

HSBC BANK MALAYSIA BERHAD
(Company No.198401015221 (127776-V))
(Incorporated in Malaysia)
Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures
As at 31 December 2022

CHIEF EXECUTIVE OFFICER'S ATTESTATION

I, Dato' Omar Siddiq bin Amin Noer Rashid, being the Chief Executive Officer of HSBC Bank Malaysia Berhad, do hereby state that, in my opinion, the Pillar 3 Disclosures set out on pages 2 to 43 have been prepared according to the Risk Weighted Capital Adequacy Framework (Basel II), and are accurate and complete.

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DATO' OMAR SIDDIQ BIN AMIN NOER RASHID

CHIEF EXECUTIVE OFFICER
09 February 2023

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(a) Introduction

HSBC Bank Malaysia Berhad (the Bank) is principally engaged in the provision of banking and other related financial services. The subsidiaries of the Bank are principally engaged in the businesses of Islamic Banking and nominee services. Islamic Banking operations refer generally to the acceptance of deposits and granting of financing under the principles of Shariah. The Bank and its subsidiaries are herein referred to as 'the Group' in this document.

(b) Basel II

The Group's lead regulator, Bank Negara Malaysia (BNM) sets and monitors capital requirements for the Group as a whole. The Group is required to comply with the provisions of the Basel II framework in respect of regulatory capital. The Bank adopts the Standardised Approach for Credit, Operational and Market Risk. Its fully owned subsidiary, HSBC Amanah Malaysia Berhad (HBMS), adopts the Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk.

Basel II is structured around three 'pillars': minimum capital requirements, supervisory review process and market discipline. Pillar 3 aims to encourage market discipline by developing a set of disclosure requirements which allow market participants to assess certain specific information on the capital management processes, and risk assessment processes, and hence the capital adequacy of the Group. Disclosures consist of both quantitative and qualitative information and are provided at the Group and the Bank level. Banks are required to disclose all their material risks as part of the Pillar 3 framework. All material and non-proprietary information required by Pillar 3 is included in the Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures as at 31 December 2022. BNM permits certain Pillar 3 requirements to be satisfied by inclusion within the financial statements. Where this is the case, references are provided to relevant sections in the Financial Statements as at 31 December 2022.

(c) Consolidation basis

The basis of consolidation for financial accounting purposes is described in Note 3(a) of the financial statements as at 31 December 2022 and it is the same basis of consolidation that is used for regulatory purposes. The Bank's subsidiary companies are listed in Note 17 of the financial statements, and are fully consolidated for both financial accounting and regulatory purposes.

(d) Transferability of capital and funds within the Group

The Bank is the primary provider of equity capital to its subsidiaries. Each subsidiary manages its own capital to support its planned business growth. The Group is not aware of any impediments on transfer of funds or regulatory capital.

(e) Internal assessment of capital adequacy

The Group assesses the adequacy of its capital by considering the resources necessary to cover unexpected losses arising from discretionary risks, such as credit risk and market risk, or non-discretionary risks, such as operational and reputational risk.

The key objective of Internal Capital Adequacy Assessment Process (ICAAP) is to ensure that sufficient capital is maintained, given the risk profile of the Bank on an ongoing and forward looking basis. The ICAAP permits the setting of target amounts for internal capital consistent to the Group's risk profile and the environment in which it pursues business.

The ICAAP is an internal assessment of the Group's capital adequacy given its risk appetite, risk profile and regulatory minimum requirements. The Group assesses the adequacy of its capital by considering the resources necessary to cover unexpected losses arising from discretionary risks, such as credit risk and market risk, or non-discretionary risks, such as operational and reputational risk. On a forward looking basis, the ICAAP ensures that the Group's capital position:

- exceeds the minimum regulatory capital requirements as prescribed by the BNM;
- remains sufficient to support the Group's Risk Appetite and business strategies;
- remains sufficient to support the underlying and projected risk profile; and
- remains sufficient to sustain business growth and in adverse business or economic conditions.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

(e) Internal assessment of capital adequacy (Cont'd)

In order to achieve this, the Group has a robust ICAAP framework in place which underlines the foundation of its risk and capital management process. It has the following key features:

- a strong and encompassing governance framework;
- a forward-looking risk appetite framework to ensure our business and risk profiles are in line with the Board of Directors' (BOD) expectations;
- a robust capital management, planning and forecasting framework; and
- an internal risk assessment process based on the economic capital and stress testing frameworks to support the Group's capital adequacy positions.

Refer to Note 42 of the financial statements as at 31 December 2022 for the total capital ratio and Tier 1 capital ratio, and risk weighted assets and capital requirements for credit risk, market risk and operational risk.

Stress Testing

The Group operates a wide-ranging stress testing programme that is a key part of our risk management and capital and liquidity planning. Stress testing provides management with key insights into the impact of adverse events, and provides confidence to regulators on the Group's financial stability.

As well as undertaking regulatory-driven stress tests, the Group conducts internal stress tests, in order to understand the nature and level of all material risks, quantify the impact of such risks and develop plausible business as usual mitigating actions.

The stress testing programme assesses capital and liquidity strength through a rigorous examination of resilience to external shocks from a range of stress scenarios. They include potential adverse macroeconomic, geopolitical and operational risk events, and other potential events that are specific to the Group. Stress testing analysis helps management to understand the nature and extent of vulnerabilities to which the Group is exposed to and informed decisions about preferred capital or liquidity levels.

Separately, reverse stress tests are conducted by the Group in order to understand which potential extreme conditions would make the business model non-viable. Reverse stress testing identifies potential stresses and vulnerabilities which the Group might face, and helps inform early warning triggers, management actions and contingency plans to mitigate risks.

Governance

The Stress Test Working Group (STWG) will actively manage and drive cohesion and consistency across all stress testing activities, including the execution of enterprise wide stress tests and enhancements to stress testing and data capability. Stress test results and the proposed mitigating actions will be recommended by Risk Management Meeting (RMM) and Risk Committee (RC) to the Board for approval.

Risk Appetite

Risk appetite is a key component in our management of risk. It describes the type and quantum of risk that the Group is willing to accept in achieving our medium and long-term strategic goals. At HSBC, risk appetite is managed through a global risk appetite framework and articulated in a Risk Appetite Statement (RAS), which is reviewed and approved by the Board, on the advice of the group's Risk Committee, twice a year to make sure it remains fit for purpose.

The Group's risk appetite informs our strategic and financial planning process, defining the desired forward-looking risk profile of the Group. It is also integrated within other risk management tools, such as stress testing, to ensure consistency in risk management.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(f) Capital structure

The Group's regulatory capital comprises of 2 categories - Tier 1 and Tier 2.

- Tier 1 capital ^[1] is divided into Common Equity Tier 1 (CET1) Capital and Additional Tier 1 (AT1) Capital. CET1 Capital includes ordinary share capital ^[2], retained earnings, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes. On 27 June 2022, the Group and the Bank have issued preference shares which qualify as AT1 Capital ^[2].
- Tier 2 capital ^[1], which includes qualifying subordinated liabilities ^[3], impairment allowances equal to 12-months and lifetime expected credit losses for non-credit impaired loans (commonly known as Stage 1 and 2 provisions), regulatory reserve, and the element of the fair value reserve relating to revaluation of property which are disclosed as regulatory adjustments. On 2 November 2022, the Group and the Bank have exercised its option to call and redeem its Tier 2 subordinated bonds. The subordinated bonds which were eligible for gradual phase-out as Tier 2 capital has been fully phased-out before the redemption.

Pursuant to BNM's Guidelines on Capital Adequacy Framework (Capital Components) issued on the 9 December 2020, the Group has elected to apply the transitional arrangement as specified in paragraph 39.

Under the transitional arrangements, the expected credit loss (ECL) allowance measured at an amount equal to 12-month and lifetime ECL to the extent they are related to non-credit-impaired exposures (hereinafter referred to as Stage 1 and Stage 2 provisions), are allowed to be added back to CET1, subject to a capping. The transitional arrangement commenced from financial year beginning 1 January 2020, with an add-back factor that will gradually reduce over a four-year transitional duration.

As required by the Guideline, below is the disclosure on the capital ratios with comparison of:

- the Capital Ratios computed in accordance with the transitional arrangement
- the Capital Ratios had the transitional arrangement not been applied

31 Dec 2022
(RM'000)

Group

Regulatory Capital	With Transitional Arrangement		Without Transitional Arrangement	
	Amount	%	Amount	%
CET1 Capital	9,167,170	16.364	9,157,463	16.346
Tier 1 Capital	10,667,170	19.041	10,657,463	19.024
Tier 2 Capital	693,318	-	693,318	-
Total Capital	11,360,488	20.279	11,350,781	20.261

31 Dec 2021 (restated
after dividend payment)
(RM'000)

Group

Regulatory Capital	With Transitional Arrangement		Without Transitional Arrangement	
	Amount	%	Amount	%
CET1 Capital	9,298,885	16.495	9,209,670	16.337
Tier 1 Capital	9,798,885	17.382	9,709,670	17.223
Tier 2 Capital	810,237	-	815,682	-
Total Capital	10,609,122	18.819	10,525,352	18.670

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(f) Capital structure (cont'd)

31 Dec 2022

Bank

(RM'000)

Regulatory Capital	With Transitional Arrangement		Without Transitional Arrangement	
	Amount	%	Amount	%
CET1 Capital	7,027,354	16.667	7,016,305	16.640
Tier 1 Capital	8,026,291	19.036	8,015,242	19.010
Tier 2 Capital	531,244	-	531,244	-
Total Capital	8,557,535	20.296	8,546,486	20.269

31 Dec 2021 (restated
after dividend payment)
(RM'000)

Bank

Regulatory Capital	With Transitional Arrangement		Without Transitional Arrangement	
	Amount	%	Amount	%
CET1 Capital	7,374,677	16.576	7,296,486	16.401
Tier 1 Capital	7,874,677	17.700	7,796,486	17.524
Tier 2 Capital	230,783	-	259,767	-
Total Capital	8,105,460	18.219	8,056,253	18.108

^[1] Refer to Note 42 of the financial statements as at 31 December 2022 for the amount and breakdown of capital components.

^[2] Refer to Note 29 of the financial statements as at 31 December 2022 for further details on ordinary share capital. All ordinary shares in issue confer identical rights in respect of capital, dividends and voting.

^[3] Refer to Note 28 of the financial statements as at 31 December 2022 for terms and conditions of the subordinated liabilities.

(g) Risk management

Risk management framework

We use a risk management framework in managing risk across the organisation and across all risk types. It is underpinned by our risk culture. The framework fosters continuous monitoring of the risk environment, and promotes risk awareness and sound operational and strategic decision making. It also ensures we have a consistent approach to monitoring, managing and mitigating the risks we accept and incur in our activities.

Culture

HSBC has long recognised the importance of a strong culture. Our culture refers to our shared attitudes, values and standards that shape behaviours related to risk awareness, risk taking and risk management. It is instrumental in aligning the behaviours of individuals with our attitude to assuming and managing risk, which helps to ensure that our risk profile remains in line with our risk appetite. The fostering of a strong culture is a key responsibility of our senior executives. Our culture is also reinforced by our approach to remuneration. Individual awards, including those for senior executives, are based on compliance with our values and the achievement of financial and non-financial objectives, which are aligned to our risk appetite and strategy.

Risk governance

The Board has ultimate responsibility for the effective management of risk and approves our risk appetite. It is advised on risk-related matters by the group's Risk Committee. Executive accountability for the ongoing monitoring, assessment and management of the risk environment, and the effectiveness of the risk management framework resides with the group's Chief Risk Officer (CRO), supported by the RMM. Day-to-day responsibility for risk management is delegated to senior managers with individual accountability for decision making. All employees have a role to play in risk management. These roles are defined using the Three Lines of Defence model, which takes into account our business and functional structures. We use a defined executive risk governance structure to ensure appropriate oversight and accountability for risk, which facilitates reporting and escalation to the RMM.

Refer to Note 4 of the financial statements as at 31 December 2022 for the Group's risk managements policies on the above mentioned risks.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

1) RWA and Capital Requirement

The tables below disclose the gross and net exposures, risk weighted assets (RWA) and capital requirements for credit risk, market risk and operational risk of the Group and the Bank at balance sheet date.

As at 31 December 2022, the RWA risk absorbent for Syndicated Investment Account for Financing (SIAF)/ Investment Agency Account (IAA) in the Bank amounted to RM1,007m (31 December 2021: RM2,941m) with principal amount of RM2,177m (31 December 2021 : RM3,799m). This amount is reported as asset under management in the books of the Bank's Islamic Subsidiary. At group level, the effect of the RWA risk absorbent profit sharing investment is eliminated.

31 Dec 2022

Group

(RM'000)

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets (RWA)	Minimum Capital Requirement at 8%
Credit Risk (Standardised Approach)				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	33,701,471	33,701,471	1,482,437	118,595
PSEs	2,022,976	2,019,884	662,074	52,966
Banks, DFIs & MDBs	9,454,079	5,930,958	1,761,277	140,902
Corporates	20,436,521	19,815,992	18,212,895	1,457,032
Regulatory Retail	5,343,989	5,280,725	4,075,874	326,070
Residential Mortgages	15,131,137	15,131,137	5,660,246	452,819
Higher Risk Assets	21,543	21,392	32,089	2,567
Other Assets	1,697,572	1,697,572	1,326,239	106,100
Equity Exposure	228,178	228,178	228,178	18,254
Defaulted Exposures	763,400	759,275	783,570	62,685
Total for On-Balance Sheet Exposures	88,800,866	84,586,584	34,224,879	2,737,990
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	4,769,889	2,163,583	1,253,024	100,241
Off balance sheet exposures other than OTC derivatives or credit derivatives	18,081,454	17,487,943	13,245,338	1,059,627
Defaulted Exposures	15,627	15,627	17,647	1,412
Total for Off-Balance Sheet Exposures	22,866,970	19,667,153	14,516,009	1,161,280
Total On and Off-Balance Sheet Exposures ^[1]	111,667,836	104,253,737	48,740,888	3,899,270
Market Risk (Standardised Approach)				
	<u>Long Position</u>	<u>Short Position</u>		
Interest/Profit Rate Risk	42,302,057	42,148,253	153,804	1,421,811
Foreign Currency Risk	24,081	247,867	247,867	19,829
Equity Risk	-	-	-	10,987
Options Risk	-	-	-	200,880
	42,326,138	42,396,120	401,671	1,881,545
Operational Risk (Standardised Approach)	-	-	-	5,399,331
Total RWA and Capital Requirement	-	-	-	56,021,764
				4,481,739

^[1] The variance between Gross Exposures and Net Exposures, represents the 'Total On and Off-Balance Sheet Exposures covered by Eligible Collateral'. Refer to Note (g) (3) (ii) Credit risk mitigation (CRM) within this disclosure document.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

1) RWA and Capital Requirement (Cont'd)

31 Dec 2021

Group

(RM'000)

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets (RWA)	Minimum Capital Requirement at 8%
Credit Risk (Standardised Approach)				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	28,703,818	28,703,818	794,183	63,535
PSEs	1,630,745	1,628,871	627,716	50,217
Banks, DFIs & MDBs	8,185,746	3,959,472	1,373,569	109,886
Corporates	23,487,487	22,970,965	20,923,600	1,673,888
Regulatory Retail	5,010,573	4,942,787	3,839,901	307,192
Residential Mortgages	16,207,221	16,207,221	6,081,343	486,507
Higher Risk Assets	21,698	21,548	32,323	2,586
Other Assets	1,846,614	1,846,614	1,224,559	97,965
Equity Exposure	224,667	224,667	224,667	17,973
Defaulted Exposures	990,763	986,128	999,219	79,938
Total for On-Balance Sheet Exposures	86,309,332	81,492,091	36,121,080	2,889,687
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	3,023,815	1,643,894	950,261	76,021
Off balance sheet exposures other than OTC derivatives or credit derivatives	17,723,097	17,174,705	12,624,020	1,009,922
Defaulted Exposures	59,970	48,711	36,640	2,931
Total for Off-Balance Sheet Exposures	20,806,882	18,867,310	13,610,921	1,088,874
Total On and Off-Balance Sheet Exposures ^[1]	107,116,214	100,359,401	49,732,001	3,978,561
Market Risk (Standardised Approach)				
	<u>Long Position</u>	<u>Short Position</u>		
Interest/Profit Rate Risk	33,601,472	34,535,616	(934,144)	1,150,776
Foreign Currency Risk	25,964	64,990	68,568	68,568
Equity Risk	-	-	-	3,687
Options Risk	-	-	-	50,683
	33,627,436	34,600,606	(865,576)	1,273,714
Operational Risk (Standardised Approach)	-	-	-	5,369,068
Total RWA and Capital Requirement	-	-	-	56,374,783
				4,509,983

Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

PSEs - Public Sector Entities

OTC - Over the counter

^[1] The variance between Gross Exposures and Net Exposures, represents the 'Total On and Off-Balance Sheet Exposures covered by Eligible Collateral'. Refer to Note (g) (3) (ii) CRM within this disclosure document.

Refer to Note 42 of the financial statements as at 31 December 2022 for disclosure on RWA breakdown by various risk categories.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

1) RWA and Capital Requirement (Cont'd)

31 Dec 2022

Bank

(RM'000)

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets (RWA)	Minimum Capital Requirement at 8%
Credit Risk (Standardised Approach)				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	26,295,840	26,295,840	1,165,590	93,247
PSEs	1,334,433	1,331,341	391,542	31,323
Banks, DFIs & MDBs	10,948,013	7,424,892	1,836,325	146,906
Corporates	13,908,081	13,426,637	12,169,200	973,536
Regulatory Retail	3,104,683	3,051,687	2,293,323	183,466
Residential Mortgages	11,553,479	11,553,479	4,320,203	345,616
Higher Risk Assets	16,486	16,486	24,729	1,978
Other Assets	1,474,276	1,474,276	1,273,932	101,915
Equity Exposure	228,178	228,178	228,178	18,254
Defaulted Exposures	481,875	478,888	504,528	40,362
Total for On-Balance Sheet Exposures	69,345,344	65,281,704	24,207,550	1,936,603
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	5,000,416	2,294,109	1,193,451	95,476
Off balance sheet exposures other than OTC derivatives or credit derivatives	14,049,780	13,564,918	10,366,323	829,306
Defaulted Exposures	6,096	6,096	7,603	608
Total for Off-Balance Sheet Exposures	19,056,292	15,865,123	11,567,377	925,390
Total On and Off-Balance Sheet Exposures ^[1]	88,401,636	81,146,827	35,774,927	2,861,993
Market Risk (Standardised Approach)				
	Long Position	Short Position		
Interest/Profit Rate Risk	38,918,883	36,605,220	2,313,663	1,215,998
Foreign Currency Risk	22,812	244,913	244,913	19,593
Equity Risk	-	-	-	10,987
Options Risk	-	-	-	200,880
	38,941,695	36,850,133	2,558,576	1,672,778
Operational Risk (Standardised Approach)	-	-	-	4,716,651
Total RWA and Capital Requirement	-	-	-	42,164,356
				3,373,147

^[1] The variance between Gross Exposures and Net Exposures, represents the 'Total On and Off-Balance Sheet Exposures covered by Eligible Collateral'. Refer to Note (g) (3) (ii) Credit risk mitigation (CRM) within this disclosure document.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

1) RWA and Capital Requirement (Cont'd)

31 Dec 2021

Bank

(RM'000)

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets (RWA)	Minimum Capital Requirement at 8%
Credit Risk (Standardised Approach)				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	22,691,496	22,691,496	656,565	52,525
PSEs	952,387	950,513	310,188	24,815
Banks, DFIs & MDBs	9,389,678	5,163,404	1,422,137	113,771
Corporates	18,033,569	17,695,647	16,187,846	1,295,028
Regulatory Retail	2,867,026	2,811,897	2,104,613	168,369
Residential Mortgages	12,404,274	12,404,274	4,639,803	371,184
Higher Risk Assets	16,645	16,645	24,968	1,997
Other Assets	1,476,812	1,476,812	1,155,005	92,400
Equity Exposure	224,667	224,667	224,667	17,973
Defaulted Exposures	677,284	673,818	687,879	55,030
Total for On-Balance Sheet Exposures	68,733,838	64,109,173	27,413,671	2,193,092
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	3,074,449	1,694,529	874,632	69,971
Off balance sheet exposures other than OTC derivatives or credit derivatives	14,305,177	13,847,768	10,208,972	816,718
Defaulted Exposures	53,790	44,790	27,604	2,208
Total for Off-Balance Sheet Exposures	17,433,416	15,587,087	11,111,208	888,897
Total On and Off-Balance Sheet Exposures ^[1]	86,167,254	79,696,260	38,524,879	3,081,989
Market Risk (Standardised Approach)				
	<u>Long Position</u>	<u>Short Position</u>		
Interest/Profit Rate Risk	32,095,479	31,840,167	255,312	1,093,889
Foreign Currency Risk	22,047	64,651	64,651	5,172
Equity Risk	-	-	-	3,687
Options Risk	-	-	-	50,683
	32,117,526	31,904,818	319,963	1,212,910
Operational Risk (Standardised Approach)	-	-	-	4,751,416
				380,113
Total RWA and Capital Requirement	-	-	-	44,489,205
				3,559,135

Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

PSEs - Public Sector Entities

OTC - Over the counter

^[1] The variance between Gross Exposures and Net Exposures, represents the 'Total On and Off-Balance Sheet Exposures covered by Eligible Collateral'. Refer to Note (g) (3) (ii) CRM within this disclosure document.

Refer to Note 42 of the financial statements as at 31 December 2022 for disclosure on RWA breakdown by various risk categories.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

2) Risk Weight Profile and RWA

The tables below are disclosures on risk weights profile and RWA for credit risk of the Group and the Bank at balance sheet date.

31 Dec 2022

Group

(RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	PSEs	Banks, DFIs & MDBs	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity		
0%	26,308,573	-	-	48,924	21,748	-	-	371,333	-	26,750,578	-
20%	7,488,886	2,011,191	5,209,298	3,144,656	15,650	-	-	-	-	17,869,681	3,573,935
35%	-	-	-	-	-	16,325,268	-	-	-	16,325,268	5,713,844
50%	-	178,701	2,409,062	322,721	40,575	989,026	-	-	-	3,940,085	1,970,043
75%	-	-	-	-	7,397,526	505,370	-	-	-	7,902,896	5,927,172
100%	-	782,040	211,122	27,493,191	657,905	585,225	-	1,326,239	228,178	31,283,900	31,283,900
150%	-	-	-	13,860	41,774	101,314	24,381	-	-	181,329	271,994
Total										104,253,737	48,740,888
Average Risk Weight	4%	43%	31%	91%	77%	40%	150%	78%	100%	47%	

31 Dec 2021

Group

(RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	PSEs	Banks, DFIs & MDBs	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity		
0%	24,749,942	-	-	36,789	16,237	-	-	622,075	-	25,425,043	-
20%	3,974,667	1,405,759	3,556,615	3,788,399	29,609	-	-	-	-	12,755,049	2,551,010
35%	-	-	-	-	-	17,424,137	-	-	-	17,424,137	6,098,448
50%	-	180,198	1,802,885	785,672	8,938	1,008,312	-	-	-	3,786,005	1,893,003
75%	-	-	-	-	7,000,861	555,523	-	-	-	7,556,384	5,667,288
100%	-	876,008	417,197	28,978,196	880,893	592,386	-	1,224,536	224,667	33,193,883	33,193,883
150%	-	-	483	22,153	58,634	112,428	25,198	-	-	218,896	328,344
625%	-	-	-	-	-	-	-	4	-	4	25
Total										100,359,401	49,732,001
Average Risk Weight	3%	51%	35%	90%	78%	40%	150%	66%	100%	50%	

Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

2) Risk Weight Profile and RWA (Cont'd)

31 Dec 2022

Bank

(RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	PSEs	Banks, DFIs & MDBs	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity		
0%	20,468,177	-	-	27,414	9,369	-	-	200,344	-	20,705,304	-
20%	5,904,651	1,301,105	7,495,874	2,488,291	15,650	-	-	-	-	17,205,571	3,441,114
35%	-	-	-	-	-	12,658,198	-	-	-	12,658,198	4,430,369
50%	-	178,701	1,759,942	129,621	15,169	723,492	-	-	-	2,806,925	1,403,463
75%	-	-	-	-	4,930,838	382,835	-	-	-	5,313,673	3,985,255
100%	-	511,764	143,492	19,643,024	118,044	423,582	-	1,273,932	228,178	22,342,016	22,342,016
150%	-	-	-	3,184	23,070	69,887	18,999	-	-	115,140	172,710
Total										81,146,827	35,774,927
Average Risk Weight	4%	43%	27%	91%	76%	39%	150%	86%	100%	44%	

31 Dec 2021

Bank

(RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	PSEs	Banks, DFIs & MDBs	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity		
0%	19,408,911	-	-	22,718	9,409	-	-	321,827	-	19,762,865	-
20%	3,286,576	874,845	5,431,699	3,070,347	29,609	-	-	-	-	12,693,076	2,538,615
35%	-	-	-	-	-	13,570,957	-	-	-	13,570,957	4,749,835
50%	-	180,198	1,171,696	355,660	2,782	738,842	-	-	-	2,449,178	1,224,589
75%	-	-	-	-	4,690,004	441,707	-	-	-	5,131,711	3,848,783
100%	-	564,055	382,225	22,989,474	197,981	425,959	-	1,154,982	224,667	25,939,343	25,939,343
150%	-	-	483	22,150	32,011	74,911	19,571	-	-	149,126	223,689
625%	-	-	-	-	-	-	-	4	-	4	25
Total										79,696,260	38,524,879
Average Risk Weight	3%	51%	29%	90%	76%	39%	150%	78%	100%	48%	

Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk

Table 1: Geographical distribution of loans/financing and advances breakdown by type

Group (RM'000)	31 Dec 2022				
	Northern	Southern	Central	Eastern	Total
Overdrafts/Cash line-i	84,548	70,592	628,233	23,875	807,248
Term loans/financing					
Housing loans/financing	2,616,683	2,086,785	9,558,612	699,822	14,961,902
Syndicated term loan/financing	33,798	56,592	1,738,998	-	1,829,388
Factoring receivables	47,558	145,670	581,502	2,328	777,058
Hire purchase receivables	63,310	105,427	51,050	14,601	234,388
Other term loans/financing	819,494	1,243,307	7,639,663	352,480	10,054,944
Bills receivables	278,142	119,790	4,098,098	65,185	4,561,215
Trust receipts	622,933	572,621	2,010,979	89,341	3,295,874
Claims on customers under acceptance credits	239,549	579,006	340,580	8,997	1,168,132
Staff loans/financing	5,137	3,500	37,084	1,669	47,390
Credit/charge cards	641,160	543,495	2,285,248	264,382	3,734,285
Revolving financing	403,568	375,958	5,199,132	301	5,978,959
Other loans/financing	1,816	1,521	5,600	201	9,138
	5,857,696	5,904,264	34,174,779	1,523,182	47,459,921

Group (RM'000)	31 Dec 2021				
	Northern	Southern	Central	Eastern	Total
Overdrafts/Cash line-i	87,199	70,623	461,407	38,354	657,583
Term loans/financing					
Housing loans/financing	2,790,886	2,278,132	10,131,952	772,788	15,973,758
Syndicated term loan/financing	9,786	93,747	3,629,606	-	3,733,139
Factoring receivables	33,718	97,358	534,331	1,932	667,339
Hire purchase receivables	64,227	56,237	69,460	20,624	210,548
Other term loans/financing	1,081,846	1,286,758	7,141,667	389,637	9,899,908
Bills receivables	189,256	86,525	4,850,139	21,527	5,147,447
Trust receipts	504,448	868,588	1,773,393	98,472	3,244,901
Claims on customers under acceptance credits	292,069	300,888	263,772	9,808	866,537
Staff loans/financing	5,857	3,943	41,199	2,293	53,292
Credit/charge cards	579,912	477,786	1,989,504	252,720	3,299,922
Revolving financing	405,578	286,387	6,811,939	44,701	7,548,605
Other loans/financing	2,926	1,994	6,798	3,538	15,256
	6,047,708	5,908,966	37,705,167	1,656,394	51,318,235

Concentration by location for loans, advances and financing is based on the location of branches where facilities were captured.

The Northern region consists of the states of Perlis, Kedah, Penang, Perak, Pahang, Kelantan and Terengganu.

The Southern region consists of the states of Johor, Malacca and Negeri Sembilan.

The Central region consists of the state of Selangor, the Federal Territory of Kuala Lumpur and the Federal Territory of Putrajaya.

The Eastern region consists of the states of Sabah, Sarawak and the Federal Territory of Labuan.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 1: Geographical distribution loans/financing and advances breakdown by type (Cont'd)

	31 Dec 2022				
Bank (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts	64,625	42,826	591,525	23,875	722,851
Term loans/financing					
Housing loans/financing	2,140,027	1,662,417	6,902,688	590,524	11,295,656
Syndicated term loan/financing	-	56,592	897,899	-	954,491
Factoring receivables	47,558	145,670	581,502	2,328	777,058
Other term loans/financing	493,848	747,069	3,939,191	224,061	5,404,169
Bills receivables	183,968	75,006	3,267,377	65,185	3,591,536
Trust receipts	618,594	527,618	1,316,561	89,341	2,552,114
Claims on customers under acceptance credits	174,404	543,438	246,255	8,090	972,187
Staff loans/financing	4,731	3,496	35,846	1,669	45,742
Credit/charge cards	429,112	345,679	1,563,114	210,972	2,548,877
Revolving financing	261,665	304,477	3,676,542	301	4,242,985
Other loans/financing	1,500	1,087	4,161	174	6,922
	4,420,032	4,455,375	23,022,661	1,216,520	33,114,588

	31 Dec 2021				
Bank (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts	71,087	53,980	424,069	38,354	587,490
Term loans/financing					
Housing loans/financing	2,293,314	1,811,568	7,359,613	651,750	12,116,245
Syndicated term loan/financing	-	93,747	2,617,150	-	2,710,897
Factoring receivables	33,718	97,358	534,331	1,932	667,339
Other term loans/financing	738,480	718,580	4,961,981	268,976	6,688,017
Bills receivables	123,332	20,241	3,834,691	21,461	3,999,725
Trust receipts	500,127	806,041	1,382,471	98,472	2,787,111
Claims on customers under acceptance credits	216,635	241,161	200,892	9,351	668,039
Staff loans/financing	5,572	3,937	40,003	2,293	51,805
Credit/charge cards	386,695	298,854	1,341,712	198,839	2,226,100
Revolving financing	366,627	234,612	4,778,539	44,701	5,424,479
Other loans/financing	2,194	1,280	4,552	3,514	11,540
	4,737,781	4,381,359	27,480,004	1,339,643	37,938,787

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 2: Geographical distribution of impaired loans/financing breakdown by type

		31 Dec 2022			
Group (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts/Cash line-i	2,834	4,412	4,435	1,292	12,973
Term loans/financing					
Housing loans/financing	209,036	210,874	974,665	56,014	1,450,589
Syndicated term loan/financing	-	-	237,708	-	237,708
Factoring receivables	-	-	854	-	854
Hire purchase receivables	-	-	172	-	172
Other term loans/financing	34,837	103,491	560,205	19,810	718,343
Bills receivables	-	874	29,385	-	30,259
Trust receipts	2,681	4,977	4,758	-	12,416
Claims on customers under acceptance credits	333	-	-	-	333
Staff loans/financing	-	-	932	-	932
Credit/charge cards	9,027	8,972	33,998	3,627	55,624
Revolving financing	-	18,739	222,136	-	240,875
Other loans/financing	1,594	1,390	5,127	130	8,241
	260,342	353,729	2,074,375	80,873	2,769,319

	31 Dec 2021				
Group (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts/Cash line-i	3,106	13,319	59,173	9,504	85,102
Term loans/financing					
Housing loans/financing	327,953	314,010	1,275,015	80,965	1,997,943
Syndicated term loan/financing	-	-	237,708	-	237,708
Hire purchase receivables	-	-	172	-	172
Other term loans/financing	59,478	132,775	610,433	31,155	833,841
Bills receivables	-	2,128	37,591	-	39,719
Trust receipts	-	-	1,701	-	1,701
Claims on customers under acceptance credits	1,720	9,500	22,390	-	33,610
Staff loans/financing	-	-	527	-	527
Credit/charge cards	11,317	12,215	41,890	4,642	70,064
Revolving financing	-	19,502	226,368	11,347	257,217
Other loans/financing	2,752	1,739	6,116	3,459	14,066
	406,326	505,188	2,519,084	141,072	3,571,670

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 2: Geographical distribution of impaired loans/financing breakdown by type (Cont'd)

	31 Dec 2022				
Bank (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts	2,834	1,975	1,241	1,292	7,342
Term loans/financing					
Housing loans/financing	170,289	157,451	655,308	48,480	1,031,528
Syndicated term loan/financing	-	-	237,708	-	237,708
Factoring receivables	-	-	854	-	854
Other term loans/financing	23,485	91,617	311,966	9,622	436,690
Bills receivables	-	-	2,502	-	2,502
Trust receipts	2,681	4,977	4,758	-	12,416
Claims on customers under acceptance credits	333	-	-	-	333
Staff loans/financing	-	-	932	-	932
Credit/charge cards	5,806	5,487	22,757	2,610	36,660
Revolving financing	-	18,739	5,389	-	24,128
Other loans/financing	1,298	1,022	3,871	104	6,295
	206,726	281,268	1,247,286	62,108	1,797,388

	31 Dec 2021				
Bank (RM'000)	Northern	Southern	Central	Eastern	Total
Overdrafts	2,713	10,480	55,265	9,504	77,962
Term loans/financing					
Housing loans/financing	263,281	236,198	856,256	70,558	1,426,293
Syndicated term loan/financing	-	-	237,708	-	237,708
Other term loans/financing	35,279	110,262	310,751	21,891	478,183
Bills receivables	-	-	4,145	-	4,145
Trust receipts	-	-	1,701	-	1,701
Claims on customers under acceptance credits	1,720	9,500	22,390	-	33,610
Staff loans/financing	-	-	527	-	527
Credit/charge cards	7,270	7,620	27,942	3,296	46,128
Revolving financing	-	19,502	48,948	11,347	79,797
Other loans/financing	2,032	1,115	4,014	3,444	10,605
	312,295	394,677	1,569,647	120,040	2,396,659

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 3: Residual contractual maturity loans/financing and advances breakdown by type

		31 Dec 2022			
Group (RM'000)	Maturing within one year	One year to three years	Three years to five years	Over five years	Total
Overdrafts/Cash line-i	807,248	-	-	-	807,248
Term loans/financing					
Housing loans/financing	71,749	61,375	146,683	14,682,095	14,961,902
Syndicated term loan/financing	27,667	1,499,957	301,764	-	1,829,388
Factoring receivables	752,531	-	24,527	-	777,058
Hire purchase receivables	14,351	73,538	146,499	-	234,388
Other term loans/financing	714,101	3,612,695	2,676,615	3,051,533	10,054,944
Bills receivables	4,561,215	-	-	-	4,561,215
Trust receipts	3,295,874	-	-	-	3,295,874
Claims on customers under acceptance credits	1,168,132	-	-	-	1,168,132
Staff loans/financing	606	4,905	9,828	32,051	47,390
Credit/charge cards	3,734,285	-	-	-	3,734,285
Revolving financing	5,978,959	-	-	-	5,978,959
Other loans/financing	9,138	-	-	-	9,138
	21,135,856	5,252,470	3,305,916	17,765,679	47,459,921

		31 Dec 2021			
Group (RM'000)	Maturing within one year	One year to three years	Three years to five years	Over five years	Total
Overdrafts/Cash line-i	657,583	-	-	-	657,583
Term loans/financing					
Housing loans/financing	54,633	59,546	133,486	15,726,093	15,973,758
Syndicated term loan/financing	2,896,458	530,253	165,657	140,771	3,733,139
Factoring receivables	634,436	-	32,903	-	667,339
Hire purchase receivables	10,218	80,026	120,304	-	210,548
Other term loans/financing	559,936	3,515,237	2,492,440	3,332,295	9,899,908
Bills receivables	5,147,447	-	-	-	5,147,447
Trust receipts	3,244,901	-	-	-	3,244,901
Claims on customers under acceptance credits	866,537	-	-	-	866,537
Staff loans/financing	1,279	5,201	11,410	35,402	53,292
Credit/charge cards	3,299,922	-	-	-	3,299,922
Revolving financing	7,548,605	-	-	-	7,548,605
Other loans/financing	15,256	-	-	-	15,256
	24,937,211	4,190,263	2,956,200	19,234,561	51,318,235

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 3: Residual contractual maturity loans/financing and advances breakdown by type (Cont'd)

		31 Dec 2022			
Bank (RM'000)	Maturing within one year	One year to three years	Three years to five years	Over five years	Total
Overdrafts	722,851	-	-	-	722,851
Term loans/financing					
Housing loans/financing	48,873	55,213	123,805	11,067,765	11,295,656
Syndicated term loan/financing	27,667	899,989	26,835	-	954,491
Factoring receivables	752,531	-	24,527	-	777,058
Other term loans/financing	554,955	1,970,657	1,216,664	1,661,893	5,404,169
Bills receivables	3,591,536	-	-	-	3,591,536
Trust receipts	2,552,114	-	-	-	2,552,114
Claims on customers under acceptance credits	972,187	-	-	-	972,187
Staff loans/financing	588	4,689	9,462	31,003	45,742
Credit/charge cards	2,548,877	-	-	-	2,548,877
Revolving financing	4,242,985	-	-	-	4,242,985
Other loans/financing	6,922	-	-	-	6,922
	16,022,086	2,930,548	1,401,293	12,760,661	33,114,588

		31 Dec 2021			
Bank (RM'000)	Maturing within one year	One year to three years	Three years to five years	Over five years	Total
Overdrafts	587,490	-	-	-	587,490
Term loans/financing					
Housing loans/financing	49,451	56,316	117,936	11,892,542	12,116,245
Syndicated term loan/financing	2,102,519	468,812	139,566	-	2,710,897
Factoring receivables	634,436	-	32,903	-	667,339
Other term loans/financing	210,325	3,069,845	1,600,708	1,807,139	6,688,017
Bills receivables	3,999,725	-	-	-	3,999,725
Trust receipts	2,787,111	-	-	-	2,787,111
Claims on customers under acceptance credits	668,039	-	-	-	668,039
Staff loans/financing	1,267	5,076	11,056	34,406	51,805
Credit/charge cards	2,226,100	-	-	-	2,226,100
Revolving financing	5,424,479	-	-	-	5,424,479
Other loans/financing	11,540	-	-	-	11,540
	18,702,482	3,600,049	1,902,169	13,734,087	37,938,787

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 4: Distribution loans/financing and advances by sector, breakdown by type

31 Dec 2022 Group (RM'000)													
Overdraft/ Cash line-i	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Hire purchase receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	7,832	-	-	-	2,229	20,472	-	-	10,854	-	688	-	42,075
Mining and quarrying	11,988	-	26,835	-	516	7,175	24,310	4,694	5,620	-	161	92,090	173,389
Manufacturing	372,157	-	209,121	276,331	146,660	1,759,536	749,217	1,831,943	494,213	-	16,274	1,043,447	6,899,064
Electricity, gas and water	1,513	-	-	599	-	12,439	3,016	3,010	4,916	-	48	59,828	85,369
Construction	67,730	-	464,681	3,700	177	820,576	73,738	185,610	23,196	-	343	1,354,530	2,994,286
Real estate	4,033	-	10	-	-	1,992,493	-	27,593	505	-	85	449,087	2,473,806
Wholesale & retail trade and restaurants & hotels	169,195	-	28,989	228,981	18,237	603,759	778,357	819,407	605,506	-	7,020	890,696	4,150,172
Transport, storage and communication	8,389	-	-	215	22,426	498,156	78,741	110,037	6,779	-	652	46,894	772,301
Finance, insurance/takaful and business services	91,986	-	237,708	165,454	4,460	991,097	83,049	48,019	14,224	-	5,952	1,847,755	3,489,704
Household-retail	57,403	14,961,902	-	-	-	2,098,579	-	-	47,390	3,701,278	-	8,930	20,875,482
Others	15,022	-	862,044	101,778	39,683	1,250,662	2,770,787	265,561	2,319	-	1,784	194,632	5,504,273
	807,248	14,961,902	1,829,388	777,058	234,388	10,054,944	4,561,215	3,295,874	1,168,132	47,390	3,734,285	5,978,959	47,459,921

31 Dec 2021 Group (RM'000)													
Overdraft/ Cash line-i	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Hire purchase receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	11,612	-	-	-	-	32,889	-	-	14,760	-	61	15,027	74,349
Mining and quarrying	7,898	-	-	-	763	77,781	13,362	5,461	3,381	-	157	80,109	188,912
Manufacturing	196,390	-	269,501	304,918	119,900	2,425,704	707,883	1,780,379	490,703	-	11,136	1,106,250	7,416,876
Electricity, gas and water	2,302	-	-	62	-	16,854	204,173	3,702	4,121	-	37	136,305	367,556
Construction	49,095	-	154,457	-	760	1,033,990	115,547	177,920	15,410	-	207	1,846,878	3,394,266
Real estate	10,021	-	1,621,567	-	-	2,012,137	-	4,880	435	-	39	821,944	4,471,023
Wholesale & retail trade and restaurants & hotels	213,736	-	33,841	184,921	23,652	673,234	504,914	1,039,850	325,715	-	4,202	1,066,831	4,071,291
Transport, storage and communication	21,236	-	-	4,110	25,254	331,224	22,698	41,350	5,506	-	352	137,166	588,953
Finance, insurance/takaful and business services	68,118	-	237,708	126,486	6,877	339,538	46,840	56,546	4,070	-	3,277	2,040,285	2,929,904
Household-retail	61,864	15,973,758	-	-	-	2,311,541	-	-	53,292	3,279,949	-	10,412	21,690,816
Others	15,311	-	1,416,065	46,842	33,342	645,016	3,532,030	134,813	2,436	-	505	297,810	6,124,289
	657,583	15,973,758	3,733,139	667,339	210,548	9,899,908	5,147,447	3,244,901	866,537	53,292	3,299,922	7,548,605	51,318,235

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 4: Distribution loans/financing and advances by sector, breakdown by type (Cont'd)

31 Dec 2022

Bank (RM'000)

	Overdraft	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	7,792	-	-	-	14,819	-	-	10,854	-	688	-	-	34,153
Mining and quarrying	7,702	-	26,835	-	7,173	-	4,694	2,076	-	161	75,162	-	123,803
Manufacturing	345,848	-	43,670	276,331	1,129,555	605,109	1,494,613	424,402	-	16,274	949,429	132	5,285,363
Electricity, gas and water	1,513	-	-	599	7,388	-	3,010	2,905	-	48	2,002	-	17,465
Construction	56,534	-	317,534	3,700	465,099	29,367	185,610	6,413	-	343	952,835	5	2,017,440
Real estate	4,033	-	10	-	861,991	-	27,593	505	-	85	311,201	-	1,205,418
Wholesale & retail trade and restaurants & hotels	155,317	-	28,989	228,981	418,859	301,488	542,842	505,055	-	7,020	836,603	21	3,025,175
Transport, storage and communication	8,375	-	-	215	325,431	59,893	59,707	6,530	-	652	5,738	12	466,553
Finance, insurance/takaful and business services	75,842	-	237,708	165,454	670,025	42,840	48,019	11,128	-	5,952	1,054,809	-	2,311,777
Household-retail	57,341	11,295,656	-	-	966,561	-	-	-	45,742	2,515,870	-	6,752	14,887,922
Others	2,554	-	299,745	101,778	537,268	2,552,839	186,026	2,319	-	1,784	55,206	-	3,739,519
	722,851	11,295,656	954,491	777,058	5,404,169	3,591,536	2,552,114	972,187	45,742	2,548,877	4,242,985	6,922	33,114,588

31 Dec 2021

Bank (RM'000)

	Overdraft	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	9,897	-	-	-	25,592	-	-	13,164	-	61	15,027	-	63,741
Mining and quarrying	5,594	-	-	-	25,408	-	2,598	2,155	-	157	75,101	-	111,013
Manufacturing	171,773	-	102,639	304,918	1,738,607	545,831	1,663,939	387,067	-	11,136	1,000,987	3,529	5,930,426
Electricity, gas and water	2,131	-	-	62	11,250	-	3,702	3,502	-	37	2,003	-	22,687
Construction	45,111	-	154,457	-	781,157	38,182	155,678	5,236	-	207	1,250,419	2	2,430,449
Real estate	10,021	-	1,326,107	-	1,637,566	-	4,880	435	-	39	535,220	-	3,514,268
Wholesale & retail trade and restaurants & hotels	201,738	-	33,841	184,921	501,632	244,450	806,002	248,259	-	4,202	1,006,747	365	3,232,157
Transport, storage and communication	20,552	-	-	4,110	317,597	17,988	1,956	3,015	-	352	77,005	57	442,632
Finance, insurance/takaful and business services	57,172	-	237,708	126,486	258,709	30,348	56,546	2,770	-	3,277	1,256,638	2	2,029,656
Household-retail	61,843	12,116,245	-	-	1,051,781	-	-	-	51,805	2,206,127	-	7,468	15,495,269
Others	1,658	-	856,145	46,842	338,718	3,122,926	91,810	2,436	-	505	205,332	117	4,666,489
	587,490	12,116,245	2,710,897	667,339	6,688,017	3,999,725	2,787,111	668,039	51,805	2,226,100	5,424,479	11,540	37,938,787

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 5: Distribution of impaired loans/financing and advances by sector, breakdown by type

31 Dec 2022 Group (RM'000)													
Overdraft/ Cash line-i	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Hire purchase receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	1,076	-	-	-	-	2,029	-	-	-	-	-	-	3,105
Manufacturing	6,717	-	-	-	172	4,887	5,061	7,314	-	-	-	165	24,316
Electricity, gas and water	516	-	-	-	-	-	-	-	-	-	57,826	-	58,342
Construction	1,237	-	-	-	-	7,830	2,502	344	-	-	114,841	-	126,754
Real estate	-	-	-	-	-	170,195	-	-	-	-	18,738	-	188,933
Wholesale & retail trade and restaurants & hotels	466	-	-	854	-	8,993	517	1,089	333	-	-	23	12,275
Transport, storage and communication	-	-	-	-	-	-	1,532	-	-	-	802	11	2,345
Finance, insurance/takaful and business services	946	-	237,708	-	-	6,786	3,036	3,669	-	-	44,080	-	296,225
Household-retail	2,015	1,450,589	-	-	-	500,883	-	-	932	55,624	-	8,041	2,018,084
Others	-	-	-	-	-	16,740	17,611	-	-	-	4,588	1	38,940
	12,973	1,450,589	237,708	854	172	718,343	30,259	12,416	333	932	55,624	8,241	2,769,319

31 Dec 2021 Group (RM'000)													
Overdraft/ Cash line-i	Housing loans/ financing	Syndicated term loans/ financing	Factoring receivables	Hire purchase receivables	Other term loans/ financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/ financing	Credit/ charge cards	Revolving financing	Other loans/ financing	Total
Agricultural, hunting, forestry and fishing	214	-	-	-	-	-	-	-	-	-	-	-	214
Manufacturing	27,873	-	-	-	172	9,440	14,876	62	30,345	-	17,495	4,112	104,375
Electricity, gas and water	1,506	-	-	-	-	-	-	1,530	-	-	-	-	3,036
Construction	580	-	-	-	-	18,533	4,145	-	-	-	136,015	2	159,275
Real estate	578	-	-	-	-	97,079	-	-	-	-	19,502	-	117,159
Wholesale & retail trade and restaurants & hotels	50,091	-	-	-	-	15,115	615	109	3,265	-	-	375	69,570
Transport, storage and communication	-	-	-	-	-	51,719	-	-	-	-	38,729	57	90,505
Finance, insurance/takaful and business services	1,602	-	237,708	-	-	7,553	3,835	-	-	-	41,405	158	292,261
Household-retail	2,658	1,997,943	-	-	-	632,055	-	-	527	70,064	-	9,243	2,712,490
Others	-	-	-	-	-	2,347	16,248	-	-	-	4,071	119	22,785
	85,102	1,997,943	237,708	-	172	833,841	39,719	1,701	33,610	527	70,064	14,066	3,571,670

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 5: Distribution of impaired loans/financing and advances by sector, breakdown by type (Cont'd)

31 Dec 2022 Bank (RM'000)												
Overdraft	Housing loans/financing	Syndicated term loans/financing	Factoring receivables	Other term loans/financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/financing	Credit/charge cards	Revolving financing	Other loans/financing	Total
Agricultural, hunting, forestry and fishing	1,036	-	-	-	2,029	-	-	-	-	-	-	3,065
Manufacturing	2,074	-	-	-	767	-	7,314	-	-	-	132	10,287
Electricity, gas and water	516	-	-	-	-	-	-	-	-	-	-	516
Construction	1,237	-	-	-	6,601	2,502	344	-	-	-	-	10,684
Real estate	-	-	-	-	166,556	-	-	-	-	18,738	-	185,294
Wholesale & retail trade and restaurants & hotels	466	-	-	854	5,441	-	1,089	333	-	-	19	8,202
Transport, storage and communication	-	-	-	-	-	-	-	-	-	802	11	813
Finance, insurance/takaful and business services	-	-	237,708	-	972	-	3,669	-	-	-	-	242,349
Household-retail	2,013	1,031,528	-	-	238,325	-	-	932	36,660	-	6,133	1,315,591
Others	-	-	-	-	15,999	-	-	-	-	4,588	-	20,587
7,342	1,031,528	237,708	854	436,690	2,502	12,416	333	932	36,660	24,128	6,295	1,797,388

31 Dec 2021 Bank (RM'000)												
Overdraft	Housing loans/financing	Syndicated term loans/financing	Factoring receivables	Other term loans/financing	Bills receivables	Trust receipts	Claims on customers under acceptance credits	Staff loans/financing	Credit/charge cards	Revolving financing	Other loans/financing	Total
Manufacturing	22,551	-	-	-	4,891	-	62	-	-	17,495	3,529	78,873
Electricity, gas and water	1,506	-	-	-	-	-	1,530	-	-	-	-	3,036
Construction	580	-	-	-	17,627	4,145	-	-	-	-	2	22,354
Real estate	578	-	-	-	97,079	-	-	-	-	19,502	-	117,159
Wholesale & retail trade and restaurants & hotels	50,091	-	-	-	7,548	-	109	3,265	-	-	346	61,359
Transport, storage and communication	-	-	-	-	51,719	-	-	-	-	38,729	57	90,505
Finance, insurance/takaful and business services	-	-	237,708	-	1,277	-	-	-	-	-	-	238,985
Household-retail	2,656	1,426,293	-	-	296,523	-	-	527	46,128	-	6,554	1,778,681
Others	-	-	-	-	1,519	-	-	-	-	4,071	117	5,707
77,962	1,426,293	237,708	-	478,183	4,145	1,701	33,610	527	46,128	79,797	10,605	2,396,659

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 6: All past due loans/financing and advances breakdown by sector ^[1]

	Group (RM'000)		Bank (RM'000)	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Agricultural, hunting, forestry and fishing	4,806	3,384	4,314	3,170
Mining and quarrying	31	-	31	-
Manufacturing	25,235	66,114	11,784	63,298
Electricity, gas and water	58,485	3,036	515	3,036
Construction	24,769	4,780	15,541	4,774
Real estate	110,735	12,535	106,567	12,535
Wholesale & retail trade and restaurants & hotels	45,737	64,612	33,726	58,161
Transport, storage and communication	25,473	19,334	24,631	18,686
Finance, insurance/takaful and business services	367,178	53,127	315,026	2,997
Household-retail	2,282,535	996,624	1,560,124	722,699
Others	509,938	194,466	486,463	177,388
	3,454,922	1,418,012	2,558,722	1,066,744

Table 7: All past due loans/financing and advances breakdown by geographical location ^[1]

	Group (RM'000)		Bank (RM'000)	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Northern region	400,516	188,885	308,385	151,747
Southern region	464,357	206,760	366,989	157,630
Central region	2,476,186	948,832	1,797,211	691,706
Eastern region	113,863	73,535	86,137	65,661
	3,454,922	1,418,012	2,558,722	1,066,744

Table 8: Impairment allowance breakdown by sector

	Group (RM'000)		Bank (RM'000)	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Agricultural, hunting, forestry and fishing	387	164	357	156
Mining and quarrying	95	86	50	72
Manufacturing	16,920	84,190	6,999	70,337
Electricity, gas and water	56,723	1,205	235	961
Construction	114,003	137,340	12,586	33,606
Real estate	42,411	58,288	39,052	50,493
Wholesale & retail trade and restaurants & hotels	11,540	76,129	9,895	74,198
Transport, storage and communication	3,296	52,541	2,043	52,363
Finance, insurance/takaful and business services	306,620	239,698	255,118	187,704
Household-retail	525,667	638,739	267,280	313,050
Others	29,922	20,951	11,647	3,009
	1,107,584	1,309,331	605,262	785,949

Table 9: Impairment allowance breakdown by geographical location

	Group (RM'000)		Bank (RM'000)	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Northern region	65,738	87,671	40,774	48,462
Southern region	96,799	133,276	67,022	89,587
Central region	924,638	1,034,814	485,037	604,927
Eastern region	20,409	53,570	12,429	42,973
	1,107,584	1,309,331	605,262	785,949

^[1] of which the portion of impaired loans breakdown by sector and geographical location is disclosed in Note 13 (ii) and 13 (iv) of the financial statements as at 31 December 2022 respectively.

The breakdown of loan/financing impairment provisions during the year is disclosed in Note 14 (i) of the financial statements as at 31 December 2022.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

Table 10: Net impairment allowance in profit or loss during the period breakdown by sector

Charges / (Release)	Group (RM'000)		Bank (RM'000)	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Agricultural, hunting, forestry and fishing	224	(204)	201	(133)
Mining and quarrying	7	(71)	(22)	(60)
Manufacturing	(6,369)	22,270	(3,499)	17,144
Electricity, gas and water	52,872	1,154	(726)	916
Construction	(23,337)	121,407	(21,019)	22,515
Real estate	(15,393)	(24,259)	(10,955)	(29,505)
Wholesale & retail trade and restaurants & hotels	(13,055)	43,661	(12,764)	44,182
Transport, storage and communication	(33,674)	(1,264)	(34,773)	(686)
Finance, insurance/takaful and business services	67,364	215,829	69,202	167,670
Household-retail	(66,832)	143,335	(22,094)	102,249
Others	7,967	9,014	8,604	(3,556)
	(30,226)	530,872	(27,845)	320,736

The breakdown of loan/financing impairment provisions during the year is disclosed in Note 36 (i) of the financial statements as at 31 December 2022.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) External Credit Assessment Institutions (ECAIs)

The standardised approach requires banks to use risk assessments prepared by ECAIs to determine the risk weightings applied to rated counterparties.

ECAIs are used by the Group as part of the determination of risk weightings for the following classes of exposure:

- Sovereigns and Central Banks
- Multilateral development banks
- Public sector entities
- Corporates
- Banks

For the purpose of Pillar 3 reporting to BNM, the Group and the Bank uses the external credit ratings from the following ECAIs:

- Standard & Poor's Rating Services (S&P)
- Moody's Investors Services (Moody's)
- Fitch Ratings (Fitch)
- RAM Rating Services Berhad (RAM)
- Malaysian Rating Corporation Berhad (MARC)

Data files of external ratings from the nominated ECAIs are matched with the customer records in the Group's centralised credit database. When calculating the risk-weighted value of any exposure under the standardised approach, the customer in question is identified and matched to a rating, according to BNM's selection rules. The relevant risk weight is then derived using the BNM's detailed risk weights and rating categories. All other exposure classes are assigned risk weightings as detailed in the BNM Capital Adequacy Framework (Basel II-Risk-Weighted Assets).

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

Below are the summary tables of long and short term ratings governing the high level assignment of risk weights under the standardised approach:

Long Term Rating Category		1	2	3	4	5	6	7
Rating Agency	S & P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to BB-	B+ to B-	CCC+ and below	Unrated
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to Ba3	B1 to B3	Caa1 and below	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to BB-	B+ to B-	CCC+ and below	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to BB3	B1 to B3	C1 and below	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to BB-	B+ to B-	C+ and below	Unrated

Short Term Rating Category		1	2	3	4	5
Rating Agency	S & P	A-1	A-2	A-3	Others	Unrated
	Moody's	P-1	P-2	P-3	Others	Unrated
	Fitch	F1+,F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
	MARC	MARC-1	MARC-2	MARC-3	MARC-4	Unrated

Risk Weights Based on Credit Rating of the Counterparty Exposure Class						
Rating Category	Long Term Rating					Short Term Rating
	Sovereigns and Central Banks	Corporates	Banking Institutions			
			Risk weight (original maturity greater than 6 months)	Risk weight (original maturity of 6 months or less)	Risk weight (original maturity of 3 months or less)	
1	0%	20%	20%	20%	20%	20%
2	20%	50%	50%	20%	20%	50%
3	50%	100%	50%	20%	20%	100%
4	100%	100%	100%	50%	20%	150%
5	100%	150%	100%	50%	20%	N/A
6	150%	150%	150%	150%	20%	N/A
7	100%	100%	50%	20%	20%	N/A

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

The rated and unrated exposures according to ratings by ECAIs at reporting date are as follows:

31 Dec 2022

Group (RM '000)

Group (RM: 557)

Exposure Class	Long Term Rating Category							Total
	1	2	3	4	5	6	7	
On and Off Balance Sheet Exposures								
(i) Total rated exposures								
Sovereigns & Central Banks								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	24,377,219	7,609,007	-	-	-	-		31,986,226
PSEs								
- Exposures risk-weighted using ratings of Corporates	297,478	180,803	86,407	-	-	-		564,688
Banks, DFIs & MDBs								
- Exposures risk-weighted using ratings of Banking Institutions	2,379,423	3,979,099	1,782,421	4,458	147,019	-		8,292,420
Corporates								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	9,963	-	-	-	-	-		9,963
- Exposures risk-weighted using ratings of Banking Institutions	3,683	313	-	-	-	-		3,996
- Exposures risk-weighted using ratings of Corporates	3,166,488	171,635	466,168	-	-	-		3,804,291
	30,234,254	11,940,857	2,334,996	4,458	147,019	-	-	44,661,584
(ii) Total unrated exposures								
							60,663,215	60,663,215
Total Long Term Exposure								
	30,234,254	11,940,857	2,334,996	4,458	147,019	-	60,663,215	105,324,799

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2022

Group (RM '000)

Exposure Class	Short Term Rating Category					
	1	2	3	4	5	Total
<u>On and Off Balance Sheet Exposures</u>						
(i) Total rated exposures						
Sovereigns & Central Banks						
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	-	1,931,354	-	-		1,931,354
PSEs						
- Exposures risk-weighted using ratings of Corporates	118,648	-	-	-		118,648
Banks, DFIs & MDBs						
- Exposures risk-weighted using ratings of Banking Institutions	2,284,057	1,440,915	99,162	-		3,824,134
Corporates						
- Exposures risk-weighted using ratings of Corporates	464,506	4,395	-	-		468,901
	2,867,211	3,376,664	99,162	-	-	6,343,037
(ii) Total unrated exposures						
					-	-
Total Short Term Exposure						
	2,867,211	3,376,664	99,162	-	-	6,343,037

Group Total Long Term and Short Term Exposure :	111,667,836
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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2021

Group (RM '000)

Exposure Class	Long Term Rating Category							Total
	1	2	3	4	5	6	7	
<u>On and Off Balance Sheet Exposures</u>								
(i) Total rated exposures								
Sovereigns & Central Banks								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	24,749,942	3,980,739	-	-	-	-		28,730,681
PSEs								
- Exposures risk-weighted using ratings of Corporates	164,164	179,274	88,962	-	-	-		432,400
Banks, DFIs & MDBs								
- Exposures risk-weighted using ratings of Banking Institutions	1,100,909	4,593,133	1,485,853	123,011	391,516	-		7,694,422
Corporates								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	3,989	-	-	-	-	-		3,989
- Exposures risk-weighted using ratings of Banking Institutions	3,768	312	-	-	-	-		4,080
- Exposures risk-weighted using ratings of Corporates	3,421,523	163,995	466,566	-	-	-		4,052,084
	29,444,295	8,917,453	2,041,381	123,011	391,516	-	-	40,917,656
(ii) Total unrated exposures							61,869,388	61,869,388
Total Long Term Exposure	29,444,295	8,917,453	2,041,381	123,011	391,516	-	61,869,388	102,787,044

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2021

Group (RM '000)

Exposure Class	Short Term Rating Category					
	1	2	3	4	5	Total
<u>On and Off Balance Sheet Exposures</u>						
(i) Total rated exposures						
PSEs						
- Exposures risk-weighted using ratings of Corporates	241,209	-	-	-	-	241,209
Banks, DFIs & MDBs						
- Exposures risk-weighted using ratings of Banking Institutions	2,132,836	710,416	274,186	-	-	3,117,438
Corporates						
- Exposures risk-weighted using ratings of Corporates	962,782	7,741	-	-	-	970,523
	3,336,827	718,157	274,186	-	-	4,329,170
(ii) Total unrated exposures						
					-	-
Total Short Term Exposure						
	3,336,827	718,157	274,186	-	-	4,329,170
Group Total Long Term and Short Term Exposure :						107,116,214

Note:

MDBs - Multilateral Development Banks
DFIs - Development Financial Institutions
PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2022

Bank (RM '000)

Bank (RM '000)

Exposure Class	Long Term Rating Category							Total
	1	2	3	4	5	6	7	
<u>On and Off Balance Sheet Exposures</u>								
(i) Total rated exposures								
Sovereigns & Central Banks								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	18,732,232	6,024,772	-	-	-	-	-	24,757,004
PSEs								
- Exposures risk-weighted using ratings of Corporates	198,731	180,803	86,407	-	-	-	-	465,941
Banks, DFIs & MDBs								
- Exposures risk-weighted using ratings of Banking Institutions	2,253,567	3,744,576	1,782,421	4,458	142,130	-	-	7,927,152
Corporates								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	5,072	-	-	-	-	-	-	5,072
- Exposures risk-weighted using ratings of Banking Institutions	3,683	313	-	-	-	-	-	3,996
- Exposures risk-weighted using ratings of Corporates	2,508,561	130,550	453,312	-	-	-	-	3,092,423
	23,701,846	10,081,014	2,322,140	4,458	142,130	-	-	36,251,588
(ii) Total unrated exposures								
							44,235,485	44,235,485
Total Long Term Exposure	23,701,846	10,081,014	2,322,140	4,458	142,130	-	44,235,485	80,487,073

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2022

Bank (RM '000)

Exposure Class	Short Term Rating Category					
	1	2	3	4	5	Total
<u>On and Off Balance Sheet Exposures</u>						
(i) Total rated exposures						
Sovereigns & Central Banks						
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	-	1,735,945	-	-		1,735,945
Banks, DFIs & MDBs						
- Exposures risk-weighted using ratings of Banking Institutions	4,387,766	1,438,327	98,103	-		5,924,196
Corporates						
- Exposures risk-weighted using ratings of Corporates	250,027	4,395	-	-		254,422
	4,637,793	3,178,667	98,103	-	-	7,914,563
(ii) Total unrated exposures						
					-	-
Total Short Term Exposure	4,637,793	3,178,667	98,103	-	-	7,914,563
Bank Total Long Term and Short Term Exposure :						
						88,401,636

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2021

Bank (RM '000)

Exposure Class	Long Term Rating Category							Total
	1	2	3	4	5	6	7	
<u>On and Off Balance Sheet Exposures</u>								
(i) Total rated exposures								
Sovereigns & Central Banks								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	19,408,911	3,292,647	-	-	-	-		22,701,558
PSEs								
- Exposures risk-weighted using ratings of Corporates	124,556	179,274	88,962	-	-	-		392,792
Banks, DFIs & MDBs								
- Exposures risk-weighted using ratings of Banking Institutions	1,529,092	4,217,983	1,485,853	123,011	386,102	-		7,742,041
Corporates								
- Exposures risk-weighted using ratings of Sovereigns and Central Banks	2,489	-	-	-	-	-		2,489
- Exposures risk-weighted using ratings of Banking Institutions	3,768	312	-	-	-	-		4,080
- Exposures risk-weighted using ratings of Corporates	2,813,033	155,379	424,485	-	-	-		3,392,897
	23,881,849	7,845,595	1,999,300	123,011	386,102	-	-	34,235,857
(ii) Total unrated exposures								
							47,202,041	47,202,041
Total Long Term Exposure	23,881,849	7,845,595	1,999,300	123,011	386,102	-	47,202,041	81,437,898

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

i) ECAIs (Cont'd)

31 Dec 2021

Bank (RM '000)

Bank (Rm: 655)

Exposure Class	Short Term Rating Category					
	1	2	3	4	5	Total
<u>On and Off Balance Sheet Exposures</u>						
(i) Total rated exposures						
Banks, DFIs & MDBs						
- Exposures risk-weighted using ratings of Banking Institutions	3,292,486	710,010	274,186	-	-	4,276,682
Corporates						
- Exposures risk-weighted using ratings of Corporates	444,933	7,741	-	-	-	452,674
	3,737,419	717,751	274,186	-	-	4,729,356
(ii) Total unrated exposures					-	-
Total Short Term Exposure	3,737,419	717,751	274,186	-	-	4,729,356

Bank Total Long Term and Short Term Exposure :	86,167,254
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Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

ii) Credit Risk Mitigation (CRM)

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The Group's policy when granting credit facilities is on the basis of the customer's capacity to repay, rather than placing primary reliance on credit risk mitigants. Depending on the customer's standing and the type of product, facilities may be provided unsecured. Mitigation of credit risk is nevertheless a key aspect of effective risk management in the Group and takes many forms.

The Group's general policy is to promote the use of CRM, justified by commercial prudence and good practice as well as capital efficiency. Specific, detailed policies cover acceptability, structuring and terms of various types of business with regard to the availability of credit risk mitigants, for example in the form of collateral security, and these policies, together with the determination of suitable valuation parameters, are subject to regular review to ensure that they are supported by empirical evidence and continue to fulfil their intended purpose.

The most common method of mitigating credit risk is to take collateral. The principal collateral types employed by the Group are as follows:

- under the residential and real estate business; mortgages over residential and financed properties;
- under certain Islamic specialised financing and leasing transactions (such as machinery financing) where physical assets form the principal source of facility repayment, physical collateral is typically taken;
- in the commercial and industrial sectors, charges over business assets such as premises, stock and debtors;
- facilities provided to small and medium enterprises are commonly granted against guarantees by their owners/directors; or by third party credit guarantee institutions;
- guarantees from third parties can arise where facilities are extended without the benefit of any alternative form of security; e.g. where the Group issues a bid or performance sukuk in favour of a non-customer at the request of another bank;
- under the institutional sector, certain trading facilities are supported by charges over financial instruments such as cash, debt securities and equities;
- financial collateral in the form of cash and marketable securities are used in much of the over-the-counter (OTC) derivatives activities and in the Group's securities financing business (securities lending and borrowing or repos and reverse repos); and
- netting is used where appropriate, and supported by market standard documentation.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt of cash, securities or equities. Daily settlement limits are established for counterparties to cover the aggregate of all the settlement risk arising from all the transactions involved on a single day. Settlement risk on many transactions, particularly those involving securities and equities, is substantially mitigated by settling through assured payment systems or on a delivery-versus-payment basis.

Policies and procedures govern the protection of the Group's position from the outset of a customer relationship, for instance in requiring standard terms and conditions or specifically agreed documentation permitting the offset of credit balances against debt obligations and through controls over the integrity, current valuation and, if necessary, realisation of collateral security.

The valuation of credit risk mitigants seeks to monitor and ensure that they will continue to provide the secured repayment source anticipated at the time they were taken. The Group's policy prescribes valuation annually, or more frequently as the need may arise, for impaired accounts. For property taken as collateral for new or additional facilities, a valuation report is required from a panel valuer. For auction purposes, full valuations are compulsory. This is to avoid the risk of the settlement sum being challenged by the borrower/charger on the grounds that the correct valuation was not applied.

The appointment of panel valuers is conducted via Vendor Risk Management whereby due diligence is undertaken in accordance with Suppliers Risk Management and Third Party Associated Persons Bribery Risk Assessment and Due Diligence Policy at the origination of the relationship in accordance with Group Third Party Risk Management Policy.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

ii) CRM (Cont'd)

The table below shows the on and off balance sheet exposures before and after CRM.

31 Dec 2022

Group (RM'000)

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<u>Credit Risk</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	33,701,471	-	-	-
PSEs	2,022,976	-	3,092	-
Banks, DFIs & MDBs	9,454,079	-	3,523,121	-
Corporates	20,436,521	450,551	620,529	-
Regulatory Retail	5,343,989	32,081	63,264	-
Residential Mortgages	15,131,137	-	-	-
Higher Risk Assets	21,543	-	151	-
Other Assets	1,697,572	-	-	-
Equity Exposure	228,178	-	-	-
Defaulted Exposures	763,400	6,743	4,125	-
Total for On-Balance Sheet Exposures	88,800,866	489,375	4,214,282	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	4,769,889	-	603,648	2,002,658
Off balance sheet exposures other than OTC derivatives or credit derivatives	18,081,454	164,260	593,511	-
Defaulted Exposures	15,627	-	-	-
Total for Off-Balance Sheet Exposures	22,866,970	164,260	1,197,159	2,002,658
Total On and Off-Balance Sheet Exposures	111,667,836	653,635	5,411,441	2,002,658

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

ii) CRM (Cont'd)

The table below shows on and off balance sheet exposures before and after CRM.

31 Dec 2021

Group (RM'000)

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<u>Credit Risk</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	28,703,818	-	-	-
PSEs	1,630,745	-	1,874	-
Banks, DFIs & MDBs	8,185,746	-	4,226,274	-
Corporates	23,487,487	571,576	516,522	-
Regulatory Retail	5,010,573	38,992	67,786	-
Residential Mortgages	16,207,221	-	-	-
Higher Risk Assets	21,698	-	150	-
Other Assets	1,846,614	-	-	-
Equity Exposure	224,667	-	-	-
Defaulted Exposures	990,763	10,220	4,635	-
Total for On-Balance Sheet Exposures	86,309,332	620,788	4,817,241	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	3,023,815	-	263,400	1,116,521
Off balance sheet exposures other than OTC derivatives or credit derivatives	17,723,097	268,647	548,392	-
Defaulted Exposures	59,970	-	11,259	-
Total for Off-Balance Sheet Exposures	20,806,882	268,647	823,051	1,116,521
Total On and Off-Balance Sheet Exposures	107,116,214	889,435	5,640,292	1,116,521

Note:

MDBs - Multilateral Development Banks
DFIs - Development Financial Institutions
PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

ii) CRM (Cont'd)

The table below shows the on and off balance sheet exposures before and after CRM.

31 Dec 2022

Bank (RM'000)

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<u>Credit Risk</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	26,295,840	-	-	-
PSEs	1,334,433	-	3,092	-
Banks, DFIs & MDBs	10,948,013	-	3,523,121	-
Corporates	13,908,081	344,382	481,444	-
Regulatory Retail	3,104,683	22,317	52,996	-
Residential Mortgages	11,553,479	-	-	-
Higher Risk Assets	16,486	-	-	-
Other Assets	1,474,276	-	-	-
Equity Exposure	228,178	-	-	-
Defaulted Exposures	481,875	1,335	2,987	-
Total for On-Balance Sheet Exposures	69,345,344	368,034	4,063,640	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	5,000,416	-	703,649	2,002,658
Off balance sheet exposures other than OTC derivatives or credit derivatives	14,049,780	92,345	484,862	-
Defaulted Exposures	6,096	-	-	-
Total for Off-Balance Sheet Exposures	19,056,292	92,345	1,188,511	2,002,658
Total On and Off-Balance Sheet Exposures	88,401,636	460,379	5,252,151	2,002,658

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

ii) CRM (Cont'd)

The table below shows on and off balance sheet exposures before and after CRM.

31 Dec 2021

Bank (RM'000)

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<u>Credit Risk</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	22,691,496	-	-	-
PSEs	952,387	-	1,874	-
Banks, DFIs & MDBs	9,389,678	-	4,226,274	-
Corporates	18,033,569	420,186	337,922	-
Regulatory Retail	2,867,026	33,642	55,129	-
Residential Mortgages	12,404,274	-	-	-
Higher Risk Assets	16,645	-	-	-
Other Assets	1,476,812	-	-	-
Equity Exposure	224,667	-	-	-
Defaulted Exposures	677,284	4,621	3,466	-
Total for On-Balance Sheet Exposures	68,733,838	458,449	4,624,665	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	3,074,449	-	263,399	1,116,521
Off balance sheet exposures other than OTC derivatives or credit derivatives	14,305,177	232,479	457,409	-
Defaulted Exposures	53,790	-	9,000	-
Total for Off-Balance Sheet Exposures	17,433,416	232,479	729,808	1,116,521
Total On and Off-Balance Sheet Exposures	86,167,254	690,928	5,354,473	1,116,521

Note:

MDBs - Multilateral Development Banks
DFIs - Development Financial Institutions
PSEs - Public Sector Entities

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

3) Credit Risk (Cont'd)

iii) Counterparty Credit Risk

In respect of counterparty credit risk exposures which arise from OTC derivative transactions, a credit limit for counterparty credit risk (CCR) is assigned, monitored and reported in accordance with the Group risk methodology. The credit limit established takes into account the mark to market and the future potential exposure measured on the basis of 95 percentile potential worst case loss estimates for the product involved. These methods of calculating credit exposures apply to all counterparties and differences in credit quality are reflected in the size of the limits.

The policy for secured collateral on derivatives is guided by the Group's Internal Best Practice Guidelines ensuring the due diligence necessary to fully understand the effectiveness of netting and collateralisation by jurisdiction, counterparty, product and agreement type is fully assessed and that the due-diligence standards are high and consistently applied.

4) Collateral Arrangements

To calculate counterparty's net risk position for counterparty credit risk, the Group revalue all financial instruments and associated collateral positions on a daily basis. A dedicated Collateral Management function independently monitors counterparties' associated collateral positions and manages a process which ensures that calls for collateral top-ups or exposure reductions are made promptly. Processes exist for the resolution of situations where the level of collateral is disputed or the collateral sought is not received.

Eligible collateral types are documented by Credit Support Annexes (CSA) of the International Swaps and Derivatives Association (ISDA) Master Agreement and are controlled under a policy which ensures the collateral agreed to be taken exhibits characteristics such as price transparency, price stability, liquidity, enforceability, independence, reusability and eligibility for regulatory purposes. A valuation 'haircut' policy generally reflects the fact that collateral may fall in value between the date the collateral was called and the date of regular margining or date of liquidation or enforcement. Generally, collateral held as credit risk mitigants under CSAs is either cash or government securities.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

5) Interest Rate Risk/Profit Rate Risk

Sensitivity of projected Net Interest/Finance Income

The interest/profit rate sensitivities set out in the table below are illustrative only and are based on simplified scenarios.

Change in projected net interest/finance income in next 12 months arising from a shift in interest/profit rates of:

	Group (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
MYR	196,986	(212,713)	191,542	(214,978)
USD	112,378	(113,693)	59,953	(54,666)
Others	4,065	(4,668)	(3,719)	570
	313,429	(331,074)	247,776	(269,074)

	Bank (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
MYR	190,948	(205,713)	203,728	(223,618)
USD	94,412	(95,746)	57,129	(52,200)
Others	(3,009)	2,388	(3,955)	612
	282,351	(299,071)	256,902	(275,206)

The increase or decline in economic value for upward and downward rate shocks for measuring interest rate risk/rate of return risk in the banking book are as follows:

Sensitivity of projected Economic value of equity

Change in projected economic value of equity arising from a shift in interest/profit rates of :

	Group (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 200 bps	- 200 bps	+ 200 bps	- 200 bps
MYR	138,383	(142,678)	(86,740)	112,045
USD	123,116	(135,187)	(15,170)	9,050
Others	7,066	(6,268)	(3,460)	488
	268,565	(284,133)	(105,370)	121,583

	Bank (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 200 bps	- 200 bps	+ 200 bps	- 200 bps
MYR	180,722	(193,244)	14,640	(2,442)
USD	124,923	(137,858)	(10,182)	6,600
Others	6,166	(5,852)	(2,056)	168
	311,811	(336,954)	2,402	4,326

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

5) Interest Rate Risk/Profit Rate Risk (Cont'd)

The sensitivity of reported reserves in 'other comprehensive income' to interest/profit rate movements are monitored on a monthly basis by assessing the expected reduction in valuation of financial investments at fair value through other comprehensive income (FVOCI) portfolios and cash flow hedges to parallel movements of plus or minus 100 basis points in all yield curves.

Sensitivity of reported reserves in 'other comprehensive income' to interest/profit rate movements

	Group (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
MYR	(51,391)	51,391	(140,076)	140,076
USD	(2,944)	2,944	(3,766)	3,766
	(54,335)	54,335	(143,842)	143,842

	Bank (RM'000)			
	31 Dec 2022		31 Dec 2021	
Basis point parallel shift in yield curves	+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
MYR	(38,432)	38,432	(110,511)	110,511
USD	(2,944)	2,944	(3,766)	3,766
	(41,376)	41,376	(114,277)	114,277

6) Equities

As at 31 December 2022, the Group does not hold any quoted shares. The Group's holding of unquoted shares at 31 December 2022 was mainly of shares held for the purpose of gaining strategic advantage. These shares are not held for capital gains and are recorded based on net tangible assets as measurement of fair value. The unquoted equities are risk weighted at 100% or 150% as per Risk Weighted Capital Adequacy Framework (Basel II).

Refer to Note 10 of the financial statements as at 31 December 2022 on the Group's holdings of equity investments.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

7) Shariah Governance (for HSBC Amanah Malaysia Berhad only)

Overview

Shariah compliance is a cornerstone and is integral to the stability of Islamic banking and finance industry. An effective Shariah governance policy enhances the diligent oversight accountabilities of the Board of Directors (BOD), the Shariah Committee (SC) and the Management to ensure that the operations and business activities of the Islamic Financial Institutions (IFI) remain consistent with Shariah principles and requirements.

To ensure Shariah compliance in all aspects of day-to-day Islamic finance activities, the Malaysian regulatory bodies such as BNM and Securities Commission Malaysia have outlined several laws and regulations on Shariah in particular the provisions on the establishment of a SC and internal Shariah control functions. The SC is an independent Shariah advisory body which plays a vital role in providing Shariah views and decisions and performs an oversight role on Shariah governance implementation related to the IFI's business operations and activities. At the institutional level, the Shariah Department acts as a delegated authority of the SC in providing Shariah advisory to the Management team of the IFI. The Shariah control functions has the role to assist the Management in ensuring that all activities of the IFI are in compliance with the Shariah rules and principles, and expectations for effective Shariah governance arrangements in accordance with the guidelines laid down by Shariah-Regulatory Framework Policy Document (PD) and Shariah Governance Policy Document (SGPD) of BNM, respectively. However, the accountability to ensure Shariah compliance remains with the IFI's BOD.

Qualitative Disclosures - Key Components and Core Shariah Functions in Implementing and Monitoring the Shariah Governance Practices as per the SGPD

The governance structure of HBMS and the primary responsibilities of each function are set out below:

a. Board of Directors

To have the ultimate oversight accountability for the institutionalisation of overall Shariah governance framework and Shariah compliance of HBMS.

b. Shariah Committee

To have the oversight responsibility and accountability in providing objective and sound advice or decisions to ensure on the operations, affairs and business activities of HBMS are in compliance with Shariah.

c. CEO and Management

To be primarily responsible over the day-to-day management of HBMS in ensuring compliance with Shariah in all aspects of its operations, affairs and business activities by observing and implementing the Shariah rulings by the Shariah Advisory Council (SAC) of BNM and SAC of Securities Commission Malaysia, as well as decisions of the SC, and to identify and refer any Shariah issues to the SC for its decisions, views and opinions.

d. Shariah Audit

To provide independent assessment on the quality and effectiveness of HBMS' internal control, risk management systems, governance processes as well as the overall compliance of HBMS' operations, businesses, affairs and activities with Shariah.

e. Shariah Risk Management

To coordinate the identification, measurement, monitoring and reporting of Shariah non-compliance risks in the operations, businesses, affairs and activities of HBMS and to formulate and recommend appropriate Shariah non-compliance risk management policies and procedures and risk awareness programmes.

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures (Cont'd)

(g) Risk management (Cont'd)

7) Shariah Governance (Cont'd)

Qualitative Disclosures - Key Components and Core Shariah Functions in Implementing and Monitoring the Shariah Governance Practices as per the SGPD (Cont'd)

f. Shariah Department

i) Shariah Review

To conduct regular assessment on the compliance of the operations, businesses, affairs and activities of HBMS with Shariah requirements.

To ensure that all procedural guidelines, rules and regulations issued by BNM and other regulatory bodies relating to Shariah as well as internal guidelines, policies and procedures, manuals and all Shariah rules and principles issued by the SC and Shariah Department are adhered to, with due regard to the business needs and Shariah requirements.

ii) Shariah Risk Stewardship

To implement the identification, measurement, monitoring and reporting of Shariah non-compliance risks in the operations, businesses, affairs and activities of HBMS, as well as to formulate and recommend appropriate Shariah compliance controls.

iii) Shariah Research and Advisory

To perform in-depth research as and when required by the SC on Shariah issues and to provide day-to-day Shariah advice and approval on Shariah matters based on the rulings of the SAC and decisions or advice of the SC to the relevant stakeholders, including the Management, product development and business teams as well as the supporting functions.

iv) Shariah Secretariat

To serve and provide operational support for effective functioning of the SC which includes to coordinate, communicate and disseminate information among the SC, the Board and senior management, and to ensure proper dissemination of decisions or advice of the SC within HBMS.

v) Knowledge and Skills Monitoring

To develop content and learning materials on knowledge relevant to HBMS Products and to run the training programmes and monitor the level of Shariah related knowledge and skills by the staff involved in the cycle of HBMS products.

Quantitative Disclosure

a. Shariah Non-Compliance Events:

During the financial year ended 31 December 2022, no actual Shariah non-compliance event has been identified.

b. Shariah Non-Compliance Income:

During the financial year ended 31 December 2022, the following amounts are recorded in the Shariah Penalty & Impure Income Account (the Account):

- i) The amount of RM773 in the Account was carried forward from 2021 to 2022.
- ii) Income from inadvertent Shariah non-compliance activities identified by HBMS' management as at 31 Dec 2022 is itemised as follows:-
 - RM4,544 received from transactions via Nostro Accounts has been reversed to the Account.
 - RM245 received due to refund of overprovisioned tax year 2020.
- iii) The amount of RM2,458 was donated to Yayasan Chow Kit.

The balance of RM3,104 in the Account is pending distribution in 2023.

Other than the above, there were no other Shariah non-compliance income or other amounts recorded during the financial year ended 31 December 2022.