

**Oversea-Chinese Banking Corporation Limited**

**Pillar 3 Disclosures  
(OCBC Group – As at 31 December 2020)**



Incorporated in Singapore  
Company Registration Number: 193200032W

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**Attestation Statement Pursuant to Monetary Authority of Singapore (MAS) Notice 637  
on Risk Based Capital Adequacy Requirements – Disclosure Requirements (Pillar 3)**

On behalf of the Board of Directors (Board), we are satisfied that the disclosures in this report have been prepared in accordance with the internal control processes approved by the Board for public disclosures.



**Darren Tan**  
Chief Financial Officer

**24 February 2021**

## 2. INTRODUCTION

This document presents the information in accordance with Pillar 3 (P3) disclosure requirements under Monetary Authority of Singapore (MAS) Notice 637 on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore. The P3 requirements specify reporting templates for most of the quantitative disclosures to enable market participants to better compare the capital adequacy and risk profile across banks via improved consistency in public disclosure.

For purpose of the year-end disclosure for OCBC Group (Group) as at 31 December 2020, explanations of the drivers behind significant differences between reporting periods for the respective sections are provided where appropriate. The disclosure on the RWA flow statements for the following are omitted as there is no exposure treated under these approaches:

- Counterparty Credit Risk (CCR) under the Internal Models Method (IMM)
- Market Risk exposures under the Internal Models Approach (IMA)

As part of enhanced public disclosures on risk profile and capital adequacy driven by changes in Part XI of MAS Notice 637, a risk disclosure policy which includes establishing and maintaining internal control processes over the disclosure - among other requirements - has been approved by the Board. The Board has also appointed the Group Chief Financial Officer to attest that the Pillar 3 report has been prepared in accordance with the approved internal control processes.

## 3. ACCOUNTING AND REGULATORY CONSOLIDATION

The consolidation basis used for regulatory capital computation is similar to that used for financial reporting except for the following:

- Great Eastern Holdings Limited and its insurance subsidiaries are excluded from regulatory consolidation and are treated as investments in unconsolidated major stake companies that are financial institutions in accordance with MAS Notice 637's definition of insurance subsidiary. The regulatory adjustments applied to these investments are in accordance with MAS Notice 637 paragraphs 6.1.3(p), 6.2.3(e) and 6.3.3(e).
- As at 31 December 2020, the total equity of these insurance subsidiaries was S\$9 billion and total assets were S\$107 billion.

Disclosures on the Group's reconciliation of regulatory capital and regulatory capital position can be found in Section 6 of this document.

#### 4. KEY METRICS

The table below provides an overview of the Group's prudential regulatory metrics, as stipulated by MAS Notice 637.

	(a)	(b)	(c)	(d)	(e)	
	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19	
<b>Available Capital (S\$ million)</b>						
1	CET1 Capital	33,206	32,322	31,876	32,350	31,800
2	Tier 1 Capital	34,436	33,552	33,406	33,879	33,331
3	Total Capital	38,966	38,261	36,726	37,169	35,992
<b>Risk Weighted Assets (S\$ million)</b>						
4	Total RWA	218,145	224,159	223,867	225,914	213,356
<b>Risk-based Capital Ratios as a percentage of RWA (%)</b>						
5	CET1 Ratio	15.2	14.4	14.2	14.3	14.9
6	Tier 1 Ratio	15.8	15.0	14.9	14.9	15.6
7	Total Capital Ratio	17.9	17.1	16.4	16.4	16.8
<b>Additional CET1 buffer requirements as a percentage of RWA (%)</b>						
8	Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement	0.1	0.1	0.1	0.1	0.3
10	Bank G-SIB and/or D-SIB additional requirements	-	-	-	-	-
11	Total of Bank CET1 specific requirements <sup>1/</sup>	2.6	2.6	2.6	2.6	2.8
12	CET1 available after meeting the Reporting Bank's minimum capital requirements	7.9	7.1	6.4	6.4	6.8
<b>Leverage Ratio (S\$ million)</b>						
13	Total Leverage Ratio exposure measure	450,084	441,388	446,130	453,487	431,314
14	Leverage Ratio (%) <sup>2/</sup>	7.7	7.6	7.4	7.4	7.7
<b>Liquidity Coverage Ratio (S\$ million) <sup>3/</sup></b>						
15	Total High Quality Liquid Assets	60,309	56,599	53,730	52,738	49,769
16	Total net cash outflow	40,135	44,194	42,236	35,290	30,710
17	Liquidity Coverage Ratio (%)	150	128	127	151	163
<b>Net Stable Funding Ratio (S\$ million)</b>						
18	Total available stable funding	263,226	258,230	253,755	251,828	245,245
19	Total required stable funding	210,237	211,686	213,236	232,323	221,410
20	Net Stable Funding Ratio (%)	125	122	119	108	111

<sup>1/</sup> Sum of rows 8, 9 and 10

<sup>2/</sup> Computed by row 2 / row 13

<sup>3/</sup> Reported as simple averages of daily observations for the respective quarter

## 5. G-SIB INDICATORS AND COUNTERCYCLICAL CAPITAL BUFFER

### 5.1 G-SIB Assessment Indicators

The Basel Committee on Banking Supervision (BCBS) has published 12 indicators it uses to classify a Bank as a Global Systemically Important Bank (G-SIB). While OCBC is not a G-SIB, it is required under MAS Notice 637 to disclose the 12 G-SIB indicators. The G-SIB indicators disclosed in the table below are unaudited and have been prepared in accordance with the instructions issued by BCBS and, may not be directly comparable with other disclosed information.

12 G-SIB indicators of OCBC Group as at 31 December 2020 and 31 December 2019

<b>31 Dec 2020</b>		
<b>Category</b>	<b>Indicators used for assessing G-SIB</b>	<b>Amount S\$ million</b>
<b>1</b>	Cross-jurisdictional activity	Cross-jurisdictional claims
<b>2</b>		Cross-jurisdictional liabilities
<b>3</b>	Size	Total exposures as defined for use in the Basel III leverage ratio <sup>1/</sup>
<b>4</b>		Intra-financial system assets
<b>5</b>	Interconnectedness	Intra-financial system liabilities
<b>6</b>		Securities outstanding
<b>7</b>	Substitutability / financial institution infrastructure	Assets under custody
<b>8</b>		Payments activity
<b>9</b>		Underwritten transactions in debt and equity markets
<b>10</b>		Notional amount of OTC derivatives
<b>11</b>	Complexity	Level 3 assets
<b>12</b>		Trading and available-for-sale securities

  

<b>31 Dec 2019</b>		
<b>Category</b>	<b>Indicators used for assessing G-SIB</b>	<b>Amount S\$ million</b>
<b>1</b>	Cross-jurisdictional activity	Cross-jurisdictional claims
<b>2</b>		Cross-jurisdictional liabilities
<b>3</b>	Size	Total exposures as defined for use in the Basel III leverage ratio <sup>1/</sup>
<b>4</b>		Intra-financial system assets
<b>5</b>	Interconnectedness	Intra-financial system liabilities
<b>6</b>		Securities outstanding
<b>7</b>	Substitutability / financial institution infrastructure	Assets under custody
<b>8</b>		Payments activity
<b>9</b>		Underwritten transactions in debt and equity markets
<b>10</b>		Notional amount of OTC derivatives
<b>11</b>	Complexity	Level 3 assets
<b>12</b>		Trading and available-for-sale securities

<sup>1/</sup> Total exposures differ from the total exposures disclosed under Leverage Ratio as the computation as required by the Basel Committee for the purposes of the G-SIB assessment disclosures excludes regulatory adjustments

## 5.2 Geographical Distribution of Credit Exposures Used in the Countercyclical Capital Buffer

The following table provides an overview of the Group's geographical distribution of private sector credit exposures for the calculation of countercyclical buffer.

The geographical distribution is based on the country where the physical collateral resides in, residence of the guarantor, or in the absence of such mitigant, the country of obligor (i.e. the country where the majority of the obligor's operating assets is situated) in accordance with MAS Notice 637 requirements.

<b>31-Dec-20</b>				
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	
Country-Specific countercyclical buffer requirement	RWA for private sector credit exposures	Bank-specific countercyclical buffer requirement <sup>1/</sup>	Countercyclical buffer amount	
(%)	(S\$ million)	(%)	(S\$ million)	
<b>Geographical breakdown</b>				
Hong Kong	1.00%	18,041		
Luxembourg	0.25%	20		
<b>Sub-total</b>		<b>18,061</b>		
<b>Total</b>		<b>162,963</b>	<b>0.1%</b>	<b>242</b>

<b>30-Jun-20</b>				
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	
Country-Specific countercyclical buffer requirement	RWA for private sector credit exposures	Bank-specific countercyclical buffer requirement <sup>1/</sup>	Countercyclical buffer amount	
(%)	(S\$ million)	(%)	(S\$ million)	
<b>Geographical breakdown</b>				
Hong Kong	1.00%	23,536		
Luxembourg	0.25%	22		
<b>Sub-total</b>		<b>23,558</b>		
<b>Total</b>		<b>167,497</b>	<b>0.1%</b>	<b>316</b>

<sup>1/</sup> The Bank-Specific countercyclical buffer is the additional capital which needs to be maintained above the Regulatory minimum and Capital Conservation buffer requirement



## 6. COMPOSITION OF CAPITAL

### 6.1 Reconciliation of Regulatory Capital

The reporting position of the table in this section is as at 31 December 2020.

	Balance sheet as per published financial statements	Under regulatory scope of consolidation	Cross Reference to Section 6.2
<b>S\$m</b>			
<b>EQUITY</b>			
Share capital	17,833	17,833	A
Other equity instruments	1,198	1,198	B
Reserves:			
Capital reserves	1,229		
Fair value reserves	1,358		
Revenue reserves	28,004		
Total reserves	<b>30,591</b>		
of which: Retained earnings		20,853	C1
of which: Accumulated other comprehensive income and other disclosed reserves		1,966	C2
of which: Cash flow hedge reserve		(1)	C3
of which: Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk		7	C4
Non-controlling interests	1,554		
of which: Minority interest that meets criteria for inclusion in CET1 Capital		203	D1
of which: Minority interest that meets criteria for inclusion in AT1 Capital		32	D2
of which: Minority interest that meets criteria for inclusion in Tier 2 Capital		18	D3
Valuation adjustment		41	E
<b>Total equity</b>	<b>51,176</b>		
<b>LIABILITIES</b>			
Deposits of non-bank customers	314,907		
Deposits and balances of banks	9,586		
Due to associates	406		
Trading portfolio liabilities	339		
Derivative payables	15,516		
Other liabilities	8,093		
Current tax payables	745		
Deferred tax liabilities	1,818		
of which: Associated with intangible assets		34	F
Debt issued	24,355		
of which: Tier 2 capital instruments		2,460	G
Life insurance fund liabilities	94,454		
<b>Total liabilities</b>	<b>470,219</b>		
<b>Total equity and liabilities</b>	<b>521,395</b>		
<b>ASSETS</b>			
Cash and placements with central banks	26,525		
Singapore government treasury bills and securities	10,628		
Other government treasury bills and securities	22,663		
Placements with and loans to banks	32,816		
Loans to customers	263,538		
of which: Eligible provision for inclusion in Tier 2 Capital subject to cap in respect of exposures under SA and IRBA		2,052	H
Debt and equity securities	33,143		
of which: Investments in unconsolidated major stake financial institutions		367	I1
of which: Investments in unconsolidated non major stake financial institutions		1,239	I2
of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630		0	I3
Investments in insurance subsidiaries		1,953	J
Derivative and forward securities:			
Unconsolidated non major stake financial institutions		(11)	K1
Assets held for sale	2		
Derivative receivables	15,223		
Other assets	5,806		
Deferred tax assets	133		
of which: Deferred tax assets before netting		283	L
Associates	4,633		
of which: Investments in unconsolidated major stake financial institutions		4,467	M
Property, plant and equipment	3,567		
Investment property	813		
Goodwill and intangible assets	4,837		
of which: Goodwill		3,971	N1
of which: Intangible assets		229	N2
Life insurance fund investment securities and other assets	97,068		
<b>Total assets</b>	<b>521,395</b>		

## 6.2 Regulatory Capital Position

The reporting position of the tables in this section is as at 31 December 2020.

		S\$m	
		Amount	Cross Reference to Section 6.1
	<b>Common Equity Tier 1 capital: instruments and reserves</b>		-
1	Paid-up ordinary shares and share premium (if applicable)	17,833	A
2	Retained earnings	20,853	C1
3	Accumulated other comprehensive income and other disclosed reserves	1,966	C2
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
5	Minority interest that meets criteria for inclusion	203	D1
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>40,854</b>	
	<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
7	Valuation adjustment pursuant to Part VIII of MAS Notice 637	41	E
8	Goodwill, net of associated deferred tax liability	3,971	N1
9	Intangible assets, net of associated deferred tax liability	195	N2 - F
10	Deferred tax assets that rely on future profitability	283	L
11	Cash flow hedge reserve	(1)	C3
12	Shortfall of TEP relative to EL under IRBA	-	
13	Increase in equity capital resulting from securitisation transactions	-	
14	Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk	7	C4
15	Defined benefit pension fund assets, net of associated deferred tax liability	-	
16	Investments in own shares	-	
17	Reciprocal cross-holdings in ordinary shares of financial institutions	-	
18	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
19	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries) (amount above 10% threshold)	3,152	(I1 + J + M) - 3,636 <sup>1</sup>
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of associated deferred tax liability)		
22	Amount exceeding the 15% threshold	-	
23	of which: investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments	0	
26A	PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630	0	I3
26B	Capital deficits in subsidiaries and associates that are regulated financial institutions	-	
26C	Any other items which the Authority may specify	-	
27	Regulatory adjustments applied in calculation of CET1 Capital due to insufficient AT1 Capital to satisfy required deductions	-	
28	<b>Total regulatory adjustments to CET1 Capital</b>	<b>7,648</b>	
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>33,206</b>	
	<b>Additional Tier 1 capital: instruments</b>		
30	AT1 capital instruments and share premium (if applicable)	1,198	B
31	of which: classified as equity under the Accounting Standards	1,198	
32	of which: classified as liabilities under the Accounting Standards	-	
33	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	-	
34	AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	32	D2
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>1,230</b>	
	<b>Additional Tier 1 capital: regulatory adjustments</b>		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments of financial institutions	-	
39	Investments in AT1 capital instruments of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
40	Investments in AT1 capital instruments of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
41	National specific regulatory adjustments which the Authority may specify	-	
42	Regulatory adjustments applied in calculation of AT1 Capital due to insufficient Tier 2 Capital to satisfy required deductions	-	
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	
44	<b>Additional Tier 1 capital (AT1)</b>	<b>1,230</b>	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>34,436</b>	

## 6.2 Regulatory Capital Position (continued)

		Amount	Cross Reference to Section 6.1
	<b>Tier 2 capital: instruments and provisions</b>		
46	Tier 2 capital instruments and share premium (if applicable)	2,460	G
47	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	-	
48	Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	18	D3
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Provisions	2,052	H
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>4,531</b>	
	<b>Tier 2 capital: regulatory adjustments</b>		
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments of financial institutions	-	
54	Investments in Tier 2 capital instruments and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
54a	Investments in other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake: amount previously designated for the 5% threshold but that no longer meets the conditions	-	
55	Investments in Tier 2 capital instruments and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
56	National specific regulatory adjustments which the Authority may specify	-	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	
58	<b>Tier 2 capital (T2)</b>	<b>4,531</b>	
59	<b>Total capital (TC = T1 + T2)</b>	<b>38,966</b>	
60	<b>Floor-adjusted total risk weighted assets</b>	<b>218,145</b>	
	<b>Capital ratios (as a percentage of floor-adjusted risk weighted assets)</b>		
61	<b>Common Equity Tier 1 CAR</b>	15.2%	
62	<b>Tier 1 CAR</b>	15.8%	
63	<b>Total CAR</b>	17.9%	
64	Bank-specific buffer requirement	9.1%	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: bank specific countercyclical buffer requirement	0.1%	
67	of which: G-SIB and/or D-SIB buffer requirement (if applicable)	-	
68	Common Equity Tier 1 available after meeting the Reporting Bank's minimum capital requirements	7.9%	
	<b>National minima</b>		
69	Minimum CET1 CAR	6.5%	
70	Minimum Tier 1 CAR	8.0%	
71	Minimum Total CAR	10.0%	
	<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
72	Investments in ordinary shares, AT1 capital and Tier 2 capital and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	1,228	I2 + K1
73	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	3,636	Refer to note <sup>1</sup>
74	Mortgage servicing rights (net of associated deferred tax liability)		
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liability)		
	<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	544	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	544	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	1,989	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	1,508	
	<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)</b>		
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

<sup>1/</sup> The investments in the ordinary shares of unconsolidated major stake companies that are financial institutions which are within the prescribed threshold amount in accordance with MAS Notice 637 paragraph 6.1.3 (p)(iii)

### 6.3 Main Features of Capital Instruments

The following disclosures are made pursuant to the requirements of MAS Notice 637 Annex 11D. They are not a summary of the terms, do not purport to be complete, and should be read in conjunction with, and are qualified in their entirety by, the relevant Terms and Conditions available on the Bank's Investor Relations website ([http://www.ocbc.com/group/investors/Cap\\_and\\_Reg\\_Disclosures.html](http://www.ocbc.com/group/investors/Cap_and_Reg_Disclosures.html)). The reporting position of all tables in this section is as at 31 December 2020.

	OCBC Ordinary Shares	OCBC 4.00% Non-cumulative Non-convertible Perpetual Capital Securities
1. Issuer	Oversea-Chinese Banking Corporation Limited	Oversea-Chinese Banking Corporation Limited
2. Unique identifier (ISIN)	SG1S04926220	SGXF81199428
3. Governing law(s) of instrument	Singapore	Singapore
<i>Regulatory treatment</i>		
4. Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1
5. Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1
6. Eligible at Solo / Group / Solo and Group	Solo and Group	Solo and Group
7. Instrument type	Ordinary shares	Perpetual Capital Securities
8. Amount recognised in regulatory capital	S\$17,833 million	S\$998 million
9. Par value of instrument	NA	S\$1,000 million
10. Accounting classification	Shareholders' equity	Shareholders' equity
11. Original date of issuance	NA	24 Aug 2018
12. Perpetual or dated	Perpetual	Perpetual
13. Original maturity date	No maturity	No maturity
14. Issuer call subject to prior supervisory approval	No	Yes
15. Optional call date, contingent call dates and redemption amount	NA	On the First Reset Date of 24 Aug 2023 and each Distribution Payment Date thereafter (at par) Tax call (at par) Regulatory call (at par)
16. Subsequent call dates, if applicable	NA	Optional call dates - any Distribution Payment Date after the First Reset Date
<i>Coupons / dividends</i>		
17. Fixed or floating dividend / coupon	NA	Fixed to fixed
18. Coupon rate and any related index	NA	4.00% p.a. up to (but excluding) 24 Aug 2023; if not redeemed, the distribution rate will be reset on the First Reset Date and every 5 years thereafter to a fixed rate equal to the then prevailing 5-year SGD SOR plus 1.811% p.a.
19. Existence of a dividend stopper	NA	Yes
20. Fully discretionary, partially discretionary or mandatory	NA	Fully discretionary
21. Existence of step up or other incentive to redeem	NA	No
22. Noncumulative or cumulative	NA	Noncumulative
23. Convertible or non-convertible	NA	Nonconvertible
24. If convertible, conversion trigger(s)	NA	NA
25. If convertible, fully or partially	NA	NA
26. If convertible, conversion rate	NA	NA
27. If convertible, mandatory or optional conversion	NA	NA
28. If convertible, specify instrument type convertible into	NA	NA
29. If convertible, specify issuer of instrument it converts into	NA	NA
30. Write-down feature	No	Yes
31. If write-down, write-down trigger(s)	NA	The earlier of: i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer would become non-viable; and ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the MAS.
32. If write-down, full or partial	NA	Fully or partially
33. If write-down, permanent or temporary	NA	Permanent
34. If temporary write-down, description of write-up mechanism	NA	NA
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Additional Tier 1 capital instruments of OCBC Bank	Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation), Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of (i) Senior Creditors which includes holders of Tier 2 Capital Securities, and will rank senior to all Junior Obligations.
36. Non-compliant transitioned features	No	No
37. If yes, specify non-compliant features	NA	NA

### 6.3 Main Features of Capital Instruments (continued)

	OCBC 3.00% Non-cumulative Non-convertible Perpetual Capital Securities	OCBC 4.25% Subordinated Notes due 2024
1. Issuer	Oversea-Chinese Banking Corporation Limited	Oversea-Chinese Banking Corporation Limited
2. Unique identifier (ISIN)	SGXF54217405	US69033DAC11 (Reg S) US69033CAC38 (144A)
3. Governing law(s) of instrument	Singapore	England (Save for the subordination provisions) Singapore (In respect of the subordination provisions)
<i>Regulatory treatment</i>		
4. Transitional Basel III rules	Additional Tier 1	Tier 2
5. Post-transitional Basel III rules	Additional Tier 1	Tier 2
6. Eligible at Solo / Group / Solo and Group	Solo and Group	Solo and Group
7. Instrument type	Perpetual Capital Securities	Subordinated debt
8. Amount recognised in regulatory capital	S\$200 million	S\$1,141 million
9. Par value of instrument	S\$200 million	US\$1,000 million
10. Accounting classification	Shareholders' equity	Liabilities - amortised cost
11. Original date of issuance	30 Sep 2020	19 Jun 2014
12. Perpetual or dated	Perpetual	Dated
13. Original maturity date	No maturity	19 Jun 2024
14. Issuer call subject to prior supervisory approval	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	On the First Reset Date of 30 Sep 2030 and each Distribution Payment Date thereafter (at par)	
	Tax call (at par)	Tax call (at par)
	Regulatory call (at par)	Regulatory call (at par)
16. Subsequent call dates, if applicable	Optional call dates - any Distribution Payment Date after the First Reset Date	NA
<i>Coupons / dividends</i>		
17. Fixed or floating dividend / coupon	Fixed to fixed	Fixed
18. Coupon rate and any related index	3.00% p.a. up to 30 September 2030; if not redeemed, the distribution rate will be reset on the First Reset Date and every 10 years thereafter to a fixed rate equal to the then prevailing 10-year SGD SOR plus 2.19% p.a.	4.25% p.a.
19. Existence of a dividend stopper	Yes	NA
20. Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21. Existence of step up or other incentive to redeem	No	No
22. Noncumulative or cumulative	Noncumulative	NA
23. Convertible or non-convertible	Nonconvertible	Nonconvertible
24. If convertible, conversion trigger(s)	NA	NA
25. If convertible, fully or partially	NA	NA
26. If convertible, conversion rate	NA	NA
27. If convertible, mandatory or optional conversion	NA	NA
28. If convertible, specify instrument type convertible into	NA	NA
29. If convertible, specify issuer of instrument it converts into	NA	NA
30. Write-down feature	Yes	Yes
31. If write-down, write-down trigger(s)	The earlier of: i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer would become non-viable; and ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the MAS.	Contractual approach The earlier of (i) MAS determining that a write-down is necessary; and (ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the issuer would become non-viable in both (i) and (ii)
32. If write-down, full or partial	Fully or partially	May be written down fully or partially
33. If write-down, permanent or temporary	Permanent	Permanent
34. If temporary write-down, description of write-up mechanism	NA	NA
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation), Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of (i) Senior Creditors and (ii) holders of Tier 2 Capital Securities, and will rank senior to all Junior Obligations.	Unsubordinated and unsecured obligations of OCBC Bank
36. Non-compliant transitioned features	No	No
37. If yes, specify non-compliant features	NA	NA

### 6.3 Main Features of Capital Instruments (continued)

<b>OCBC 1.832% Subordinated Notes due 2030</b>	
1. Issuer	Oversea-Chinese Banking Corporation Limited
2. Unique identifier (ISIN)	US69033DAD93 (Reg S) US69033CAD11 (144A)
3. Governing law(s) of instrument	England (Save for the subordination provisions) Singapore (In respect of the subordination provisions)
<i>Regulatory treatment</i>	
4. Transitional Basel III rules	Tier 2
5. Post-transitional Basel III rules	Tier 2
6. Eligible at Solo / Group / Solo and Group	Solo and Group
7. Instrument type	Subordinated debt
8. Amount recognised in regulatory capital	S\$1,319 million
9. Par value of instrument	US\$1,000 million
10. Accounting classification	Liabilities - amortised cost
11. Original date of issuance	10 Sep 2020
12. Perpetual or dated	Dated
13. Original maturity date	10 Sep 2030
14. Issuer call subject to prior supervisory approval	Yes
15. Optional call date, contingent call dates and redemption amount	Tax call (at par)  Regulatory call (at par)
16. Subsequent call dates, if applicable	NA
<i>Coupons / dividends</i>	
17. Fixed or floating dividend / coupon	Fixed
18. Coupon rate and any related index	1.832% p.a.
19. Existence of a dividend stopper	NA
20. Fully discretionary, partially discretionary or mandatory	Mandatory
21. Existence of step up or other incentive to redeem	No
22. Noncumulative or cumulative	NA
23. Convertible or non-convertible	Nonconvertible
24. If convertible, conversion trigger(s)	NA
25. If convertible, fully or partially	NA
26. If convertible, conversion rate	NA
27. If convertible, mandatory or optional conversion	NA
28. If convertible, specify instrument type convertible into	NA
29. If convertible, specify issuer of instrument it converts into	NA
30. Write-down feature	Yes
31. If write-down, write-down trigger(s)	Contractual approach  The earlier of (i) MAS determining that a write-down is necessary; and (ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the issuer would become non-viable in both (i) and (ii)
32. If write-down, full or partial	May be written down fully or partially
33. If write-down, permanent or temporary	Permanent
34. If temporary write-down, description of write-up mechanism	NA
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Unsubordinated and unsecured obligations of OCBC Bank
36. Non-compliant transitioned features	No
37. If yes, specify non-compliant features	NA

## 7. LINKAGES BETWEEN FINANCIAL STATEMENTS AND REGULATORY EXPOSURES

### 7.1 Differences between Accounting and Regulatory Scopes of Consolidation

The purpose of this table is to identify the differences between the accounting and regulatory scopes of consolidation by the respective regulatory risk categories. The key reason for the differences between the accounting and regulatory scope of consolidation can be found in Section 3 of this document.

Life insurance fund investment assets under Assets have been renamed as Life insurance fund investment securities and other assets effective December 2020.

S\$ million	31 Dec 2020							
	(a)	(b)	(c)	(d) Carrying amounts of items:			(f)	(g)
	Carrying amounts as reported in balance sheet of published financial statements	Carrying amounts under regulatory scope of consolidation	Subject to credit risk requirements <sup>1/</sup>	Subject to CCR requirements	Subject to securitisation framework	Subject to market risk requirements	Not subject to capital requirements or subject to deduction from regulatory capital	
<b>Assets</b>								
Cash and placements with central banks	26,525	26,525	22,855	3,671	-	10,898	-	
Singapore government treasury bills and securities	10,628	9,294	8,242	-	-	1,052	-	
Other government treasury bills and securities	22,663	22,432	19,129	-	-	22,431	-	
Placements with and loans to banks	32,816	30,950	29,721	1	-	30,155	-	
Loans to customers	263,538	263,537	264,944	484	-	168,602	-	
Debt and equity securities	33,143	28,498	23,131	-	-	27,791	171	
Assets held for sale	2	2	2	-	-	#	-	
Derivative receivables	15,223	15,240	-	14,747	-	14,930	-	
Other assets	5,806	5,396	5,396	-	-	3,798	-	
Deferred tax assets	133	129	-	-	-	128	283	
Associates	4,633	4,633	2,559	-	-	1,834	2,074	
Subsidiaries	-	1,953	1,046	-	-	4	907	
Property, plant and equipment	3,567	2,836	2,836	-	-	789	-	
Investment property	813	813	813	-	-	84	-	
Goodwill and intangible assets	4,837	4,199	-	-	-	-	4,199	
Life insurance fund investment securities and other assets	97,068	-	-	-	-	-	-	
<b>Total Assets</b>	<b>521,395</b>	<b>416,437</b>	<b>380,674</b>	<b>18,903</b>	<b>-</b>	<b>282,496</b>	<b>7,634</b>	
<b>Liabilities</b>								
Deposits of non-bank customers	314,907	314,989	-	81	-	197,982	117,007	
Deposits and balances of banks	9,586	9,586	-	1,139	-	8,911	675	
Due to associates	406	406	-	-	-	205	201	
Trading portfolio liabilities	339	339	-	-	-	339	#	
Derivative payables	15,516	15,542	-	15,244	-	15,310	298	
Other liabilities	8,093	7,531	-	-	-	3,710	3,821	
Current tax payables	745	531	-	-	-	180	351	
Deferred tax liabilities	1,818	328	-	-	-	98	230	
Debt issued	24,355	23,960	-	-	-	23,958	2	
Life insurance fund liabilities	94,454	-	-	-	-	-	-	
<b>Total Liabilities</b>	<b>470,219</b>	<b>373,212</b>	<b>-</b>	<b>16,464</b>	<b>-</b>	<b>250,693</b>	<b>122,585</b>	

## 7.1 Differences between Accounting and Regulatory Scopes of Consolidation (continued)

The balance sheet for December 2019 has been restated where Assets pledged had been reclassified into the respective categories and Loans and bills receivable has been renamed as Loans to customers.

S\$ million	31 Dec 2019						
	(a)	(b)	(c)	(e) Carrying amounts of items:			(g)
	Carrying amounts as reported in balance sheet of published financial statements	Carrying amounts under regulatory scope of consolidation	Subject to credit risk requirements <sup>1/</sup>	Subject to CCR requirements	Subject to securitisation framework	Subject to market risk requirements	Not subject to capital requirements or subject to deduction from regulatory capital
<b>Assets</b>							
Cash and placements with central banks	23,201	23,201	21,828	1,373	-	11,031	-
Singapore government treasury bills and securities	11,042	9,892	8,148	-	-	1,744	-
Other government treasury bills and securities	17,712	17,550	14,655	-	-	17,550	-
Placements with and loans to banks	35,864	34,342	32,135	224	-	33,998	-
Loans to customers	262,348	262,341	262,408	964	-	169,595	-
Debt and equity securities	29,253	24,521	19,684	-	-	24,086	139
Assets held for sale	3	3	3	-	-	-	-
Derivative receivables	7,349	7,337	-	7,283	-	7,050	-
Other assets	4,409	4,098	4,097	-	-	2,680	-
Deferred tax assets	87	75	-	-	-	95	209
Associates	3,638	3,638	2,177	-	-	1,542	1,461
Subsidiaries	-	1,953	1,146	-	-	2	807
Property, plant and equipment	3,628	2,921	2,921	-	-	800	-
Investment property	839	839	839	-	-	85	-
Goodwill and intangible assets	4,980	4,295	-	-	-	-	4,295
Life insurance fund investment assets	87,338	-	-	-	-	-	-
<b>Total Assets</b>	<b>491,691</b>	<b>397,006</b>	<b>370,040</b>	<b>9,844</b>	<b>-</b>	<b>270,258</b>	<b>6,911</b>
<b>Liabilities</b>							
Deposits of non-bank customers	302,851	302,957	-	980	-	197,813	105,143
Deposits and balances of banks	8,250	8,250	-	647	-	7,449	801
Due to associates	347	347	-	-	-	207	140
Trading portfolio liabilities	92	92	-	-	-	92	#
Derivative payables	7,687	7,687	-	7,607	-	7,452	81
Other liabilities	6,945	6,356	-	-	-	3,164	3,192
Current tax payables	1,189	640	-	-	-	221	419
Deferred tax liabilities	1,893	337	-	-	-	57	280
Debt issued	29,388	28,992	-	-	-	28,991	43
Life insurance fund liabilities	84,446	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>443,088</b>	<b>355,658</b>	<b>-</b>	<b>9,234</b>	<b>-</b>	<b>245,446</b>	<b>110,098</b>

<sup>1/</sup> Refers to non CCR exposures and exclude trading book assets such as bonds and equities

# Represents amounts of less than \$0.5 million



## 7.2 Main Sources of Differences between Financial Statements and Regulatory Exposures

This table provides information on the main sources of differences, other than due to the difference in scope of consolidation, between regulatory exposure amounts and carrying amounts under regulatory scope of consolidation. These differences are mainly due to off-balance sheet amounts, repos, derivatives and provisions. Amounts subject to Market Risk Requirements are omitted from this table since they are not meaningful for this disclosure.

31 Dec 2020				
S\$ million	(a)	(b)	(c)	(d)
	Items subject to:			Total
	Credit risk requirements	CCR requirements	Securitisation framework	
<b>1 Assets carrying amount under regulatory scope of consolidation <sup>1/</sup></b>	380,674	18,903	-	408,803
<b>2 Liabilities carrying amount under regulatory scope of consolidation <sup>1/</sup></b>	-	16,464	-	250,627
<b>3 Total net amount under regulatory scope of consolidation</b>	380,674	2,439	-	158,175
<b>4 Differences due to off-balance sheet amounts</b>	45,005	9,856	-	
<b>5 Differences due to valuations</b>	-	-	-	
<b>6 Differences due to repos</b>	-	2,762	-	
<b>7 Differences due to derivatives netting <sup>2/</sup></b>	-	6,616	-	
<b>8 Differences due to consideration of provisions</b>	3,145	-	-	
<b>9 Differences due to prudential filters</b>	-	-	-	
<b>10 Others <sup>3/</sup></b>	41	18	-	
<b>11 Exposure amounts considered for regulatory purposes <sup>4/</sup></b>	<b>428,865</b>	<b>21,691</b>	-	<b>450,556</b>

  

31 Dec 2019				
S\$ million	(a)	(b)	(c)	(d)
	Items subject to:			Total
	Credit risk requirements	CCR requirements	Securitisation framework	
<b>1 Assets carrying amount under regulatory scope of consolidation <sup>1/</sup></b>	370,040	9,844	-	390,095
<b>2 Liabilities carrying amount under regulatory scope of consolidation <sup>1/</sup></b>	-	9,234	-	245,560
<b>3 Total net amount under regulatory scope of consolidation</b>	370,040	610	-	144,535
<b>4 Differences due to off-balance sheet amounts</b>	41,052	9,356	-	
<b>5 Differences due to valuations</b>	-	-	-	
<b>6 Differences due to repos</b>	-	3,747	-	
<b>7 Differences due to derivatives netting <sup>2/</sup></b>	-	2,116	-	
<b>8 Differences due to consideration of provisions</b>	2,460	-	-	
<b>9 Differences due to prudential filters</b>	-	-	-	
<b>10 Others <sup>3/</sup></b>	(220)	-	-	
<b>11 Exposure amounts considered for regulatory purposes <sup>4/</sup></b>	<b>413,332</b>	<b>15,829</b>	-	<b>429,161</b>

<sup>1/</sup> Refers to assets and liabilities carrying amounts as per the table in section 7.1

<sup>2/</sup> Refers to gross-up of the net exposure value as the derivatives netting in row 2 is broader than the netting considered for regulatory purpose

<sup>3/</sup> Includes amounts not reported in the other categories

<sup>4/</sup> Refers to Regulatory Exposures at Default gross of impairment allowances before taking into account the effect of Credit Risk Mitigation

### 7.3 Prudent Valuation Adjustments

This table is to provide the breakdown of the constituent elements of the Group's prudent valuation adjustments. Valuation adjustments relating to Mid-market value, Closeout cost, Model risk and Unearned credit spreads, have been taken in financial reporting and not shown in this table.

		31 Dec 2020							
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
S\$ million		Equity	Interest rates	FX	Credit	Commodities	Total	of which: in the Trading book	of which: in the Banking book
1	Closeout uncertainty	-	-	-	#	-	#	#	-
2	of which: Mid-market value	-	-	-	-	-	-	-	-
3	of which: Closeout cost	-	-	-	-	-	-	-	-
4	of which: Concentration	-	-	-	#	-	#	#	-
5	Early termination <sup>1/</sup>	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-
7	Operational risk <sup>2/</sup>	-	-	-	-	-	-	-	-
8	Investing and funding costs	-	26	15	-	-	41	41	#
9	Unearned credit spreads	-	-	-	-	-	-	-	-
10	Future administrative costs <sup>3/</sup>	-	-	-	-	-	-	-	-
11	Other <sup>4/</sup>	-	-	-	-	-	-	-	-
<b>12</b>	<b>Total adjustment</b>	-	<b>26</b>	<b>15</b>	<b>#</b>	-	<b>41</b>	<b>41</b>	<b>#</b>

  

		31 Dec 2019							
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
S\$ million		Equity	Interest rates	FX	Credit	Commodities	Total	of which: in the Trading book	of which: in the Banking book
1	Closeout uncertainty	-	-	-	#	-	#	#	-
2	of which: Mid-market value	-	-	-	-	-	-	-	-
3	of which: Closeout cost	-	-	-	-	-	-	-	-
4	of which: Concentration	-	-	-	#	-	#	#	-
5	Early termination <sup>1/</sup>	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-
7	Operational risk <sup>2/</sup>	-	-	-	-	-	-	-	-
8	Investing and funding costs	-	31	10	-	-	41	41	#
9	Unearned credit spreads	-	-	-	-	-	-	-	-
10	Future administrative costs <sup>3/</sup>	-	-	-	-	-	-	-	-
11	Other <sup>4/</sup>	-	-	-	-	-	-	-	-
<b>12</b>	<b>Total adjustment</b>	-	<b>31</b>	<b>10</b>	<b>#</b>	-	<b>41</b>	<b>41</b>	<b>#</b>

<sup>1/</sup> Included in unwinding cost

<sup>2/</sup> Valuation processes are mostly automated with minimal manual intervention

<sup>3/</sup> No significant change in future administrative costs is expected

<sup>4/</sup> Not applicable

# Represents amounts less than \$0.5 million

## 8. LEVERAGE RATIO

### 8.1 Leverage Ratio Summary Comparison Table

	Item	Amount (S\$m)	
		31 Dec 2020	30 Sep 2020
1	Total consolidated assets as per published financial statements	521,395	508,940
2	Adjustment for investments in entities that are consolidated for accounting purposes but are outside the regulatory scope of consolidation	(104,958)	(100,751)
3	Adjustment for fiduciary assets recognised on the balance sheet in accordance with the Accounting Standards but excluded from the calculation of exposure measure	0	0
4	Adjustment for derivative transactions	971	2,351
5	Adjustment for SFTs	147	19
6	Adjustment for off-balance sheet items	40,170	38,467
7	Other adjustments	(7,641)	(7,638)
<b>8</b>	<b>Exposure measure</b>	<b>450,084</b>	<b>441,388</b>

### 8.2 Leverage Ratio Common Disclosure Table

	Item	Amount (S\$m)	
		31 Dec 2020	30 Sep 2020
	<b>Exposure measures of on-balance sheet items</b>		
1	On-balance sheet items (excluding derivative transactions and SFTs, but including on-balance sheet collateral for derivative transactions or SFTs)	397,001	390,858
2	Asset amounts deducted in determining Tier 1 capital	(7,641)	(7,638)
3	<b>Total exposure measures of on-balance sheet items</b> (excluding derivative transactions and SFTs)	<b>389,360</b>	<b>383,220</b>
	<b>Derivative exposure measures</b>		
4	Replacement cost associated with all derivative transactions (net of the eligible cash portion of variation margins)	9,564	9,348
5	Potential future exposure associated with all derivative transactions	6,439	6,632
6	Gross-up for derivative collaterals provided where deducted from the balance sheet assets in accordance with the Accounting Standards	-	-
7	Deductions of receivables for the cash portion of variation margins provided in derivative transactions	(6)	(7)
8	CCP leg of trade exposures excluded	-	-
9	Adjusted effective notional amount of written credit derivatives	252	319
10	Further adjustments in effective notional amounts and deductions from potential future exposures of written credit derivatives	-	-
11	<b>Total derivative exposure measures</b>	<b>16,249</b>	<b>16,292</b>
	<b>SFT exposure measures</b>		
12	Gross SFT assets (with no recognition of accounting netting), after adjusting for sales accounting	4,158	3,390
13	Eligible netting of cash payables and cash receivables	-	-
14	SFT counterparty exposures	147	19
15	SFT exposure measures where a Reporting Bank acts as an agent in the SFTs	-	-
16	<b>Total SFT exposure measures</b>	<b>4,305</b>	<b>3,409</b>
	<b>Exposure measures of off-balance sheet items</b>		
17	Off-balance sheet items at notional amount	198,782	193,731
18	Adjustments for calculation of exposure measures of off-balance sheet items	(158,612)	(155,264)
19	<b>Total exposure measures of off-balance sheet items</b>	<b>40,170</b>	<b>38,467</b>
	<b>Capital and Total exposures</b>		
20	<b>Tier 1 capital</b>	<b>34,436</b>	<b>33,552</b>
21	<b>Total exposures</b>	<b>450,084</b>	<b>441,388</b>
	<b>Leverage Ratio</b>		
22	<b>Leverage ratio</b>	<b>7.7%</b>	<b>7.6%</b>

SFT: Securities Financing Transactions

CCP: Central Counterparty

## 9. CREDIT QUALITY

### 9.1 Overview of Credit Quality of Assets

The table below provides an overview of the credit quality of the on and off-balance sheet assets of the Group.

A borrower is recognised to be in default when the borrower is unlikely to repay in full its credit obligations to the Group, or the borrower is past due for more than 90 days on its credit obligations to the Group.

		31 Dec 2020						
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amount of <sup>1/</sup>		of which: Allowances for Standardised Approach exposures				
S\$ million		Defaulted exposures	Non-defaulted exposures	Allowances and Impairments	of which: Specific Allowances	of which: General Allowances	of which: Allowances for IRBA exposures	Net Values <sup>2/</sup> (a + b + c)
1	Loans to customers	3,917	263,323	(3,251)	(310)	(276)	(2,665)	263,989
2	Debt securities	7	27,942	(16)	(2)	(1)	(13)	27,933
3	Off-balance sheet exposures	81	13,211	(451)	-	(45)	(406)	12,841
4	<b>Total</b>	<b>4,005</b>	<b>304,476</b>	<b>(3,718)</b>	<b>(312)</b>	<b>(322)</b>	<b>(3,084)</b>	<b>304,763</b>

		30 Jun 2020						
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amount of <sup>1/</sup>		of which: Allowances for Standardised Approach exposures				
S\$ million		Defaulted exposures	Non-defaulted exposures	Allowances and Impairments	of which: Specific Allowances	of which: General Allowances	of which: Allowances for IRBA exposures	Net Values <sup>2/</sup> (a + b + c)
1	Loans to customers	4,229	263,645	(3,100)	(296)	(353)	(2,451)	264,774
2	Debt securities	8	27,341	(17)	(2)	(6)	(9)	27,332
3	Off-balance sheet exposures	114	12,017	(383)	-	(49)	(334)	11,748
4	<b>Total</b>	<b>4,351</b>	<b>303,003</b>	<b>(3,500)</b>	<b>(298)</b>	<b>(408)</b>	<b>(2,794)</b>	<b>303,854</b>

<sup>1/</sup> Refers to the accounting value of the assets before any impairment allowances but after write-offs

<sup>2/</sup> Refers to total gross carrying amount less impairment allowances

## 9.2 Changes in Stock of Defaulted Loans to Customers and Debt Securities

The table below identifies the changes in defaulted loans to customers and debt securities from the previous semi-annual reporting period, including the flows between non-defaulted and defaulted categories and reductions due to write-offs.

The increase in defaulted loans and debt securities in the second half of 2020 was mainly driven by new defaulted loans that was partly offset by write-offs and upgrades.

S\$ million	(a) Amount outstanding
<b>1 Defaulted loans and debt securities as at 30 June 2020</b>	4,237
2 Loans and debt securities that have defaulted in the second half of 2020	658
3 Return to non-defaulted status	(91)
4 Amounts written-off	(365)
5 Other changes <sup>1/</sup>	(515)
<b>6 Defaulted loans and debt securities as at 31 December 2020 (1 + 2 + 3 + 4 + 5)</b>	<b>3,924</b>

<sup>1/</sup> Other changes comprise foreign exchange, increase in existing defaulted loans and recoveries

## 9.3 Additional Disclosures related to the Credit Quality of Assets

The following tables show the breakdown of credit risk exposures by geographic areas, industry and residual maturity. The reporting position of all tables in this section is as at 31 December 2020.

### Gross Loans to Customers

#### Analysed by Geography

	S\$ million
Singapore	109,826
Malaysia	27,819
Indonesia	18,833
Greater China	65,216
Other Asia Pacific	18,886
Rest of the World	26,660
<b>Total</b>	<b>267,240</b>

Distribution by geography is determined based on where the credit risk resides.

### 9.3 Additional Disclosures related to the Credit Quality of Assets (continued)

#### Gross Loans to Customers (continued)

##### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	8,483
Manufacturing	15,814
Building and construction	71,994
Housing	59,842
General commerce	28,834
Transport, storage and communication	14,340
Financial institutions, investment and holding companies	22,821
Professionals and individuals	30,659
Others	14,453
<b>Total</b>	<b>267,240</b>

#### Gross Placements with and Loans to Banks

##### Analysed by Geography

	S\$ million
Singapore	644
Malaysia	2,945
Indonesia	553
Greater China	20,895
Other Asia Pacific	1,443
Rest of the World	4,830
<b>Balances with banks</b>	<b>31,310</b>
Bank balances of life insurance fund	1,509
<b>Total</b>	<b>32,819</b>

Distribution by geography is determined based on where the credit risk resides.

#### Government Treasury Bills and Securities

##### Analysed by Geography

	S\$ million
Singapore	10,628
Malaysia	5,148
Indonesia	4,605
Greater China	5,678
Other Asia Pacific	4,906
Rest of the World	2,326
<b>Total</b>	<b>33,291</b>

Distribution by geography is determined based on where the credit risk resides.

### 9.3 Additional Disclosures related to the Credit Quality of Assets (continued)

#### Gross Debt Securities

##### Analysed by Geography

	S\$ million
Singapore	2,863
Malaysia	1,453
Indonesia	1,318
Greater China	15,431
Other Asia Pacific	4,634
Rest of the World	2,235
<b>Total</b>	<b>27,934</b>

Distribution by geography is determined based on where the credit risk resides.

##### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	529
Manufacturing	963
Building and construction	2,337
General commerce	462
Transport, storage and communication	1,687
Financial institutions, investment and holding companies	17,879
Others	4,077
<b>Total</b>	<b>27,934</b>

#### Residual Contractual Maturity of On-Balance Sheet Assets

S\$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	Total
Net loans to customers	19,291	37,177	16,593	27,836	53,112	109,529	<b>263,538</b>
Net placements with and loans to banks	7,296	1,430	5,503	14,824	2,254	#	<b>31,307</b>
Net government treasury bills and securities	353	876	2,595	9,405	10,399	9,663	<b>33,291</b>
Net debt securities	169	574	1,041	5,522	11,004	9,623	<b>27,933</b>

# represents amounts less than S\$0.5 million

### 9.3 Additional Disclosures related to the Credit Quality of Assets (continued)

#### Credit Commitments

##### Analysed by Geography

	S\$ million
Singapore	121,097
Malaysia	8,446
Indonesia	5,082
Greater China	19,140
Other Asia Pacific	2,915
Rest of the World	3,454
<b>Total</b>	<b>160,134</b>

Distribution by geography is determined based on where the transactions are recorded.

##### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	1,503
Manufacturing	8,890
Building and construction	17,065
General commerce	22,782
Transport, storage and communication	3,378
Financial institutions, investment and holding companies	48,386
Professionals and individuals	49,685
Others	8,445
<b>Total</b>	<b>160,134</b>

##### Analysed by Residual Maturity

	S\$ million
Undrawn credit facilities:	
Term to maturity of one year or less	134,540
Term to maturity of more than one year	25,594
<b>Total</b>	<b>160,134</b>

#### Contingent Liabilities

##### Analysed by Geography

	S\$ million
Singapore	8,913
Malaysia	1,114
Indonesia	1,003
Greater China	1,835
Other Asia Pacific	192
Rest of the World	235
<b>Total</b>	<b>13,292</b>

Distribution by geography is determined based on where the transactions are recorded.



### 9.3 Additional Disclosures related to the Credit Quality of Assets (continued)

#### Contingent Liabilities (continued)

##### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	56
Manufacturing	1,216
Building and construction	2,171
General commerce	7,423
Transport, storage and communication	359
Financial institutions, investment and holding companies	657
Professionals and individuals	283
Others	1,127
<b>Total</b>	<b>13,292</b>

##### Analysed by Residual Maturity

	S\$ million
Guarantees and standby letters of credit:	
Term to maturity of one year or less	4,248
Term to maturity of more than one year	2,437
	6,685
Acceptances and endorsements	845
Documentary credits and other short term trade-related transactions	5,762
<b>Total</b>	<b>13,292</b>

### 9.4 Overview of Past Due Exposure and Impairment Allowances

The following tables provide breakdown of defaulted loans to customers (Non-performing Loans) by geography, credit grade under MAS Notice 612 and industry. Loans to customers that are past due and not impaired are separately identified and disclosed. Past due loans refer to loans that are overdue by one day or more, while impaired loans are classified loans with specific allowances made.

With effect from 1 January 2018, the Group recognises allowance for Expected Credit Losses (ECL) on credit impaired and non-credit impaired exposures in accordance to SFRS(I) 9 and MAS Notice 612 with a forward looking ECL model.

For credit impaired portfolio, specific allowance is assessed individually and measured based on lifetime ECL. The amount of specific allowance for an individual credit exposure is determined by ascertaining the net present value of future cash flows that is recoverable from the borrower.

For non-credit impaired portfolio, the portfolio allowance is assessed and measured based on 12-month ECL if the credit risk of a credit exposure has not increased significantly since initial recognition. However, where there is significant increase in credit risk, the loss allowance is based on lifetime ECL.

The reporting position of all tables in this section is as at 31 December 2020.

#### 9.4 Overview of Past Due Exposure and Impairment Allowances (continued)

##### Total Loans to Customers – Credit Quality

	S\$ million
Neither past due nor impaired	261,570
Non-impaired	2,335
Impaired	2,332
Past due loans	4,667
Impaired but not past due	1,003
<b>Gross loans</b>	<b>267,240</b>
Allowances	
Impaired loans	(1,812)
Non-impaired loans	(1,890)
<b>Net loans</b>	<b>263,538</b>

##### Non-performing Loans

###### Analysed by Geography

S\$ million	Singapore	Malaysia	Indonesia	Greater China	Rest of the World	Total
Substandard	1,106	441	321	82	202	2,152
Doubtful	429	269	227	235	282	1,442
Loss	134	45	103	41	#	323
<b>Total</b>	<b>1,669</b>	<b>755</b>	<b>651</b>	<b>358</b>	<b>484</b>	<b>3,917</b>

# Represents amounts less than S\$0.5 million

Distribution by geography is determined based on where the credit risk resides.

###### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	345
Manufacturing	564
Building and construction	190
Housing	420
General commerce	572
Transport, storage and communication	1,621
Financial institutions, investment and holding companies	30
Professionals and individuals	133
Others	42
<b>Total</b>	<b>3,917</b>

#### 9.4 Overview of Past Due Exposure and Impairment Allowances (continued)

##### Non-performing Loans (continued)

##### Analysed by Period Overdue

	S\$ million
Over 180 days	1,846
Over 90 days to 180 days	244
30 days to 90 days	169
Less than 30 days	468
<b>Past due</b>	<b>2,727</b>
No overdue	1,190
<b>Total</b>	<b>3,917</b>

##### Past Due Loans

##### Analysed by Industry

	S\$ million
Agriculture, mining and quarrying	102
Manufacturing	808
Building and construction	444
General commerce	907
Transport, storage and communication	1,163
Financial institutions, investment and holding companies	149
Professionals and individuals (include housing)	953
Others	141
<b>Total</b>	<b>4,667</b>

##### Analysed by Geography

	S\$ million
Singapore	1,383
Malaysia	672
Indonesia	2,043
Greater China	346
Rest of the World	223
<b>Total</b>	<b>4,667</b>

Distribution by geography is determined based on where the credit risk resides.

#### 9.4 Overview of Past Due Exposure and Impairment Allowances (continued)

##### Impairment Allowances for Loans to Customers and Debt Securities

###### Analysed by Geography

S\$ million	Allowances for Impaired Assets			Allowances for Non-impaired Assets
	Debt Securities	Loans to Customers	Total	
Singapore	3	966	969	1,130
Malaysia	-	205	205	437
Indonesia	-	312	312	431
Greater China	-	129	129	510
Other Asia Pacific	-	45	45	107
Rest of the World	-	155	155	166
<b>Total</b>	<b>3</b>	<b>1,812</b>	<b>1,815</b>	<b>2,781</b>

Distribution by geography is determined based on where the credit risk resides.

###### Analysed by Industry

S\$ million	Allowances for Impaired Assets		
	Debt Securities	Loans to Customers	Total
Agriculture, mining and quarrying	-	72	72
Manufacturing	-	177	177
Building and construction	-	65	65
Housing	-	47	47
General commerce	-	249	249
Transport, storage and communication	-	1,110	1,110
Financial institutions, investment and holding companies	3	12	15
Professionals and individuals	-	70	70
Others	-	10	10
<b>Total</b>	<b>3</b>	<b>1,812</b>	<b>1,815</b>

#### 9.4 Overview of Past Due Exposure and Impairment Allowances (continued)

##### Impairment Allowances for Loans to Customers and Debt Securities (continued)

###### Analysed by Industry

S\$ million	Net Allowances for Impaired Assets (Credited)/Charged to Income Statement		
	Debt Securities	Loans to Customers	Total
Agriculture, mining and quarrying	-	52	52
Manufacturing	-	103	103
Building and construction	-	50	50
Housing	-	24	24
General commerce	-	465	465
Transport, storage and communication	-	392	392
Financial institutions, investment and holding companies	(#)	7	7
Professionals and individuals	-	51	51
Others	-	5	5
<b>Total</b>	<b>(#)</b>	<b>1,149</b>	<b>1,149</b>

# Represents amounts less than S\$0.5 million

##### Past Due Loans Not Impaired

These are loans to customers that are past due but not impaired as the collateral values of these loans are in excess of the principal and interest outstanding. Allowances for these loans may have been set aside.

The following table provides the ageing analysis of non-impaired past due exposures.

###### Analysed by Period Overdue

	S\$ million
<b>Past due</b>	
Less than 30 days	1,697
30 to 90 days	311
Over 90 days	327
<b>Past due but not impaired</b>	<b>2,335</b>

## 9.5 Restructured Exposures

Restructured exposures refer to exposures where the Bank has granted concessions or restructured repayment terms to borrowers who are facing difficulties in meeting original repayment schedules. They are classified in the appropriate non-performing grades and not restored to performing loan status until the borrowers have demonstrated sustained ability to meet all future obligations under the restructured terms.

The following table provides the breakdown of impaired and non-impaired restructured exposures.

<b>S\$ million</b>	<b>Impaired Exposures</b>	<b>Non-impaired Exposures</b>
<b>Credit Quality of Restructured Exposures</b>		
Substandard	1,091	57
Doubtful	587	2
Loss	31	3
<b>At 31 December 2020</b>	<b>1,709</b>	<b>62</b>

## 10. KEY APPROACHES USED FOR COMPUTATION OF RWA

Table below provides detail on key approaches used for computation of RWA.

<b>Risk Type</b>	<b>Approach for Computation of RWA</b>
<b>Credit Risk</b>	<ul style="list-style-type: none"> <li>• Advanced Internal Ratings Based (A-IRB) approach for major consumer portfolios, including residential mortgages, credit cards and auto loans as well as small business and margin lending</li> <li>• Foundation Internal Ratings Based (F-IRB) for wholesale portfolios, namely sovereign, bank, non-bank financial institution, corporate real estate (including income-producing real estate specialised lending) and general corporate</li> <li>• Supervisory slotting approach for other specialised lending portfolios, namely project finance, object finance and commodities finance</li> <li>• Any credit risk-weighted assets for securitisation exposures will be computed using the ratings-based method prescribed by MAS Notice 637</li> <li>• Standardised approach for portfolios in Bank OCBC NISP as well as selected portfolios in OCBC Wing Hang. Regulatory prescribed risk weights based on asset class and external ratings from approved credit rating agencies, where available, are used to determine regulatory capital. Approved external credit rating agencies are Standard and Poor's, Moody's and Fitch Ratings</li> </ul>
<b>Market Risk</b>	<ul style="list-style-type: none"> <li>• Standardised approach for market risk assets, where Risk Weights are specified according to the instrument category, maturity period, credit quality grade as well as other factors and applied to the corresponding notional amount as prescribed under MAS Notice 637</li> </ul>
<b>Operational Risk</b>	<ul style="list-style-type: none"> <li>• Standardised approach is used across the Group except for OCBC Wing Hang (Hong Kong and Macau) and Bank OCBC NISP, which have adopted the Basic Indicator approach</li> <li>• Operational risk-weighted assets are derived by applying specified factors or percentages to the annual gross income for the prescribed business lines in accordance with regulatory guidelines</li> </ul>

## 11. OVERVIEW OF RISK WEIGHTED ASSETS

The table below provides an overview of the Group's total RWA, broken down by the approaches with which the RWA are computed, as stipulated by MAS Notice 637. The decrease in total RWA in the fourth quarter of 2020 was primarily due to Credit RWA attributed to the migration of selected portfolios booked in OCBC Wing Hang to IRB from Standardised approach.

S\$ million		RWA		Minimal Capital Requirements <sup>1/</sup>
		Dec-20	Sep-20	Dec-20
		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
<b>1</b>	Credit Risk (excluding Counterparty Credit Risk)	173,310	179,380	17,331
<b>2</b>	Of which: Standardised Approach	33,766	50,052	3,377
<b>3</b>	Of which: Foundation Internal Ratings-Based Approach (F-IRBA)	121,113	112,001	12,111
<b>4</b>	Of which: Supervisory Slotting Approach	4,232	3,904	423
<b>5</b>	Of which: Advanced Internal Ratings-Based Approach (A-IRBA)	14,199	13,423	1,420
<b>6</b>	Credit Risk: Counterparty Credit Risk (CCR)	3,746	4,317	375
<b>7</b>	Of which: Current Exposure Method	2,867	3,136	287
<b>8</b>	Of which: Internal Models Method	-	-	-
<b>9</b>	Of which: Other CCR	47	231	5
<b>9a</b>	Of which: Central Counterparties (CCP)	832	950	83
<b>10</b>	Credit Valuation Adjustments (CVA)	4,447	5,067	446
<b>11</b>	Equity exposures under Simple Risk Weight Method	-	-	-
<b>11a</b>	Equity exposures under Internal Models Method	-	-	-
<b>12</b>	Equity investments in funds - Look Through Approach	190	146	19
<b>13</b>	Equity investments in funds - Mandate-Based Approach	139	150	14
<b>14</b>	Equity investments in funds - Fall Back Approach	11	12	1
<b>14a</b>	Equity investments in funds - Partial Use of an Approach	151	139	15
<b>15</b>	Unsettled Transactions	442	96	44
<b>16</b>	Securitisation exposures in banking book	-	-	-
<b>17</b>	Of which: SEC-IRBA	-	-	-
<b>18</b>	Of which: SEC-ERBA, including IAA	-	-	-
<b>19</b>	Of which: SEC-SA	-	-	-
<b>20</b>	Market Risk	10,955	10,437	1,095
<b>21</b>	Of which: Standardised Approach	10,955	10,437	1,095
<b>22</b>	Of which: Internal Models Approach	-	-	-
<b>23</b>	Operational Risk	15,665	15,567	1,566
<b>24</b>	Credit RWA pursuant to paragraph 6.1.3(p)(iii) <sup>2/</sup>	9,089	8,848	909
<b>25</b>	Floor Adjustment	-	-	-
<b>26</b>	<b>Total</b>	<b>218,145</b>	<b>224,159</b>	<b>21,815</b>

<sup>1/</sup> Minimum capital requirements are calculated at 10% of RWA

<sup>2/</sup> Refers to Credit RWA attributed to investments in the ordinary shares of unconsolidated major stake companies that are financial institutions, within the prescribed threshold amount in accordance with MAS Notice 637 paragraph 6.1.3 (p)(iii)



## 12. RWA FLOW STATEMENT FOR CREDIT RISK EXPOSURES

This table provides an overview of the quarter-on-quarter movement of Credit Risk RWA under IRB approach attributed to the key drivers from rows 2 to 8.

The increase in RWA during the fourth quarter of 2020 was primarily due to the adoption of IRB approach for selected portfolios booked in OCBC Wing Hang as well as Corporate loan growth.

S\$ million	(a) RWA
<b>1 RWA as at 30 September 2020 <sup>1/</sup></b>	<b>129,328</b>
2 Asset Size <sup>2/</sup>	2,612
3 Asset Quality <sup>3/</sup>	(1,084)
4 Model Updates <sup>4/</sup>	9,680
5 Methodology and Policy <sup>5/</sup>	(280)
6 Acquisitions and Disposals <sup>6/</sup>	-
7 Foreign exchange movements <sup>7/</sup>	(712)
8 Other <sup>8/</sup>	-
<b>9 RWA as at 31 December 2020 <sup>1/</sup> (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8)</b>	<b>139,544</b>

<sup>1/</sup> Refers to RWA of Credit Risk (excluding Counterparty Credit Risk) exposures under IRB Approach and Supervisory Slotting Approach

<sup>2/</sup> Refers to organic changes in book size and composition (origination of new businesses and maturing loans), excluding acquisitions and disposal of entities

<sup>3/</sup> Refers to changes in the assessed quality of the bank's assets due to changes in borrower risk, such as rating grade migration or similar effects

<sup>4/</sup> Refers to changes due to model implementation, changes in model scope, or any model enhancements

<sup>5/</sup> Refers to changes driven by methodological changes such as regulatory policy changes

<sup>6/</sup> Refers to changes in book size due to acquisition and disposal of entities or portfolios

<sup>7/</sup> Refers to changes driven by market movements such as foreign exchange movements

<sup>8/</sup> Refers to changes that cannot be attributed to any other category

### 13. CREDIT EXPOSURES UNDER STANDARDISED AND IRB APPROACH

#### 13.1 Credit Exposures under Standardised Approach and CRM effects

The following table illustrates the effects of credit risk mitigation (CRM) on the calculation of capital requirements for credit and equity exposures under the Standardised Approach.

In the second half of 2020, EAD and RWA decreased mainly due to the migration of selected portfolios under OCBC Wing Hang to IRB Approach.

		31 Dec 2020									
		(a)		(b)		(c)		(d)	(e)	(f)	
		Exposures before CCF and CRM				Exposures post-CCF and post-CRM					
S\$ million		On-Balance Sheet	Off-Balance Sheet	On-Balance Sheet	Off-Balance Sheet	On-Balance Sheet	Off-Balance Sheet	RWA		RWA Density	
<b>Asset Class</b>											
1	Cash Items	796	-	796	-	796	-	6		1%	
2	Sovereign	4,456	-	4,456	-	4,456	-	871		20%	
3	PSE	258	-	258	-	258	-	129		50%	
4	MDB	-	128	-	#	-	#	-		0%	
5	Bank	1,005	19	1,005	4	1,005	4	433		43%	
6	Corporate	11,113	9,310	10,198	1,764	10,198	1,764	11,518		96%	
7	Regulatory Retail	6,799	1,867	6,352	73	6,352	73	4,818		75%	
8	Residential Mortgage	2,641	#	2,492	-	2,492	-	904		36%	
9	Commercial Real Estate	7,114	2,116	7,079	128	7,079	128	7,207		100%	
10	Equity exposures	750	-	750	-	750	-	1,204		160%	
11	Past Due exposures	146	#	145	#	145	#	169		117%	
12	Higher risk exposures	-	-	-	-	-	-	-		NA	
13	Others <sup>1/</sup>	6,703	495	6,480	26	6,480	26	6,507		100%	
14	<b>Total</b>	<b>41,781</b>	<b>13,935</b>	<b>40,011</b>	<b>1,995</b>	<b>40,011</b>	<b>1,995</b>	<b>33,766</b>		<b>80%</b>	

  

		30 Jun 2020									
		(a)		(b)		(c)		(d)	(e)	(f)	
		Exposures before CCF and CRM				Exposures post-CCF and post-CRM					
S\$ million		On-Balance Sheet	Off-Balance Sheet	On-Balance Sheet	Off-Balance Sheet	On-Balance Sheet	Off-Balance Sheet	RWA		RWA Density	
<b>Asset Class</b>											
1	Cash Items	828	-	828	-	828	-	3		0%	
2	Sovereign	4,093	-	4,093	-	4,093	-	878		21%	
3	PSE	270	-	270	-	270	-	135		50%	
4	MDB	-	130	-	-	-	-	-		NA	
5	Bank	5,713	#	5,735	-	5,735	-	2,683		47%	
6	Corporate	16,724	10,026	16,022	2,260	16,022	2,260	17,022		93%	
7	Regulatory Retail	7,334	1,776	6,929	53	6,929	53	5,237		75%	
8	Residential Mortgage	12,588	28	12,385	-	12,385	-	4,430		36%	
9	Commercial Real Estate	12,483	2,221	12,440	263	12,440	263	12,703		100%	
10	Equity exposures	642	-	642	-	642	-	1,031		160%	
11	Past Due exposures	276	6	276	#	276	#	335		121%	
12	Higher risk exposures	-	-	-	-	-	-	-		NA	
13	Others <sup>1/</sup>	6,823	596	6,637	35	6,637	35	6,672		100%	
14	<b>Total</b>	<b>67,774</b>	<b>14,783</b>	<b>66,257</b>	<b>2,611</b>	<b>66,257</b>	<b>2,611</b>	<b>51,129</b>		<b>74%</b>	

<sup>1/</sup> Includes other exposures not included in the above asset classes, such as fixed asset

# Represents amounts of less than \$0.5 million

### 13.2 Credit Exposures under Standardised Approach by Risk Weight

The following table provides a breakdown of credit risk exposures treated under the Standardised approach by asset class and risk weight. The risk weight assigned corresponds to the level of risk attributed to each exposure.

		31 Dec 2020									
		(a)	(b)	(c)	Risk Weight		(f)	(g)	(h)	(i)	(j)
S\$ million		0%	10%	20%	35%	50%	75%	100%	150%	Others	Total EAD <sup>1/</sup>
<b>Asset Class</b>											
1	Cash Items	764	-	32	-	-	-	-	-	-	796
2	Sovereign	2,714	-	-	-	1,742	-	-	-	-	4,456
3	PSE	-	-	-	-	258	-	-	-	-	258
4	MDB	#	-	-	-	-	-	-	-	-	#
5	Bank	-	-	326	-	630	-	53	-	-	1,009
6	Corporate	-	-	50	-	808	-	11,104	-	-	11,962
7	Regulatory Retail	-	-	-	-	-	6,424	-	-	-	6,424
8	Residential Mortgage	-	-	-	2,421	-	58	13	-	-	2,492
9	Commercial Real Estate	-	-	-	-	-	-	7,207	-	-	7,207
10	Equity exposures	-	-	-	-	-	-	-	-	750	750
11	Past Due exposures	-	-	-	-	-	-	95	50	-	145
12	Higher risk exposures	-	-	-	-	-	-	-	-	-	-
13	Others <sup>2/</sup>	-	-	-	-	-	-	6,507	-	-	6,507
14	<b>Total</b>	<b>3,478</b>	<b>-</b>	<b>408</b>	<b>2,421</b>	<b>3,438</b>	<b>6,482</b>	<b>24,979</b>	<b>50</b>	<b>750</b>	<b>42,006</b>

  

		30 Jun 2020									
		(a)	(b)	(c)	Risk Weight		(f)	(g)	(h)	(i)	(j)
S\$ million		0%	10%	20%	35%	50%	75%	100%	150%	Others	Total EAD <sup>1/</sup>
<b>Asset Class</b>											
1	Cash Items	812	-	16	-	-	-	-	-	-	828
2	Sovereign	2,338	-	-	-	1,755	-	-	-	-	4,093
3	PSE	-	-	-	-	270	-	-	-	-	270
4	MDB	-	-	-	-	-	-	-	-	-	-
5	Bank	-	-	763	-	4,883	-	89	-	-	5,735
6	Corporate	-	-	54	-	2,433	-	15,795	#	-	18,282
7	Regulatory Retail	-	-	-	-	-	6,982	-	-	-	6,982
8	Residential Mortgage	-	-	-	12,172	-	171	42	-	-	12,385
9	Commercial Real Estate	-	-	-	-	-	-	12,703	-	-	12,703
10	Equity exposures	-	-	-	-	-	-	-	-	642	642
11	Past Due exposures	-	-	-	-	-	-	158	118	-	276
12	Higher risk exposures	-	-	-	-	-	-	-	-	-	-
13	Others <sup>2/</sup>	-	-	-	-	-	-	6,672	-	-	6,672
14	<b>Total</b>	<b>3,150</b>	<b>-</b>	<b>833</b>	<b>12,172</b>	<b>9,341</b>	<b>7,153</b>	<b>35,459</b>	<b>118</b>	<b>642</b>	<b>68,868</b>

<sup>1/</sup> Total EAD refers to both on and off-balance sheet amounts that are used for computing capital requirements, net of impairment allowances and write-offs and after application of CRM and CCF

<sup>2/</sup> Includes other exposures not included in the above asset classes, such as fixed asset

### 13.3 Credit Exposures under Foundation Internal Ratings-Based Approach (F-IRBA)

The following table provides the main parameters used in the treatment of exposures for the calculation of capital requirements under the F-IRBA.

The increase in EAD and RWA in the second half of 2020 was largely due to the migration of selected portfolios under OCBC Wing Hang to F-IRBA.

	31 Dec 2020											
	(a) On- Balance Sheet <sup>1/</sup> (S\$ million)	(b) Off- Balance Sheet <sup>2/</sup>	(c) Average CCF (%)	(d) EAD <sup>3/</sup> (S\$ million)	(e) Average PD <sup>4/</sup> (%)	(f) Number of Obligors <sup>5/</sup>	(g) Average LGD <sup>4/</sup> (%)	(h) Average Maturity <sup>6/</sup> (In years)	(i) RWA (S\$ million)	(j) RWA Density <sup>7/</sup> (%)	(k) Expected Losses (S\$ million)	(l) TEP <sup>8/</sup> (S\$ million)
<b>Sovereign</b>												
PD Range												
0.00 to < 0.15	44,641	2,274	7%	45,787	0.00%	29	45%	1.7	853	2%	1	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	-	-	-	-	-	-	-	-	-	NA	-	
0.50 to < 0.75	-	-	-	-	-	-	-	-	-	NA	-	
0.75 to < 2.50	5	-	-	5	1.11%	2	45%	1.0	4	81%	#	
2.50 to < 10.00	60	-	-	60	6.42%	1	57%	1.0	119	197%	2	
10.00 to < 100.00	-	#	-	-	NA	3	NA	-	-	NA	-	
100.00 (Default)	-	-	-	-	-	-	-	-	-	NA	-	
<b>Sub-total</b>	<b>44,706</b>	<b>2,274</b>	<b>7%</b>	<b>45,852</b>	<b>0.01%</b>	<b>35</b>	<b>45%</b>	<b>1.7</b>	<b>976</b>	<b>2%</b>	<b>3</b>	<b>15</b>
<b>Bank</b>												
PD Range												
0.00 to < 0.15	39,387	1,001	17%	40,204	0.05%	269	45%	1.2	6,520	16%	9	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	3,346	48	27%	4,804	0.37%	22	45%	0.8	2,817	59%	8	
0.50 to < 0.75	2,857	124	1%	3,123	0.54%	22	45%	0.9	2,302	74%	8	
0.75 to < 2.50	747	33	8%	749	1.80%	18	45%	0.8	879	117%	6	
2.50 to < 10.00	59	5	48%	61	6.42%	19	43%	0.3	102	166%	2	
10.00 to < 100.00	3	7	26%	4	12.05%	45	39%	0.9	9	192%	#	
100.00 (Default)	#	-	0%	#	100.00%	1	45%	1.0	-	0%	#	
<b>Sub-total</b>	<b>46,399</b>	<b>1,218</b>	<b>16%</b>	<b>48,945</b>	<b>0.15%</b>	<b>396</b>	<b>45%</b>	<b>1.2</b>	<b>12,629</b>	<b>26%</b>	<b>33</b>	<b>198</b>
<b>Corporate</b>												
PD Range												
0.00 to < 0.15	41,934	30,590	24%	49,288	0.10%	775	44%	2.3	14,581	30%	22	
0.15 to < 0.25	3	#	10%	2	0.18%	5	38%	4.4	1	52%	#	
0.25 to < 0.50	17,960	17,688	29%	23,011	0.37%	541	43%	2.2	13,629	59%	37	
0.50 to < 0.75	12,387	14,287	21%	15,284	0.54%	547	43%	2.1	10,506	69%	35	
0.75 to < 2.50	14,841	18,750	13%	16,049	1.44%	1,049	42%	2.1	15,698	98%	98	
2.50 to < 10.00	6,372	2,725	22%	6,546	4.38%	489	41%	2.1	8,685	133%	118	
10.00 to < 100.00	476	2,788	1%	449	13.84%	346	41%	2.0	893	199%	26	
100.00 (Default)	2,910	61	29%	2,880	100.00%	138	44%	1.8	-	0%	1,256	
<b>Sub-total</b>	<b>96,883</b>	<b>86,889</b>	<b>22%</b>	<b>113,509</b>	<b>3.24%</b>	<b>3,890</b>	<b>43%</b>	<b>2.2</b>	<b>63,993</b>	<b>56%</b>	<b>1,592</b>	<b>2,939</b>

**13.3 Credit Exposures under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)**

31 Dec 2020												
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (\$ million)	TEP <sup>8/</sup> (\$ million)
<b>Corporate (IPRE)</b>	(\$ million)											
<b>PD Range</b>												
0.00 to < 0.15	1,961	84	49%	2,004	0.14%	12	45%	1.6	604	30%	1	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	5,285	795	54%	5,713	0.37%	33	45%	2.3	3,534	62%	10	
0.50 to < 0.75	8,753	1,372	71%	9,700	0.54%	82	45%	2.7	7,670	79%	24	
0.75 to < 2.50	17,778	3,344	61%	19,771	1.34%	290	45%	2.2	20,273	103%	119	
2.50 to < 10.00	2,892	823	24%	3,063	3.96%	136	45%	2.1	4,359	142%	54	
10.00 to < 100.00	138	10	75%	143	11.10%	13	45%	1.7	289	202%	7	
100.00 (Default)	61	-	0%	61	100.00%	5	45%	1.7	-	0%	27	
<b>Sub-total</b>	<b>36,868</b>	<b>6,428</b>	<b>57%</b>	<b>40,455</b>	<b>1.33%</b>	<b>571</b>	<b>45%</b>	<b>2.3</b>	<b>36,729</b>	<b>91%</b>	<b>242</b>	<b>602</b>
<b>Corporate Small Business</b>												
<b>PD Range</b>												
0.00 to < 0.15	493	319	8%	577	0.12%	316	44%	2.2	167	29%	#	
0.15 to < 0.25	571	220	12%	527	0.16%	819	39%	3.9	202	38%	#	
0.25 to < 0.50	316	431	12%	335	0.36%	270	39%	3.3	175	52%	#	
0.50 to < 0.75	801	721	14%	874	0.54%	489	36%	1.7	424	48%	2	
0.75 to < 2.50	3,374	2,616	10%	3,355	1.44%	1,227	38%	2.4	2,537	76%	18	
2.50 to < 10.00	2,487	1,329	12%	2,521	4.40%	818	38%	2.3	2,551	101%	42	
10.00 to < 100.00	514	238	7%	506	13.29%	486	37%	2.7	730	144%	25	
100.00 (Default)	958	19	59%	969	100.00%	145	43%	1.6	-	0%	419	
<b>Sub-total</b>	<b>9,514</b>	<b>5,893</b>	<b>11%</b>	<b>9,664</b>	<b>12.45%</b>	<b>4,570</b>	<b>39%</b>	<b>2.3</b>	<b>6,786</b>	<b>70%</b>	<b>506</b>	<b>748</b>
<b>Total (all portfolios)</b>	<b>234,370</b>	<b>102,702</b>	<b>23%</b>	<b>258,426</b>	<b>2.13%</b>	<b>9,462</b>	<b>44%</b>	<b>1.9</b>	<b>121,113</b>	<b>47%</b>	<b>2,376</b>	<b>4,502</b>

**13.3 Credit Exposures under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)**

	30 Jun 2020											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (S\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (S\$ million)	TEP <sup>8/</sup> (S\$ million)
<b>Sovereign</b>	(S\$ million)											
PD Range												
0.00 to < 0.15	38,453	434	100%	39,165	0.00%	20	45%	1.7	862	2%	1	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	-	-	-	-	-	-	-	-	-	NA	-	
0.50 to < 0.75	-	-	-	-	-	-	-	-	-	NA	-	
0.75 to < 2.50	16	-	-	16	1.11%	1	45%	1.0	13	81%	#	
2.50 to < 10.00	60	-	-	60	6.42%	1	53%	1.0	108	181%	2	
10.00 to < 100.00	-	200	-	-	NA	2	NA	-	-	NA	-	
100.00 (Default)	-	-	-	-	-	-	-	-	-	NA	-	
<b>Sub-total</b>	<b>38,529</b>	<b>634</b>	<b>68%</b>	<b>39,241</b>	<b>0.02%</b>	<b>24</b>	<b>45%</b>	<b>1.7</b>	<b>983</b>	<b>3%</b>	<b>3</b>	<b>14</b>
<b>Bank</b>												
PD Range												
0.00 to < 0.15	36,601	2,593	10%	40,071	0.05%	270	45%	1.0	6,022	15%	10	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	2,056	33	7%	2,059	0.37%	21	45%	0.6	1,126	55%	3	
0.50 to < 0.75	2,958	125	1%	3,004	0.54%	22	45%	0.8	2,157	72%	7	
0.75 to < 2.50	1,232	69	15%	1,242	1.85%	20	45%	0.9	1,488	120%	11	
2.50 to < 10.00	99	17	29%	104	4.70%	20	44%	0.7	146	139%	2	
10.00 to < 100.00	113	23	21%	88	11.10%	50	45%	0.3	187	213%	4	
100.00 (Default)	#	-	0%	#	100.00%	1	45%	1.0	-	0%	#	
<b>Sub-total</b>	<b>43,059</b>	<b>2,860</b>	<b>10%</b>	<b>46,568</b>	<b>0.18%</b>	<b>404</b>	<b>45%</b>	<b>1.0</b>	<b>11,126</b>	<b>24%</b>	<b>37</b>	<b>155</b>
<b>Corporate</b>												
PD Range												
0.00 to < 0.15	38,272	32,528	19%	44,743	0.10%	868	44%	2.4	13,270	30%	20	
0.15 to < 0.25	2	#	10%	2	0.19%	6	37%	4.6	1	53%	#	
0.25 to < 0.50	17,468	19,433	21%	21,289	0.37%	516	43%	2.1	12,270	58%	34	
0.50 to < 0.75	10,187	13,662	23%	12,946	0.54%	533	42%	2.4	9,319	72%	30	
0.75 to < 2.50	12,782	14,405	17%	13,764	1.44%	876	43%	1.9	13,374	97%	85	
2.50 to < 10.00	4,724	2,036	23%	4,721	5.16%	289	43%	2.1	7,044	149%	104	
10.00 to < 100.00	819	1,226	2%	811	12.55%	344	43%	2.3	1,677	207%	43	
100.00 (Default)	2,851	93	35%	2,884	100.00%	176	43%	2.0	-	0%	1,253	
<b>Sub-total</b>	<b>87,105</b>	<b>83,383</b>	<b>20%</b>	<b>101,160</b>	<b>3.58%</b>	<b>3,608</b>	<b>43%</b>	<b>2.2</b>	<b>56,955</b>	<b>56%</b>	<b>1,569</b>	<b>2,603</b>

**13.3 Credit Exposures under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)**

	30 Jun 2020											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (\$ million)	TEP <sup>8/</sup> (\$ million)
<b>Corporate (IPRE)</b>	(S\$ million)											
<b>PD Range</b>												
0.00 to < 0.15	2,341	96	44%	2,383	0.14%	10	45%	1.8	741	31%	1	
0.15 to < 0.25	-	-	-	-	-	-	-	-	-	NA	-	
0.25 to < 0.50	5,836	795	61%	6,319	0.37%	41	45%	2.4	3,990	63%	11	
0.50 to < 0.75	9,458	1,467	72%	10,475	0.54%	93	45%	2.5	8,056	77%	25	
0.75 to < 2.50	14,995	2,724	54%	16,440	1.33%	286	45%	2.4	17,332	105%	98	
2.50 to < 10.00	3,057	1,064	43%	3,505	3.79%	137	45%	2.6	5,132	146%	59	
10.00 to < 100.00	32	4	18%	32	11.10%	9	45%	4.1	75	232%	2	
100.00 (Default)	46	#	50%	46	100.00%	4	45%	2.1	-	0%	21	
<b>Sub-total</b>	<b>35,765</b>	<b>6,150</b>	<b>57%</b>	<b>39,200</b>	<b>1.23%</b>	<b>580</b>	<b>45%</b>	<b>2.4</b>	<b>35,326</b>	<b>90%</b>	<b>217</b>	<b>503</b>
<b>Corporate Small Business</b>												
<b>PD Range</b>												
0.00 to < 0.15	679	549	12%	747	0.11%	411	39%	3.3	224	30%	#	
0.15 to < 0.25	566	190	10%	534	0.16%	845	39%	4.0	206	39%	#	
0.25 to < 0.50	410	453	11%	412	0.36%	283	40%	2.6	200	49%	1	
0.50 to < 0.75	1,034	931	12%	1,095	0.54%	531	37%	1.7	532	49%	2	
0.75 to < 2.50	2,792	2,385	11%	2,825	1.40%	1,104	38%	2.5	2,195	78%	15	
2.50 to < 10.00	1,859	1,310	11%	1,912	4.72%	647	39%	2.2	2,008	105%	34	
10.00 to < 100.00	407	234	14%	428	13.52%	488	34%	2.2	564	132%	21	
100.00 (Default)	1,148	25	65%	1,164	100.00%	151	43%	1.6	-	0%	504	
<b>Sub-total</b>	<b>8,895</b>	<b>6,077</b>	<b>12%</b>	<b>9,117</b>	<b>14.93%</b>	<b>4,460</b>	<b>39%</b>	<b>2.4</b>	<b>5,929</b>	<b>65%</b>	<b>577</b>	<b>862</b>
<b>Total (all portfolios)</b>	<b>213,353</b>	<b>99,104</b>	<b>22%</b>	<b>235,286</b>	<b>2.36%</b>	<b>9,076</b>	<b>44%</b>	<b>1.9</b>	<b>110,319</b>	<b>47%</b>	<b>2,403</b>	<b>4,137</b>

- <sup>1/</sup> On-balance sheet refers to the amount of the on-balance sheet exposure gross of impairment allowances (before taking into account the effect of CRM)
- <sup>2/</sup> Off-balance sheet refers to the exposure value without taking into account valuation adjustments and impairment allowances, CCFs and the effect of CRM
- <sup>3/</sup> EAD refers to the amount relevant for the capital requirements calculation, after taking into account the effect of CCFs and CRM
- <sup>4/</sup> Refers to the PD and LGD associated with each obligor grade, weighted by EAD
- <sup>5/</sup> Number of obligors refers to the number of counterparties
- <sup>6/</sup> Refers to the effective maturity of the exposures to the obligor in years, weighted by EAD
- <sup>7/</sup> Total RWA divided by the exposures post-CCF and post-CRM
- <sup>8/</sup> Refers to the total eligible provisions attributed to the respective portfolios
- # Represents amounts of less than \$0.5 million

### 13.4 Credit Exposures under Advanced Internal Ratings-Based Approach (A-IRBA)

The following table provides the main parameters used in the treatment of exposures for the calculation of capital requirements under the A-IRBA.

The increase in EAD and RWA in the second half of 2020 was largely due to the migration of selected portfolios under OCBC Wing Hang to A-IRBA.

	31 Dec 2020											
	(a) On-Balance Sheet <sup>1/</sup> (S\$ million)	(b) Off-Balance Sheet <sup>2/</sup>	(c) Average CCF (%)	(d) EAD <sup>3/</sup> (S\$ million)	(e) Average PD <sup>4/</sup> (%)	(f) Number of Obligors <sup>5/</sup>	(g) Average LGD <sup>4/</sup> (%)	(h) Average Maturity <sup>6/</sup> (In years)	(i) RWA (S\$ million)	(j) RWA Density <sup>7/</sup> (%)	(k) Expected Losses (S\$ million)	(l) TEP <sup>8/</sup> (S\$ million)
<b>Residential Mortgage</b>												
PD Range												
0.00 to < 0.15	4,145	601	68%	4,553	0.09%	14,176	10%		110	2%	#	
0.15 to < 0.25	16,200	1,154	74%	17,059	0.16%	44,278	10%		629	4%	3	
0.25 to < 0.50	12,290	1,054	67%	12,998	0.25%	44,350	10%		680	5%	3	
0.50 to < 0.75	15,592	900	68%	16,200	0.50%	51,702	11%		1,406	9%	9	
0.75 to < 2.50	8,896	677	77%	9,414	1.13%	36,209	11%		1,417	15%	11	
2.50 to < 10.00	2,768	172	78%	2,902	3.80%	8,640	11%		898	31%	12	
10.00 to < 100.00	992	39	95%	1,030	24.62%	7,268	13%		708	69%	32	
100.00 (Default)	446	5	0%	446	100.00%	2,580	15%		291	65%	71	
<b>Sub-total</b>	<b>61,329</b>	<b>4,602</b>	<b>71%</b>	<b>64,602</b>	<b>1.64%</b>	<b>209,203</b>	<b>10%</b>		<b>6,139</b>	<b>10%</b>	<b>141</b>	<b>166</b>
<b>Qualifying Revolving Retail</b>												
PD Range												
0.00 to < 0.15	729	5,897	43%	3,262	0.06%	544,394	80%		104	3%	2	
0.15 to < 0.25	54	1,455	47%	734	0.16%	144,518	80%		55	7%	1	
0.25 to < 0.50	166	673	43%	456	0.29%	74,197	80%		56	12%	1	
0.50 to < 0.75	269	864	44%	650	0.57%	99,359	78%		133	20%	3	
0.75 to < 2.50	247	537	54%	536	1.44%	79,243	81%		231	43%	6	
2.50 to < 10.00	255	234	59%	394	5.00%	58,266	82%		405	103%	16	
10.00 to < 100.00	97	78	67%	149	23.32%	21,127	83%		329	220%	29	
100.00 (Default)	17	-	0%	17	100.00%	2,577	83%		-	0%	17	
<b>Sub-total</b>	<b>1,834</b>	<b>9,738</b>	<b>45%</b>	<b>6,198</b>	<b>1.42%</b>	<b>1,023,681</b>	<b>80%</b>		<b>1,313</b>	<b>21%</b>	<b>75</b>	<b>38</b>
<b>Retail Small Business</b>												
PD Range												
0.00 to < 0.15	303	259	58%	452	0.10%	4,852	26%		31	7%	#	
0.15 to < 0.25	1,568	518	50%	1,830	0.17%	9,054	30%		215	12%	1	
0.25 to < 0.50	289	27	56%	304	0.35%	1,102	30%		56	19%	#	
0.50 to < 0.75	632	80	57%	678	0.50%	4,360	38%		196	29%	1	
0.75 to < 2.50	1,467	82	61%	1,517	1.19%	7,774	32%		538	35%	6	
2.50 to < 10.00	643	38	71%	670	4.61%	5,590	40%		405	60%	12	
10.00 to < 100.00	352	15	86%	364	33.14%	2,664	43%		334	92%	50	
100.00 (Default)	100	4	0%	100	100.00%	1,194	45%		137	137%	37	
<b>Sub-total</b>	<b>5,354</b>	<b>1,023</b>	<b>55%</b>	<b>5,915</b>	<b>4.69%</b>	<b>36,590</b>	<b>33%</b>		<b>1,912</b>	<b>32%</b>	<b>107</b>	<b>67</b>



**13.4 Credit Exposures under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)**

	31 Dec 2020											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (S\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (S\$ million)	TEP <sup>8/</sup> (S\$ million)
	(S\$ million)											
<b>Other Retail</b>												
PD Range												
0.00 to < 0.15	708	2,325	99%	3,018	0.05%	16,411	5%		31	1%	#	
0.15 to < 0.25	3,432	1,446	95%	4,799	0.19%	33,085	9%		183	4%	1	
0.25 to < 0.50	240	24	52%	253	0.30%	3,776	15%		21	8%	#	
0.50 to < 0.75	3,365	970	99%	4,325	0.50%	7,777	9%		289	7%	2	
0.75 to < 2.50	7,365	1,968	99%	9,320	1.47%	5,130	8%		948	10%	12	
2.50 to < 10.00	3,729	992	100%	4,721	4.99%	1,724	8%		593	13%	19	
10.00 to < 100.00	6,408	1,017	100%	7,424	14.05%	1,553	9%		1,314	18%	90	
100.00 (Default)	44	#	35%	44	100.00%	149	29%		18	42%	15	
<b>Sub-total</b>	<b>25,291</b>	<b>8,742</b>	<b>99%</b>	<b>33,904</b>	<b>4.40%</b>	<b>69,605</b>	<b>8%</b>		<b>3,397</b>	<b>10%</b>	<b>139</b>	<b>67</b>
<b>Corporate</b>												
PD Range												
0.00 to < 0.15	127	507	99%	628	0.05%	390	1%	1.0	2	0%	#	
0.15 to < 0.25	471	238	100%	709	0.20%	384	5%	1.0	28	4%	#	
0.25 to < 0.50	-	-	-	-	-	-	-	-	-	NA	-	
0.50 to < 0.75	667	188	100%	855	0.50%	158	5%	1.0	56	7%	#	
0.75 to < 2.50	1,054	228	100%	1,283	1.54%	194	8%	1.0	195	15%	1	
2.50 to < 10.00	1,259	194	100%	1,453	5.00%	76	7%	1.1	326	22%	5	
10.00 to < 100.00	1,672	436	100%	2,108	11.85%	218	9%	1.0	831	39%	22	
100.00 (Default)	#	#	100%	#	100.00%	1	51%	1.0	-	0%	#	
<b>Sub-total</b>	<b>5,250</b>	<b>1,791</b>	<b>100%</b>	<b>7,036</b>	<b>4.95%</b>	<b>1,421</b>	<b>7%</b>	<b>1.0</b>	<b>1,438</b>	<b>20%</b>	<b>28</b>	<b>23</b>
<b>Total (all portfolios)</b>	<b>99,058</b>	<b>25,896</b>	<b>72%</b>	<b>117,655</b>	<b>2.78%</b>	<b>1,340,500</b>	<b>14%</b>		<b>14,199</b>	<b>12%</b>	<b>490</b>	<b>361</b>

**13.4 Credit Exposures under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)**

	30 Jun 2020											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (S\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (S\$ million)	TEP <sup>8/</sup> (S\$ million)
<b>Residential Mortgage</b>	(S\$ million)											
<b>PD Range</b>												
0.00 to < 0.15	3,200	636	68%	3,635	0.09%	12,537	10%		86	2%	#	
0.15 to < 0.25	13,460	924	74%	14,139	0.15%	36,839	10%		496	4%	2	
0.25 to < 0.50	12,443	898	63%	13,011	0.25%	44,940	10%		682	5%	3	
0.50 to < 0.75	13,301	635	68%	13,729	0.50%	45,737	10%		1,190	9%	7	
0.75 to < 2.50	6,574	603	77%	7,036	1.01%	30,707	11%		993	14%	8	
2.50 to < 10.00	2,348	143	91%	2,477	3.62%	7,906	11%		745	30%	10	
10.00 to < 100.00	892	10	80%	900	22.68%	6,470	12%		595	66%	24	
100.00 (Default)	432	4	0%	432	100.00%	2,381	15%		263	61%	67	
<b>Sub-total</b>	<b>52,650</b>	<b>3,853</b>	<b>70%</b>	<b>55,359</b>	<b>1.67%</b>	<b>187,517</b>	<b>10%</b>		<b>5,050</b>	<b>9%</b>	<b>121</b>	<b>136</b>
<b>Qualifying Revolving Retail</b>												
<b>PD Range</b>												
0.00 to < 0.15	626	6,198	44%	3,326	0.06%	570,582	80%		106	3%	2	
0.15 to < 0.25	52	1,576	49%	822	0.16%	160,768	80%		62	8%	1	
0.25 to < 0.50	182	725	44%	500	0.29%	83,228	81%		63	13%	1	
0.50 to < 0.75	283	874	44%	667	0.58%	102,100	78%		138	21%	3	
0.75 to < 2.50	251	570	56%	571	1.42%	82,168	82%		246	43%	7	
2.50 to < 10.00	265	251	62%	421	5.09%	59,595	83%		444	105%	18	
10.00 to < 100.00	80	71	69%	129	23.05%	16,206	84%		282	218%	25	
100.00 (Default)	26	-	0%	26	100.00%	3,669	82%		#	0%	26	
<b>Sub-total</b>	<b>1,765</b>	<b>10,265</b>	<b>46%</b>	<b>6,462</b>	<b>1.46%</b>	<b>1,078,316</b>	<b>80%</b>		<b>1,341</b>	<b>21%</b>	<b>83</b>	<b>45</b>
<b>Retail Small Business</b>												
<b>PD Range</b>												
0.00 to < 0.15	268	280	57%	429	0.10%	2,426	27%		30	7%	#	
0.15 to < 0.25	1,531	498	49%	1,775	0.17%	6,219	32%		216	12%	2	
0.25 to < 0.50	365	32	55%	382	0.35%	1,291	31%		73	19%	#	
0.50 to < 0.75	555	60	61%	592	0.50%	3,035	43%		193	33%	1	
0.75 to < 2.50	1,139	81	61%	1,188	1.18%	6,213	39%		518	44%	5	
2.50 to < 10.00	525	29	70%	546	4.77%	4,883	40%		332	61%	10	
10.00 to < 100.00	307	16	84%	320	33.28%	2,460	43%		301	94%	44	
100.00 (Default)	103	5	3%	103	100.00%	1,147	50%		121	118%	43	
<b>Sub-total</b>	<b>4,793</b>	<b>1,001</b>	<b>54%</b>	<b>5,335</b>	<b>4.82%</b>	<b>27,674</b>	<b>36%</b>		<b>1,784</b>	<b>33%</b>	<b>105</b>	<b>68</b>

**13.4 Credit Exposures under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)**

	30 Jun 2020											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Average CCF (%)	EAD <sup>3/</sup> (\$ million)	Average PD <sup>4/</sup> (%)	Number of Obligors <sup>5/</sup>	Average LGD <sup>4/</sup> (%)	Average Maturity <sup>6/</sup> (In years)	RWA (\$ million)	RWA Density <sup>7/</sup> (%)	Expected Losses (\$ million)	TEP <sup>8/</sup> (\$ million)
	(\$ million)											
<b>Other Retail</b>												
PD Range												
0.00 to < 0.15	476	2,715	99%	3,174	0.05%	3,000	3%		15	0%	#	
0.15 to < 0.25	3,130	1,660	95%	4,713	0.19%	24,626	9%		171	4%	1	
0.25 to < 0.50	244	21	46%	254	0.30%	3,960	15%		21	8%	#	
0.50 to < 0.75	3,168	991	99%	4,149	0.50%	3,645	8%		268	6%	2	
0.75 to < 2.50	7,656	1,971	99%	9,614	1.52%	3,852	8%		994	10%	12	
2.50 to < 10.00	3,522	1,000	100%	4,521	4.99%	1,394	9%		609	13%	19	
10.00 to < 100.00	6,452	1,616	100%	8,069	13.28%	1,283	10%		1,561	19%	106	
100.00 (Default)	44	1	0%	44	100.00%	165	30%		65	147%	10	
<b>Sub-total</b>	<b>24,692</b>	<b>9,975</b>	<b>99%</b>	<b>34,538</b>	<b>4.40%</b>	<b>41,925</b>	<b>8%</b>		<b>3,704</b>	<b>11%</b>	<b>150</b>	<b>62</b>
<b>Corporate</b>												
PD Range												
0.00 to < 0.15	133	462	99%	591	0.05%	374	1%	1.0	2	0%	#	
0.15 to < 0.25	455	281	99%	732	0.20%	380	6%	1.0	31	4%	#	
0.25 to < 0.50	-	-	-	-	-	-	-	-	-	NA	-	
0.50 to < 0.75	554	315	100%	869	0.50%	151	8%	1.0	85	10%	#	
0.75 to < 2.50	1,414	445	99%	1,856	1.52%	206	8%	1.0	289	16%	2	
2.50 to < 10.00	1,020	144	100%	1,164	5.00%	70	7%	1.0	251	22%	4	
10.00 to < 100.00	1,703	397	100%	2,101	12.42%	286	11%	1.0	1,060	50%	30	
100.00 (Default)	#	-	0%	#	100.00%	1	51%	1.0	-	0%	#	
<b>Sub-total</b>	<b>5,279</b>	<b>2,044</b>	<b>100%</b>	<b>7,313</b>	<b>4.83%</b>	<b>1,468</b>	<b>8%</b>	<b>1.0</b>	<b>1,718</b>	<b>23%</b>	<b>36</b>	<b>24</b>
<b>Total (all portfolios)</b>	<b>89,179</b>	<b>27,138</b>	<b>73%</b>	<b>109,007</b>	<b>2.89%</b>	<b>1,336,900</b>	<b>15%</b>		<b>13,597</b>	<b>12%</b>	<b>495</b>	<b>335</b>

- <sup>1/</sup> On-balance sheet refers to the amount of the on-balance sheet exposure gross of impairment allowances (before taking into account the effect of CRM)
- <sup>2/</sup> Off-balance sheet refers to the exposure value without taking into account valuation adjustments and impairment allowances, CCFs and the effect of CRM
- <sup>3/</sup> EAD refers to the amount relevant for the capital requirements calculation, after taking into account the effects of CCFs and CRM
- <sup>4/</sup> Refers to the PD and LGD associated with each obligor grade, weighted by EAD
- <sup>5/</sup> Number of obligors refers to the number of accounts, except for Retail Small Business which refers to the number of counterparties
- <sup>6/</sup> Refers to the effective maturity of the exposures to the obligor in years and is not applicable for portfolios under the IRB treatment of Retail asset classes
- <sup>7/</sup> Total RWA divided by the exposures post-CCF and post-CRM
- <sup>8/</sup> Refers to the total eligible provisions attributed to the respective portfolios
- # Represents amounts of less than \$0.5 million

### 13.5 Overview of Credit Risk Mitigation Techniques

The table below provides an overview of the Group's usage of Credit Risk Mitigation (CRM) techniques for on-balance sheet exposures to Loans to Customers and Debt Securities, categorised by status followed by form of instrument.

The increase in secured exposures in the second half of 2020 was mainly due to higher recognized collateral from selected portfolios booked in OCBC Wing Hang which migrated to IRB from Standardised approach.

		31 Dec 2020				
		(a)	(b)	(c)	(d)	(e)
S\$ million		Exposures unsecured	Exposures secured <sup>1/</sup>	Exposures secured by Collateral	Exposures secured by Financial Guarantees	Exposures secured by Credit Derivatives <sup>2/</sup>
1	Loans to customers	135,356	128,633	117,245	3,321	-
2	Debt Securities	27,691	242	-	242	-
3	<b>Total</b>	<b>163,047</b>	<b>128,875</b>	<b>117,245</b>	<b>3,563</b>	-
4	Of which: Defaulted	1,134	981	671	47	-

		30 Jun 2020				
		(a)	(b)	(c)	(d)	(e)
S\$ million		Exposures unsecured	Exposures secured <sup>1/</sup>	Exposures secured by Collateral	Exposures secured by Financial Guarantees	Exposures secured by Credit Derivatives <sup>2/</sup>
1	Loans to customers	149,989	114,785	102,987	3,471	-
2	Debt Securities	27,057	275	-	275	-
3	<b>Total</b>	<b>177,046</b>	<b>115,060</b>	<b>102,987</b>	<b>3,746</b>	-
4	Of which: Defaulted	1,360	1,040	635	-	-

<sup>1/</sup> Refers to carrying amount of exposures (net of impairment allowances) which have at least one credit risk mitigation mechanism, collateral or financial guarantees associated with them

<sup>2/</sup> Not applicable since the Group does not recognise credit derivatives as a form of CRM instrument for exposures

### 13.6 Effect on RWA of Credit Derivatives used as CRM

The Group does not recognise credit derivatives as a credit risk mitigant for exposures under F-IRBA or A-IRBA.

## 14. BACKTESTING OF PD FOR PORTFOLIOS UNDER IRB APPROACH

### 14.1 Backtesting of PD for Portfolios under Foundation Internal Ratings-Based Approach (F-IRBA)

The following table provides the information used to validate the reliability of PD used in the calculation of capital requirements. It compares the PD under F-IRBA with the average of the annual observed default rate of the Group's obligors. The increase in number of obligors for 2020 was mainly due to migration of selected portfolios booked in OCBC Wing Hang to F-IRBA.

(a)	(b)	(c)			31 Dec 2020		(f)		(g)	(h)	(i)
		External Ratings			(d)	(e)	Number of Obligors		Defaulted Obligors	Of which: New Defaulted Obligors <sup>3/</sup>	Historical Annual Default Rate <sup>4/</sup> (%)
		S&P	Fitch	Moody's	PD <sup>1/</sup> (%)	Arithmetic PD of Obligors <sup>2/</sup> (%)	Dec-19	Dec-20			
<b>Sovereign</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.00%	0.03%	34	44	-	-	-
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	NA	NA	-	-	-	-	-
	0.50 to < 0.75	BB+	BB+	Ba1	NA	NA	-	-	-	-	-
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.11%	1.11%	1	2	-	-	-
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	6.42%	6.42%	2	2	-	-	-
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	NA	11.10%	2	1	-	-	-
<b>Total</b>					<b>0.01%</b>	<b>0.95%</b>	<b>39</b>	<b>49</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bank</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.05%	0.06%	277	268	-	-	-
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	19	23	-	-	-
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	23	26	-	-	-
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.84%	1.51%	28	18	-	-	-
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	6.17%	5.80%	26	20	-	-	-
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	11.10%	11.10%	43	45	-	-	-
<b>Total</b>					<b>0.16%</b>	<b>1.70%</b>	<b>416</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Corporate</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.09%	0.11%	992	811	7	1	0.09%
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.19%	0.18%	6	5	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	533	552	2	-	0.07%
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	578	555	4	-	0.21%
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.42%	1.43%	822	1,069	10	1	0.51%
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	5.27%	4.62%	240	490	7	-	2.60%
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	13.14%	11.22%	383	369	3	-	1.81%
<b>Total</b>					<b>0.60%</b>	<b>2.03%</b>	<b>3,554</b>	<b>3,851</b>	<b>33</b>	<b>2</b>	<b>0.65%</b>

### 14.1 Backtesting of PD for Portfolios under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)

(a)	(b)	31 Dec 2020			(d)	(e)	(f)		(g)	(h)	(i)
		External Ratings					Number of Obligor				
	S&P	Fitch	Moody's	PD <sup>1/</sup> (%)	Arithmetic PD of Obligor <sup>2/</sup> (%)	Dec- 19	Dec- 20	Defaulted Obligor	Of which: New Defaulted Obligor <sup>3/</sup>	Historical Annual Default Rate <sup>4/</sup> (%)	
<b>Corporate IPRE</b>											
PD Range											
0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.14%	0.13%	16	12	-	-	-	
0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	-	
0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	40	34	-	-	-	
0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	97	82	-	-	-	
0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.35%	1.44%	276	291	-	-	0.16%	
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	4.14%	4.40%	126	136	-	-	0.29%	
10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	11.23%	11.95%	11	13	-	-	4.19%	
<b>Total</b>				<b>1.10%</b>	<b>2.04%</b>	<b>566</b>	<b>568</b>	<b>-</b>	<b>-</b>	<b>0.25%</b>	
<b>Corporate Small Business</b>											
PD Range											
0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.11%	0.12%	454	318	-	-	0.04%	
0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.16%	0.17%	803	819	-	-	0.08%	
0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.36%	293	272	1	-	0.09%	
0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.52%	590	492	-	-	0.09%	
0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.44%	1.47%	1,059	1,236	2	-	0.36%	
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	4.41%	4.38%	634	820	4	-	1.19%	
10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	13.10%	22.88%	499	495	17	-	2.87%	
<b>Total</b>				<b>2.28%</b>	<b>3.78%</b>	<b>4,332</b>	<b>4,452</b>	<b>24</b>	<b>-</b>	<b>0.59%</b>	

### 14.1 Backtesting of PD for Portfolios under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)

31 Dec 2019											
(a)	(b)	(c) External Ratings			(d)	(e)	(f) Number of Obligor		(g)	(h)	(i)
		S&P	Fitch	Moody's	PD <sup>1/</sup> (%)	Arithmetic PD of Obligor <sup>2/</sup> (%)	Dec- 18	Dec- 19	Defaulted Obligor	Of which: New Defaulted Obligor <sup>3/</sup>	Historical Annual Default Rate <sup>4/</sup> (%)
<b>Sovereign</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.01%	0.02%	36	34	-	-	-
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	NA	NA	-	-	-	-	-
	0.50 to < 0.75	BB+	BB+	Ba1	NA	NA	-	-	-	-	-
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.90%	1.90%	1	1	-	-	-
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	6.42%	6.42%	1	2	-	-	-
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	NA	11.10%	1	2	-	-	-
<b>Total</b>					<b>0.02%</b>	<b>0.52%</b>	<b>39</b>	<b>39</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bank</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.05%	0.06%	254	277	-	-	-
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	23	19	-	-	-
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	19	23	-	-	-
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.85%	1.62%	28	28	-	-	-
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	6.29%	5.88%	30	26	-	-	-
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	11.10%	11.10%	38	43	-	-	-
<b>Total</b>					<b>0.17%</b>	<b>1.73%</b>	<b>392</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Corporate</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.10%	0.10%	953	992	1	-	0.01%
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.15%	0.15%	4	6	-	-	-
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	594	533	-	-	0.03%
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	568	578	1	-	0.14%
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.46%	1.44%	818	822	2	-	0.42%
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	4.97%	4.59%	251	240	4	-	2.56%
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	15.01%	11.15%	355	383	4	-	1.96%
<b>Total</b>					<b>0.65%</b>	<b>1.95%</b>	<b>3,543</b>	<b>3,554</b>	<b>12</b>	<b>-</b>	<b>0.62%</b>

### 14.1 Backtesting of PD for Portfolios under Foundation Internal Ratings-Based Approach (F-IRBA) (continued)

(a)	(b)	31 Dec 2019									
		(c) External Ratings			(d)	(e)	(f) Number of Obligors		(g)	(h)	(i)
		S&P	Fitch	Moody's	PD <sup>1/</sup> (%)	Arithmetic PD of Obligors <sup>2/</sup> (%)	Dec- 18	Dec- 19 <sup>5/</sup>	Defaulted Obligors	Of which: New Defaulted Obligors <sup>3/</sup>	Historical Annual Default Rate <sup>4/</sup> (%)
<b>Corporate IPRE</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.14%	0.13%	15	16	-	-	
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	NA	NA	-	-	-	-	
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.37%	44	40	-	-	
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.54%	85	97	-	-	
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.36%	1.42%	256	276	2	-	
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	3.68%	4.32%	150	126	-	-	
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	12.19%	12.53%	13	11	2	-	
<b>Total</b>					<b>1.11%</b>	<b>2.20%</b>	<b>563</b>	<b>566</b>	<b>4</b>	<b>-</b>	<b>0.40%</b>
<b>Corporate Small Business</b>											
PD Range											
	0.00 to < 0.15	AAA to BBB	AAA to BBB	Aaa to Baa2	0.13%	0.12%	449	454	1	-	0.03%
	0.15 to < 0.25	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.16%	0.17%	822	803	1	-	0.07%
	0.25 to < 0.50	BBB- to BB+	BBB- to BB+	Baa3 to Ba1	0.37%	0.36%	306	293	-	-	0.03%
	0.50 to < 0.75	BB+	BB+	Ba1	0.54%	0.53%	579	590	1	-	0.08%
	0.75 to < 2.50	BB+ to B+	BB+ to B+	Ba1 to B1	1.44%	1.53%	6,786	1,059	6	-	0.07%
	2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	4.69%	4.46%	653	634	5	-	1.25%
	10.00 to < 100.00	B- to C-	B- to C-	B3 to C3	12.63%	14.02%	385	499	10	1	2.36%
<b>Total</b>					<b>2.42%</b>	<b>1.93%</b>	<b>9,980</b>	<b>4,332</b>	<b>24</b>	<b>1</b>	<b>0.23%</b>

<sup>1/</sup> Refers to PD associated with each obligor grade, weighted by EAD

<sup>2/</sup> Arithmetic mean of PDs by the number of obligors within the PD range

<sup>3/</sup> New defaulted obligors refer to the number of obligors that defaulted during the last 12-month period that were not funded at the end of the previous annual reporting period

<sup>4/</sup> Refers to the average of the annual observed default rate (ODR) over a minimum of the last five years. For Sovereign, ODR was based on three years as the model adoption and migration to F-IRBA took place in Q4 2017



## 14.2 Backtesting of PD for Portfolios under Advanced Internal Ratings-Based Approach (A-IRBA)

The following table provides the information used to validate the reliability of PD used in the calculation of capital requirements. It compares the PD under A-IRBA with the average of the annual observed default rate of the Group's obligors. The increase in number of obligors for 2020 was mainly due to migration of selected portfolios booked in OCBC Wing Hang to A-IRBA.

(a)	(b)	31 Dec 2020									
		(c) External Ratings <sup>1/</sup>			(d)	(e)	(f) Number of Obligor		(g)	(h)	(i)
		S&P	Fitch	Moody's	PD <sup>2/</sup> (%)	Arithmetic PD of Obligor <sup>3/</sup> (%)	Dec-19	Dec-20	Defaulted Obligor	Of which: New Defaulted Obligor <sup>4/</sup>	Historical Annual Default Rate <sup>5/</sup> (%)
<b>Residential Mortgage</b>											
PD Range											
				0.09%	0.08%	12,465	14,176	5	-	0.07%	
				0.15%	0.15%	36,619	44,278	27	-	0.09%	
				0.25%	0.25%	44,592	44,350	75	-	0.20%	
				0.50%	0.50%	46,327	51,702	128	-	0.33%	
				1.01%	1.10%	31,430	36,209	177	-	0.74%	
				3.74%	4.17%	8,286	8,640	120	2	2.13%	
				23.03%	25.11%	6,245	7,268	803	-	19.25%	
<b>Total</b>				<b>0.91%</b>	<b>1.44%</b>	<b>185,964</b>	<b>206,623</b>	<b>1,335</b>	<b>2</b>	<b>1.10%</b>	
<b>Qualifying Revolving Retail</b>											
PD Range											
				0.06%	0.06%	549,233	544,394	381	1	0.08%	
				0.17%	0.16%	168,654	144,518	149	5	0.14%	
				0.30%	0.30%	85,035	74,197	245	1	0.29%	
				0.58%	0.58%	103,082	99,359	501	-	0.57%	
				1.36%	1.35%	95,130	79,243	1,014	27	1.27%	
				5.16%	5.10%	65,473	58,266	2,393	75	4.27%	
				23.09%	22.91%	22,650	21,127	3,278	9	19.21%	
<b>Total</b>				<b>1.24%</b>	<b>1.03%</b>	<b>1,089,257</b>	<b>1,021,104</b>	<b>7,961</b>	<b>118</b>	<b>0.97%</b>	
<b>Retail Small Business</b>											
PD Range											
				0.10%	0.10%	2,510	4,852	6	-	0.07%	
				0.17%	0.17%	5,929	9,054	10	-	0.27%	
				0.35%	0.35%	1,160	1,102	3	-	0.39%	
				0.50%	0.50%	3,128	4,360	15	-	0.30%	
				1.17%	1.20%	5,687	7,774	45	2	0.86%	
				4.39%	4.96%	5,177	5,590	114	2	2.77%	
				31.66%	28.91%	2,496	2,713	345	-	18.27%	
<b>Total</b>				<b>2.90%</b>	<b>4.14%</b>	<b>26,087</b>	<b>35,445</b>	<b>538</b>	<b>4</b>	<b>2.44%</b>	

## 14.2 Backtesting of PD for Portfolios under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)

(a)	(b)	(c)			(d)		(e)		(f)		(g)	(h)	(i)
		External Ratings <sup>1/</sup>			PD <sup>2/</sup> (%)	Arithmetic PD of Obligors <sup>3/</sup> (%)	Number of Obligors		Defaulted Obligors	Of which: New Defaulted Obligors <sup>4/</sup>	Historical Annual Default Rate <sup>5/</sup> (%)		
		S&P	Fitch	Moody's			Dec-19	Dec-20					
<b>Other Retail</b>													
PD Range													
	0.00 to < 0.15				0.05%	0.05%	2,832	16,411	3	-	-	0.13%	
	0.15 to < 0.25				0.19%	0.16%	25,550	33,085	19	-	-	0.12%	
	0.25 to < 0.50				0.30%	0.29%	3,875	3,776	6	-	-	0.18%	
	0.50 to < 0.75				0.50%	0.51%	3,830	7,777	8	-	-	0.40%	
	0.75 to < 2.50				1.48%	1.25%	3,944	5,130	11	-	-	0.54%	
	2.50 to < 10.00				4.99%	4.86%	1,374	1,724	15	-	-	1.59%	
	10.00 to < 100.00				12.16%	14.43%	1,141	1,553	41	-	-	9.78%	
<b>Total</b>					<b>4.25%</b>	<b>0.83%</b>	<b>42,546</b>	<b>69,456</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>0.49%</b>	
<b>Corporate</b>													
PD Range													
	0.00 to < 0.15				0.05%	0.05%	353	396	-	-	-	-	
	0.15 to < 0.25				0.20%	0.20%	363	399	-	-	-	-	
	0.25 to < 0.50				NA	NA	-	-	-	-	-	-	
	0.50 to < 0.75				0.50%	0.50%	151	172	-	-	-	-	
	0.75 to < 2.50				1.40%	1.39%	214	204	-	-	-	-	
	2.50 to < 10.00				5.00%	5.00%	88	85	-	-	-	-	
	10.00 to < 100.00				12.69%	11.14%	193	229	1	-	-	0.17%	
<b>Total</b>					<b>5.01%</b>	<b>2.24%</b>	<b>1,362</b>	<b>1,485</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>0.02%</b>	

## 14.2 Backtesting of PD for Portfolios under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)

31 Dec 2019											
(a)	(b)	(c) External Ratings <sup>1/</sup>			(d) PD <sup>2/</sup> (%)	(e) Arithmetic PD of Obligor <sup>3/</sup> (%)	(f) Number of Obligor		(g) Defaulted Obligor	(h) Of which: New Defaulted Obligor <sup>4/</sup>	(i) Historical Annual Default Rate <sup>5/</sup> (%)
		S&P	Fitch	Moody's			Dec-18	Dec-19			
<b>Residential Mortgage</b>											
PD Range											
	0.00 to < 0.15				0.09%	0.08%	11,687	12,465	9	-	0.07%
	0.15 to < 0.25				0.15%	0.15%	36,695	36,619	27	-	0.10%
	0.25 to < 0.50				0.25%	0.25%	43,828	44,592	78	-	0.20%
	0.50 to < 0.75				0.50%	0.50%	47,632	46,327	153	-	0.34%
	0.75 to < 2.50				1.02%	1.12%	33,802	31,430	235	2	0.77%
	2.50 to < 10.00				3.58%	3.98%	11,297	8,286	244	1	2.23%
	10.00 to < 100.00				22.90%	23.40%	6,503	6,245	1,254	2	20.16%
<b>Total</b>					<b>1.00%</b>	<b>1.44%</b>	<b>191,444</b>	<b>185,964</b>	<b>2,000</b>	<b>5</b>	<b>1.16%</b>
<b>Qualifying Revolving Retail</b>											
PD Range											
	0.00 to < 0.15				0.06%	0.06%	525,466	549,233	302	1	0.08%
	0.15 to < 0.25				0.17%	0.16%	141,311	168,654	121	5	0.14%
	0.25 to < 0.50				0.30%	0.30%	94,302	85,035	293	2	0.29%
	0.50 to < 0.75				0.59%	0.59%	101,420	103,082	477	1	0.59%
	0.75 to < 2.50				1.42%	1.42%	87,267	95,130	994	70	1.31%
	2.50 to < 10.00				5.13%	5.07%	63,435	65,473	2,496	119	4.38%
	10.00 to < 100.00				22.51%	22.58%	22,570	22,650	3,793	69	19.89%
<b>Total</b>					<b>1.28%</b>	<b>1.06%</b>	<b>1,035,771</b>	<b>1,089,257</b>	<b>8,476</b>	<b>267</b>	<b>1.01%</b>
<b>Retail Small Business</b>											
PD Range											
	0.00 to < 0.15				0.10%	0.10%	2,613	2,510	4	-	0.04%
	0.15 to < 0.25				0.17%	0.18%	5,947	5,929	8	-	0.28%
	0.25 to < 0.50				0.35%	0.35%	1,118	1,160	5	-	0.41%
	0.50 to < 0.75				0.50%	0.50%	3,094	3,128	4	-	0.27%
	0.75 to < 2.50				1.14%	1.30%	7,540	5,687	55	4	0.88%
	2.50 to < 10.00				4.45%	5.01%	5,948	5,177	137	5	2.85%
	10.00 to < 100.00				29.07%	27.40%	2,742	2,496	412	-	18.91%
<b>Total</b>					<b>2.91%</b>	<b>4.07%</b>	<b>29,002</b>	<b>26,087</b>	<b>625</b>	<b>9</b>	<b>2.50%</b>

## 14.2 Backtesting of PD for Portfolios under Advanced Internal Ratings-Based Approach (A-IRBA) (continued)

(a)	(b)	(c)			(d)	(e)	(f)		(g)	(h)	(i)
		External Ratings <sup>1/</sup>					Number of Obligor				
		S&P	Fitch	Moody's	PD <sup>2/</sup> (%)	Arithmetic PD of Obligor <sup>3/</sup> (%)	Dec-18	Dec-19	Defaulted Obligor	Of which: New Defaulted Obligor <sup>4/</sup>	Historical Annual Default Rate <sup>5/</sup> (%)
<b>Other Retail</b>											
PD Range											
	0.00 to < 0.15				0.05%	0.05%	2,563	2,832	1	-	0.14%
	0.15 to < 0.25				0.19%	0.16%	25,144	25,550	15	2	0.13%
	0.25 to < 0.50				0.31%	0.29%	4,132	3,875	3	-	0.18%
	0.50 to < 0.75				0.50%	0.52%	4,066	3,830	16	-	0.42%
	0.75 to < 2.50				1.47%	1.26%	4,208	3,944	15	-	0.58%
	2.50 to < 10.00				5.00%	4.91%	1,698	1,374	22	-	1.66%
	10.00 to < 100.00				13.63%	13.86%	1,605	1,141	78	-	10.66%
<b>Total</b>					<b>5.21%</b>	<b>1.00%</b>	<b>43,416</b>	<b>42,546</b>	<b>150</b>	<b>2</b>	<b>0.52%</b>
<b>Corporate</b>											
PD Range											
	0.00 to < 0.15				0.05%	0.05%	348	353	-	-	-
	0.15 to < 0.25				0.20%	0.20%	370	363	-	-	-
	0.25 to < 0.50				NA	NA	-	-	-	-	-
	0.50 to < 0.75				0.50%	0.50%	149	151	-	-	-
	0.75 to < 2.50				1.49%	1.38%	203	214	-	-	-
	2.50 to < 10.00				5.00%	5.00%	113	88	-	-	-
	10.00 to < 100.00				12.09%	11.33%	323	193	-	-	-
<b>Total</b>					<b>5.60%</b>	<b>3.10%</b>	<b>1,506</b>	<b>1,362</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1/</sup> Not applicable for A-IRBA Retail and Corporate asset classes

<sup>2/</sup> Refers to PD associated with each obligor grade, weighted by EAD

<sup>3/</sup> Arithmetic mean of PDs by the number of obligors within the PD range

<sup>4/</sup> New defaulted obligors refer to the number of obligors that defaulted during the last 12-month period that were not funded at the end of the previous annual reporting period

<sup>5/</sup> Refers to the average of the annual observed default rate (ODR) over a minimum of the last five years

## 15. SPECIALISED LENDING UNDER SUPERVISORY SLOTTING CRITERIA

Exposures treated under the Supervisory Slotting Criteria include loans to customers for Project Financing (PF), Object Financing (OF) and Commodity Financing (CF). Income Producing Real Estate (IPRE) exposures are reported under F-IRBA.

		31 Dec 2020								
Specialised Lending Portfolio (S\$ million)		EAD <sup>3/</sup>								
Regulatory Categories	Remaining Maturities	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Risk Weight (%)	PF	OF	CF	Total	RWA	Expected Losses
Strong	Less than 2.5 years	-	-	50%	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	70%	-	-	-	-	-	-
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-	-	-	-
Satisfactory		2,206	1,712	115%	2,710	303	118	3,131	3,816	88
Weak		157	-	250%	157	-	-	157	416	13
Default		53	-	-	29	78	34	141	-	70
<b>Total</b>		<b>2,416</b>	<b>1,712</b>		<b>2,896</b>	<b>381</b>	<b>152</b>	<b>3,429</b>	<b>4,232</b>	<b>171</b>

		30 Jun 2020								
Specialised Lending Portfolio (S\$ million)		EAD <sup>3/</sup>								
Regulatory Categories	Remaining Maturities	On-Balance Sheet <sup>1/</sup>	Off-Balance Sheet <sup>2/</sup>	Risk Weight (%)	PF	OF	CF	Total	RWA	Expected Losses
Strong	Less than 2.5 years	-	-	50%	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	70%	-	-	-	-	-	-
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-	-	-	-
Satisfactory		2,223	1,518	115%	2,604	339	100	3,043	3,710	85
Weak		-	-	250%	-	-	-	-	-	-
Default		105	-	-	31	82	81	194	-	97
<b>Total</b>		<b>2,328</b>	<b>1,518</b>		<b>2,635</b>	<b>421</b>	<b>181</b>	<b>3,237</b>	<b>3,710</b>	<b>182</b>

<sup>1/</sup> On-balance sheet refers to the amount of the on-balance sheet exposure net of impairment allowances and write-offs (after taking into account the effect of CRM)

<sup>2/</sup> Off-balance sheet refers to the exposure value without taking into account the effects of CCFs and CRM

<sup>3/</sup> EAD refers to the amount relevant for capital requirements calculated by taking into account the effects of CCFs and CRM

## 16. COUNTERPARTY CREDIT RISK

### 16.1 Counterparty Credit Risk Exposures by Approach

Counterparty credit risk (CCR) is the risk of a counterparty defaulting before the final settlement of the transaction, which generally represents uncertain exposures that can vary over time with the movement of underlying market factors such as those in over-the-counter (OTC) derivatives.

The Group currently treats CCR under the Current Exposure Method (CEM), with regulatory prescribed add-on that represents the potential future exposure in addition to the net replacement cost of the OTC derivatives.

The table below provides an overview of the CCR for OTC derivatives and Securities Financing Transactions (SFTs).

		31 Dec 2020					
		(a)	(b)	(c)	(d)	(e)	(f)
Counterparty Credit Risk Exposure by Approach		Replacement Cost	Potential Future Exposure	Effective EPE	Alpha factor ( $\alpha$ )	EAD <sup>1/</sup>	RWA
(S\$ million)							
1	CEM (For derivatives)	9,131	8,045			8,610	2,867
2	CCR Internal models method (For derivatives and SFTs)			-		-	-
3	FC(SA) for SFTs					-	-
4	FC(CA) for SFTs					5,699	47
5	VaR for SFTs					-	-
6	<b>Total</b>						<b>2,914</b>

  

		30 Jun 2020					
		(a)	(b)	(c)	(d)	(e)	(f)
Counterparty Credit Risk Exposure by Approach		Replacement Cost	Potential Future Exposure	Effective EPE	Alpha factor ( $\alpha$ )	EAD <sup>1/</sup>	RWA
(S\$ million)							
1	CEM (For derivatives)	6,705	9,089			8,539	3,192
2	CCR Internal models method (For derivatives and SFTs)			-		-	-
3	FC(SA) for SFTs					-	-
4	FC(CA) for SFTs					6,356	103
5	VaR for SFTs					-	-
6	<b>Total</b>						<b>3,295</b>

<sup>1/</sup> EAD refers to the amount relevant for capital requirements calculation, after taking into account the effects of CRM

## 16.2 CVA Risk Capital Charge

The Credit Valuation Adjustment (CVA) is made to the mark-to-market valuation of OTC derivatives as calculated under the Standardised approach for the Group.

<b>31 Dec 2020</b>		
S\$ million	<b>(a)</b> EAD <sup>1/</sup>	<b>(b)</b> RWA
<b>Credit Valuation Adjustments (CVA) Risk Capital Requirements</b>		
Total portfolios subject to Advanced CVA capital requirement	-	-
<b>1</b> (i) VaR component (including the three-times multiplier)	-	-
<b>2</b> (ii) Stressed VaR component (including the three-times multiplier)	-	-
<b>3</b> All portfolios subject to Standardised CVA capital requirement	7,667	4,447
<b>4 Total portfolios subject to the CVA risk capital requirement</b>	<b>7,667</b>	<b>4,447</b>

<b>30 Jun 2020</b>		
S\$ million	<b>(a)</b> EAD <sup>1/</sup>	<b>(b)</b> RWA
<b>Credit Valuation Adjustments (CVA) Risk Capital Requirements</b>		
Total portfolios subject to Advanced CVA capital requirement	-	-
<b>1</b> (i) VaR component (including the three-times multiplier)	-	-
<b>2</b> (ii) Stressed VaR component (including the three-times multiplier)	-	-
<b>3</b> All portfolios subject to Standardised CVA capital requirement	7,603	5,555
<b>4 Total portfolios subject to the CVA risk capital requirement</b>	<b>7,603</b>	<b>5,555</b>

<sup>1/</sup> EAD refers to the amount relevant for capital requirements calculation, after taking into account the effects of CRM

### 16.3 Exposures to Central Counterparties

The table below provides an overview of the Group's exposures to Central Clearing Counterparties (CCPs), including all types of exposures due to operations, margins, contributions to default funds and related capital requirements.

All derivative exposures to CCPs are currently treated under the Current Exposure Method (CEM), with regulatory prescribed add-on in addition to the net replacement cost of the derivatives.

		<b>31 Dec 2020</b>	
S\$ million		<b>(a)</b> EAD	<b>(b)</b> RWA
<b>1</b>	<b>Total exposures to qualifying CCPs</b>		<b>820</b>
<b>2</b>	Exposures to qualifying CCPs	7,381	315
<b>3</b>	arising from: OTC derivative transactions;	7,379	315
<b>4</b>	arising from: Exchange-traded derivative transactions;	2	#
<b>5</b>	arising from: SFTs; and	-	-
<b>6</b>	arising from: Netting sets <sup>1/</sup>	-	-
<b>7</b>	Segregated collateral <sup>2/</sup>	85	
<b>8</b>	Non-segregated collateral	1,859	505
<b>9</b>	Pre-funded default fund contributions	7	#
<b>10</b>	Unfunded default fund contributions	-	-
<b>11</b>	<b>Total exposures to non-qualifying CCPs</b>		<b>12</b>
<b>12</b>	Exposures to non-qualifying CCPs	1	1
<b>13</b>	arising from: OTC derivative transactions;	-	-
<b>14</b>	arising from: Exchange-traded derivative transactions;	1	1
<b>15</b>	arising from: SFTs; and	-	-
<b>16</b>	arising from: Netting sets <sup>1/</sup>	-	-
<b>17</b>	Segregated collateral <sup>2/</sup>	-	
<b>18</b>	Non-segregated collateral	11	11
<b>19</b>	Pre-funded default fund contributions	-	-
<b>20</b>	Unfunded default fund contributions	-	-



**16.3 Exposures to Central Counterparties (continued)**

		<b>30 Jun 2020</b>	
S\$ million		<b>(a)</b>	<b>(b)</b>
		EAD	RWA
<b>1</b>	<b>Total exposures to qualifying CCPs</b>		<b>792</b>
<b>2</b>	Exposures to qualifying CCPs	8,457	359
<b>3</b>	arising from: OTC derivative transactions;	8,453	359
<b>4</b>	arising from: Exchange-traded derivative transactions;	4	#
<b>5</b>	arising from: SFTs; and	-	-
<b>6</b>	arising from: Netting sets <sup>1/</sup>	-	-
<b>7</b>	Segregated collateral <sup>2/</sup>	115	
<b>8</b>	Non-segregated collateral	2,164	433
<b>9</b>	Pre-funded default fund contributions	7	#
<b>10</b>	Unfunded default fund contributions	-	-
<b>11</b>	<b>Total exposures to non-qualifying CCPs</b>		<b>12</b>
<b>12</b>	Exposures to non-qualifying CCPs	1	1
<b>13</b>	arising from: OTC derivative transactions;	-	-
<b>14</b>	arising from: Exchange-traded derivative transactions;	1	1
<b>15</b>	arising from: SFTs; and	-	-
<b>16</b>	arising from: Netting sets <sup>1/</sup>	-	-
<b>17</b>	Segregated collateral <sup>2/</sup>	-	
<b>18</b>	Non-segregated collateral	11	11
<b>19</b>	Pre-funded default fund contributions	-	-
<b>20</b>	Unfunded default fund contributions	-	-

<sup>1/</sup> Refers to netting assets where cross-product netting has been approved

<sup>2/</sup> Refers to collateral which is held in a bankruptcy remote manner

# Represents amounts of less than \$0.5 million

#### 16.4 Counterparty Credit Risk Exposures under Standardised Approach by Risk Weight

The table below represents the risk weights used in the calculation of capital for the Group's portfolio, which are subjected to the CCR requirements under the Standardised Approach by asset classes.

S\$ million	31 Dec 2020								Total EAD <sup>1/</sup>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
	Risk Weight								
	0%	10%	20%	50%	75%	100%	150%	Others	
<b>Asset Class</b>									
Sovereign	2,347	-	-	-	-	-	-	-	2,347
PSE	-	-	-	-	-	-	-	-	-
MDB	-	-	-	-	-	-	-	-	-
Bank	-	-	46	-	-	-	-	-	46
Corporate	-	-	#	-	-	79	-	-	79
Regulatory Retail	-	-	-	-	-	-	-	-	-
Others <sup>2/</sup>	-	-	-	-	-	37	-	-	37
<b>Total</b>	<b>2,347</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>-</b>	<b>116</b>	<b>-</b>	<b>-</b>	<b>2,509</b>

S\$ million	30 Jun 2020								Total EAD <sup>1/</sup>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
	Risk Weight								
	0%	10%	20%	50%	75%	100%	150%	Others	
<b>Asset Class</b>									
Sovereign	388	-	-	-	-	-	-	-	388
PSE	-	-	-	-	-	-	-	-	-
MDB	-	-	-	-	-	-	-	-	-
Bank	-	-	98	16	-	2	-	-	116
Corporate	-	-	#	-	-	127	-	-	127
Regulatory Retail	-	-	-	-	-	-	-	-	-
Others <sup>2/</sup>	-	-	-	-	-	60	-	-	60
<b>Total</b>	<b>388</b>	<b>-</b>	<b>98</b>	<b>16</b>	<b>-</b>	<b>189</b>	<b>-</b>	<b>-</b>	<b>691</b>

<sup>1/</sup> EAD refers to the amount relevant for capital requirement calculation, after taking into account the effects of CRM

<sup>2/</sup> Includes other exposures not included in the above asset classes

# Represents amounts of less than \$0.5 million

### 16.5 Counterparty Credit Risk Exposures under Foundation Internal Ratings-Based Approach (F-IRBA)

The table below represents the parameters used in the calculation of capital for the Group's portfolio, which are subjected to the CCR requirements under the F-IRBA by asset classes.

	31 Dec 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Sovereign</b>							
PD Range							
0.00 to < 0.15	2,327	0.00%	5	43%	0.2	#	0%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	-	-	-	-	-	-	NA
0.50 to < 0.75	-	-	-	-	-	-	NA
0.75 to < 2.50	-	-	-	-	-	-	NA
2.50 to < 10.00	-	-	-	-	-	-	NA
10.00 to < 100.00	-	-	-	-	-	-	NA
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>2,327</b>	<b>0.00%</b>	<b>5</b>	<b>43%</b>	<b>0.2</b>	<b>#</b>	<b>0%</b>
<b>Bank</b>							
PD Range							
0.00 to < 0.15	4,759	0.04%	129	30%	0.7	406	9%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	182	0.37%	7	34%	0.4	74	41%
0.50 to < 0.75	274	0.54%	12	45%	0.7	192	70%
0.75 to < 2.50	-	-	-	-	-	-	NA
2.50 to < 10.00	#	3.20%	1	45%	0.1	1	131%
10.00 to < 100.00	-	-	-	-	-	-	NA
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>5,215</b>	<b>0.08%</b>	<b>149</b>	<b>31%</b>	<b>0.7</b>	<b>673</b>	<b>13%</b>
<b>Corporate</b>							
PD Range							
0.00 to < 0.15	1,917	0.09%	150	37%	2.0	489	26%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	362	0.37%	82	44%	2.7	257	71%
0.50 to < 0.75	116	0.54%	72	45%	2.5	90	78%
0.75 to < 2.50	320	1.48%	122	34%	1.9	275	86%
2.50 to < 10.00	100	5.81%	37	45%	1.8	158	159%
10.00 to < 100.00	#	11.10%	26	45%	0.1	#	184%
100.00 (Default)	32	100.00%	3	45%	3.7	-	0%
<b>Sub-total</b>	<b>2,847</b>	<b>1.63%</b>	<b>492</b>	<b>39%</b>	<b>2.1</b>	<b>1,269</b>	<b>45%</b>

**16.5 Counterparty Credit Risk Exposures under Foundation Internal Ratings-Based Approach (F-IRBA)**  
 (continued)

	31 Dec 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Corporate (IPRE)</b>							
PD Range							
0.00 to < 0.15	17	0.14%	4	45%	1.4	5	28%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	75	0.37%	12	45%	2.8	50	67%
0.50 to < 0.75	108	0.54%	20	45%	3.0	90	83%
0.75 to < 2.50	123	1.25%	40	45%	2.1	122	99%
2.50 to < 10.00	3	3.20%	1	45%	1.2	5	148%
10.00 to < 100.00	-	-	-	-	-	-	NA
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>326</b>	<b>0.77%</b>	<b>77</b>	<b>45%</b>	<b>2.5</b>	<b>272</b>	<b>83%</b>
<b>Corporate Small Business</b>							
PD Range							
0.00 to < 0.15	1	0.14%	22	45%	0.2	#	15%
0.15 to < 0.25	#	0.15%	11	45%	0.2	#	16%
0.25 to < 0.50	1	0.37%	19	45%	0.3	#	34%
0.50 to < 0.75	12	0.54%	18	45%	0.2	8	60%
0.75 to < 2.50	2	1.31%	57	45%	3.0	2	91%
2.50 to < 10.00	3	3.64%	28	45%	2.0	3	120%
10.00 to < 100.00	#	16.57%	12	45%	0.2	#	143%
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>19</b>	<b>1.13%</b>	<b>167</b>	<b>45%</b>	<b>0.8</b>	<b>13</b>	<b>70%</b>
<b>Total (all portfolios)</b>	<b>10,734</b>	<b>0.50%</b>	<b>890</b>	<b>36%</b>	<b>1.0</b>	<b>2,227</b>	<b>21%</b>

**16.5 Counterparty Credit Risk Exposures under Foundation Internal Ratings-Based Approach (F-IRBA)**  
 (continued)

	30 Jun 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Sovereign</b>							
PD Range							
0.00 to < 0.15	4,620	0.00%	6	23%	0.1	#	0%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	-	-	-	-	-	-	NA
0.50 to < 0.75	-	-	-	-	-	-	NA
0.75 to < 2.50	-	-	-	-	-	-	NA
2.50 to < 10.00	-	-	-	-	-	-	NA
10.00 to < 100.00	-	-	-	-	-	-	NA
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>4,620</b>	<b>0.00%</b>	<b>6</b>	<b>23%</b>	<b>0.1</b>	<b>#</b>	<b>0%</b>
<b>Bank</b>							
PD Range							
0.00 to < 0.15	4,017	0.04%	132	34%	0.8	389	10%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	75	0.37%	5	42%	0.7	41	54%
0.50 to < 0.75	272	0.54%	9	45%	0.6	182	67%
0.75 to < 2.50	3	1.90%	4	25%	0.3	1	49%
2.50 to < 10.00	#	3.20%	1	45%	0.0	#	106%
10.00 to < 100.00	3	11.10%	5	45%	0.6	6	202%
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>4,370</b>	<b>0.09%</b>	<b>156</b>	<b>35%</b>	<b>0.7</b>	<b>619</b>	<b>14%</b>
<b>Corporate</b>							
PD Range							
0.00 to < 0.15	2,581	0.10%	171	36%	1.7	613	24%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	255	0.37%	78	45%	2.1	171	67%
0.50 to < 0.75	216	0.54%	82	37%	2.9	158	73%
0.75 to < 2.50	384	1.28%	103	19%	1.0	171	44%
2.50 to < 10.00	200	4.07%	22	45%	3.1	311	155%
10.00 to < 100.00	2	11.10%	34	45%	1.7	5	217%
100.00 (Default)	42	100.00%	2	45%	4.2	-	0%
<b>Sub-total</b>	<b>3,680</b>	<b>1.63%</b>	<b>492</b>	<b>36%</b>	<b>1.8</b>	<b>1,429</b>	<b>39%</b>

**16.5 Counterparty Credit Risk Exposures under Foundation Internal Ratings-Based Approach (F-IRBA)**  
 (continued)

	30 Jun 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Corporate (IPRE)</b>							
PD Range							
0.00 to < 0.15	28	0.14%	4	45%	1.6	8	30%
0.15 to < 0.25	-	-	-	-	-	-	NA
0.25 to < 0.50	97	0.37%	15	45%	3.2	69	72%
0.50 to < 0.75	129	0.54%	23	45%	3.2	111	85%
0.75 to < 2.50	84	1.28%	39	45%	2.3	86	103%
2.50 to < 10.00	5	3.20%	2	45%	1.7	7	155%
10.00 to < 100.00	-	-	-	-	-	-	NA
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>343</b>	<b>0.68%</b>	<b>83</b>	<b>45%</b>	<b>2.8</b>	<b>281</b>	<b>82%</b>
<b>Corporate Small Business</b>							
PD Range							
0.00 to < 0.15	26	0.10%	27	45%	4.8	11	44%
0.15 to < 0.25	#	0.18%	8	45%	0.2	#	17%
0.25 to < 0.50	#	0.37%	10	45%	0.2	#	32%
0.50 to < 0.75	36	0.54%	32	45%	0.2	22	59%
0.75 to < 2.50	2	1.39%	57	45%	1.9	2	86%
2.50 to < 10.00	2	3.31%	15	45%	2.3	2	110%
10.00 to < 100.00	#	32.37%	18	45%	0.4	#	130%
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>66</b>	<b>0.50%</b>	<b>167</b>	<b>45%</b>	<b>2.1</b>	<b>37</b>	<b>56%</b>
<b>Total (all portfolios)</b>	<b>13,079</b>	<b>0.51%</b>	<b>904</b>	<b>31%</b>	<b>0.9</b>	<b>2,366</b>	<b>18%</b>

<sup>1/</sup> EAD refers to the amount relevant for capital requirements calculation, after taking into account the effects of CRM

<sup>2/</sup> Refers to the PD and LGD associated with each obligor grade, weighted by EAD

<sup>3/</sup> Number of obligors refers to the number of counterparties

<sup>4/</sup> Refers to the effective maturity of the exposures to the obligor in years, weighted by EAD

<sup>5/</sup> Total RWA divided by the exposures post-CRM

# Represents amounts of less than \$0.5 million

## 16.6 Counterparty Credit Risk Exposures under Advanced Internal Ratings-Based Approach (A-IRBA)

The table below represents the parameters used in the calculation of capital for the Group's portfolio, which are subjected to the CCR requirements under the A-IRBA by asset classes.

There was no CCR exposure within the other prescribed asset classes (Sovereign, Banks and Corporate Small Business) under A-IRBA as at 31 December 2020.

	31 Dec 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Corporate</b>							
PD Range							
0.00 to < 0.15	13	0.05%	49	2%	0.9	#	0%
0.15 to < 0.25	32	0.20%	69	4%	0.6	1	3%
0.25 to < 0.50	-	-	-	-	-	-	NA
0.50 to < 0.75	5	0.50%	35	5%	1.5	#	9%
0.75 to < 2.50	9	1.65%	55	3%	1.4	1	7%
2.50 to < 10.00	15	5.00%	26	7%	1.3	4	23%
10.00 to < 100.00	33	11.31%	91	18%	3.5	29	91%
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>107</b>	<b>4.41%</b>	<b>325</b>	<b>9%</b>	<b>1.7</b>	<b>35</b>	<b>33%</b>
<b>Total (all portfolios)</b>	<b>107</b>	<b>4.41%</b>	<b>325</b>	<b>9%</b>	<b>1.7</b>	<b>35</b>	<b>33%</b>
	30 Jun 2020						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	EAD <sup>1/</sup> (S\$ million)	Average PD <sup>2/</sup> (%)	Number of Obligors <sup>3/</sup>	Average LGD <sup>2/</sup> (%)	Average Maturity <sup>4/</sup> (In years)	RWA (S\$ million)	RWA Density <sup>5/</sup> (%)
<b>Corporate</b>							
PD Range							
0.00 to < 0.15	7	0.05%	47	1%	0.9	#	0%
0.15 to < 0.25	8	0.20%	69	3%	0.7	#	2%
0.25 to < 0.50	-	-	-	-	-	-	NA
0.50 to < 0.75	21	0.50%	45	4%	0.7	1	5%
0.75 to < 2.50	16	1.39%	47	8%	2.0	3	21%
2.50 to < 10.00	5	5.00%	23	5%	0.5	1	15%
10.00 to < 100.00	43	15.85%	96	18%	3.0	42	97%
100.00 (Default)	-	-	-	-	-	-	NA
<b>Sub-total</b>	<b>100</b>	<b>7.43%</b>	<b>327</b>	<b>10%</b>	<b>1.9</b>	<b>47</b>	<b>47%</b>
<b>Total (all portfolios)</b>	<b>100</b>	<b>7.43%</b>	<b>327</b>	<b>10%</b>	<b>1.9</b>	<b>47</b>	<b>47%</b>

<sup>1/</sup> EAD refers to the amount relevant for capital requirements calculation, after taking into account the effects of CRM

<sup>2/</sup> Refers to the PD and LGD associated with each obligor grade, weighted by EAD

<sup>3/</sup> Number of obligors refers to the number of accounts

<sup>4/</sup> Refers to the maturity of the exposures to the obligor in years, weighted by EAD

<sup>5/</sup> Total RWA divided by the exposures post-CRM

# Represents amounts of less than \$0.5 million

## 16.7 Composition of Collateral for Counterparty Credit Risk Exposures

The table below represents all the types of collateral posted or received by the Group to support or reduce its CCR exposures related to derivatives or securities financing transactions (SFTs), including transactions cleared through Central Counterparties (CCP).

		31 Dec 2020					
		(a) Collateral used in derivative transactions		(c) Collateral used in derivative transactions		(e) Collateral used in SFTs <sup>1/</sup>	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	
S\$ million		Segregated <sup>2/</sup>	Unsegregated	Segregated <sup>2/</sup>	Unsegregated	Fair value of collateral received	Fair value of collateral posted
<b>1</b>	Cash	-	2,202	85	3,829	1,209	4,160
<b>2</b>	Debt	-	998	-	276	3,504	1,542
<b>3</b>	Equity	-	729	-	-	-	-
<b>4</b>	Others <sup>3/</sup>	-	721	-	-	-	-
<b>5</b>	<b>Total</b>	-	<b>4,650</b>	<b>85</b>	<b>4,105</b>	<b>4,713</b>	<b>5,702</b>

  

		30 Jun 2020					
		(a) Collateral used in derivative transactions		(c) Collateral used in derivative transactions		(e) Collateral used in SFTs <sup>1/</sup>	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	
S\$ million		Segregated <sup>2/</sup>	Unsegregated	Segregated <sup>2/</sup>	Unsegregated	Fair value of collateral received	Fair value of collateral posted
<b>1</b>	Cash	-	1,975	115	3,925	3,144	2,417
<b>2</b>	Debt	-	839	-	147	2,100	4,029
<b>3</b>	Equity	-	462	-	-	-	-
<b>4</b>	Others <sup>3/</sup>	-	525	-	-	-	-
<b>5</b>	<b>Total</b>	-	<b>3,801</b>	<b>115</b>	<b>4,072</b>	<b>5,244</b>	<b>6,446</b>

<sup>1/</sup> Refers to Securities Financing Transaction (i.e. Repos and Reverse Repos), collateral for Jun-20 has been restated to align with Dec-20 position

<sup>2/</sup> Refers to collateral held in a bankruptcy remote manner

<sup>3/</sup> Includes collateral not reported in the other categories



## 16.8 Credit Derivative Exposures

The table below presents the Group's exposure to credit derivatives by what had been bought or sold.

The increase in notional for credit derivatives during the second half of 2020 was mainly driven by higher index credit default swaps partly offset by lower single-name credit default swaps.

S\$ million	31 Dec 2020		30 Jun 2020		
	(a)	(b)	(a)	(b)	
	Protection Bought	Protection Sold	Protection Bought	Protection Sold	
<b>Notional</b>					
1	Single-name credit default swaps	2,434	1,352	2,681	1,392
2	Index credit default swaps	1,301	1,241	827	847
3	Other credit derivatives	234	152	260	166
4	<b>Total notional</b>	<b>3,969</b>	<b>2,745</b>	<b>3,768</b>	<b>2,405</b>
<b>Fair values</b>					
5	Positive fair value (asset)	11	56	40	34
6	Negative fair value (liability)	60	11	33	39

## 17. SECURITISATION EXPOSURES

The Group has limited exposure to asset-backed securities and collateralised debt obligations and are not active in securitisation activities. As at 31 December 2020, there was no securitisation and re-securitisation exposure in the banking and trading books.

## 18. MARKET RISK TYPE UNDER STANDARDISED APPROACH

Market Risk RWA remained relatively stable during the second half of 2020.

<b>31 Dec 2020</b>	
<b>Market Risk by Standardised Approach</b>	<b>(a)</b>
S\$ million	RWA
<b>Notional</b>	
1 Interest rate risk (general and specific)	3,097
2 Equity risk (general and specific)	790
3 Foreign exchange risk	5,678
4 Commodity risk	3
<b>Options</b>	
5 Simplified approach	-
6 Delta-plus method	980
7 Scenario approach	407
8 Securitisation	-
<b>9 Total</b>	<b>10,955</b>

<b>30 Jun 2020</b>	
<b>Market Risk by Standardised Approach</b>	<b>(a)</b>
S\$ million	RWA
<b>Notional</b>	
1 Interest rate risk (general and specific)	3,413
2 Equity risk (general and specific)	710
3 Foreign exchange risk	5,890
4 Commodity risk	10
<b>Options</b>	
5 Simplified approach	-
6 Delta-plus method	455
7 Scenario approach	345
8 Securitisation	-
<b>9 Total</b>	<b>10,823</b>

There is no Market Risk exposure under Internal Model Approach as at 31 December 2020.

## 19. INTEREST RATE RISK IN THE BANKING BOOK

Qualitative disclosures related to Interest Rate Risk in the Banking Book, including a description of its nature and key assumptions made by the Group, can be found in the Risk Management chapter and Notes to the Financial Statements of the Annual Report.

Based on a 100 bp parallel rise in yield curves on the Group's exposure to major currencies i.e. Singapore Dollar, US Dollar, Hong Kong Dollar and Malaysian Ringgit, net interest income is estimated to increase by S\$805 million, or approximately +13.5% of reported net interest income. The corresponding impact from a 100 bp decrease is an estimated reduction of S\$805 million in net interest income, or approximately -13.5% of reported net interest income.

## 20. LIQUIDITY COVERAGE RATIO

The Group is subjected to the Liquidity Coverage Ratio ("LCR") requirements under the MAS Notice 649. As at 1 January 2019, the Group is required to maintain daily all-currency and Singapore dollar ("SGD") LCR of at least 100% on an ongoing basis.

LCR aims to ensure that a Bank maintains an adequate level of unencumbered High Quality Liquid Assets ("HQLA") that can be quickly and easily converted into cash to meet any liquidity needs for a 30-calendar day liquidity stress scenario.

The following quarterly disclosures are made pursuant to the MAS Notice 651 "Liquidity Coverage Ratio Disclosure".

For 4Q20, the average SGD and all-currency LCRs for the Group were 301% and 150% respectively. Compared to 3Q20, the average SGD LCR increased by 30 percentage points mainly due to higher inflow from derivative. The average all-currency LCR was higher by 22 percentage points driven by an increase in HQLA and a decrease in net cash outflows from unsecured wholesale funding.

The Group continues to focus on acquiring stable deposits and on maintaining a mix of HQLA comprising mainly of Level 1 central bank reserves and liquid sovereign bonds. The Asset & Liability Management Desk in Global Treasury manages the day-to-day liquidity needs of the Group, and is subject to liquidity limits and triggers that serve as risk control on the Group's liquidity exposure.

## 20. Liquidity Coverage Ratio (continued)

### Average Group All Currency LCR for 4Q20

The data presented in the quantitative disclosure are simple averages of daily observations over the quarter. For 4Q20, the number of data points in calculating the average figures is 92.

Group - ALL Currency (\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		60,309
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	151,269	12,715
3	Stable deposits	48,226	2,411
4	Less stable deposits	103,043	10,304
5	Unsecured wholesale funding, of which:	108,939	50,611
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	31,313	7,537
7	Non-operational deposits (all counterparties)	72,364	37,813
8	Unsecured debt	5,261	5,261
9	Secured wholesale funding		186
10	Additional requirements, of which:	56,403	31,341
11	Outflows related to derivative exposures and other collateral requirements	28,235	28,169
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	28,168	3,172
14	Other contractual funding obligations	1,084	1,084
15	Other contingent funding obligations	12,580	377
16	<b>TOTAL CASH OUTFLOWS</b>		96,315
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)	2,353	128
18	Inflows from fully performing exposures	46,974	28,023
19	Other cash inflows	28,149	28,029
20	<b>TOTAL CASH INFLOWS</b>	77,476	56,180
			TOTAL ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		60,309
22	<b>TOTAL NET CASH OUTFLOWS</b>		40,135
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		150

## 20. Liquidity Coverage Ratio (continued)

### Average Group SGD LCR for 4Q20

The data presented in the quantitative disclosure are simple averages of daily observations over the quarter. For 4Q20, the number of data points in calculating the average figures is 92.

Group - SGD (\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		22,493
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	84,753	6,473
3	Stable deposits	40,054	2,003
4	Less stable deposits	44,699	4,470
5	Unsecured wholesale funding, of which:	24,468	9,170
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	10,477	2,542
7	Non-operational deposits (all counterparties)	13,991	6,628
8	Unsecured debt	0	0
9	Secured wholesale funding		-
10	Additional requirements, of which:	20,347	11,070
11	Outflows related to derivative exposures and other collateral requirements	10,135	10,135
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	10,213	935
14	Other contractual funding obligations	700	700
15	Other contingent funding obligations	1,865	56
16	<b>TOTAL CASH OUTFLOWS</b>		27,469
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)	649	-
18	Inflows from fully performing exposures	5,290	2,991
19	Other cash inflows	18,226	18,216
20	<b>TOTAL CASH INFLOWS</b>	24,164	21,207
			TOTAL ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		22,493
22	<b>TOTAL NET CASH OUTFLOWS</b>		7,525
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		301

## 21. NET STABLE FUNDING RATIO

The Group is subjected to the Net Stable Funding Ratio (“NSFR”) requirements under MAS Notice 652. The Group is required to maintain an all-currency NSFR of at least 100% on an ongoing basis.

NSFR ensures that the Group maintains a stable funding profile in relation to the composition of its assets and off-balance sheet activities. It aims to promote resilience over a longer time horizon by funding its activities with stable sources of funding on an ongoing basis.

MAS has introduced adjustments to lower the required stable funding (“RSF”) factors for all loans to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50% to 25%, for the period between 8 April 2020 and 30 September 2021 (both dates inclusive). The adjustments will be gradually phased back from 25% to 50% by 1 April 2022.

The following semi-annual disclosures are made pursuant to the MAS Notice 653 “Net Stable Funding Ratio Disclosure”.

As at 31 December 2020, the all-currency NSFR for the Group was 125%. Compared to 30 September 2020, the all-currency NSFR increased by 3 percentage points, mainly driven by higher available stable funding (“ASF”) from an increase in retail and wholesale deposits.

The Group continues to maintain a stable funding structure to support its asset growth. Funding strategies have been put in place to provide effective diversification and stability in funding sources across tenors, products and geographies. Liquidity limits and triggers serve as risk control on the Group’s funding and liquidity exposure.

## 21. Net Stable Funding Ratio (continued)

Group All-Currency NSFR as at 31 Dec 2020

Group - ALL Currency (\$m)	Unweighted value by residual maturity				Weighted value
	No Maturity	< 6 months	6 months to <1 yr	≥ 1yr	
<b>ASF Item</b>					
1 Capital:	42,957	-	-	3,658	46,615
2 <i>Regulatory capital</i>	42,957	-	-	3,658	46,615
3 <i>Other capital instruments</i>	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	119,835	38,480	2,004	26	146,772
5 <i>Stable deposits</i>	44,085	5,073	19	0	46,718
6 <i>Less stable deposits</i>	75,749	33,407	1,986	26	100,054
7 Wholesale funding:	76,754	91,684	9,936	8,076	69,488
8 <i>Operational deposits</i>	33,098	0	-	-	16,549
9 <i>Other wholesale funding</i>	43,655	91,684	9,936	8,076	52,939
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	5,356	17,654			351
12 <i>NSFR derivative liabilities</i>		14,671			
13 <i>All other liabilities and equity not included in the above categories</i>	5,356	2,632	-	351	351
<b>14 Total ASF</b>					<b>263,226</b>
<b>RSF Item</b>					
15 Total NSFR high-quality liquid assets (HQLA)					5,600
16 Deposits held at other financial institutions for operational purposes	56	-	-	-	28
17 Performing loans and securities:	16,861	105,070	25,453	169,136	182,794
18 <i>Performing loans to financial institutions secured by Level 1 HQLA</i>	-	430	-	-	43
19 <i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>	8,632	17,697	4,347	2,500	9,620
20 <i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:</i>	7,651	75,813	12,038	99,381	114,889
21 <i>With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk</i>	-	-	-	-	-
22 <i>Performing residential mortgages, of which:</i>	-	1,744	1,631	58,452	41,712
23 <i>With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk</i>	-	1,555	1,401	54,528	38,209
24 <i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>	578	9,388	7,438	8,802	16,530
25 Assets with matching interdependent liabilities	-	-	-	-	-
26 Other assets:	13,063	40,352			20,321
27 <i>Physical trade commodities, including gold</i>	-				-
28 <i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		602			511
29 <i>NSFR derivative assets</i>		17,245			2,574
30 <i>NSFR derivative liabilities before deduction of variation margin posted</i>		17,570			878
31 <i>All other assets not included in the above categories</i>	13,063	2,313	178	2,445	16,357
32 Off-balance sheet items		197,155			1,494
<b>33 Total RSF</b>					<b>210,237</b>
<b>34 Net Stable Funding Ratio (%)</b>					<b>125</b>

## 21. Net Stable Funding Ratio (continued)

Group All-Currency NSFR as at 30 Sep 2020

Group - ALL Currency (S\$m)	Unweighted value by residual maturity				Weighted value
	No Maturity	< 6 months	6 months to <1 yr	≥ 1yr	
<b>ASF Item</b>					
1 Capital:	42,157	-	-	3,752	45,909
2 <i>Regulatory capital</i>	42,157	-	-	3,752	45,909
3 <i>Other capital instruments</i>	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	114,580	39,354	3,492	36	144,129
5 <i>Stable deposits</i>	43,014	5,145	36	0	45,785
6 <i>Less stable deposits</i>	71,566	34,209	3,456	35	98,344
7 Wholesale funding:	74,059	90,477	10,789	8,128	67,871
8 <i>Operational deposits</i>	31,858	0	-	-	15,929
9 <i>Other wholesale funding</i>	42,201	90,477	10,789	8,128	51,943
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	5,411	17,617			321
12 <i>NSFR derivative liabilities</i>		13,657			
13 <i>All other liabilities and equity not included in the above categories</i>	5,411	3,638	-	321	321
<b>14 Total ASF</b>					258,230
<b>RSF Item</b>					
15 Total NSFR high-quality liquid assets (HQLA)					6,683
16 Deposits held at other financial institutions for operational purposes	41	-	-	-	21
17 Performing loans and securities:	15,605	106,786	23,992	170,835	183,931
18 <i>Performing loans to financial institutions secured by Level 1 HQLA</i>	-	386	-	-	39
19 <i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>	7,550	18,869	3,126	3,488	10,056
20 <i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:</i>	7,571	75,407	12,070	98,659	114,242
21 <i>With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk</i>	-	-	-	-	-
22 <i>Performing residential mortgages, of which:</i>	-	1,799	1,613	59,163	42,210
23 <i>With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk</i>	-	1,561	1,398	55,093	38,578
24 <i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>	484	10,326	7,183	9,526	17,384
25 Assets with matching interdependent liabilities	-	-	-	-	-
26 Other assets:	12,864	37,877			19,680
27 <i>Physical trade commodities, including gold</i>	-				-
28 <i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		623			530
29 <i>NSFR derivative assets</i>		15,623			1,966
30 <i>NSFR derivative liabilities before deduction of variation margin posted</i>		15,915			796
31 <i>All other assets not included in the above categories</i>	12,864	3,049	149	2,518	16,389
32 Off-balance sheet items		196,653			1,371
<b>33 Total RSF</b>					211,686
<b>34 Net Stable Funding Ratio (%)</b>					122