention	–	5,298	–	5,298
Substandard	–	–	3,143	3,143
Doubtful	–	–	922	922
Loss	–	–	805	805
	292,976	19,560	4,870	317,406

ii. Non-trading government treasury bills and securities and debt securities

The table below presents an analysis of non-trading government treasury bills and securities and debt securities that are neither past due nor impaired for the Group by rating agency designation as at 31 December:

	The Group				
	Singapore government treasury bills and securities	Other government treasury bills and securities		Debt securities	
In $ millions	Stage 1	Stage 1	Stage 2	Stage 1	Stage 2
2024					
External rating:					
Investment grade (AAA to BBB-)	**12,809**	**31,375**	**9**	**33,679**	**699**
Non-investment grade (BB+ to C)	**–**	**90**	**–**	**–**	**–**
Unrated	**–**	**–**	**–**	**7,643**	**396**
	12,809	**31,465**	**9**	**41,322**	**1,095**
2023					
External rating:					
Investment grade (AAA to BBB-)	12,963	23,556	–	34,125	393
Non-investment grade (BB+ to C)	–	68	–	–	–
Unrated	–	313	–	9,032	478
	12,963	23,937	–	43,157	871

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45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iv) Credit quality (continued)

iii. Non-trading other assets

	The Group		
In $ millions	**Stage 1**	**Stage 2**	**Total**
2024			
Cash, balances and placements with central banks	**36,643**	**71**	**36,714**
Placements and balances with banks	**25,046**	**1,040**	**26,086**
Other assets	**4,490**	**381**	**4,871**
	66,179	**1,492**	**67,671**
2023			
Cash, balances and placements with central banks	50,647	60	50,707
Placements and balances with banks	23,193	394	23,587
Other assets	4,893	266	5,159
	78,733	720	79,453

iv. Loan commitments and contingents, excluding non-financial guarantees

	The Group			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2024				
Pass	**231,616**	**5,562**	**–**	**237,178**
Special mention	**–**	**783**	**–**	**783**
Substandard	**–**	**–**	**19**	**19**
Doubtful	**–**	**–**	**1**	**1**
Loss	**–**	**–**	**3**	**3**
	231,616	**6,345**	**23**	**237,984**
2023				
Pass	216,186	5,231	–	221,417
Special mention	–	584	–	584
Substandard	–	–	36	36
Doubtful	–	–	–	–
Loss	–	–	7	7
	216,186	5,815	43	222,044

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(v) Ageing analysis of past due but not impaired loans

	The Group			
In $ millions	**< 30 days**	**30 - 59 days**	**60 - 90 days**	**Total**
Analysed by geography (1)				
2024				
Singapore	**1,578**	**177**	**208**	**1,963**
Malaysia	**623**	**286**	**233**	**1,142**
Thailand	**743**	**164**	**130**	**1,037**
Indonesia	**64**	**27**	**22**	**113**
Greater China	**452**	**85**	**12**	**549**
Others	**379**	**20**	**14**	**413**
	3,839	**759**	**619**	**5,217**
2023				
Singapore	1,380	275	94	1,749
Malaysia	655	290	159	1,104
Thailand	446	145	86	677
Indonesia	96	36	18	150
Greater China	810	68	7	885
Others	753	164	26	943
	4,140	978	390	5,508

(1) By borrower's country of incorporation/operation for non-individuals and residence for individuals.

	The Group			
In $ millions	**< 30 days**	**30 - 59 days**	**60 - 90 days**	**Total**
Analysed by industry				
2024				
Transport, storage and communication	**154**	**15**	**6**	**175**
Building and construction	**325**	**93**	**38**	**456**
Manufacturing	**562**	**57**	**37**	**656**
Financial institutions, investment and holding companies	**411**	**10**	**1**	**422**
General commerce	**483**	**70**	**146**	**699**
Professionals and private individuals	**842**	**212**	**132**	**1,186**
Housing loans	**935**	**287**	**250**	**1,472**
Others	**127**	**15**	**9**	**151**
	3,839	**759**	**619**	**5,217**

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(v) Ageing analysis of past due but not impaired loans (continued)

	The Group			
In $ millions	< 30 days	30 - 59 days	60 - 90 days	Total
Analysed by industry (continued)				
2023				
Transport, storage and communication	183	9	5	197
Building and construction	619	185	30	834
Manufacturing	482	79	8	569
Financial institutions, investment and holding companies	926	37	1	964
General commerce	319	113	40	472
Professionals and private individuals	593	212	114	919
Housing loans	803	328	177	1,308
Others	215	15	15	245
	4,140	978	390	5,508

(vi) Ageing analysis of non-performing assets

	The Group					
In $ millions	Current	< 90 days	90 - 180 days	> 180 days	Total	Stage 3 ECL
Analysed by geography [1]						
2024						
Singapore	**82**	**40**	**147**	**750**	**1,019**	**349**
Malaysia	**67**	**75**	**104**	**751**	**997**	**330**
Thailand	**181**	**162**	**157**	**456**	**956**	**409**
Indonesia	**177**	**29**	**54**	**155**	**415**	**119**
Greater China	**–**	**228**	**30**	**826**	**1,084**	**59**
Others	**140**	**35**	**56**	**462**	**693**	**370**
Non-performing loans	**647**	**569**	**548**	**3,400**	**5,164**	**1,636**
Debt securities, contingent items and others	**26**	**5**	**–**	**15**	**46**	**16**
	673	**574**	**548**	**3,415**	**5,210**	**1,652**
2023						
Singapore	351	112	192	705	1,360	431
Malaysia	124	74	96	806	1,100	374
Thailand	155	110	176	382	823	301
Indonesia	95	36	45	292	468	154
Greater China	40	10	86	410	546	154
Others	173	56	77	267	573	146
Non-performing loans	938	398	672	2,862	4,870	1,560
Debt securities, contingent items and others	45	2	7	22	76	30
	983	400	679	2,884	4,946	1,590

(1) By borrower's country of incorporation/operation for non-individuals and residence for individuals.

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(vi) Ageing analysis of non-performing assets (continued)

	The Group					
In $ millions	Current	< 90 days	90 - 180 days	> 180 days	Total	Stage 3 ECL
Analysed by industry						
2024						
Transport, storage and communication	**7**	**2**	**4**	**136**	**149**	**55**
Building and construction	**263**	**182**	**86**	**1,246**	**1,777**	**473**
Manufacturing	**63**	**33**	**71**	**364**	**531**	**193**
Financial institutions, investment and holding companies	**6**	**1**	**2**	**221**	**230**	**114**
General commerce	**81**	**136**	**99**	**427**	**743**	**250**
Professionals and private individuals	**113**	**99**	**127**	**106**	**445**	**180**
Housing loans	**110**	**113**	**143**	**556**	**922**	**187**
Others	**4**	**3**	**16**	**344**	**367**	**184**
Non-performing loans	**647**	**569**	**548**	**3,400**	**5,164**	**1,636**
Debt securities, contingent items and others	**26**	**5**	**–**	**15**	**46**	**16**
	673	**574**	**548**	**3,415**	**5,210**	**1,652**
2023						
Transport, storage and communication	82	50	18	74	224	84
Building and construction	327	45	180	925	1,477	323
Manufacturing	229	12	104	388	733	285
Financial institutions, investment and holding companies	1	12	7	140	160	76
General commerce	64	107	69	402	642	243
Professionals and private individuals	69	48	149	71	337	149
Housing loans	130	118	127	474	849	182
Others	36	6	18	388	448	218
Non-performing loans	938	398	672	2,862	4,870	1,560
Debt securities, contingent items and others	45	2	7	22	76	30
	983	400	679	2,884	4,946	1,590

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(vii) Security coverage of non-performing assets

	Collateral/Credit enhancement			Unsecured	
In $ millions	Properties	Fixed deposits	Others	Unsecured credit exposure	Total
The Group					
2024					
Loans to customers	**2,688**	**5**	**43**	**2,428**	**5,164**
Others (including commitments and contingents)	**24**	**–**	**–**	**22**	**46**
Of which:					
Credit impaired assets with nil ECL due to collateral/credit enhancement	**910**	**2**	**6**	**–**	**918**
2023					
Loans to customers	2,394	6	142	2,328	4,870
Debt securities	–	–	–	14	14
Others (including commitments and contingents)	21	3	–	38	62
Of which:					
Credit impaired assets with nil ECL due to collateral/credit enhancement	634	1	80	–	715

Collaterals possessed to settle outstanding loans were immaterial.

(b) Foreign exchange risk and equity risk

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities and financial derivatives caused by fluctuations in foreign exchange rates.

The Group's foreign exchange exposures comprise trading and banking (non-trading and structural) foreign exchange exposures. Non-trading foreign exchange exposures are principally derived from investments and funding activities and customer businesses. Structural foreign currency exposures are represented by the net asset values of overseas branches and subsidiaries, share of the net asset values of overseas associates and joint ventures, intangible assets attributable to overseas subsidiaries, and long-term investment in overseas properties used for banking purposes, which are strategic in nature. The Group uses foreign currency contracts and foreign exchange derivatives to hedge its foreign exchange exposures.

Foreign exchange risk is managed through policies and market risk limits approved by the Group Asset and Liability Committee (ALCO). The limits are independently monitored by Group Market Risk and Product Control.

45. Financial Risk Management (continued)

(b) Foreign exchange risk and equity risk (continued)

At 31 December 2024, banking book foreign currency Expected Shortfall (ES) inclusive of structural foreign currency ES was $15.7 million (2023: $19.9 million).

Equity risk in the banking book arises from equity investments held for long-term strategic reasons. At the end of the reporting period, if the equity prices of these investments had been 1% higher/lower with all other variables held constant, the Group's other comprehensive income would have been $34.3 million (2023: $35.6 million) higher/lower as a result of an increase/decrease in the fair value of equity investments classified as FVOCI.

(c) Interest rate risk in the banking book

Interest rate risk is the impact to earnings and economic value of the Group due to fluctuations in interest rates. Interest rate exposure arises from differences in the maturity and repricing dates of assets, liabilities and off-balance sheet items. These mismatches are actively monitored and managed as part of the overall interest rate risk management process which is conducted in accordance with the Group's policies as approved by the ALCO.

The Group's interest rate risk sensitivity is measured as changes in economic value of equity (EVE) or net interest income (NII) based on Basel Interest Rate Risk in the Banking Book (IRRBB) requirements.

Changes in EVE is the simulated change of present value of assets less present value of liabilities of the Group, computed based on repricing cash flow of principal and interests including commercial margin and discounted using risk free rate. Changes in NII is the simulated change in the Group's net interest income over a one year time horizon. Interest rate flooring effects according to revised MAS637 requirements are taken into consideration. The repricing profile of loans is generally based on the earliest possible repricing dates, taking into account the notice period to be served to the customers. Loan prepayment, time deposit early withdrawals rates and future drawdown of undrawn commitments are estimated based on past statistics and trends where possible and material. The average repricing maturity of non-maturity deposits (NMDs) is determined through empirical studies following the two step approach per Basel IRRBB guideline. Behavioural assumptions based on historical trends or expert judgements are applied where appropriate. As of 31 December 2024, average and longest repricing maturity assigned to NMDs are 21 and 54 months respectively based on all currencies (31 December 2023: 8 and 36 months respectively). Total changes in EVE and NII are summation of changes in EVE and NII of each currency with significant exposures and other currencies on aggregated basis. There may be some differences in the assumptions across geographical locations due to variation in local conditions.

The table below shows the Group's changes in EVE and NII under various interest rate scenarios specified in IRRBB Standard published by Basel Committee in 2016. The year-on-year movement is mainly due to extension of NMDs behavioral tenor cap supported by behavioral study conducted based on historical NMDs movements, which lead to longer behavioural tenor of NMDs.

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45. Financial Risk Management (continued)

(c) Interest rate risk in the banking book (continued)

	The Group	
In $ millions	**2024**	2023
Changes in EVE under standardised interest rate shock scenarios		
Parallel up	**274**	1,577
Parallel down	**(764)**	(1,989)
Steepener	**925**	1,726
Flattener	**(940)**	(1,390)
Short rate up	**(560)**	(536)
Short rate down	**644**	569
Maximum	**925**	1,726
Changes in NII under standardised interest rate shock scenarios		
Parallel up	**(817)**	(1,012)
Parallel down	**1,449**	1,561
Maximum	**1,449**	1,561

(d) Interest rate benchmark reform

The Group's Project Steering Committee (PSC) was established in 2019 with taskforces and business unit program managers in order to manage, monitor and address the impact of the replacement of various interest rate benchmarks globally. The key risks being managed arise from pricing risk on amending existing contracts; operational risk from updating systems and processes; and conduct risk – ensuring we treat our clients fairly when we update existing contracts.

The PSC is co-chaired by Group Chief Risk Officer (CRO) and Head of Group Global Markets and comprises senior representatives from functions across the Bank including the client facing teams, Finance, Operations and Technology, Data Management Office and Group International Management. The PSC provided regular updates to the BRMC.

The Group successfully managed the transition of Singapore Interbank Offered Rate (SIBOR) in 2024, after the transition of SOR, London Interbank Offered Rate (LIBOR) and Thai Baht Interest Rate Fixing (THBFIX) in prior years. The Group has a framework for the transition of other benchmarks, in accordance with regulatory timelines.

As at 31 December 2024, the Group and Bank's exposure to significant interest rate benchmarks subject to reform is not significant and no hedge accounting relationship is affected by interest rate benchmark reform.

(e) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its financial obligations as and when they fall due, such as upon maturity of deposits and draw-down of loans.

The Group manages liquidity risk in accordance with the liquidity framework approved by the ALCO. This framework comprises policies, controls and limits. These controls and policies include setting of cash flow mismatch limits, monitoring of liquidity early warning indicators, stress-test analysis of cash flows in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan. The Group is also required by the respective local regulators to maintain a certain percentage of its liability base in the form of cash and other liquid assets as a buffer against unforeseen liquidity requirements. The main objectives are honouring all cash outflow commitments on an ongoing basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.

45. Financial Risk Management (continued)

(e) Liquidity risk (continued)

The following table shows the cash flow analysis of the Group's assets and liabilities by remaining contractual maturities on an undiscounted basis. Actual maturity dates may differ from contractual maturity dates due to behavioural patterns such as prepayment of loans. In particular, the Group has a significant amount of 'core deposits' of customers which are contractually at call (included in the 'Up to 7 days' time band) but historically have been a stable source of long-term funding for the Group.

	The Group							
In $ millions	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity	Total
2024								
Cash, balances and placements with central banks	11,468	5,655	12,206	2,634	–	–	6,826	38,789
Securities	170	501	4,255	11,565	29,244	68,588	2,081	116,404
Placements and balances with banks	7,730	7,951	10,053	9,290	1,490	1,502	(79)	37,937
Loans to customers	16,802	46,534	29,916	53,561	80,919	166,144	52	393,928
Investment in associates and joint ventures	–	–	–	–	–	–	1,302	1,302
Goodwill and intangible assets	–	–	–	–	–	–	4,979	4,979
Derivative financial assets	–	–	–	–	–	–	12,132	12,132
Others	(92)	9	117	3	44	5,480	5,197	10,758
Total assets	36,078	60,650	56,547	77,053	111,697	241,714	32,490	616,229
Deposits and balances of customers	226,935	49,015	63,950	63,682	3,011	382	(95)	406,880
Deposits and balances of banks, and bills and drafts payable	10,207	5,468	3,731	488	419	174	9	20,496
Debts issued	1,128	3,725	8,952	12,416	15,587	2,267	(938)	43,137
Derivative financial liabilities	–	–	–	–	–	–	12,514	12,514
Others	3,589	157	280	517	370	9	4,017	8,939
Total liabilities	241,859	58,365	76,913	77,103	19,387	2,832	15,507	491,966
Equity attributable to:								
Equity holders of the Bank	–	38	–	69	1,481	1,479	46,985	50,052
Non-controlling interests	–	–	–	–	–	–	224	224
Total equity	–	38	–	69	1,481	1,479	47,209	50,276
Net on-balance sheet position	(205,781)	2,247	(20,366)	(119)	90,829	237,403	(30,226)	
Net off-balance sheet position	(63,323)	(70)	(129)	411	(412)	(2,086)	(62)	
Net maturity mismatch	(269,104)	2,177	(20,495)	292	90,417	235,317	(30,288)	

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45. Financial Risk Management (continued)

(e) Liquidity risk (continued)

	The Group							
In $ millions	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity	Total
2023								
Cash, balances and placements with central banks	13,387	15,358	13,983	3,030	–	–	7,055	52,813
Securities	355	813	4,507	14,214	28,546	53,837	2,536	104,808
Placements and balances with banks	7,881	7,099	9,858	7,756	638	2,153	146	35,531
Loans to customers	16,649	36,372	30,817	57,252	81,800	161,001	32	383,923
Investment in associates and joint ventures	–	–	–	–	–	–	1,266	1,266
Goodwill and intangible assets	–	–	–	–	–	–	4,984	4,984
Derivative financial assets	–	–	–	–	–	–	9,707	9,707
Others	80	88	169	130	5	5,283	4,933	10,688
Total assets	38,352	59,730	59,334	82,382	110,989	222,274	30,659	603,720
Deposits and balances of customers	196,128	43,003	58,709	86,721	4,321	1,257	(53)	390,086
Deposits and balances of banks, and bills and drafts payable	15,327	11,535	3,843	2,149	382	202	8	33,446
Debts issued	1,032	2,497	6,840	9,298	13,458	9,284	(1,130)	41,279
Derivative financial liabilities	–	–	–	–	–	–	11,768	11,768
Others	3,125	164	311	519	318	171	4,719	9,327
Total liabilities	215,612	57,199	69,703	98,687	18,479	10,914	15,312	485,906
Equity attributable to:								
Equity holders of the Bank	–	38	–	70	1,112	1,956	43,478	46,654
Non-controlling interests	–	–	–	–	–	–	242	242
Total equity	–	38	–	70	1,112	1,956	43,720	46,896
Net on-balance sheet position	(177,260)	2,493	(10,369)	(16,375)	91,398	209,404	(28,373)	
Net off-balance sheet position	(59,860)	(1,175)	(1,233)	(952)	(462)	(2,514)	(74)	
Net maturity mismatch	(237,120)	1,318	(11,602)	(17,327)	90,936	206,890	(28,447)	

The Group is subject to liquidity requirements to support calls under outstanding contingent liabilities and undrawn credit facility commitments as disclosed in Notes 38 and 39(a) respectively. These have been incorporated in the net off-balance sheet position for financial years ended 31 December 2024 and 2023. The total outstanding contractual amounts of these items do not represent future cash requirements since the Group expects many of these contingent liabilities and commitments (such as direct credit substitutes and undrawn credit facilities) to expire without being called or drawn upon, and many of the contingent liabilities (such as letters of credit) are reimbursable by customers.

45. Financial Risk Management (continued)

(f) Expected Shortfall

The Group adopts a daily Expected Shortfall (ES) to estimate market risk within a 97.5% confidence interval over a one-day holding period, using the historical simulation method for its trading book. This entails the estimation of tail loss based on the most recent historical data. This methodology does not make assumptions on the distribution of returns and the correlations between risk classes. It assumes that possible future changes in market rates may be implied by observed historical market movements. ES is the average portfolio loss, assuming that the loss is greater than the specified percentile of the loss distribution.

The table below shows the trading book ES profile by risk classes.

	The Group			
In $ millions	**Year end**	**High**	**Low**	**Average**
2024				
Interest rate	**3.74**	**7.09**	**2.62**	**4.25**
Foreign exchange	**3.06**	**7.69**	**0.66**	**2.16**
Equity	**0.76**	**2.94**	**0.17**	**0.51**
Commodity	**0.59**	**1.52**	**0.26**	**0.61**
Credit	**5.09**	**5.34**	**2.68**	**3.66**
Volatility	**0.98**	**1.31**	**0.52**	**0.91**
Total ES [1]	**12.18**	**14.59**	**8.48**	**11.44**
2023				
Interest rate	4.51	6.61	2.42	3.78
Foreign exchange	2.36	6.36	0.90	2.32
Equity	0.18	1.22	0.08	0.34
Commodity	0.47	2.10	0.32	0.70
Credit	4.48	6.22	1.55	3.90
Volatility	0.83	1.56	0.56	1.03
Total ES [1]	12.73	15.50	7.18	10.89

(1) Total ES includes jump-to-default risk component (this refers to the risk that a financial instrument where the mark-to-market value directly depends on the credit quality of one or more reference underlying may experience sudden price changes due to an unexpected default of one of these reference underlying).

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for the financial year ended 31 December 2024

46. Capital Management

The Group seeks to maintain an optimal level of capital to support its business growth strategies and investment opportunities, while meeting regulatory requirements and maintaining a strong credit rating. The Group's capital position is proactively managed over the medium term through the Internal Capital Adequacy Assessment Process which includes setting capital targets, forecasting capital consumption for material risks and determining capital issuance requirements. The Group, including the Bank and its overseas banking entities, have complied with all externally-imposed regulatory capital requirements throughout the financial year.

In July 2024, the Group adopted the Basel III Final Reforms, that came into effect in Singapore, except for market risk and credit valuation adjustments standards for capital adequacy and disclosure requirements, which are effective from 1 January 2025. The Group's Common Equity Tier 1 capital comprises mainly paid-up ordinary share capital and disclosed reserves. Additional Tier 1 capital includes eligible non-cumulative non-convertible perpetual securities while Tier 2 capital comprises subordinated notes and the excess of accounting provisions over MAS Notice 637 expected loss. Risk-weighted assets include both on-balance sheet and off-balance sheet exposures adjusted for credit, market and operational risks.

	The Group	
In $ millions	**2024**	2023
Common Equity Tier 1 capital (CET1)	**40,275**	37,076
Additional Tier 1 capital	**2,750**	2,751
Tier 1 capital	**43,025**	39,827
Tier 2 capital	**4,360**	5,840
Eligible total capital	**47,385**	45,667
Risk-weighted assets (RWA)	**259,835**	275,930
Capital adequacy ratios (CAR) (%)		
CET1	**15.5**	13.4
Tier 1	**16.6**	14.4
Total	**18.2**	16.6

47. Event After Reporting Date

On 2 January 2025, the Group signed an agreement to purchase a Vietnam-incorporated real estate entity for USD270 million (approximately $370 million). Purchase completion is subject to regulatory approvals.

48. Authorisation of Financial Statements

The financial statements were authorised for issue by the Board of Directors on 18 February 2025.