



**恒生銀行**  
**HANG SENG BANK**

# **Banking Disclosure Statement**

**30 September 2023**

**(Unaudited)**

# BANKING DISCLOSURE STATEMENT *(unaudited)*

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*Prefixes contained in the table names, where applicable, represent the reference codes of the standard disclosure templates and tables issued by the HKMA. Where applicable, RWA in tables 1 and 2 are applied with 1.06 scaling factor, while RWA in other tables are before such application.*

# **BANKING DISCLOSURE STATEMENT** *(unaudited) (continued)*

## **Introduction**

### **Purpose**

The information contained in this document is for Hang Seng Bank Limited ('the Bank') and its subsidiaries (together 'the Group') to comply with both the Banking (Disclosure) Rules ('BDR') made under section 60A of the Banking Ordinance and the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements - Banking Sector) Rules ('LAC Rules') made under section 19(1) of the Financial Institutions (Resolution) Ordinance ('FIRO').

These banking disclosures are governed by the Group's disclosure policy, which has been approved by the 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 capital purposes is different from that for accounting purposes.

The approaches used in calculating the Group's regulatory capital and risk-weighted assets ('RWA') are in accordance with the Banking (Capital) Rules ('BCR'). The Group uses the advanced internal ratings-based ('IRB') approach to calculate its credit risk for the majority of its non-securitisation exposures. For collective investment scheme ('CIS') exposures, the Group uses the look-through approach ('LTA') to calculate the risk-weighted amount. For counterparty credit risk ('CCR'), the Group uses the standardised (counterparty credit risk) ('SA-CCR') approach to calculate its default risk exposures for derivatives and the comprehensive approach for securities financing transactions ('SFTs'). For market risk, the Group uses an internal models ('IMM') approach to calculate its general market risk for the risk categories of interest rate and foreign exchange (including gold) exposures and the standardised (market risk) ('STM') approach for calculating other market risk positions. For operational risk, the Group uses the standardised (operational risk) ('STO') approach to calculate its operational risk.

For loss-absorbing capacity ('LAC') disclosures, the basis of calculating the Group's LAC and RWA is in accordance with the LAC Rules.

### **The Banking Disclosure Statement**

The Group's Banking Disclosure Statement at 30 September 2023 comprises Pillar 3 information required under the framework of the Basel Committee on Banking Supervision ('BCBS'). The disclosures are made in accordance with the latest BDR and the LAC Rules issued by the Hong Kong Monetary Authority ('HKMA').

According to the BDR and the LAC Rules, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Prior period disclosures can be found in the Regulatory Disclosures section of our website, [www.hangseng.com](http://www.hangseng.com).

The Banking Disclosure Statement includes the majority of the information required under the BDR and the LAC Rules. The remainder of the disclosure requirements are covered in the Group's 2023 Interim Report which can be found in the Investor Relations – Financial Statements section of our website, [www.hangseng.com](http://www.hangseng.com). There is no substantial change in the Group's operations in the third quarter of 2023.

<b>Disclosure requirements covered in the Group's 2023 Interim Report:</b>	<b>Reference in Interim Report (Printed version)</b>	<b>Reference in Interim Report (Text version)</b>
– BDR Section 16(1)(b) - Operations of the Group	Note 16 on pages 84 to 89	Note 16 on pages 89 to 92

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

### Key metrics

Table 1: KM1 – Key prudential ratios

		a	b	c	d	e
		At				
	Footnotes	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
<b>Regulatory capital (HK\$m)</b>						
	1					
1	Common Equity Tier 1 (CET1)	<b>118,710</b>	117,229	116,999	116,422	113,609
2	Tier 1 (T1)	<b>130,454</b>	128,973	128,743	128,166	125,353
3	Total capital	<b>140,682</b>	139,291	138,946	138,676	135,571
<b>RWA (HK\$m)</b>						
	1					
4	Total RWA	<b>677,322</b>	696,197	722,516	764,726	751,753
<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>						
	1					
5	CET1 ratio (%)	<b>17.5</b>	16.8	16.2	15.2	15.1
6	Tier 1 ratio (%)	<b>19.3</b>	18.5	17.8	16.8	16.7
7	Total capital ratio (%)	<b>20.8</b>	20.0	19.2	18.1	18.0
<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>						
	1					
8	Capital conservation buffer requirement (%)	<b>2.500</b>	2.500	2.500	2.500	2.500
9	Countercyclical capital buffer (CCyB) requirement (%)	<b>0.835</b>	0.828	0.813	0.816	0.800
10	Higher loss absorbency requirements (%) (applicable only to Global systemically important authorised institutions ('G-SIBs') or Domestic systemically important authorised institutions ('D-SIBs'))	<b>1.000</b>	1.000	1.000	1.000	1.000
11	Total authorised institution ('AI')-specific CET1 buffer requirements (%)	<b>4.335</b>	4.328	4.313	4.316	4.300
12	CET1 available after meeting the AI's minimum capital requirements (%)	<b>12.8</b>	12.0	11.2	10.1	10.0
<b>Basel III leverage ratio</b>						
	3					
13	Total leverage ratio ('LR') exposure measure (HK\$m)	<b>1,546,074</b>	1,576,897	1,665,439	1,752,201	1,672,587
14	LR (%)	<b>8.4</b>	8.2	7.7	7.3	7.5
<b>Liquidity Coverage Ratio ('LCR')</b>						
	4					
15	Total high quality liquid assets ('HQLA') (HK\$m)	<b>361,082</b>	417,983	471,195	415,870	398,286
16	Total net cash outflows (HK\$m)	<b>150,750</b>	170,826	171,100	152,258	173,470
17	LCR (%)	<b>240.1</b>	245.0	276.7	275.3	230.5
<b>Net Stable Funding Ratio ('NSFR')</b>						
	5					
18	Total available stable funding ('ASF') (HK\$m)	<b>1,132,365</b>	1,149,715	1,192,396	1,215,966	1,158,921
19	Total required stable funding ('RSF') (HK\$m)	<b>682,837</b>	712,313	728,638	742,246	746,834
20	NSFR (%)	<b>165.8</b>	161.4	163.6	163.8	155.2

- 1 The regulatory capital, RWA, risk-based regulatory capital ratios and additional CET1 buffer requirements above are based on or derived from the information as contained in the 'Capital Adequacy Ratio - (MA(BS)3)' return submitted to the HKMA on a consolidated basis under the requirements of section 3C(1) of the BCR.
- 2 The jurisdictional CCyB of Hong Kong used in the calculation of CCyB requirement has been 1.0% since 31 March 2020. The jurisdictional CCyB of other countries used in the calculation of the CCyB requirement ranged from 0% to 2.5% at 30 September 2023.
- 3 The Basel III leverage ratios are disclosed in accordance with the information contained in the 'Leverage Ratio - (MA(BS)27)' return submitted to the HKMA under the requirements specified in Part 1C of the BCR.
- 4 The LCRs shown are the simple average values of all working days in the reporting periods and are made in accordance with the requirements specified in the 'Liquidity Position - (MA(BS)1E)' return submitted to the HKMA under rule 11(1) of the Banking (Liquidity) Rules ('BLR').
- 5 The NSFR disclosures are made in accordance with the information contained in the 'Stable Funding Position - (MA(BS)26)' return submitted to the HKMA under the requirements specified in rule 11(1) of the BLR.

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

Table 2: KM2(A) – Key metrics – LAC requirements for material subsidiaries

	a	b	c	d	e
	At				
	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
<i>Footnotes</i>					
<b>Of the material entity at LAC consolidation group level</b>					
1 Internal loss-absorbing capacity available (HK\$m)	<b>168,177</b>	166,788	166,447	166,155	163,069
2 Risk-weighted amount under the LAC Rules (HK\$m)	<b>677,322</b>	696,197	722,516	764,726	751,753
3 Internal LAC risk-weighted ratio (%)	<b>24.8</b>	24.0	23.0	21.7	21.7
4 Exposure measure under the LAC Rules (HK\$m)	<b>1,545,029</b>	1,575,852	1,664,394	1,751,156	1,671,542
5 Internal LAC leverage ratio (%)	<b>10.9</b>	10.6	10.0	9.5	9.8
6a Does the subordination exemption in the antepenultimate paragraph of Section 11 of the Financial Stability Board ('FSB') Total Loss-absorbing Capacity ('TLAC') Term Sheet apply?	<b>Not applicable</b> <sup>1</sup>	Not applicable	Not applicable	Not applicable	Not applicable
6b Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	<b>Not applicable</b> <sup>1</sup>	Not applicable	Not applicable	Not applicable	Not applicable
6c If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied	<b>Not applicable</b> <sup>1</sup>	Not applicable	Not applicable	Not applicable	Not applicable

<sup>1</sup> The subordination exemptions under Section 11 of the FSB TLAC Term Sheet do not apply in Hong Kong under the LAC Rules.

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

### Capital and RWA

#### Leverage ratio

The following table shows the leverage ratio, Tier 1 capital and total exposure measure as contained in the 'Leverage Ratio' return submitted to the HKMA under the requirements specified in Part 1C of the BCR.

Table 3: LR2 – Leverage ratio

	a	b
	30 Sep 2023 HK\$m	30 Jun 2023 HK\$m
<b>On-balance sheet exposures</b>		
1 On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	1,444,632	1,481,424
2 Less: Asset amounts deducted in determining Tier 1 capital	(28,530)	(29,148)
<b>3 Total on-balance sheet exposures (excluding derivative contracts and SFTs)</b>	<b>1,416,102</b>	<b>1,452,276</b>
<b>Exposures arising from derivative contracts</b>		
4 Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	13,976	13,364
5 Add-on amounts for potential future exposure ('PFE') associated with all derivative contracts	20,086	18,580
6 Gross-up for collateral provided in respect of derivative contracts where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7 Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
8 Less: Exempted central counterparty ('CCP') leg of client-cleared trade exposures	-	-
9 Adjusted effective notional amount of written credit-related derivative contracts	-	-
10 Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	-	-
<b>11 Total exposures arising from derivative contracts</b>	<b>34,062</b>	<b>31,944</b>
<b>Exposures arising from SFTs</b>		
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	27,687	27,236
13 Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14 CCR exposure for SFT assets	444	404
15 Agent transaction exposures	-	-
<b>16 Total exposures arising from SFTs</b>	<b>28,131</b>	<b>27,640</b>
<b>Other off-balance sheet exposures</b>		
17 Off-balance sheet exposure at gross notional amount	552,496	544,157
18 Less: Adjustments for conversion to credit equivalent amounts	(469,304)	(464,499)
<b>19 Off-balance sheet items</b>	<b>83,192</b>	<b>79,658</b>
<b>Capital and total exposures</b>		
20 Tier 1 capital	130,454	128,973
20a Total exposures before adjustments for specific and collective provisions	1,561,487	1,591,518
20b Adjustments for specific and collective provisions	(15,413)	(14,621)
<b>21 Total exposures after adjustments for specific and collective provisions</b>	<b>1,546,074</b>	<b>1,576,897</b>
<b>Leverage ratio</b>		
22 Leverage ratio <sup>1</sup> (%)	8.4%	8.2%

<sup>1</sup> Leverage ratio is the ratio of Tier 1 capital to the total exposures after adjustments for specific and collective provisions.

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

### Overview of RWA and the minimum capital requirements

Table 4: OV1 – Overview of RWA

	a	b	c
	RWA <sup>1</sup>		Minimum capital requirements <sup>2</sup>
	30 Sep 2023	30 Jun 2023	30 Sep 2023
	HK\$m	HK\$m	HK\$m
1 Credit risk for non-securitisation exposures	525,337	548,011	44,281
2 Of which: Standardised (credit risk) ('STC') approach	55,578	61,147	4,446
2a Of which: Basic ('BSC') approach	-	-	-
3 Of which: Foundation IRB approach	-	-	-
4 Of which: Supervisory slotting criteria approach	49,824	50,897	4,225
5 Of which: Advanced IRB approach	419,935	435,967	35,610
6 Counterparty default risk and default fund contributions	6,691	6,164	563
7 Of which: SA-CCR approach	6,329	5,783	533
7a Of which: Current exposure method ('CEM')	-	-	-
8 Of which: Internal models (counterparty credit risk) ('IMM(CCR)') approach	-	-	-
9 Of which: Others	362	381	30
10 Credit valuation adjustment ('CVA') risk	9,462	8,693	757
11 Equity positions in banking book under the simple risk-weight method and internal models method	18,281	18,507	1,550
12 CIS exposures – LTA	538	542	46
13 CIS exposures – Mandate-based ('MBA') approach	-	-	-
14 CIS exposures – Fall-back ('FBA') approach	-	-	-
14a CIS exposures – combination of approaches	-	-	-
15 Settlement risk	-	-	-
16 Securitisation exposures in banking book	-	-	-
17 Of which: Securitisation internal ratings-based ('SEC-IRBA') approach	-	-	-
18 Of which: Securitisation external ratings-based ('SEC-ERBA') approach (including internal assessment approach ('IAA'))	-	-	-
19 Of which: Securitisation standardised ('SEC-SA') approach	-	-	-
19a Of which: Securitisation fall-back ('SEC-FBA') approach	-	-	-
20 Market risk	22,521	20,360	1,802
21 Of which: STM approach	467	387	37
22 Of which: IMM approach	22,054	19,973	1,765
23 Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*	Not applicable	Not applicable	Not applicable
24 Operational risk	59,540	58,043	4,763
24a Sovereign concentration risk	-	-	-
25 Amounts below the thresholds for deduction (subject to 250% Risk-Weight ('RW'))	17,671	17,671	1,499
26 Capital floor adjustment	-	-	-
26a Deduction to RWA	(13,440)	(13,539)	(1,075)
26b Of which: Portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 ('T2') Capital	-	-	-
26c Of which: Portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in T2 Capital	(13,440)	(13,539)	(1,075)
27 Total	646,601	664,452	54,186

1 RWA in this table are presented before the application of the 1.06 scaling factor, where applicable.

2 Minimum capital requirement represents the Pillar 1 capital charge at 8% of the RWA after application of the 1.06 scaling factor, where applicable.

3 Item marked with an asterisk (\*) will be applicable only after the respective policy frameworks take effect. Until then, 'Not applicable' is reported in this row.

Total RWA decreased by HK\$17.9bn in the third quarter of 2023, of which credit risk RWA for non-securitisation exposures decreased by HK\$22.7bn mainly driven by a drop in total loan size.

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

### RWA flow statements

#### RWA flow statement for credit risk

Table 5: CR8 – RWA flow statement of credit risk<sup>1</sup> exposures under IRB approach

	a
	Amount HK\$m
1 RWA as at end of previous reporting period (30 Jun 2023)	486,864
2 Asset size	(11,272)
3 Asset quality	(4,215)
4 Model updates	-
5 Methodology and policy	-
6 Acquisitions and disposals	-
7 Foreign exchange movements	(507)
8 Other	(1,111)
9 <b>RWA as at end of reporting period (30 Sep 2023)</b>	<b>469,759</b>

1 Credit risk in this table represents the credit risk for non-securitisation exposures excluding counterparty credit risk.

RWA decreased by HK\$17.1bn in the third quarter of 2023. It was mainly due to a drop in loan size from corporates.

#### RWA flow statement for market risk

Table 6: MR2 – RWA flow statement of market risk exposures under IMM approach

	a	b	c	d	e	f
	Value at risk (‘VaR’) HK\$m	Stressed VaR (‘SVaR’) HK\$m	Incremental risk charge (‘IRC’) HK\$m	Comprehensive risk charge (‘CRC’) HK\$m	Other HK\$m	Total RWA HK\$m
1 RWA as at end of previous reporting period (30 Jun 2023)	5,321	14,652	-	-	-	19,973
2 Movement in risk levels	510	1,582	-	-	-	2,092
3 Model updates/changes	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-
5 Acquisitions and disposals	-	-	-	-	-	-
6 Foreign exchange movements	(3)	(8)	-	-	-	(11)
7 Other	-	-	-	-	-	-
8 <b>RWA as at end of reporting period (30 Sep 2023)</b>	<b>5,828</b>	<b>16,226</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,054</b>

The change in market risk RWA was mainly driven by Euro and Hong Kong dollar interest rate trading positions.



## BANKING DISCLOSURE STATEMENT *(unaudited) (continued)*

### Liquidity information

The Group is required to calculate its LCR on a consolidated basis in accordance with rule 11(1) of the BLR and to maintain an LCR of not less than 100%.

Table 7: Average liquidity coverage ratio

	<b>Quarter ended</b>
	<b>30 Sep</b>
	<b>2023</b>
	<b>%</b>
Average liquidity coverage ratio	<b>240.1</b>

The average LCR was 240.1% for the quarter ended 30 September 2023 and remained stable when compared with 245.0% for the quarter ended 30 June 2023. The liquidity position of the Group remained strong and well above statutory requirement of 100%.

The composition of the Group's HQLA as defined under Schedule 2 of the BLR is shown as below. The majority of the HQLA held by the Group are Level 1 assets which comprise mainly of government debt securities.

Table 8: Total weighted amount of high quality liquid assets

	<b>Weighted value (average) for the quarter ended</b>
	<b>30 Sep</b>
	<b>2023</b>
	<b>HK\$m</b>
Level 1 assets	<b>348,096</b>
Level 2A assets	<b>10,566</b>
Level 2B assets	<b>2,420</b>
<b>Total weighted amount of HQLA</b>	<b>361,082</b>

### Sources of funding

Our primary sources of funding are customer deposits. We issue wholesale securities to supplement our customer deposits and change the currency mix or maturity profile of our liabilities.

### Currency mismatch

In times of stress it cannot automatically be assumed that one currency can always be converted for another, even if those currencies are 'hard' currencies. LCR is therefore assessed by single currency for those that are material. In some currencies, convertibility is restricted by regulators and central banks and this restriction results in local currency not being convertible offshore or even onshore. Group policy requires all operating entities to monitor material single currency Internal Liquidity Metric ('ILM') and LCR. Limits are set to ensure that outflows can be met, given assumptions on stressed capacity in the FX swap markets. Limits are approved by the local Asset and Liability Management Committee ('ALCO')/Tactical Asset and Liability Management Committee ('TALCO'), and monitored by the local ALCO.

### Additional contractual obligations

Most of the Group's derivative transactions are exchange rate contracts and interest rate contracts. Under the terms of our current collateral obligations under derivative contracts (which are International Swaps and Derivatives Association ('ISDA') compliant Credit Support Annex ('CSA') contracts), the additional collateral required to post in the event of one-notch and two-notch downgrade in credit ratings is nil.

A summary of the Group's current policies and practices for the management of liquidity and funding risk is set out in pages 50 to 53 of the Group's 2023 Interim Report\*.

\* Refers to printed version. The page reference of Interim Report (text version) is pages 57 to 59.

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

The following table sets out the required disclosure items under the Liquidity Coverage Ratio Standard Disclosure Template as specified by the HKMA. Number of data points used in calculating the average value of the LCR and related components set out in this table for the quarter ended on 30 September 2023 was 74.

Table 9: LIQ1 – Liquidity coverage ratio – for category 1 institution

		Quarter ended 30 Sep 2023 (74 data points)	
		a	b
Basis of disclosure: consolidated		Unweighted value (average) HK\$m	Weighted value (average) HK\$m
<b>A</b>	<b>High quality liquid assets</b>		
1	Total HQLA		361,082
<b>B</b>	<b>Cash outflows</b>		
2	Retail deposits and small business funding, of which:	870,172	71,661
3	<i>Stable retail deposits and stable small business funding</i>	219,372	6,581
4	<i>Less stable retail deposits and less stable small business funding</i>	650,800	65,080
4a	<i>Retail term deposits and small business term funding</i>	-	-
5	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the institution, of which:	211,556	96,398
6	<i>Operational deposits</i>	25,949	5,851
7	<i>Unsecured wholesale funding (other than small business funding) not covered in Row 6</i>	180,699	85,639
8	<i>Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period</i>	4,908	4,908
9	Secured funding transactions (including securities swap transactions)		12
10	Additional requirements, of which:	125,380	20,805
11	<i>Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements</i>	3,883	3,870
12	<i>Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions</i>	3,763	3,763
13	<i>Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)</i>	117,734	13,172
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	23,007	23,007
15	Other contingent funding obligations (whether contractual or non-contractual)	430,293	2,406
16	Total cash outflows		214,289
<b>C</b>	<b>Cash inflows</b>		
17	Secured lending transactions (including securities swap transactions)	12,906	8,925
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	80,363	41,194
19	Other cash inflows	25,611	13,420
20	Total cash inflows	118,880	63,539
<b>D</b>	<b>Liquidity coverage ratio (adjusted value)</b>		
21	Total HQLA		361,082
22	Total net cash outflows		150,750
23	LCR (%)		240.1%

## BANKING DISCLOSURE STATEMENT (unaudited) (continued)

### Other information

#### Abbreviations

A		L	
AI	Authorised institution	LAC Rules	Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements - Banking Sector) Rules
ALCO	Asset and Liability Management Committee	LAC	Loss-absorbing Capacity
ASF	Available stable funding	LCR	Liquidity coverage ratio
B		LR	Leverage ratio
Bank	Hang Seng Bank Limited	LTA	Look-through approach
BCBS	Basel Committee on Banking Supervision	M	
BCR	Banking (Capital) Rules	MBA	Mandate-based approach
BDR	Banking (Disclosure) Rules	N	
BLR	Banking (Liquidity) Rules	N/A	Not applicable
BSC	Basic approach	NSFR	Net stable funding ratio
C		P	
CCP	Central counterparty	PFE	Potential future exposure
CCR	Counterparty credit risk	R	
CCyB	Countercyclical capital buffer	RSF	Required stable funding
CEM	Current exposure method	RWA	Risk-weighted asset(s)/risk-weighted amount(s)
CET1	Common Equity Tier 1	RW	Risk-Weight
CIS	Collective investment scheme	S	
CRC	Comprehensive risk charge	SA-CCR	Standardised approach for counterparty credit risk
CSA	Credit Support Annex	SEC-ERBA	Securitisation external ratings-based approach
CVA	Credit valuation adjustment	SEC-FBA	Securitisation fall-back approach
D		SEC-IRBA	Securitisation internal ratings-based approach
D-SIB	Domestic systemically important authorised institution	SEC-SA	Securitisation standardised approach
F		SFT	Securities financing transaction
FBA	Fall-back approach	STC	Standardised (credit risk) approach
FIRO	Financial Institutions (Resolution) Ordinance	STM	Standardised (market risk) approach
FSB	Financial Stability Board	STO	Standardised (operational risk) approach
G		SVaR	Stressed VaR
G-SIB	Global systemically important authorised institution	T	
Group	Hang Seng Bank Limited together with its subsidiaries	T1	Tier 1
H		T2	Tier 2
HK\$bn	Billions (thousands of millions) of Hong Kong dollars	TALCO	Tactical Asset and Liability Management Committee
HK\$m	Millions of Hong Kong dollars	TLAC	Total Loss-absorbing Capacity
HKMA	Hong Kong Monetary Authority	V	
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China	VaR	Value at risk
HQLA	High quality liquid assets		
I			
IAA	Internal assessment approach		
ILM	Internal Liquidity Metric		
IMM	Internal models approach		
IMM(CCR)	Internal models (counterparty credit risk) approach		
IRB	Internal ratings-based approach		
IRC	Incremental risk charge		
ISDA	International Swaps and Derivatives Association		