



TOKIO MARINE
INSURANCE GROUP

SINGAPORE

2026

Participating Fund Update

(for the year ending 2025)

What is this Participating Fund Update for?

In this annual update, you will find useful information on the recent performance of Tokio Marine Life Insurance Singapore Pte. Ltd. (TMLS) Participating Fund ("Par Fund") for the year ending 31 December 2025 and the impact of its performance on the bonuses and dividends allocated to your participating policies. In addition, we will present our views on the future outlook and how it could impact future bonuses and dividends based on our actuarial investigation of policy liabilities carried out under Section 95(1) of the Insurance Act 1966.

Please note that this Par Fund update contains only general commentary of the Par Fund and therefore may not be applied specifically to individual participating policy.

A Review of 2025

In 2025, financial markets globally were driven by a combination of monetary policy transition, Artificial Intelligence-led equity leadership, and a major resurgence of trade protectionism. On 2 April 2025, dubbed "Liberation Day", the U.S. administration announced sweeping reciprocal tariffs which triggered fears of a renewed global trade war. However, markets proved resilient as improving growth expectations, enthusiasm around AI, and expectations of monetary easing helped global equities recover strongly later in the year.

Domestically, Singapore's economy grew by 5.0 per cent in 2025, driven primarily by the manufacturing and wholesale trade sectors which benefited from strong AI-related electronics demand.

In fixed income, interest rate expectations remained a key driver throughout the year. The U.S. Federal Reserve ("Fed") cut interest rates three times towards the end of the year as inflation slowed towards Fed's target and labour market momentum moderated.

Performance of the Par Fund

Investment performance over the years

2023	2024	2025	Average of last 3 years	Average of last 5 years	Average of last 10 years
Investment Return [#]					
8.09%	7.94%	13.63%	9.85%	1.64%	4.16%
Total Expense ratio					
0.57%	0.60%	0.52%	0.56%	0.58%	0.91%

[#]The Investment Return is shown after deducting investment expenses incurred in managing the Par Fund. Past performance is not necessarily indicative of future performance.

The Par Fund delivered a net investment return of 13.63% for the year ended 31 December 2025. Positive returns across various asset classes contributed to the returns for the year.

Non-investment experience in 2025

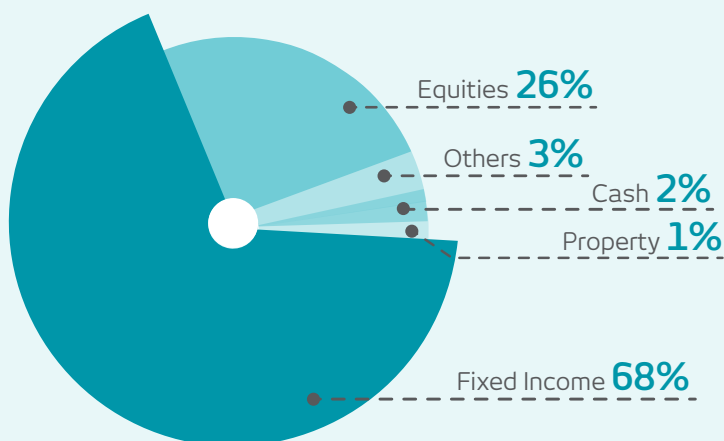
Operating experience (which includes mortality & morbidity, surrender, management expenses and distribution expenses) was in-line with expectations.

Asset Mix of the Par Fund

As of 31 December 2025, the total market value of the Par Fund was S\$ 8,981 million.

The Par Fund's assets are invested prudently based on long-term objective that is commensurate with the long-term commitment of your insurance policy.

Asset Mix as at 31 December 2025



Equities

Top 5 Equity Holdings as at 31 December 2025

Equity Holdings	% of Equity Holdings
iShares Core MSCI Asia ex Japan ETF	21%
State Street SPDR S&P 500 UCITS ETF	18%
DBS Group Holdings Ltd	8%
Oversea-Chinese Banking Corporation Ltd	5%
Xtrackers Euro Stoxx 50 UCITS ETF	4%

Fixed Income

Breakdown of Fixed Income Assets as at 31 December 2025

Category	% of Fixed Income Asset
Singapore Government Securities	27%
Quasi-Govt / Investment-Grade Bonds	65%
Other Bonds	1%
Preference Shares / Perpetual Securities	7%

Bonus Allocation

The main feature of your participating policy is its ability to provide stable returns on your policy while allowing you to participate in the performance of the Par Fund in the form of bonuses and/or dividends.

Your policy benefits, including bonuses and/or dividends, are dependent on the Par Fund's performance, which includes past and future projected portfolio mix, investment returns, claims and surrender experiences, as well as expenses of the Par Fund. Based on the historical performance and future outlook, we will allocate part of the surplus of the Par Fund to increase your policy value via bonuses and/or dividends.

All bonus and dividend allocations are approved by the Board of Directors, based on the recommendation made by the Appointed Actuary.

Future Outlook

Looking ahead, global growth in 2026 is likely to be uneven but resilient, led by services activity, gradual recovery in manufacturing, and continued investment in technology and infrastructure. Following multiple rate cuts in 2025, both the U.S. Federal Reserve and the European Central Bank are expected to be more cautious in further easing of monetary policy, leaving financial conditions supportive. Some of the key risks that investors should be watchful of include geopolitical tensions, trade protectionism, and fiscal sustainability concerns.

In March this year, the joint military strikes by the US and Israel on Iran triggered market volatility and raised concerns about a broader regional escalation. Oil prices surged amid supply disruptions, given the strategic importance of the energy supply routes in the Middle East. Investors continue to remain watchful of further developments and potential spillovers to global markets and inflation.

While future bonuses and dividends cannot be guaranteed, we remain committed to managing our investments, claims and expenses prudently to maintain the solvency of the Fund and strive to safeguard our policyholders' long-term interests. We will continue to review the supportability of future bonuses and dividends, taking into consideration, amongst others, the market environment.

About TMLS

Tokio Marine Life Insurance Singapore Pte. Ltd. is part of the Tokio Marine Holdings, Inc. which was established as the first insurance company in Japan more than 140 years ago. Today, Tokio Marine is one of the world's largest insurance groups, with a robust network that spans across 46 countries and regions operated by high-performing teams of more than 40,000 employees.

Our alignment of strategy to drive a strong performance and people-centric culture has strengthened our ambition to be a leading insurer in Singapore. Our values and vision define and guide us in everything that we do. A firm commitment to the traits of customer centricity, integrity and excellence underpins our promise to be the go-to partner for all financial planning needs.

Contact Us

If you wish to learn more about the current protection and cash value of your participating insurance policy, you can request a full Policy Illustration from your Financial Representative or email customercare@tokiomarine-life.sg.

Important Notes:

This policy is protected under the Policy Owners' Protection Scheme, which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy is automatic, and no further action is required from you. The PFF Scheme does not apply to policies registered in Brunei. For more information on the types of benefits that are covered under the scheme as well as the limits of the coverage, where applicable, please contact us or visit the LIA or SDIC websites (www.lia.org.sg or www.sdic.org.sg).

Common Reporting Standard (CRS)

CRS is an internationally agreed standard for automatic exchange of financial account information for tax purposes. With effect from 1 January 2017, CRS requires all financial account holders to complete and submit a self-certification form on tax residency status. This includes changes in circumstances such as change of personal details, occupational status or TIN number etc. Certification form is available on our website at tokiomarine.com. The form can be found under Life & Health > Resources > Forms. You may send a completed and signed softcopy to customercare@tokiomarine-life.sg or through your representative. Alternatively, a completed and signed hardcopy may be submitted to us by mail. For more information on CRS, please visit the IRAS website at www.iras.gov.sg.

2026 Annual Bonus Declaration

(for the year ending 2025)

Frequently Asked Questions

What is a Participating Policy?

A participating policy is a life insurance policy which offers both guaranteed and non-guaranteed benefits. Participating policyholders share in the profits of the Participating Life Fund ("Par Fund" or the "Fund") in the form of bonuses or dividends which are non-guaranteed.

What is the investment strategy of the Par Fund and what expenses would be incurred?

The Par Fund achieves diversification by investing in a mix of assets including bonds, equities, and cash. The aim is to provide long-term sustainable returns and prudent risk management.

There are expenses and charges relating to the operation and management of the Par Fund, including distribution-related expenses. They include commission and distribution cost, investment fees paid to external fund managers, management expenses such as underwriting and claims related expenses and Tokio Marine Life Insurance Singapore's fixed overheads.

What are the key factors affecting performance of the Par Fund?

The key factors affecting the performance of the Par Fund include both investment performance which is affected by market risks and non-investment performance including but not limited to mortality and morbidity, surrender, and expense experiences.

As a participating fund policyholder, how do I know that my interest is protected?

All insurance companies are governed and regulated under the Insurance Act 1966.

For participating policies, the Act imposes a limit on the profits that can be distributed to the insurer's shareholders. Shareholders cannot receive more than one-ninth of the value of non-guaranteed benefits allocated to participating policyholders. In this way, shareholders' profit objectives are aligned with policyholders' interests. Excessive distribution of profit to shareholders is prevented.

Frequently Asked Questions

How often are bonuses/dividends declared?

Bonuses or dividends are reviewed and declared at least once a year. You will be notified each year of any bonuses or dividends that may be declared to your participating policies.

Are bonuses/dividends guaranteed once they are declared to the policy?

Participating policies distribute profits of the Par Fund in the form of reversionary bonuses or regular dividends, as well as terminal bonuses or terminal dividends, if any. Reversionary bonuses are declared and added to a life insurance policy annually. Once added, they become part of the guaranteed benefits of the policy and will be paid out in full when a claim is made, or when the policy reaches its maturity. Regular dividends are paid out after declaration, or they can be accumulated with the company upon declaration if permitted.

However, should policyholders surrender the policy, they may only receive a portion of the bonuses or dividends, since they may have to pay surrender penalties.

All future bonuses or dividends — including future reversionary bonuses or regular dividends that have not been declared and terminal bonuses or terminal dividends (bonuses or dividends that may be paid out to you when you make a claim, or your policy matures) are not guaranteed.

How are bonuses/dividends determined?

All bonus or dividend allocations are approved by Tokio Marine Life Insurance Singapore's Board of Directors, based on the written recommendations made by the Appointed Actuary. The Appointed Actuary is in turn guided by the Singapore Actuarial Society's (SAS) Standard of Actuarial Practices and Monetary Authority of Singapore's (MAS) Notices related to the management of the Participating Fund.

The Appointed Actuary considers a few key factors before making a bonus or dividend recommendation, including past and future investment returns, policy claim and surrender rates, as well as costs associated with running the Fund. To avoid short-term fluctuations, bonuses and dividends declared are smoothed over a period of time.

When is my policy bonus or dividend allocation for 2025?

Your policy bonus declaration will vest on 4 May 2026 or on your policy anniversary, whichever is later. Your policy dividend will be credited to your account on the anniversary of your policy. Please find more details available in your Bonus/Dividend Declaration Statement(s).

Will bonuses/dividends be revised?

Future bonuses or dividends are not guaranteed. They are dependent on the performance of the Par Fund, which is contingent upon past and future investment returns, policy claim, and surrender rates, as well as costs associated with running the Par Fund.

Policyholders can be assured however, that revisions to the bonus and dividend rates are only made after a thorough review is conducted.

All bonus or dividend allocations are approved by Tokio Marine Life Insurance Singapore's Board of Directors, based on the written recommendations made by the Appointed Actuary.

Frequently Asked Questions

Can I withdraw the bonuses/dividends? How will this affect my policy value?

For bonus-type participating policies, subject to the terms and conditions of your policy, you may withdraw the cash value of the accrued bonuses in full. However, the policy benefits you will receive when you eventually terminate the policy — that is, upon policy surrender or maturity, or upon a claim on the policy — will be reduced.

For dividend-type participating policies, subject to the terms and conditions of your policy, dividends may be paid out to you or accumulated with Tokio Marine Life Insurance Singapore upon declaration. You may withdraw the dividends accumulated with the Company.

Should I continue with my policy?

Your policy is intended to meet your long-term financial goals and protection needs. Terminating it early may result in high costs; you may end up getting a surrender value that is less than what you paid in premiums. Making changes to your policy can also affect the level of protection it provides. Before taking any action, we strongly recommend that you contact your Financial Representative to discuss the best course of action for you.

How do Tokio Marine Life Insurance Singapore's participating bonuses compare to those offered by the rest of the industry?

Participating bonuses offered by other insurers are not directly comparable as each insurer offers different products and adopts different investment and bonus strategies.

For more information on participating policies and the types of bonuses/dividends offered, please refer to the industry's guide for customers ("**Your Guide to Participating Policies**") on our website: <https://www.tokiomarine.com/sg/en/life/resources/consumer-guides.html>.