

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Company No. 271809 K)
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURE
30 JUNE 2022

Domiciled in Malaysia
Registered Office:
Level 11, Menara UOB
Jalan Raja Laut,
50350 Kuala Lumpur

**Attestation by Chief Executive Officer pursuant to BASEL II – Pillar 3 Disclosures
as at 30 June 2022**

I hereby confirm that the Pillar 3 disclosures for the financial period ended 30 June 2022 have been prepared in accordance with Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3) and Capital Adequacy Framework for Islamic Banks (CAFIB) - Disclosure Requirements (Pillar 3). The Pillar 3 disclosures are consistent with the manner that the risks are assessed and managed, and are not misleading in any particular way.



Ng Wei Wei
Chief Executive Officer

Date: 24 August 2022

RESTRICTED

1. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

The capital adequacy ratios of the Group and Bank are computed in accordance with Bank Negara Malaysia ("BNM")'s Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and Capital Adequacy Framework (Basel II – Risk Weighted Assets) issued on 3 May 2019.

The capital structure of the Group and the Bank were as follows:

	Group		Bank	
	30-Jun-22 RM'000	31-Dec-21 RM'000	30-Jun-22 RM'000	31-Dec-21 RM'000
<u>Common Equity Tier 1 ("CET1")/ Tier 1 Capital</u>				
Paid-up share capital	792,555	792,555	792,555	792,555
Retained profits	11,653,302	10,809,329	11,727,397	10,878,366
Other reserves	(98,257)	185,636	(297,895)	(14,002)
Regulatory adjustments applied in the calculation of CET1 Capital	(572,297)	(532,347)	(980,131)	(899,615)
Total CET1/Tier 1 Capital	<u>11,775,303</u>	<u>11,255,173</u>	<u>11,241,926</u>	<u>10,757,304</u>
<u>Tier 2 Capital</u>				
Tier 2 Capital instruments	1,350,000	1,350,000	1,350,000	1,350,000
Loan/financing loss provision				
- Surplus eligible provisions over expected losses	320,589	312,387	321,120	312,822
- General provisions	29,890	26,425	19,067	15,541
Regulatory adjustments applied in the calculation of Tier 2 Capital	86,731	86,731	-	-
Total Tier 2 Capital	<u>1,787,210</u>	<u>1,775,543</u>	<u>1,690,187</u>	<u>1,678,363</u>
Total Capital	<u>13,562,513</u>	<u>13,030,716</u>	<u>12,932,113</u>	<u>12,435,667</u>

The capital adequacy ratios of the Group and the Bank were as follows:

	Group		Bank	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
CET1/Tier 1 Capital	18.030%	17.740%	17.420%	17.171%
Total Capital	<u>20.767%</u>	<u>20.538%</u>	<u>20.040%</u>	<u>19.850%</u>

1. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY (Cont'd.)

The capital adequacy ratios of Islamic Banking Window are computed in accordance with the BNM's Capital Adequacy Framework for Islamic Banking (Capital Components) and Basel II - Risk-weighted Assets Framework for Islamic Banking.

The capital structure of the Islamic Banking Window were as follows:

	30-Jun-22 RM'000	31-Dec-21 RM'000
<u>Common Equity Tier 1 ("CET1")/ Tier 1 Capital</u>		
Capital fund	450,000	450,000
Accumulated profit	45,993	14,261
Other reserves	(7,399)	(966)
Regulatory adjustments applied in the calculation of CET1 Capital	(15,256)	(11,130)
Total CET1/Tier 1 Capital	<u>473,338</u>	<u>452,165</u>
<u>Tier 2 Capital</u>		
Financing loss provision		
- Surplus eligible provisions over expected losses	18,940	18,426
- General provisions	347	122
Total Tier 2 Capital	<u>19,287</u>	<u>18,548</u>
Total Capital	<u>492,625</u>	<u>470,713</u>

The capital adequacy ratios of the Islamic Banking Window were as follows:

	30-Jun-22	31-Dec-21
Before the effects of RSIA		
CET1/Tier 1 Capital Ratio	8.630%	8.182%
Total Capital Ratio	9.212%	8.766%
After the effects of RSIA		
CET1/Tier 1 Capital Ratio	14.025%	13.965%
Total Capital Ratio	14.597%	14.538%

In accordance with BNM's Guidelines on the Investment Account, the credit risk and market risks weighted assets funded by the RSIA which qualify as risk absorbent are excluded from the calculation of capital adequacy ratio. As at 30 June 2022, credit risks weighted assets related to RSIA assets excluded from the total capital ratio calculation amounted to RM2,110,071,034 (31 December 2021: RM2,288,873,000).

2. CAPITAL ADEQUACY

The aggregate breakdown of Risk-Weighted Assets (RWA) by exposures in each category of the Bank as at 30 June 2022 were as follows:

Item	Exposure class	Exposures pre Credit Risk Mitigation (CRM) RM'000	Exposures post Credit Risk Mitigation (CRM) RM'000	Risk Weighted Assets (RWA) RM'000	Minimum capital requirement at 8% RM'000
1.0	<u>Credit risk</u>				
1.1	<u>Exempted exposures under the Standardised Approach (SA)</u>				
	<i>On-balance sheet exposures</i>				
	Sovereigns/central banks	27,455,770	27,455,770	930	74
	Public Sector Entities	432,683	432,683	-	-
	Insurance cos, securities firms and fund managers	135	135	135	11
	Corporates	251,690	249,683	248,499	19,880
	Regulatory Retail	4,597	4,597	4,597	368
	Other assets	1,470,769	1,470,769	885,378	70,830
	Securitisation Exposure	120,013	120,013	24,003	1,920
	Equity exposure	152,757	152,757	152,757	12,221
	Defaulted exposures	2,093	2,093	3,906	312
	Total on-balance sheet exposures	29,890,507	29,888,500	1,320,205	105,616
	<i>Off-balance sheet exposures</i>				
	OTC derivatives	191,111	191,111	87,513	7,001
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	297,959	296,241	117,633	9,411
	Total off-balance sheet exposures	489,070	487,352	205,146	16,412
	Total on and off-balance sheet exposures (SA)	30,379,577	30,375,852	1,525,351	122,028
1.2	<u>Exposures under the Foundation IRB approach (FIRB)</u>				
	<i>On-balance sheet exposures</i>				
	Banks, Development Financial Institutions and MDBs	5,149,231	5,149,231	552,779	44,222
	Insurance Cos, Securities Firms and Fund Managers	1,114,150	1,104,132	205,241	16,419
	Corporates	39,758,468	35,671,438	34,899,131	2,791,932
	Equity (simple risk weight)	872	872	2,617	209
	Defaulted exposures	1,297,349	1,259,923	-	-
	Total on-balance sheet exposures	47,320,070	43,185,596	35,659,768	2,852,782
	<i>Off-balance sheet exposures</i>				
	OTC derivatives	3,375,874	3,372,532	895,692	71,655
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	8,658,631	7,560,402	6,751,824	540,146
	Defaulted exposures	18,544	14,904	-	-
	Total off-balance sheet exposures	12,053,049	10,947,838	7,647,516	611,801
	Total on and off-balance sheet exposures (FIRB)	59,373,119	54,133,434	43,307,284	3,464,583

2. CAPITAL ADEQUACY (Cont'd.)

Item	Exposure class	Exposures pre CRM	Exposures post CRM	Risk Weighted Assets (RWA)	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000
1.3	<u>Exposures under the Advance IRB approach (AIRB)</u>				
	<i><u>On-balance sheet exposures</u></i>				
	Corporates	-	-	-	-
	Residential mortgages	35,705,056	35,705,056	4,002,355	320,188
	Qualifying revolving retail	2,298,710	2,298,710	816,394	65,312
	Other retail	14,813,398	14,813,398	2,502,405	200,192
	Defaulted exposures	1,367,145	1,367,145	663,404	53,072
	Total on-balance sheet exposures	54,184,309	54,184,309	7,984,558	638,764
	<i><u>Off-balance sheet exposures</u></i>				
	OTC derivatives	1,383	1,383	446	36
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	9,149,855	9,149,855	1,188,894	95,112
	Defaulted exposures	-	-	-	-
	Total off-balance sheet exposures	9,151,238	9,151,238	1,189,340	95,148
Total on and off-balance sheet exposures (AIRB)	63,335,547	63,335,547	9,173,898	733,912	
Total exposures under IRB approach	122,708,666	117,468,981	52,481,182	4,198,495	
Total (exempted exposures and exposures under the IRB approach) after scaling factor			57,155,403	4,572,432	
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market risk</u>				
		Long position	Short position		
	Interest rate risk	123,651	104,922	911,994	72,960
	Foreign currency risk	125,247	60,011	125,247	10,020
	Commodity risk	-	-	-	-
Options risk	-	-	327,744	26,220	
4.0	<u>Operational risk (basic indicator approach)</u>			6,012,389	480,991
5.0	<u>Total RWA and capital requirements</u>			64,532,777	5,162,623

2. CAPITAL ADEQUACY (Cont'd.)

The aggregate breakdown of RWA by exposures in each category of the Bank for the financial year ended 31 December 2021 were as follows:

Item	Exposure class	Exposures pre Credit Risk Mitigation (CRM)	Exposures post Credit Risk Mitigation (CRM)	Risk Weighted Assets (RWA)	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000
1.0	Credit risk				
1.1	<u>Exempted exposures under the Standardised Approach (SA)</u>				
	<i>On-balance sheet exposures</i>				
	Sovereigns/central banks	23,974,164	23,974,164	231	18
	Public Sector Entities	490,369	490,369	-	-
	Insurance cos, securities firms and fund managers	79	79	79	6
	Corporates	286,231	283,471	282,521	22,602
	Regulatory Retail	2,885	2,885	2,885	231
	Other assets	1,312,402	1,312,402	715,963	57,277
	Equity exposure	155,420	155,420	155,420	12,434
	Defaulted exposures	1,361	1,361	2,042	163
	Total on-balance sheet exposures	26,222,911	26,220,151	1,159,141	92,731
	<i>Off-balance sheet exposures</i>				
	OTC derivatives	79,115	79,115	36,564	2,925
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	57,527	55,644	47,598	3,808
	Total off-balance sheet exposures	136,642	134,759	84,162	6,733
	Total on and off-balance sheet exposures (SA)	26,359,553	26,354,909	1,243,302	99,464
1.2	<u>Exposures under the Foundation IRB approach (FIRB)</u>				
	<i>On-balance sheet exposures</i>				
	Banks, Development Financial Institutions and MDBs	5,118,838	5,118,838	710,630	56,850
	Insurance Cos, Securities Firms and Fund Managers	1,100,850	1,090,832	265,444	21,236
	Corporates	36,909,182	32,827,475	33,913,283	2,713,063
	Equity (simple risk weight)	1,604	1,604	4,811	385
	Defaulted exposures	1,206,375	1,175,949	3,087	247
	Total on-balance sheet exposures	44,336,849	40,214,698	34,897,255	2,791,781
	<i>Off-balance sheet exposures</i>				
	OTC derivatives	2,316,478	2,313,617	811,908	64,953
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	8,401,933	7,373,286	7,026,857	562,149
	Defaulted exposures	14,652	13,466	-	-
	Total off-balance sheet exposures	10,733,063	9,700,369	7,838,765	627,102
	Total on and off-balance sheet exposures (FIRB)	55,069,911	49,915,067	42,736,020	3,418,883

2. CAPITAL ADEQUACY (Cont'd.)

Item	Exposure class	Exposures pre CRM	Exposures post CRM	Risk Weighted Assets (RWA)	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000
1.3	<u>Exposures under the Advance IRB approach (AIRB)</u>				
	<i>On-balance sheet exposures</i>				
	Corporates	-	-	-	-
	Residential mortgages	35,779,788	35,779,788	3,632,064	290,565
	Qualifying revolving retail	2,354,160	2,354,160	806,937	64,555
	Other retail	15,103,074	15,103,074	2,545,133	203,611
	Defaulted exposures	1,164,324	1,164,324	483,876	38,710
	Total on-balance sheet exposures	54,401,346	54,401,346	7,468,010	597,441
	<i>Off-balance sheet exposures</i>				
	OTC derivatives	550	550	188	15
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	8,978,243	8,978,243	1,140,920	91,274
	Defaulted exposures	-	-	-	-
	Total off-balance sheet exposures	8,978,793	8,978,793	1,141,108	91,289
Total on and off-balance sheet exposures (AIRB)	63,380,138	63,380,139	8,609,118	688,730	
Total exposures under IRB approach	118,450,049	113,295,206	51,345,138	4,107,613	
Total (exempted exposures and exposures under the IRB approach) after scaling factor			55,669,148	4,453,532	
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market risk</u>				
		Long position	Short position		
	Interest rate risk	105,539	79,668	942,345	75,388
	Foreign currency risk	30,449	9,491	30,485	2,439
	Commodity risk	-	-	-	-
Options risk	-	-	164,351	13,148	
4.0	<u>Operational risk (basic indicator approach)</u>			5,843,127	467,450
5.0	<u>Total RWA and capital requirements</u>			62,649,456	5,011,957

2. CAPITAL ADEQUACY (Cont'd.)

The aggregate breakdown of RWA by exposures in each category of the Islamic Banking Window as at 30 June 2022 were as follows:

Item	Exposure class	Exposures pre CRM	Exposures post CRM	Risk Weighted Assets (RWA)	RWA absorbed by PSIA	Total RWA after effects of PSIA	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1.0	Credit risk						
1.1	Exempted exposures under Standardised Approach (SA)						
	<i>On-balance sheet exposures</i>						
	Sovereigns/Central Banks	3,413,431	3,413,431	-	-	-	-
	Corporates	1,722	1,053	1,053	-	1,053	84
	Other assets	12,712	12,712	12,712	-	12,712	1,017
	Total on-balance sheet exposures	3,427,865	3,427,196	13,765	-	13,765	1,101
	<i>Off-balance sheet exposures</i>						
	OTC derivatives	25,691	25,690	13,959	-	13,959	1,117
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-	-	-
	Total off-balance sheet exposures	25,691	25,690	13,959	-	13,959	1,117
	Total on and off-balance sheet exposures (SA)	3,453,556	3,452,886	27,724	-	27,724	2,218
1.2	Exposures under the FIRB approach						
	<i>On-balance sheet exposures</i>						
	Banks, Development Financial Institutions and MDBs	215,804	215,804	23,279	-	23,279	1,862
	Insurance Cos, Firms & Fund	1,001,547	1,001,547	169,459	169,459	-	-
	Corporates	2,818,724	2,669,385	3,094,856	1,269,445	1,825,412	146,033
	Defaulted Exposures	84,759	84,759	-	-	-	-
	Total on-balance sheet exposures	4,120,834	3,971,495	3,287,594	1,438,904	1,848,691	147,895
	<i>Off-balance sheet exposures</i>						
	OTC Derivatives	6,461	6,334	4,514	-	4,514	361
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	504,515	492,331	684,233	551,729	132,503	10,600
	Total off-balance sheet exposures	510,976	498,665	688,747	551,729	137,017	10,961
	Total on and off-balance sheet exposures (FIRB)	4,631,810	4,470,160	3,976,341	1,990,633	1,985,708	158,856

2. CAPITAL ADEQUACY (Cont'd.)

Item	Exposure class	Exposures pre CRM	Exposures post CRM	Risk Weighted Assets (RWA)	RWA absorbed by PSIA	Total RWA after effects of PSIA	Min. capital requirement at 8%
1.3	<u>Exposures under the AIRB approach</u>						
	<i>On-balance sheet exposures</i>						
	Corporates	-	-	-	-	-	-
	Residential mortgages	3,109,003	3,109,003	530,399	-	530,399	42,432
	Other retail	1,275,567	1,275,567	330,546	-	330,546	26,444
	Defaulted exposures	123,492	123,492	59,113	-	59,113	4,729
	Total on-balance sheet exposures	4,508,062	4,508,062	920,058	-	920,058	73,605
	<i>Off-balance sheet exposures</i>						
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	441,405	441,405	72,195	-	72,195	5,776
	Total off-balance sheet exposures	441,405	441,405	72,195	-	72,195	5,776
	Total on and off-balance sheet exposures (AIRB)	4,949,467	4,949,467	992,253	-	992,253	79,381
	Total exposures under IRB approach	9,581,277	9,419,627	4,968,594	1,990,633	2,977,961	238,237
	Total (exempted exposures and exposures under the IRB approach) after scaling factor			5,294,433	2,110,071	3,184,362	254,749
2.0	<u>Large exposures risk requirement</u>	-	-	-	-	-	-
3.0	<u>Market risk</u>						
		Long position	Short position				
	Interest rate risk	198	179	2,680	-	2,680	214
	Foreign currency risk	441	220	441	-	441	35
	Commodity risk	-	-	-	-	-	-
	Options risk	-	-	-	-	-	-
4.0	<u>Operational risk (basic indicator approach)</u>			187,463	-	187,463	14,997
5.0	<u>Total RWA and capital requirements</u>			5,485,017	2,110,071	3,374,946	269,995

2. CAPITAL ADEQUACY (Cont'd.)

The aggregate breakdown of RWA by exposures in each category of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

Item	Exposure class	Exposures pre CRM	Exposures post CRM	RWA	RWA absorbed by PSIA	Total RWA after effects of PSIA	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1.0	Credit risk						
1.1	Exempted exposures under Standardised Approach (SA)						
	<i>On-balance sheet exposures</i>						
	Sovereigns/Central Banks	2,985,869	2,985,869	-	-	-	-
	Corporates	1,422	830	830	-	830	66
	Other assets	6,781	6,781	6,781	-	6,781	542
	Total on-balance sheet exposures	2,994,072	2,993,480	7,611	-	7,611	608
	<i>Off-balance sheet exposures</i>						
	OTC derivatives	4,098	4,098	2,179	-	2,179	174
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-	-	-
	Total off-balance sheet exposures	4,098	4,098	2,179	-	2,179	174
	Total on and off-balance sheet exposures (SA)	2,998,170	2,997,578	9,790	-	9,790	782
1.2	Exposures under the FIRB approach						
	<i>On-balance sheet exposures</i>						
	Banks, Development Financial Institutions and MDBs	203,839	203,839	20,946	-	20,946	1,676
	Insurance Cos, Securities Firms & Fund Managers	1,001,490	1,001,490	237,727	237,727	-	-
	Corporates	2,772,166	2,638,527	3,206,101	1,310,128	1,895,973	151,678
	Defaulted Exposures	96,211	96,211	-	-	-	-
	Total on-balance sheet exposures	4,073,706	3,940,067	3,464,774	1,547,855	1,916,919	153,354
	<i>Off-balance sheet exposures</i>						
	OTC Derivatives	7,743	7,704	4,962	-	4,962	397
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	525,636	512,917	719,166	611,459	107,707	8,617
	Total off-balance sheet exposures	533,379	520,621	724,128	611,459	112,669	9,014
	Total on and off-balance sheet exposures (FIRB)	4,607,085	4,460,688	4,188,902	2,159,314	2,029,588	162,368

2. CAPITAL ADEQUACY (Cont'd.)

Item	Exposure class	Exposures pre CRM	Exposures post CRM	RWA	RWA absorbed by PSIA	Total RWA after effects of PSIA	Min. capital requirement at 8%
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1.3	<u>Exposures under the AIRB approach</u>						
	<i><u>On-balance sheet exposures</u></i>						
	Corporates	-	-	-	-	-	-
	Residential mortgages	2,937,154	2,937,154	437,200	-	437,200	34,976
	Other retail	1,212,831	1,212,831	313,002	-	313,002	25,040
	Defaulted exposures	100,014	100,014	45,784	-	45,784	3,663
	Total on-balance sheet exposures	4,249,999	4,249,999	795,986	-	795,986	63,679
	<i><u>Off-balance sheet exposures</u></i>						
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	435,782	435,782	71,465	-	71,465	5,717
	Total off-balance sheet exposures	435,782	435,782	71,465	-	71,465	5,717
Total on and off-balance sheet exposures (AIRB)	4,685,781	4,685,781	867,451	-	867,451	69,396	
Total exposures under IRB approach	9,292,866	9,146,469	5,056,353	2,159,314	2,897,039	231,764	
Total (exempted exposures and exposures under the IRB approach) after scaling factor			5,369,525	2,288,873	3,080,652	246,452	
2.0	<u>Large exposures risk requirement</u>	-	-	-	-	-	-
3.0	<u>Market risk</u>						
		Long position	Short position				
	Interest rate risk	19	4	272	-	272	22
	Foreign currency risk	353	389	389	-	389	31
	Commodity risk	-	-	-	-	-	-
Options risk	-	-	-	-	-	-	
4.0	<u>Operational risk (basic indicator approach)</u>			156,436	-	156,436	12,515
5.0	<u>Total RWA and capital requirements</u>			5,526,622	2,288,873	3,237,749	259,020

3. CREDIT RISK

(i) The credit exposures by sector of the Bank as at 30 June 2022 were as follows:

Bank	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Insurance Cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	1,829,954	20,914	-	-	-	-	1,850,868
Mining and quarrying	-	-	175,815	-	181,746	11,457	-	-	-	-	369,018
Manufacturing	-	-	217,073	-	9,545,483	1,324,526	-	-	-	-	11,087,082
Electricity, gas and water	-	-	-	-	788,648	10,307	-	-	-	-	798,955
Construction	-	-	-	-	10,201,343	492,169	-	-	-	-	10,693,512
Wholesale, retail trade, restaurant and hotels	-	-	99,908	-	18,068,828	4,325,514	-	-	-	-	22,494,250
Transport, storage and communication	-	-	3,104	-	2,152,572	194,743	-	-	-	-	2,350,419
Finance, insurance and business services	246,131	100,702	7,824,997	1,326,562	3,174,714	943,001	-	-	-	-	13,616,107
Real estate	-	-	-	-	4,077,946	617,982	-	-	120,013	-	4,815,941
Community, social and personal services	-	-	-	-	35,924	127,705	-	-	-	-	163,629
Households	-	-	-	-	7,486	16,131,608	39,140,218	-	-	-	55,279,312
Others	27,415,295	432,684	-	-	438	-	-	1,567,104	-	153,629	29,569,150
	<u>27,661,426</u>	<u>533,386</u>	<u>8,320,897</u>	<u>1,326,562</u>	<u>50,065,082</u>	<u>24,199,926</u>	<u>39,140,218</u>	<u>1,567,104</u>	<u>120,013</u>	<u>153,629</u>	<u>153,088,243</u>

Note: The credit exposures in the tables (i) to (iv) are based on exposures as defined under BNM's Capital Adequacy Framework for Standardised Approach and IRB Approach respectively.

3. CREDIT RISK (Cont'd.)

The credit exposures by sector of the Bank for the financial year ended 31 December 2021 were as follows:

Bank	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Insurance Cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	1,748,188	23,116	-	-	-	-	1,771,304
Mining and quarrying	-	-	465,278	-	193,661	10,751	-	-	-	-	669,690
Manufacturing	-	-	101,558	-	8,887,742	1,308,877	-	-	-	-	10,298,177
Electricity, gas and water	-	-	-	-	710,815	9,876	-	-	-	-	720,691
Construction	-	-	-	-	10,683,853	510,463	-	-	-	-	11,194,316
Wholesale, retail trade, restaurant and hotels	-	-	69,837	-	15,978,330	4,299,114	-	-	-	-	20,347,281
Transport, storage and communication	-	-	1,889	-	1,613,686	185,071	-	-	-	-	1,800,646
Finance, insurance and business services	2,553	39,858	6,644,993	1,228,166	2,951,604	942,398	-	-	-	-	11,809,572
Real estate	-	-	-	-	4,093,291	631,683	-	-	-	-	4,724,974
Community, social and personal services	-	-	-	-	36,276	133,048	-	-	-	-	169,324
Households	-	-	-	-	5,511	16,343,096	38,985,530	-	-	-	55,334,137
Others	23,991,341	490,369	-	-	292	-	-	1,330,465	-	157,023	25,969,490
	<u>23,993,894</u>	<u>530,227</u>	<u>7,283,555</u>	<u>1,228,166</u>	<u>46,903,249</u>	<u>24,397,493</u>	<u>38,985,530</u>	<u>1,330,465</u>	<u>-</u>	<u>157,023</u>	<u>144,809,603</u>

3. CREDIT RISK (Cont'd.)

(ii) The credit exposures by sector of the Islamic Banking Window as at 30 June 2022 were as follows:

Islamic Banking Window	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Insurance Cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	256,749	403	-	-	-	-	257,152
Mining & Quarrying	-	-	-	-	87,976	-	-	-	-	-	87,976
Manufacturing	-	-	-	-	952,782	177,646	-	-	-	-	1,130,428
Electricity, gas and water	-	-	-	-	529,176	-	-	-	-	-	529,176
Construction	-	-	-	-	527,032	66,567	-	-	-	-	593,599
Wholesale, retail trade, restaurant and hotels	-	-	-	-	630,290	504,446	-	-	-	-	1,134,736
Transport, storage and communication	-	-	-	-	141,630	35,798	-	-	-	-	177,428
Finance, insurance and business services	7,433	14,664	215,804	1,012,574	117,384	173,326	-	-	-	-	1,541,185
Real estate	-	-	-	-	173,162	120,813	-	-	-	-	293,975
Community, social and personal services	-	-	-	-	-	35,524	-	-	-	-	35,524
Households	-	-	-	-	-	331,389	3,503,555	-	-	-	3,834,944
Others	3,405,998	-	-	-	-	-	-	12,712	-	-	3,418,710
	<u>3,413,431</u>	<u>14,664</u>	<u>215,804</u>	<u>1,012,574</u>	<u>3,416,181</u>	<u>1,445,912</u>	<u>3,503,555</u>	<u>12,712</u>	<u>-</u>	<u>-</u>	<u>13,034,833</u>

3. CREDIT RISK (Cont'd.)

The credit exposures by sector of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

Islamic Banking Window	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Insurance Cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	336,538	419	-	-	-	-	336,957
Mining and Quarrying	-	-	-	-	90,304	-	-	-	-	-	90,304
Manufacturing	-	-	-	-	1,013,493	171,938	-	-	-	-	1,185,431
Electricity, gas and water	-	-	-	-	512,805	-	-	-	-	-	512,805
Construction	-	-	-	-	585,886	67,414	-	-	-	-	653,300
Wholesale, retail trade, restaurant and hotels	-	-	-	-	556,652	467,448	-	-	-	-	1,024,100
Transport, storage and communication	-	-	-	-	93,518	34,824	-	-	-	-	128,342
Finance, insurance and business services	2,553	2,399	203,839	1,003,189	44,645	169,234	-	-	-	-	1,425,858
Real estate	-	-	-	-	169,338	115,659	-	-	-	-	284,997
Community, social and personal services	-	-	-	-	-	35,458	-	-	-	-	35,458
Households	-	-	-	-	-	305,240	3,318,148	-	-	-	3,623,388
Others	2,983,316	-	-	-	-	-	-	6,781	-	-	2,990,097
	<u>2,985,869</u>	<u>2,399</u>	<u>203,839</u>	<u>1,003,189</u>	<u>3,403,179</u>	<u>1,367,634</u>	<u>3,318,148</u>	<u>6,781</u>	<u>-</u>	<u>-</u>	<u>12,291,036</u>

3. CREDIT RISK (Cont'd.)

(iii) The credit exposures by remaining contractual maturities of the Bank as at 30 June 2022 were as follows:

Bank	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Ins cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
< 3 months	8,846,973	204,260	5,394,227	178,606	14,307,236	964,631	3,931	-	-	-	29,899,864
3 - 6 months	1,060,228	8,064	378,891	31,460	4,463,982	225,345	1,667	-	-	-	6,169,637
6 - 12 months	2,215,112	-	351,077	43,276	4,590,420	6,608,040	1,487,446	453,427	-	-	15,748,798
1 - 3 years	5,397,203	122,154	1,453,656	29,024	10,952,633	2,513,340	107,254	1,113,677	-	153,629	21,842,570
3 - 5 years	4,083,274	-	671,332	1,005,646	7,980,618	831,723	258,659	-	-	-	14,831,252
> 5 years	6,058,636	198,908	71,714	38,550	7,770,193	13,056,847	37,281,261	-	120,013	-	64,596,122
	<u>27,661,426</u>	<u>533,386</u>	<u>8,320,897</u>	<u>1,326,562</u>	<u>50,065,082</u>	<u>24,199,926</u>	<u>39,140,218</u>	<u>1,567,104</u>	<u>120,013</u>	<u>153,629</u>	<u>153,088,243</u>

The credit exposures by remaining contractual maturities of the Bank for the financial year ended 31 December 2021 were as follows:

Bank	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Ins cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
< 3 months	8,894,308	16,121	2,751,777	141,384	13,821,556	936,232	11,293	-	-	-	26,572,672
3 - 6 months	1,397,040	69,119	1,956,894	23,921	3,415,986	230,128	4,684	-	-	-	7,097,772
6 - 12 months	934,050	118,129	705,131	29,633	3,828,096	6,703,554	1,523,709	480,123	-	-	14,322,425
1 - 3 years	5,765,580	124,150	1,192,280	31,612	11,131,151	2,483,304	110,359	850,342	-	157,023	21,845,801
3 - 5 years	3,283,638	-	606,804	1,001,616	8,069,100	818,565	272,350	-	-	-	14,052,073
> 5 years	3,719,278	202,707	70,669	-	6,637,360	13,225,710	37,063,134	-	-	-	60,918,858
	<u>23,993,894</u>	<u>530,227</u>	<u>7,283,555</u>	<u>1,228,166</u>	<u>46,903,249</u>	<u>24,397,493</u>	<u>38,985,529</u>	<u>1,330,465</u>	<u>-</u>	<u>157,023</u>	<u>144,809,603</u>

3. CREDIT RISK (Cont'd.)

(iv) The credit exposures by remaining contractual maturities of the Islamic Banking Window as at 30 June 2022 were as follows:

Islamic Banking Window	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Ins cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
< 3 months	700,291	14,664	167,216	9,786	622,081	5,513	-	-	-	-	1,519,551
3 - 6 months	897,848	-	-	1,240	38,005	1,956	-	-	-	-	939,049
6 - 12 months	1,053,607	-	-	-	37,795	831	-	-	-	-	1,092,233
1 - 3 years	761,685	-	48,588	-	156,423	9,253	449	12,712	-	-	989,110
3 - 5 years	-	-	-	1,001,548	1,484,505	2,900	530	-	-	-	2,489,483
> 5 years	-	-	-	-	1,077,372	1,425,459	3,502,576	-	-	-	6,005,407
	3,413,431	14,664	215,804	1,012,574	3,416,181	1,445,912	3,503,555	12,712	-	-	13,034,833

The credit exposures by remaining contractual maturities of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

Islamic Banking Window	Sovereigns/ central banks RM'000	Public sector entities RM'000	Banks, DFIs and MDBs RM'000	Ins cos, securities firms and fund managers RM'000	Corporates (including specialised lending and SMEs) RM'000	Retail RM'000	Residential mortgages RM'000	Other assets RM'000	Securitisation exposure RM'000	Equity exposure RM'000	Grand total RM'000
< 3 months	1,407,000	-	133,686	1,699	558,765	3,778	-	-	-	-	2,104,928
3 - 6 months	1,244,241	2,399	-	-	62,410	766	-	-	-	-	1,309,816
6 - 12 months	197,204	-	-	-	85,420	158	-	-	-	-	282,782
1 - 3 years	137,424	-	70,153	-	156,681	8,323	606	6,781	-	-	379,968
3 - 5 years	-	-	-	1,001,490	1,363,684	3,938	299	-	-	-	2,369,411
> 5 years	-	-	-	-	1,176,219	1,350,671	3,317,243	-	-	-	5,844,132
	2,985,869	2,399	203,839	1,003,189	3,403,179	1,367,634	3,318,148	6,781	-	-	12,291,036

3. CREDIT RISK (Cont'd.)

The aggregate breakdown of credit risk standardised exposures by risk weights of the Bank as at 30 June 2022 were as follows:

Risk weights	Bank										Total RWA
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Regulatory Retail	Other assets	Securitisation exposure	Equity exposure	Total exposures after netting and CRM	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
0%	27,632,048	432,684	-	-	1,485	-	585,392	-	-	28,651,609	-
10%	-	-	-	-	-	-	-	-	-	-	-
20%	28,447	100,702	-	-	347	-	-	120,013	-	249,509	49,902
35%	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-
100%	931	-	-	61,228	272,079	4,597	981,712	-	152,757	1,473,304	1,473,304
110%	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	1,430	-	-	-	-	1,430	2,145
270%	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-	-
Total	27,661,426	533,386	-	61,228	275,341	4,597	1,567,104	120,013	152,757	30,375,852	1,525,351

3. CREDIT RISK (Cont'd.)

The aggregate breakdown of credit risk standardised exposures by risk weights of the Bank for the financial year ended 31 December 2021 were as follows:

Risk weights	Bank										Total RWA
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Regulatory Retail	Other assets	Securitisation exposure	Equity exposure	Total exposures after netting and CRM	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
0%	23,980,527	490,369	-	-	2,401	-	596,439	-	-	25,069,736	-
10%	-	-	-	-	-	-	-	-	-	-	-
20%	13,136	39,858	-	-	196	-	-	-	-	53,189	10,638
35%	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-
100%	231	-	-	25,532	312,529	2,885	734,026	-	155,420	1,230,623	1,230,622
110%	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	1,361	-	-	-	-	1,361	2,042
270%	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-	-
Total	23,993,894	530,227	-	25,532	316,487	2,885	1,330,465	-	155,420	26,354,909	1,243,302

3. CREDIT RISK (Cont'd.)

The aggregate breakdown of credit risk standardised exposures by risk weights of the Islamic Banking Window as at 30 June 2022 were as follows:

Risk weights	Islamic Banking Window								
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Other assets	Equity exposures	Total exposures after netting and CRM	Total RWA
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,413,431	-	-	-	-	-	-	3,413,431	-
10%	-	-	-	-	-	-	-	-	-
20%	-	14,664	-	-	-	-	-	14,664	2,933
35%	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-
100%	-	-	-	11,026	1,053	12,712	-	24,791	24,791
110%	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-
Total	3,413,431	14,664	-	11,026	1,053	12,712	-	3,452,886	27,724

3. CREDIT RISK (Cont'd.)

The aggregate breakdown of credit risk standardised exposures by risk weights of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

Risk weights	Islamic Banking Window								
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Other assets	Equity exposures	Total exposures after netting and CRM	Total RWA
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	2,985,869	-	-	-	-	-	-	2,985,869	-
10%	-	-	-	-	-	-	-	-	-
20%	-	2,399	-	-	-	-	-	2,399	480
35%	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-
100%	-	-	-	1,699	830	6,781	-	9,310	9,310
110%	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-
Total	2,985,869	2,399	-	1,699	830	6,781	-	2,997,578	9,790

3. CREDIT RISK (Cont'd.)

Rated Exposures according to ratings by ECAIs of the Bank as at 30 June 2022 were as follows:

RM'000							
Exposure class	Ratings of corporates by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	B1 to C	Unrated	
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated	
MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated		
On and off-balance sheet exposures							
Credit exposures (using corporate risk weights)							
Public sector entities (applicable for entities risk weighted based on their external ratings as corporates)			-	-	-	-	533,386
Insurance cos, securities firms and fund managers			-	-	-	-	61,228
Corporates			-	-	-	-	275,341
Total			-	-	-	-	869,955

RM'000							
Exposure class	Ratings of banking institutions by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Banks, DFIs and MDBs		-	-	-	-	-	-
Total		-	-	-	-	-	-

RM'000							
Exposure class	Ratings of sovereigns and central banks by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Sovereigns/ central banks		-	21,508,104	6,132,738	-	-	20,584
Total		-	21,508,104	6,132,738	-	-	20,584

RM'000							
Exposure class	Ratings of sovereigns and central banks by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	B1 and below	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	B+ and below	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	B+ and below	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	B1 and below	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	B+ and below	Unrated	
On and off-balance sheet exposures							
Securitisation		-	-	-	-	-	120,013
Total		-	-	-	-	-	120,013

Rated Exposures according to ratings by ECAIs of the Bank for the financial year ended 31 December 2021 were as follows:

RM'000

Exposure class	Ratings of corporates by approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
On and off-balance sheet exposures						
Credit exposures (using corporate risk weights)						
Public sector entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	530,227
Insurance cos, securities firms and fund managers		-	-	-	-	25,532
Corporates		-	-	-	-	316,487
Total		-	-	-	-	872,246

RM'000

Exposure class	Ratings of banking institutions by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Banks, DFIs and MDBs		-	-	-	-	-	
Total		-	-	-	-	-	

RM'000

Exposure class	Ratings of sovereigns and central banks by approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Sovereigns/ central banks		-	23,993,894	-	-	-	
Total		-	23,993,894	-	-	-	

Rated Exposures according to ratings by ECAs of the Islamic Banking Window as at 30 June 2022 were as follows:

RM'000

Exposure class	Ratings of corporates by approved ECAs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and off-balance sheet exposures						
Credit exposures (using corporate risk weights)						
Public sector entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	14,664
Insurance cos, securities firms and fund managers		-	-	-	-	11,026
Corporates		-	-	-	-	1,053
Total		-	-	-	-	26,743

RM'000

Exposure class	Ratings of banking institutions by approved ECAs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
On and off-balance sheet exposures							
Banks, DFIs and MDBs		-	-	-	-	-	-
Total		-	-	-	-	-	-

RM'000

Exposure class	Ratings of sovereigns and central banks by approved ECAs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
On and off-balance sheet exposures							
Sovereigns/ central banks		-	3,413,431	-	-	-	-
Total		-	3,413,431	-	-	-	-

Rated Exposures according to ratings by ECAs of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

RM'000

Exposure class	Ratings of corporates by approved ECAs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3		B to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
On and off-balance sheet exposures						
Credit exposures (using corporate risk weights)						
Public sector entities (applicable for entities risk weighted based on their external ratings as corporates)			-	-	-	2,399
Insurance cos, securities firms and fund managers			-	-	-	1,699
Corporates			-	-	-	830
Total			-	-	-	4,928

RM'000

Exposure class	Ratings of banking institutions by approved ECAs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Banks, DFIs and MDBs			-	-	-	-	-
Total			-	-	-	-	-

RM'000

Exposure class	Ratings of sovereigns and central banks by approved ECAs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
On and off-balance sheet exposures							
Sovereigns/ central banks			-	2,985,869	-	-	-
Total			-	2,985,869	-	-	-

3. CREDIT RISK (Cont'd.)

The following tables presented the breakdown of exposures by RWA and EAD for the Bank using the respective internal rating scale for the model applicable to the asset classes as at 30 June 2022:

Exposures under the IRB approach by Risk Grade

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non-retail exposures (EAD)			
Large corporate, SMEs and specialised lending (IPRE)	25,665,054	22,170,754	1,348,673
Bank	8,266,834	54,063	-
Insurance Cos, securities firm and fund managers	1,265,334	-	-
Total non-retail exposures	35,197,221	22,224,817	1,348,673
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	1,350,113	711,575	5,909
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	1,350,113	711,575	5,909
Exposure weighted average LGD (%)			
Large corporate, SMEs and specialised lending (IPRE)	43%	40%	45%
Bank	45%	45%	-
Insurance Cos, securities firm and fund managers	45%	-	-
Exposure weighted average risk weight (%)			
Large corporate, SMEs and specialised lending (IPRE)	62%	115%	0%
Bank	14%	66%	-
Insurance Cos, securities firm and fund managers	21%	-	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 50%	Strong/ 70%	Good/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Specialised Lending Exposure (EAD)							
Project Finance	13,750	101,058	9,237	474,702	-	2,788	-
Risk Weighted Assets	6,875	70,741	6,466	427,231	-	6,970	-

PD range of retail exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)				
Residential mortgages	34,126,659	807,586	3,289,618	916,355
Qualifying revolving retail	3,844,885	716,381	1,625,446	34,478
Other retail	13,422,268	2,325,707	1,809,542	416,622
Total retail exposures	51,393,812	3,849,674	6,724,606	1,367,455
Undrawn commitments				
Residential mortgages	2,153,944	264,845	100,019	-
Qualifying revolving retail	2,758,706	365,983	763,313	-
Other retail	2,012,138	548,367	183,613	309
Total undrawn commitments	6,924,788	1,179,195	1,046,945	309
Exposure weighted average LGD (%)				
Residential mortgages	12.87%	14.35%	13.61%	13.92%
Qualifying revolving retail	33.19%	44.72%	42.71%	51.58%
Other retail	15.90%	23.60%	24.18%	20.79%
Exposure weighted average risk weight (%)				
Residential mortgages	7.47%	22.25%	46.31%	34.83%
Qualifying revolving retail	6.24%	19.69%	59.87%	288.80%
Other retail	11.85%	26.43%	38.68%	58.77%

3. CREDIT RISK (Cont'd.)

The following tables presented the breakdown of exposures by RWA and EAD for the Bank using the respective internal rating scale for the model applicable to the asset classes for the financial year ended 31 December 2021:

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non-retail exposures (EAD)			
Large corporate, SMEs and specialised lending (IPRE)	23,015,408	21,807,994	1,224,577
Bank	7,264,480	19,075	-
Insurance Cos, securities firm and fund managers	1,202,610	24	-
Total non-retail exposures	31,482,498	21,827,092	1,224,577
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	1,478,295	595,756	1,288
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	1,478,295	595,756	1,288
Exposure weighted average LGD (%)			
Large corporate, SMEs and specialised lending (IPRE)	42%	40%	45%
Bank	45%	45%	-
Insurance Cos, securities firm and fund managers	45%	45%	-
Exposure weighted average risk weight (%)			
Large corporate, SMEs and specialised lending (IPRE)	68%	115%	0%
Bank	17%	55%	-
Insurance Cos, securities firm and fund managers	24%	235%	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 50%	Strong/ 70%	Good/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Specialised Lending Exposure (EAD)							
Project Finance	-	66,332	10,457	454,850	-	2,500	-
Risk Weighted Assets	-	46,433	7,320	409,365	-	6,250	-

PD range of retail exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)				
Residential mortgages	34,897,177	770,583	2,538,095	779,675
Qualifying revolving retail	3,937,270	709,801	1,598,311	23,197
Other retail	13,859,186	2,093,871	1,811,261	361,711
Total retail exposures	52,693,633	3,574,255	5,947,667	1,164,583
Undrawn commitments				
Residential mortgages	2,123,053	193,635	109,379	-
Qualifying revolving retail	2,854,041	337,320	699,862	-
Other retail	2,036,824	450,101	174,319	259
Total undrawn commitments	7,013,918	981,056	983,560	259
Exposure weighted average LGD (%)				
Residential mortgages	12.84%	14.23%	13.48%	14.01%
Qualifying revolving retail	32.91%	45.33%	43.30%	51.67%
Other retail	15.94%	24.07%	25.87%	20.72%
Exposure weighted average risk weight (%)				
Residential mortgages	7.46%	22.03%	42.79%	30.86%
Qualifying revolving retail	6.16%	19.94%	59.39%	198.91%
Other retail	11.87%	26.92%	39.92%	54.52%

3. CREDIT RISK (Cont'd.)

The following tables presented the breakdown of exposures by RWA and EAD for the Islamic Banking Window using the respective internal rating scale for the model applicable to the asset classes as at 30 June 2022:

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non-retail exposures (EAD)			
Large corporate, SMEs and specialised lending (IPRE)	1,699,039	1,150,973	85,509
Bank	215,804	-	-
Insurance Cos, securities firm and fund managers	1,001,547	-	-
Total non-retail exposures	2,916,390	1,150,973	85,509
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	24,080	33,369	750
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	24,080	33,369	750
Exposure weighted average LGD (%)			
Large corporate, SMEs and specialised lending (IPRE)	44%	41%	45%
Bank	45%	-	-
Insurance Cos, securities firm and fund managers	45%	-	-
Exposure weighted average risk weight (%)			
Large corporate, SMEs and specialised lending (IPRE)	100%	143%	0%
Bank	11%	-	-
Insurance Cos, securities firm and fund managers	17%	-	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 50%	Strong/ 70%	Good/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Specialised Lending Exposure (EAD)							
Project Finance	-	-	4,237	474,702	-	-	-
Risk Weighted Assets	-	-	2,966	427,231	-	-	-

PD range of retail exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)				
Residential mortgages	2,892,939	95,561	421,309	93,745
Other retail	708,138	554,068	153,960	29,746
Total retail exposures	3,601,077	649,629	575,269	123,491
Undrawn commitments				
Residential mortgages	255,879	36,920	8,008	-
Other retail	53,025	83,989	3,584	-
Total undrawn commitments	308,904	120,909	11,592	-
Exposure weighted average LGD (%)				
Residential mortgages	14.81%	14.80%	15.74%	15.41%
Other retail	22.47%	26.18%	26.00%	33.07%
Exposure weighted average risk weight (%)				
Residential mortgages	11.29%	22.63%	54.48%	10.91%
Other retail	18.89%	28.96%	39.76%	164.35%

3. CREDIT RISK (Cont'd.)

The following tables presented the breakdown of exposures by RWA and EAD for the Islamic Banking Window using the respective internal rating scale for the model applicable to the asset classes as at 31 December 2021:

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non-retail exposures (EAD)			
Large corporate, SMEs and specialised lending (IPRE)	1,749,935	1,094,553	96,961
Bank	203,623	216	-
Insurance Cos, securities firm and fund managers	1,001,490	-	-
Total non-retail exposures	2,955,048	1,094,770	96,961
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	30,643	11,464	750
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	30,643	11,464	750
Exposure weighted average LGD (%)			
Large corporate, SMEs and specialised lending (IPRE)	44%	41%	45%
Bank	45%	45%	-
Insurance Cos, securities firm and fund managers	45%	-	-
Exposure weighted average risk weight (%)			
Large corporate, SMEs and specialised lending (IPRE)	110%	146%	0%
Bank	10%	0	-
Insurance Cos, securities firm and fund managers	24%	-	-

Supervisory Categories / Risk Weights	Strong/ 50%	Strong/ 70%	Good/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Specialised Lending exposures (EAD)							
Project Finance	-	-	5,457	454,850	-	-	-
Risk Weighted Assets	-	-	3,820	409,365	-	-	-

PD range of retail exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)				
Residential mortgages	2,854,384	99,828	286,363	77,573
Other retail	733,550	477,406	134,237	22,441
Total retail exposures	3,587,934	577,234	420,600	100,014
Undrawn commitments				
Residential mortgages	262,373	35,161	5,886	-
Other retail	55,254	72,848	4,260	-
Total undrawn commitments	317,627	108,009	10,146	-
Exposure weighted average LGD (%)				
Residential mortgages	14.84%	14.82%	16.08%	15.46%
Other retail	22.62%	27.11%	28.96%	35.85%
Exposure weighted average risk weight (%)				
Residential mortgages	11.08%	22.72%	49.74%	7.75%
Other retail	19.09%	29.98%	42.49%	177.24%

3. CREDIT RISK (Cont'd.)

Retail exposures under the IRB approach by expected loss range of the Bank as at 30 June 2022 were as follows:

EL% range of retail exposures	0.0% to 1.0%	1.0% to 5.0%	5.0% to 10.0%	10.0% to 30.0%	30.0% to 100.0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail exposures (EAD)</u>					
Residential mortgages	37,468,171	923,178	100,479	648,390	-
Qualifying revolving retail	4,661,233	1,043,919	204,304	276,025	35,709
Other retail	16,808,720	692,696	78,358	299,015	95,350
Total retail exposures	58,938,124	2,659,793	383,141	1,223,430	131,059
<u>Undrawn commitments</u>					
Residential mortgages	2,504,913	12,882	1,013	-	-
Qualifying revolving retail	3,230,951	481,280	62,496	107,865	5,410
Other retail	2,708,482	32,948	2,952	45	-
Total undrawn commitments	8,444,346	527,110	66,461	107,910	5,410
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	10.27%	67.23%	96.58%	0.52%	0.00%
Qualifying revolving retail	8.14%	45.41%	107.58%	131.02%	52.15%
Other retail	14.91%	57.85%	88.47%	56.47%	5.80%

Retail exposures under the IRB approach by expected loss range of the Bank for the financial year ended 31 December 2021 were as follows:

EL% range of retail exposures	0.0% to 1.0%	1.0% to 5.0%	5.0% to 10.0%	10.0% to 30.0%	30.0% to 100.0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail exposures (EAD)</u>					
Residential mortgages	37,822,494	530,293	64,871	567,872	-
Qualifying revolving retail	4,730,051	1,056,109	204,808	212,847	64,764
Other retail	17,068,391	655,367	58,459	256,989	86,823
Total retail exposures	59,620,936	2,241,769	328,138	1,037,708	151,587
<u>Undrawn commitments</u>					
Residential mortgages	2,414,653	10,883	531	-	-
Qualifying revolving retail	3,281,103	441,458	65,166	96,914	6,582
Other retail	2,622,632	37,923	597	299	52
Total undrawn commitments	8,318,388	490,264	66,294	97,213	6,634
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	9.76%	66.21%	90.96%	0.00%	-
Qualifying revolving retail	8.03%	45.80%	106.36%	111.43%	94.22%
Other retail	14.97%	59.02%	96.03%	43.93%	20.39%

3. CREDIT RISK (Cont'd.)

Retail exposures under the IRB approach by expected loss range of the Islamic Banking Window as at 30 June 2022 were as follows:

EL% range of retail exposures	0.0% to 1.0%	1.0% to 5.0%	5.0% to 10.0%	10.0% to 30.0%	30.0% to 100.0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail exposures (EAD)</u>					
Residential mortgages	3,305,625	89,382	22,653	85,894	-
Other retail	1,358,913	57,073	8,016	14,124	7,786
Total retail exposures	4,664,538	146,455	30,669	100,018	7,786
<u>Undrawn commitments</u>					
Residential mortgages	298,378	2,180	249	-	-
Other retail	139,629	969	-	-	-
Total undrawn commitments	438,007	3,149	249	-	-
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	15.05%	76.10%	98.12%	0.09%	0.00%
Other retail	24.74%	82.83%	69.29%	108.37%	0.00%

Retail exposures under the IRB approach by expected loss range of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

EL% range of retail exposures	0.0% to 1.0%	1.0% to 5.0%	5.0% to 10.0%	10.0% to 30.0%	30.0% to 100.0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail exposures (EAD)</u>					
Residential mortgages	3,205,321	32,123	7,942	72,762	-
Other retail	1,292,053	56,458	5,684	5,286	8,153
Total retail exposures	4,497,374	88,581	13,626	78,048	8,153
<u>Undrawn commitments</u>					
Residential mortgages	302,848	572	-	-	-
Other retail	129,221	3,141	-	-	-
Total undrawn commitments	432,069	3,713	-	-	-
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	14.25%	70.55%	102.53%	0.00%	0%
Other retail	26.02%	53.44%	73.58%	174.97%	3%

3. CREDIT RISK (Cont'd.)

Credit risk mitigation

The following table presented the total exposures which are covered by eligible credit risk mitigants of the Bank as at 30 June 2022:

Exposure class	Exposures before CRM	Exposures covered by guarantees/ credit derivatives	Exposures covered by eligible financial collateral	Exposures covered by other eligible collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit risk</u>				
<i><u>On-balance sheet exposures</u></i>				
Sovereign/central banks	27,455,770	-	-	-
Public Sector Entities	432,683	432,683	-	-
Banks, DFIs and MDBs	5,149,231	-	-	-
Insurances cos, securities firms and fund managers	1,114,285	-	10,018	-
Corporates	40,012,044	3,743,772	2,213,145	1,875,892
Regulatory retail	17,112,109	-	-	-
Residential mortgages	35,705,055	-	-	-
Other assets	1,470,769	-	-	-
Securitisation exposure	120,013	120,013	-	-
Equity exposure	153,629	-	-	-
Defaulted exposures	2,013,860	5,070	1,902	33,826
Total on-balance sheet exposures	130,739,448	4,301,538	2,225,065	1,909,718
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	2,832,926	222	2,320	322
Off-balance sheet exposures other than OTC derivatives or credit derivatives	18,841,578	115,861	3,035,225	225,420
Defaulted exposures	10,899	123	1,204	1,790
Total off-balance sheet exposures	21,685,403	116,206	3,038,749	227,532
Total on and off-balance sheet exposures	152,424,851	4,417,744	5,263,814	2,137,250

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following table presented the total exposures which are covered by eligible credit risk mitigants of the Bank for the financial year ended 31 December 2021:

Exposure class	Exposures before CRM	Exposures covered by guarantees/ credit derivatives	Exposures covered by eligible financial collateral	Exposures covered by other eligible collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit risk</u>				
<i>On-balance sheet exposures</i>				
Sovereign/central banks	23,974,164	-	-	-
Public Sector Entities	490,369	490,369	-	-
Banks, DFIs and MDBs	5,118,838	-	-	-
Insurances cos, securities firms and fund managers	1,100,929	-	10,018	-
Corporates	37,193,516	2,829,288	2,263,069	1,821,399
Regulatory retail	17,457,234	-	-	-
Residential mortgages	35,779,788	-	-	-
Other assets	1,312,402	-	-	-
Equity exposures	157,023	-	-	-
Defaulted exposures	1,721,583	8,518	12	29,178
Total on-balance sheet exposures	124,305,846	3,328,175	2,273,099	1,850,577
<i>Off-balance sheet exposures</i>				
OTC derivatives	1,739,838	2,509	1,572	641
Off-balance sheet exposures other than OTC derivatives or credit derivatives	18,093,749	256,968	1,389,609	188,337
Defaulted exposures	7,256	-	895	-
Total off-balance sheet exposures	19,840,843	259,477	1,392,076	188,978
Total on and off-balance sheet exposures	144,146,689	3,587,653	3,665,175	2,039,555

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following table presented the total exposures which are covered by eligible credit risk mitigants of Islamic Banking Window as at 30 June 2022:

Exposure class	Exposures before CRM	Exposures covered by guarantees/ credit derivatives	Exposures covered by eligible financial collateral	Exposures covered by other eligible collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit risk</u>				
<i><u>On-balance sheet exposures</u></i>				
Sovereign/central banks	3,413,431	-	-	-
Banks, DFIs and MDBs	215,804	-	-	-
Insurances cos, securities firms and fund managers	1,001,547	-	-	-
Corporates	2,820,446	67,026	98,650	51,359
Regulatory retail	1,275,567	-	-	-
Residential mortgages	3,109,002	-	-	-
Other assets	12,712	-	-	-
Defaulted exposures	99,971	-	-	-
Total on-balance sheet exposures	11,948,480	67,026	98,650	51,359
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	32,152	-	128	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	945,171	3,141	11,034	1,150
Defaulted Exposures	750	-	-	-
Total off-balance sheet exposures	978,073	3,141	11,162	1,150
Total on and off-balance sheet exposures	12,926,553	70,167	109,812	52,509

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following table presented the total exposures which are covered by eligible credit risk mitigants of Islamic Banking Window for the financial year ended 31 December 2021:

Exposure class	Exposures before CRM	Exposures covered by guarantees/ credit derivatives	Exposures covered by eligible financial collateral	Exposures covered by other eligible collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit risk</u>				
<i><u>On-balance sheet exposures</u></i>				
Sovereign/central banks	2,985,869	-	-	-
Banks, DFIs and MDBs	203,839	-	-	-
Insurances cos, securities firms and fund managers	1,001,490	-	-	-
Corporates	2,773,588	86,499	85,715	47,747
Regulatory retail	1,212,831	-	-	-
Residential mortgages	2,937,154	-	-	-
Other assets	6,781	-	-	-
Defaulted exposures	91,380	-	-	-
Total on-balance sheet exposures	11,212,934	86,499	85,715	47,747
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	11,841	-	40	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	960,668	2,743	10,974	1,745
Defaulted Exposures	750	-	-	-
Total off-balance sheet exposures	973,259	2,743	11,014	1,745
Total on and off-balance sheet exposures	12,186,193	89,241	96,728	49,492

3. CREDIT RISK (Cont'd.)

Off-Balance Sheet Exposures and Counterparty Credit Risk

Pre-settlement limits for FX and derivative transactions are established using the potential future exposures (PFE) approach. This approach takes into consideration the transaction currency and tenor to address the credit risk exposures arising from adverse market movements.

The off-balance sheet exposures and their related counterparty credit risk of the Bank as at 30 June 2022 were as follows:

Description	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	3,625,427		3,489,275	2,482,573
Transaction related contingent items	6,049,147		2,994,122	1,971,680
Short-term self liquidating trade related contingencies	548,224		115,945	68,940
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/reverse repurchase and securities lending/borrowing transactions), and commitment to buy-back Islamic securities under Sell and Buy Back Agreement transactions.	2,197,958		37,961	931
Foreign exchange related contracts				
One year or less	61,772,649	829,590	1,604,879	318,423
Over one year to five years	451,391	14,012	39,139	16,874
Over five years	57,283	442	6,170	7,270
Interest/profit rate related contracts				
One year or less	18,151,674	85,152	177,797	38,508
Over one year to five years	38,377,098	439,261	1,529,718	484,587
Over five years	1,440,679	27,105	156,519	95,519
Equity related contracts				
One year or less	61,880	5	344	26
Commodity contracts				
One year or less	413,395	30,665	53,802	22,445
Over one year to five years	11,898	-	-	-
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6,407,890		4,359,208	2,487,946
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	20,888,760		1,582,365	352,532
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness.	16,436,182		5,528,893	678,023
Unutilised credit card lines	86,106		17,221	15,730
Off-balance sheet for securitisation exposures				
Total	176,977,641	1,426,232	21,693,358	9,042,007

3. CREDIT RISK (Cont'd.)

Off-Balance Sheet Exposures and Counterparty Credit Risk (cont'd.)

The off-balance sheet exposures and their related counterparty credit risk of the Bank for the financial year ended 31 December 2021 were as follows:

Description	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	3,283,375		3,189,255	2,369,357
Transaction related contingent items	6,050,045		3,001,739	2,059,927
Short-term self liquidating trade related contingencies	620,294		136,216	80,964
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/reverse repurchase and securities lending/borrowing transactions), and commitment to buy-back Islamic securities under Sell and Buy Back Agreement transactions.	563,417		16,649	723
Foreign exchange related contracts				
One year or less	43,703,666	170,026	729,714	168,577
Over one year to five years	338,754	6,215	28,112	11,370
Over five years	-	-	-	-
Interest/profit rate related contracts				
One year or less	17,383,220	57,846	140,160	73,134
Over one year to five years	32,775,558	206,915	1,261,652	472,061
Over five years	1,600,697	41,510	186,264	100,431
Equity related contracts				
One year or less	44,935	20	-	-
Commodity contracts				
One year or less	313,096	33,214	50,241	23,086
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6,644,725		4,577,876	2,845,756
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	19,253,186		913,737	168,450
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness.	15,372,716		5,598,135	673,025
Unutilised credit card lines	93,739		18,748	17,181
Off-balance sheet for securitisation exposures	-		-	-
Total	148,041,422	515,746	19,848,498	9,064,044

3. CREDIT RISK (Cont'd.)

Off-Balance Sheet Exposures and Counterparty Credit Risk (cont'd.)

The off-balance sheet exposures and their related counterparty credit risk of the Islamic Banking Window as at 30 June 2022 were as follows:

Description	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	145,043		145,043	268,520
Transaction related contingent items	203,444		102,212	160,397
Short-term self-liquidating trade-related contingencies	11,819		2,456	1,713
Foreign exchange related contracts				
One year or less	724,616	17,490	27,372	15,441
Over one year to five years	9,349	-	467	327
Over five years	-	-	-	-
Interest/profit rate related contracts				
One year or less	-	-	-	-
Over one year to five years	431,200	6,446	4,312	2,706
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	965,800		688,956	323,217
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	230,856		7,254	2,585
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	1,219,372		-	-
Total	3,941,499	23,936	978,072	774,906

3. CREDIT RISK (Cont'd.)

Off-Balance Sheet Exposures and Counterparty Credit Risk (cont'd.)

The off-balance sheet exposures and their related counterparty credit risk of the Islamic Banking Window for the financial year ended 31 December 2021 were as follows:

Description	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	146,542		146,542	281,909
Transaction related contingent items	158,716		79,458	152,484
Short-term self-liquidating trade-related contingencies	1,564		313	178
Foreign exchange related contracts				
One year or less	378,843	1,719	6,165	3,699
Over one year to five years	14,149	245	1,047	733
Over five years	-	-	-	-
Interest/profit rate related contracts				
One year or less	-	-	-	-
Over one year to five years	362,880	-	4,629	2,708
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,011,585		727,874	353,527
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	224,833		7,231	2,534
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	481,577		-	-
Total	2,780,689	1,964	973,259	797,772

Disclosure on Securitisation under Standardised Approach

The following table presented the Disclosure on Securitisation under the Standardised Approach as at 30 June 2022:

Securitisation Exposures by Exposure Type	Exposure after CRM	Risk Weight of Securitisation Exposure @ 20%	Risk Weighted Assets
	RM '000	RM '000	RM '000
Traditional Securitisation			
Originated by Third Party			
On Balance Sheet Exposure	120,013	24,003	24,003
Off Balance Sheet Exposure	-	-	-
Total Traditional Securitisation	120,013	24,003	24,003

4. EQUITIES (Disclosures for Banking Book position)

The following table presented the equity exposures in the banking book.

These exposures were classified under available-for-sale (AFS) securities which were being measured at fair value.

Type of Equities	Bank			
	30-Jun-22		31-Dec-21	
	Exposures	RWA	Exposures	RWA
	RM'000	RM'000	RM'000	RM'000
Publicly traded equity exposures * mainly acquired via loan restructuring activities	872	2,617	1,604	4,811
All other equity exposures *unquoted shares which are non-traded in the stock exchange	152,757	152,757	155,420	155,420
Total	153,629	155,374	157,024	160,231

	Bank	
	30-Jun-22 RM'000	31-Dec-21 RM'000
Realised gains arising from sales and liquidation	250	6
Unrealised gains included in fair value reserve	141,549	144,677

As at 30 June 2022, there were no equity exposures under Islamic Banking Window.

5. INTEREST RATE RISK/RATE OF RETURN RISK IN THE BANKING BOOK ("IRRBB/RORBB")

Interest/Profit Rate Sensitivity Analysis - Banking Book

The table below shows the results of 100 and 200 basis points parallel interest/profit rate shocks to EVE and NII/NPI. The repricing profile of loans is generally based on the earliest possible repricing dates. Interest/profit rate flooring effects are taken into consideration. Loan prepayment and time deposit early withdraw rates are estimated based on past statistics and trends where possible and material. The average repricing maturity of core non-maturity deposits is determined through empirical models.

Economic Value of Equity ("EVE")

30-Jun-22	Increase/ (Decrease) in basis points	Sensitivity of EVE RM'000	Increase/ (Decrease) in basis points	Sensitivity of EVE RM'000
Total	+200/(200)	(1,356,707)/ 1,735,049	+100/(100)	(719,020)/ 813,088
MYR	+200/(200)	(1,380,949)/ 1,760,140	+100/(100)	(731,203)/ 825,397
USD	+200/(200)	24,242/ (25,091)	+100/(100)	12,183/ (12,309)
31-Dec-21	Increase/ (Decrease) in basis points	Sensitivity of EVE RM'000	Increase/ (Decrease) in basis points	Sensitivity of EVE RM'000
Total	+200/(200)	(833,072)/ 997,910	+100/(100)	(445,392)/ 520,914
MYR	+200/(200)	(850,249)/ 1,000,335	+100/(100)	(454,035)/ 524,580
USD	+200/(200)	17,177/ (2,425)	+100/(100)	8,643/ (3,666)

Net Interest/Profit Income ("NII/NPI")

30-Jun-22	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI RM'000	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI RM'000
Total	+200/(200)	381,771/ (612,670)	+100/(100)	190,886/ (276,258)
MYR	+200/(200)	451,423/ (619,624)	+100/(100)	225,712/ (278,783)
USD	+200/(200)	(69,652)/ 6,954	+100/(100)	(34,826)/ 2,525
31-Dec-21	Increase/ (Decrease) in basis points <th>Sensitivity of NII/NPI RM'000</th> <th>Increase/ (Decrease) in basis points</th> <th>Sensitivity of NII/NPI RM'000</th>	Sensitivity of NII/NPI RM'000	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI RM'000
Total	+200/(200)	451,685/ (657,880)	+100/(100)	225,843/ (296,834)
MYR	+200/(200)	487,278/ (653,648)	+100/(100)	243,639/ (292,605)
USD	+200/(200)	(35,593)/ (4,232)	+100/(100)	(17,796)/ (4,229)