

Statement of compliance

We have prepared this unaudited Disclosure Statement of Shinhan Bank, Hong Kong Branch (“the Branch”) as of 31 December 2023. It is compiled according to the Banking (Disclosure) Rules under the Banking Ordinance (Chapter 155M) effective from 1 January 2007.

As the Alternate Chief Executive of the Branch, I confirm, to the best of my knowledge, that the information contained in the Disclosure Statement is correctly compiled in accordance with the Banking (Disclosure) Rules requirement and consistent with the books and records of the Branch.

Shinhan Bank, Hong Kong Branch



Alternate Chief Executive
Hong Kong
15 April 2024

Shinhan Bank, Hong Kong Branch
Financial Disclosure as of 31 December 2023

(Expressed in Thousand of Hong Kong dollars)

Branch Information (Hong Kong office only)

Profit and loss information

Income	Dec 2023	Dec 2022
Interest income	1,890,109	998,246
Interest expense	1,790,006	739,762
Net interest income	<u>100,103</u>	<u>258,484</u>
Other operating income		
- Gains less losses from trading in foreign currencies	49,392	50,088
- Gains less losses from non-trading activities in foreign currencies	1,247	863
- Gains less losses from trading in securities	45,967	37,702
- Gains less losses from non-trading activities in securities ^{Note}	33,353	(9,758)
- Gains less losses from other trading activities ^{Note}	-	-
	<u>129,959</u>	<u>78,895</u>
Net fee and commission income		
- Fee and commission income	63,946	66,296
- Fee and commission expense	(7,380)	(8,177)
	<u>56,566</u>	<u>58,119</u>
Other income	<u>3,238</u>	<u>7,321</u>
Total operating income	<u>289,866</u>	<u>402,819</u>
Expenses		
Operating expenses		
- Staff expenses	42,646	42,564
- Rental expenses	11,048	11,052
- Other operating expenses	16,743	16,598
Total Operating expenses	<u>70,437</u>	<u>70,214</u>
Operating profit before impairment losses	219,429	332,605
Impairment losses and charges for allowances on impaired loans and receivables		
- Collective impairment allowances	(473)	(7,199)
- Individual impairment allowances	-	-
	<u>(473)</u>	<u>(7,199)</u>
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit before taxation	<u>219,902</u>	<u>339,804</u>
Tax expense	<u>40,088</u>	<u>56,571</u>
Profit after taxation	<u>179,814</u>	<u>283,233</u>

Note : including gains less losses from changes of fair value of derivative instruments

Shinhan Bank, Hong Kong Branch
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Branch Information (Hong Kong office only)

Balance sheet information

Assets	At 31 Dec 2023	At 30 Jun 2023
Cash and balances with banks	2,419,649	1,585,627
Placements with banks which have a residual contractual maturity		
not more than 1 month	1,293,755	413,550
more than 1 month but not more than 1 year	1,125,210	1,171,676
more than 1 year	-	-
	<u>2,418,965</u>	<u>1,585,226</u>
Amount due from overseas offices of Shinhan Bank	1,752,346	2,227,019
Trade bills	3,129,854	6,700,966
Advances and other accounts		
- Advances to customers	12,290,380	15,323,411
- Advances to banks and other financial institutions	-	-
- Accrued interest and other accounts	200,964	223,262
- Collective allowances for impaired advances to customers	(49,868)	(68,257)
- Collective allowances for impaired advances to banks	-	-
- Individual allowances for impaired advances to customers	-	-
- Individual allowances for impaired advances to banks	-	-
	<u>12,441,476</u>	<u>15,478,416</u>
Investment Securities		
- Available-for-sale securities	6,343,720	6,276,565
	<u>6,343,720</u>	<u>6,276,565</u>
Property, plant and equipment and investment properties	1,065	954
Other assets	1,371,880	1,234,185
Total assets	<u>27,459,990</u>	<u>33,503,732</u>
Liabilities		
Deposits and balances from banks	7,623,070	10,087,867
Deposits from customers		
- Demand deposits and current accounts	800	926
- Savings deposits	858,619	457,282
- Time, call and notice deposits	4,747,175	4,292,457
	<u>5,606,594</u>	<u>4,750,665</u>
Amount due to overseas offices of Shinhan Bank	7,852,629	8,685,105
Certificates of deposit issued	2,483,948	2,276,964
Issued debt securities	8,401,985	11,481,645
Other liabilities	1,098,358	972,151
Provisions	-	-
Total liabilities	<u>27,459,990</u>	<u>33,503,732</u>

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I Additional Balance Sheet Information

(a) Loans and receivables	At 31 Dec 2023	At 30 Jun 2023
Advances to customers	12,290,380	15,323,411
Advances to banks	-	-
Accrued interest and other accounts	200,964	223,262
Impairment allowances for impaired advances		
- Collective allowances for impaired advances to customers	(49,868)	(68,257)
- Collective allowances for impaired advances to banks	-	-
- Individual allowances for impaired advances to customers	-	-
- Individual allowances for impaired advances to banks	-	-
	<u>12,441,476</u>	<u>15,478,416</u>

As at 31 Dec 2023	<u>Gross amount</u>	<u>Impairment allowances (individually)</u>	<u>Market Value of collateral held</u>	<u>% to total loans and advances to customers</u>
Impaired loans and advances to customers (individually determined)	-	-	-	-

As at 31 Dec 2023	<u>Gross amount</u>	<u>Impairment allowances (individually)</u>	<u>Market Value of collateral held</u>	<u>% to total loans and advances to banks</u>
Impaired loans and advances to banks (individually determined)	-	-	-	-

As at 30 Jun 2023	<u>Gross amount</u>	<u>Impairment allowances (individually)</u>	<u>Market Value of collateral held</u>	<u>% to total loans and advances to customers</u>
Impaired loans and advances to customers (individually determined)	-	-	-	-

As at 30 Jun 2023	<u>Gross amount</u>	<u>Impairment allowances (individually)</u>	<u>Market Value of collateral held</u>	<u>% to total loans and advances to banks</u>
Impaired loans and advances to banks (individually determined)	-	-	-	-

Shinhan Bank, Hong Kong Branch
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(Expressed in Thousand of Hong Kong dollars)

I Additional Balance Sheet Information (continued)

(b) Overdue and rescheduled assets

	At 31 Dec 2023		At 30 Jun 2023	
Overdue advances				
Advances to customers overdue for	Gross amount	% to total advances to customers	Gross amount	% to total advances to customers
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	16,929	0.11%
Total overdue advances	-	-	16,929	0.11%
Advances to banks overdue for	Gross amount	% to total advances to banks	Gross amount	% to total advances to banks
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	-	-
Total overdue advances	-	-	-	-
Market value of collateral held against the secured overdue advances		Gross amount		Gross amount
		-		-
Secured overdue advances		-		-
Unsecured overdue advances		-		-
Specific provision made on overdue advances		-		-
Rescheduled advances				
Rescheduled advances to customers	Gross amount	% to total advances to customers	Gross amount	% to total advances to customers
	-	-	-	-
Rescheduled advances to banks	Gross amount	% to total advances to banks	Gross amount	% to total advances to banks
	-	-	-	-

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I Additional Balance Sheet Information (continued)

(b) Overdue and rescheduled assets (continued)

	At 31 Dec 2023		At 30 Jun 2023	
	Gross amount	% to total other assets	Gross amount	% to total other assets
Other overdue assets				
Other assets overdue for				
- not more than 3 months	-	-	-	-
- more than 3 months but not more than 6 months	-	-	-	-
- more than 6 months but not more than 1 year	-	-	-	-
- more than 1 year	-	-	-	-
Total other overdue assets	-	-	-	-
Repossessed assets				
Repossessed assets held				
		Gross amount		Gross amount
		-		-

(c) The breakdown of the gross amount of loans and advances to customers by industry categories

As at 31 Dec 2023

	Gross advances	Extent advances are covered by collateral or other security
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
- Property development	-	-
- Property investment	300,000	-
- Civil engineering works	-	-
- Financial concerns	-	-
- Stockbrokers	230,000	-
- Wholesale and retail trade	400,161	265,737
- Manufacturing	-	-
- Transport and transport equipment	-	-
- Recreational activities	177,133	-
- Information technology	-	-
- Others	18,058	-
Sub-total	1,125,352	265,737
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-
- Loans for the purchase of other residential properties	-	-
- Credit card advances	-	-
- Others	-	-
Sub-total	-	-
Total loans and advances for use in Hong Kong	1,125,352	265,737
Trade finance	-	-
Loans and advances for use outside Hong Kong	11,165,028	8,173,087
	12,290,380	8,438,824

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I Additional Balance Sheet Information (continued)

(c) The breakdown of the gross amount of loans and advances to customers by industry categories
(continued)

As at 30 Jun 2023

	<u>Gross advances</u>	<u>Extent advances are covered by collateral or other security</u>
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
- Property development	-	-
- Property investment	300,000	-
- Civil engineering works	-	-
- Financial concerns	-	-
- Stockbrokers	230,000	-
- Wholesale and retail trade	424,774	280,575
- Manufacturing	-	-
- Transport and transport equipment	16,929	-
- Recreational activities	169,772	-
- Information technology	-	-
- Others	236,403	-
Sub-total	<u>1,377,878</u>	<u>280,575</u>
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-
- Loans for the purchase of other residential properties	-	-
- Credit card advances	-	-
- Others	-	-
Sub-total	<u>-</u>	<u>-</u>
Total loans and advances for use in Hong Kong	<u><u>1,377,878</u></u>	<u><u>280,575</u></u>
Trade finance	-	-
Loans and advances for use outside Hong Kong	<u>13,945,533</u>	<u>10,369,019</u>
	<u><u>15,323,411</u></u>	<u><u>10,649,594</u></u>

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(Expressed in Thousand of Hong Kong dollars)

I Additional Balance Sheet Information (continued)

(d) Analysis of gross loans and advances to customer by geographical areas

As at 31 Dec 2023

	<u>Gross loans and advances</u>	<u>Overdue loans and advances to customers</u>	<u>Impaired loans (individually determined)</u>
- Asia & Pacific of which	11,013,301	-	-
- China	2,338,204	-	-
- Hong Kong	1,084,929	-	-
- South Korea	6,434,226	-	-
- Vietnam	806,257	-	-
- Caribbean of which	177,134	-	-
- Cayman Island	177,134	-	-
- Western Europe	318,365	-	-
- North America	781,580	-	-
Total	<u>12,290,380</u>	<u>-</u>	<u>-</u>

As at 30 Jun 2023

	<u>Gross loans and advances</u>	<u>Overdue loans and advances to customers</u>	<u>Impaired loans (individually determined)</u>
- Asia & Pacific of which	14,028,048	16,929	-
- China	2,518,707	-	-
- Hong Kong	1,343,215	16,929	-
- South Korea	8,773,973	-	-
- Vietnam	780,188	-	-
- Caribbean of which	169,772	-	-
- Cayman Island	169,772	-	-
- Western Europe	341,861	-	-
- North America	783,730	-	-
Total	<u>15,323,411</u>	<u>16,929</u>	<u>-</u>

Note: Classification of gross amount of loans and advances to customers by countries or geographical areas constitutes 10% or more of the relevant disclosure amount. The analysis is based on the location of the counterparty.

Shinhan Bank, Hong Kong Branch
Financial Disclosure as of 31 December 2023

(Expressed in Thousand of Hong Kong dollars)

I Additional Balance Sheet Information *(continued)*

(e) Non-bank Mainland China exposures

As at 31 Dec 2023			
Types of counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	168,003	-	168,003
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	416,092	239,968	656,060
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	189,160	-	189,160
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,556,718	1,523	1,558,241
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	<u>2,329,973</u>	<u>241,491</u>	<u>2,571,464</u>
Total assets after provision	<u>27,459,990</u>		
On-balance sheet exposures as percentage of total assets	<u>8.48%</u>		

Shinhan Bank, Hong Kong Branch
Financial Disclosure as of 31 December 2023

(Expressed in Thousand of Hong Kong dollars)

I Additional Balance Sheet Information (continued)

(e) Non-bank Mainland China exposures

As at 30 Jun 2023			
Types of counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	164,914	-	164,914
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	466,490	235,119	701,609
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	189,697	-	189,697
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,684,334	72,738	1,757,072
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	<u>2,505,435</u>	<u>307,857</u>	<u>2,813,292</u>
Total assets after provision	<u>33,503,732</u>		
On-balance sheet exposures as percentage of total assets	<u>7.48%</u>		

Shinhan Bank, Hong Kong Branch
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(Expressed in Million of Hong Kong dollars)

II Cross-border claims (excluding claims from Head Office, branches and subsidiaries) by geographical areas after taking into consideration of transfer of risks

Cross-border claims are on-balance sheet exposures to counterparties after taking into account the transfer of risk.

As at 31 Dec 2023	Banks and others financial institutions	Public sector entities	Others	Total
- Asia & Pacific excluding Hong Kong				
of which	9,945	-	14,458	24,403
- China	1,703	-	477	2,180
- Hong Kong	318	-	725	1,043
- South Korea	6,942	-	12,765	19,707
- Japan	583	-	-	583
- Vietnam	102	-	223	325
- North America	703	-	31	734
- Middle East	39	-	-	39
- Caribbean	455	-	366	821
- Western Europe	836	-	243	1,079
	<u>11,978</u>	<u>-</u>	<u>15,098</u>	<u>27,076</u>
	<u><u>11,978</u></u>	<u><u>-</u></u>	<u><u>15,098</u></u>	<u><u>27,076</u></u>
As at 30 Jun 2023	Banks and others financial institutions	Public sector entities	Others	Total
- Asia & Pacific excluding Hong Kong				
of which	12,506	-	17,913	30,419
- China	364	-	483	847
- Hong Kong	318	-	842	1,160
- South Korea	10,712	-	15,943	26,655
- Japan	499	-	-	499
- Vietnam	186	-	161	347
- North America	739	-	31	770
- Middle East	116	-	-	116
- Caribbean	416	-	539	955
- Western Europe	708	-	345	1,053
	<u>14,485</u>	<u>-</u>	<u>18,828</u>	<u>33,313</u>
	<u><u>14,485</u></u>	<u><u>-</u></u>	<u><u>18,828</u></u>	<u><u>33,313</u></u>

Note: Amounts represent cross-border claims based on countries or geographical classification and constitutes 10% or more of the total amount. Claims arising between branches and subsidiaries are excluded.

Shinhan Bank, Hong Kong Branch
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(Expressed in Million Hong Kong dollars)

III Currency risk

As at 31 Dec 2023	HK\$ Million Equivalent			Total
	US Dollar	JPY & Others	CNY	
Spot assets	23,804	2,960	8	26,772
Spot liabilities	(24,082)	(1,249)	(28)	(25,359)
Forward purchases	2,077	-	19	2,096
Forward sales	(1,821)	(1,714)	-	(3,535)
Net option position	-	-	-	-
Net long / (net short) position	<u>(22)</u>	<u>(3)</u>	<u>(1)</u>	<u>(26)</u>
Structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at 30 Jun 2023	HK\$ Million Equivalent			Total
	US Dollar	JPY & Others	CNY	
Spot assets	29,526	3,299	2	32,827
Spot liabilities	(31,912)	(160)	(16)	(32,088)
Forward purchases	3,556	-	10	3,566
Forward sales	(1,156)	(3,136)	-	(4,292)
Net option position	-	-	-	-
Net long / (net short) position	<u>14</u>	<u>3</u>	<u>(4)</u>	<u>13</u>
Structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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IV Off-balance sheet exposures

(a) The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding are:

	<u>At 31 Dec 2023</u>	<u>At 30 Jun 2023</u>
Contingent liabilities and commitments		
- Direct credit substitutes	-	-
- Transaction-related contingencies	513,248	675,177
- Trade-related contingencies	1,175,000	563,692
- Note issuance and revolving underwriting facilities	-	-
- Other commitments	1,521,323	1,320,600

Contingent liabilities and commitments arises from credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contract amounts represent the amounts at risk should the contract be fully drawn upon and the customers default. As the facilities may expire without being drawn upon, the contracts amounts do not represent expected future cash flows.

	<u>At 31 Dec 2023</u>	<u>At 30 Jun 2023</u>
Derivative transactions		
- Exchange rate-related derivative contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	7,817,528	9,397,751
- Interest rate derivative contracts	-	-
- Others	1,247,762	1,231,694

The above derivative contracts amounts are the notional amount of the contract, they do not represent amounts at risk. All the derivative contracts held by the Branch are to offset gains/losses on fixed rate bonds and loans.

(b) The total fair value of the above derivative transactions	<u>At 31 Dec 2023</u>	<u>At 30 Jun 2023</u>
- Exchange rate-related derivative contracts	(38,272)	7,650
- Interest rate derivative contracts	-	-

No bilateral netting arrangements for above derivative transactions.

V Liquidity

	<u>Year ended 31 Dec 2023</u>	<u>Year ended 31 Dec 2022</u>
The average liquidity maintenance ratio for the period	127.21%	125.97%
The average liquidity maintenance ratio for 4th quarter	146.00%	124.90%

The liquidity maintenance ratio (LMR) is calculated in accordance with the Banking (Liquidity) Rules effective from 01 January 2015.

The average liquidity maintenance ratio is the arithmetic mean of each calendar month's average LMR as reported in the "Return of Liquidity Position of an Authorized Institution".

Liquidity Risk Management

The Branch has established a Liquidity Risk Management Policy which is reviewed and approved by the senior management. This policy requires the Branch to maintain a conservative level of liquid funds on a daily basis to meet all financial obligations, and setup the action plan on liquidity contingency.

The liquidity position is monitored through statutory liquidity ratios, cash flow analysis, and inter-bank transactions undertaken by our Branch. The Branch also perform the testing on various type of stress scenarios on monthly basis according to our Liquidity Stress Testing Policy.

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The key elements of the liquidity risk framework are:

Liquidity Stress Testing

The Branch performs liquidity stress testing on a regular basis, to evaluate the effect of both general market wide and institutional specific disruptions on the Branch's liquidity position. The internal stress testing is to ensure sufficient liquidity for the Branch under different adverse scenarios. The Branch's liquidity stress tests consider the effect of changes in funding assumptions, and the market value of liquidity assets, the results of which are reviewed by senior management and are considered in making liquidity management decisions. Based on the result of the liquidity stress test, the Branch takes necessary (if needed) rebalancing, restructuring actions by risk mitigation or contingency plans.

Contingency Planning

The Branch maintains the liquidity contingency funding plan in case it faces liquidity problem as part of liquidity risk management. The liquidity contingency plan specifies an approach for monitoring and evaluation of actual and potential liquidity events. The plan outlines liquidity identification, monitoring, and measurement of liquidity events. The plan also specifies possible measures, internal and external communication and action to be taken at various stages of crisis.

Funding Diversification

Apart from taking customer deposits as major sources of funding, the Branch boardens its funding source in retail market, money market and capital market by different terms. The Branch also holds a pool of highly liquid, unencumbered assets that can be readily sold or pledged to secure borrowings under stressed conditions.

Oversight and Reporting

The results of stress testing, Liquidity Maintenance Ratio(LMR) and liquidity gap are reported to the management and head office on a regular basis.

The details of maturity profile refer to Appendix I

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VI Bank information (Consolidated basis)

The following table shows the consolidated capital adequacy ratio and the amount of shareholders' funds of Shinhan Financial Group. The basis of preparation is in accordance with the Korean-International Financial Reporting Standards.

	<u>31 Dec 2023</u>	<u>At 30 Jun 2023</u>
(a) Capital and Capital Adequacy		
(i) Capital adequacy ratio	15.92%	15.92%
(ii) Total share capital	18,018,324	17,640,489
(iii) Total amount of shareholder funds	341,738,365	332,836,521
(b) Other Financial Information		
(i) Total assets	4,197,532,310	4,021,426,280
(ii) Total liabilities	3,855,794,551	3,688,590,353
(iii) Total loans and advances	2,508,938,171	2,420,971,249
(iv) Total deposits	2,314,863,783	2,290,145,539
	<u>31 Dec 2023</u>	<u>31 Dec 2022</u>
(v) Pre-tax profit	36,193,192	39,234,382

- 1 Shareholders' fund is the sum total of capital and reserves.
- 2 Total liabilities are equal to total assets minus shareholders' fund.
- 3 The conversion rate of HKD/KRW as at 31 December 2023 is 164.81.
- 4 The consolidated capital adequacy ratio was calculated in accordance with the Korean-International Financial Reporting Standards adopting Basel III approach.

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VII Disclosure on Remuneration for CG-5 Guideline on a Sound Remuneration System issued by the HKMA

Pursuant to section 3 of CG-5 Guideline on a Sound Remuneration System issued by the HKMA, the following disclosures are made:

a) The design and implementation of the remuneration systems:

The Bank adopts the remuneration policy and systems which are established by the Remuneration Committee of our Head Office for overseas branch. The objective of the remuneration policy is to attract, motivate reward and retain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and corporate values of the Bank, and do not give rise to conflicts between the objectives of the Bank and the interests of individual Directors and key executives.

The Remuneration Committee reviews the performance of management and directors over the past fiscal year and settles on remuneration that is proportionate to the individual's responsibilities. It also make sure that the remuneration is on a proper level that improves the long-term interests of the Group and its shareholders.

b) Aggregate quantitative information on remuneration for senior management and key personnel (Note 1) are as follows:

As at 31 Dec 2023

	<u>Amount</u>	<u>Number of Beneficiaries</u>
- Fixed Remuneration	9,371	21
- Variable Remuneration	1,711	-
- Deferred Remuneration	-	-
Total	<u>11,082</u>	<u>21</u>

As at 31 Dec 2022

	<u>Amount</u>	<u>Number of Beneficiaries</u>
- Fixed Remuneration	14,371	20
- Variable Remuneration	3,124	-
- Deferred Remuneration	-	-
Total	<u>17,495</u>	<u>20</u>

No senior management or key personnel has been awarded with new sign-on or severance payments.

Note 1: As defined in CG5 Guideline on a Sound Remuneration System issued by the HKMA, senior management are those who are responsible for oversight of either the Bank's company-wide strategy or activities or those of the Bank's main business lines. Key Personnel are individual employees whose duties or activities in the course of their employment involve the assumption of material risk or the taking on of material exposures on behalf of the Bank.