



OCBC Wing Hang Bank Limited
華僑永亨銀行有限公司

Banking Disclosure Statement
For the period ended
30th September, 2021

(Expressed in millions of Hong Kong dollars unless otherwise stated)

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OCBC Wing Hang Bank Limited

Introduction

Purpose

The information contained in this document is for OCBC Wing Hang Bank Limited ("the Bank") and its subsidiaries (together "the Group") to comply with the Banking (Disclosure) Rules ("BDR") made under section 60A of the Banking Ordinance.

These banking disclosures are governed by the Group's disclosure policy, which has been approved by the Board of Directors ("Board"). The disclosure policy sets out the governance, control and assurance requirements for publication of the document. While the Banking Disclosure Statement is not required to be externally audited, the document has been subject to independent review in accordance with the Group's policies on disclosure and its financial reporting and governance processes.

Basis of preparation

Except where indicated otherwise, the financial information contained in this Banking Disclosure Statement has been prepared on a consolidated basis. The basis of consolidation for regulatory purposes is different from that for accounting purposes.

The Banking Disclosure Statement

The HKMA has implemented the final standards on the Revised Pillar 3 Disclosure Requirements issued by the Basel Committee on Banking Supervision in January 2015, and also incorporated the BCBS Pillar 3 disclosures requirements – consolidated and enhanced framework finalised in the latest BDR. These disclosures are supplemented by specific additional requirements of the HKMA set out in the BDR. The banking disclosure statement includes the information required under the BDR.

According to the BDR, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Prior period disclosure can be found in our website: www.ocbcwhhk.com.

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Template KM1: Key prudential ratios as at 30th September, 2021

	(a)	(b)	(c)	(d)	(e)	
	30th September, 2021	30th June, 2021	31st March, 2021	31st December, 2020	30th September, 2020	
Regulatory capital (amount)						
1	Common Equity Tier 1 (CET1)	37,473	36,970	36,988	36,477	35,421
2	Tier 1	40,473	39,970	39,988	39,477	38,421
3	Total capital	43,522	42,975	43,010	42,558	41,580
RWA (amount)						
4	Total RWA	217,010	212,705	217,137	218,812	215,565
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	17.3%	17.4%	17.0%	16.7%	16.4%
6	Tier 1 ratio (%)	18.7%	18.8%	18.4%	18.0%	17.8%
7	Total capital ratio (%)	20.1%	20.2%	19.8%	19.4%	19.3%
Additional CET1 buffer requirements (as a percentage of RWA)						
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%)	0.521%	0.542%	0.548%	0.545%	0.568%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.021%	3.042%	3.048%	3.045%	3.068%
12	CET1 available after meeting the AI's minimum capital requirements (%)	12.768%	12.881%	12.534%	12.170%	11.932%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	343,694	333,561	313,405	322,644	316,735
14	LR (%)	11.78%	11.98%	12.76%	12.24%	12.13%
Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)						
Applicable to category 1 institution only:						
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
Applicable to category 2 institutions only:						
17a	LMR (%)	35.9%	36.1%	35.7%	38.8%	35.5%
Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)						
Applicable to category 1 institution only:						
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
Applicable to category 2A institution only:						
20a	CFR (%)	138.2%	135.2%	133.9%	136.3%	133.4%

Note: There were no material changes to the key prudential ratios during the quarterly reporting period. The changes were due to normal business activities.

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Template OV1: Overview of RWA as at 30th September, 2021

The following table provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 30th September, 2021 and 30th June, 2021 respectively:

Items	(a)	(b)	(c)	
	RWA		Minimum capital requirements	
	30th September, 2021	30th June, 2021	30th September, 2021	
1	Credit risk for non-securitisation exposures	192,617	186,763	15,409
2	Of which STC approach	192,617	186,763	15,409
2a	Of which BSC approach	0	0	0
3	Of which foundation IRB approach	0	0	0
4	Of which supervisory slotting criteria approach	0	0	0
5	Of which advanced IRB approach	0	0	0
6	Counterparty default risk and default fund contributions	3,055	3,817	245
7	Of which SA-CCR approach	2,446	3,425	196
7a	Of which CEM	0	0	0
8	Of which IMM(CCR) approach	0	0	0
9	Of which others	609	392	49
10	CVA risk	793	927	63
11	Equity positions in banking book under the simple risk-weight method and internal models method	0	0	0
12	Collective investment scheme ("CIS") exposures - LTA*	N/A	N/A	N/A
13	CIS exposures - MBA*	N/A	N/A	N/A
14	CIS exposures - FBA*	N/A	N/A	N/A
14a	CIS exposures - combination of approaches*	N/A	N/A	N/A
15	Settlement risk	0	0	0
16	Securitisation exposures in banking book	0	0	0
17	Of which SEC-IRBA	0	0	0
18	Of which SEC-ERBA (including IAA)	0	0	0
19	Of which SEC-SA	0	0	0
19a	Of which SEC-FBA	0	0	0
20	Market risk	9,893	10,390	792
21	Of which STM approach	9,893	10,390	792
22	Of which IMM approach	0	0	0
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*	N/A	N/A	N/A
24	Operational risk #	11,263	11,419	901
24a	Sovereign concentration risk	0	0	0
25	Amounts below the thresholds for deduction (subject to 250% RW)	1,405	1,405	112
26	Capital floor adjustment	0	0	0
26a	Deduction to RWA	2,016	2,016	161
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	0	0	0
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	2,016	2,016	161
27	Total	217,010	212,705	17,361

Note: There were no material changes to the risk-weighted amounts during the quarterly reporting period. The changes were due to normal business activities.

* : Items marked with an asterisk (*) will be applicable only after their respective policy frameworks take effect.

: The Group used Basic Indicator Approach to calculate its exposure to operational risk at 30th September, 2021 and 30th June, 2021.

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Template LR2: Leverage Ratio ("LR") as at 30th September, 2021

		(a)	(b)
		30th September, 2021	30th June, 2021
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	305,891	295,986
2	Less: Asset amounts deducted in determining Tier 1 capital	(5,959)	(5,904)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	299,932	290,082
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	5,031	4,975
5	Add-on amounts for PFE associated with all derivative contracts	16,895	15,693
6	Gross-up for collateral provided in respect of derivatives contracts where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	(491)	(547)
8	Less: Exempted CCP leg of client-cleared trade exposures	0	0
9	Adjusted effective notional amount of written credit-related derivative contracts	3,498	2,897
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	(3,498)	(2,897)
11	Total exposures arising from derivative contracts	21,435	20,121

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Template LR2: Leverage Ratio ("LR") as at 30th September, 2021

		(a)	(b)
		30th September, 2021	30th June, 2021
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	8,567	8,243
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	0	0
14	CCR exposure for SFT assets	613	725
15	Agent transaction exposures	0	0
16	Total exposures arising from SFTs	9,180	8,968

OCBC Wing Hang Bank Limited**Template LR2: Leverage Ratio ("LR") as at 30th September, 2021**

		(a)	(b)
		30th September, 2021	30th June, 2021
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	53,011	53,031
18	Less: Adjustments for conversion to credit equivalent amounts	(39,760)	(38,550)
19	Off-balance sheet items	13,251	14,481
Capital and total exposures			
20	Tier 1 capital	40,473	39,970
20a	Total exposures before adjustments for specific and collective provisions	343,798	333,652
20b	Adjustments for specific and collective provisions	(104)	(91)
21	Total exposures after adjustments for specific and collective provisions	343,694	333,561
Leverage ratio			
22	Leverage ratio	11.78%	11.98%

Note: There were no material changes to the leverage ratios during the quarterly reporting period. The changes were due to normal business activities.