


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

PILLAR 3 DISCLOSURE
30 JUNE 2021

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 2021**

I hereby confirm that the Pillar 3 disclosures for the financial period ended 30 June 2021 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.



Wong Kim Choong
Chief Executive Officer

Date: 24 August 2021

1. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia ("BNM")'s Capital Adequacy Framework (Capital Components) issued on 2 February 2018 and Basel II - Risk-Weighted Assets ("RWA") issued on 2 February 2018 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-21	31-Dec-20	30-Jun-21	31-Dec-20
	RM'000	RM'000	RM'000	RM'000
<u>Common Equity Tier 1 ("CET1")/</u>				
<u>Tier 1 Capital</u>				
Paid-up share capital	792,555	792,555	792,555	792,555
Retained profits	9,667,269	10,174,394	9,729,649	10,236,774
Other reserves	332,438	493,176	141,407	302,144
Regulatory adjustments applied in the calculation of CET1 Capital	(430,017)	(469,918)	(754,788)	(704,740)
Total CET1/Tier 1 Capital	10,362,245	10,990,207	9,908,823	10,626,733
<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	299,482	298,644	299,937	299,172
- General provisions	28,974	30,000	18,298	19,249
Regulatory adjustments applied in the calculation of Tier 2 Capital	82,858	82,858	-	-
Total Tier 2 Capital	1,761,314	1,761,502	1,668,235	1,668,421
Total Capital	12,123,559	12,751,709	11,577,058	12,295,154

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

	Group		Bank	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
CET1/Tier 1 Capital	16.973%	18.407% *	16.439%	18.030% *
Total Capital	19.858%	21.358% *	19.207%	20.861% *

* The CET1/Tier1 Capital and Total Capital ratios were before dividend payment. The CET1/Tier1 Capital for the Group and the Bank net of proposed dividend are as follows:-

CET1/Tier 1 Capital Ratio (net of proposed dividends)	17.558%	17.170%
Total Capital Ratio (net of proposed dividends)	20.508%	20.001%

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-21 RM'000	31-Dec-20 RM'000
<u>Common Equity Tier 1 ("CET1")/</u>		
<u>Tier 1 Capital</u>		
Capital fund	450,000	450,000
Accumulated profit	6,311	6,311
Other reserves	586	262
Regulatory adjustments applied in the calculation of CET1 Capital	(10,606)	(10,130)
Total CET1/Tier 1 Capital	446,291	446,443
<u>Tier 2 Capital</u>		
Financing loss provision		
- Surplus eligible provisions over expected losses	19,090	18,173
- General provisions	132	107
Total Tier 2 Capital	19,222	18,280
Total Capital	465,513	464,723

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

	30-Jun-21	31-Dec-20
Before the effects of RSIA		
CET1/Tier 1 Capital Ratio	9.704%	11.187%
Total Capital Ratio	10.139%	11.645%
After the effects of RSIA		
CET1/Tier 1 Capital Ratio	13.426%	14.042%
Total Capital Ratio	14.004%	14.617%

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 2021, credit risks related to RSIA assets excluded from the total capital ratio calculation amounted to RM1,275,184,000 (31 December 2020: RM811,295,000)

2. CAPITAL ADEQUACY

The aggregate breakdown of Risk-Weighted Assets (RWA) by exposures in each category of the Bank as at 30 June 2021 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>				
	<u>On-balance sheet exposures</u>				
	Sovereigns/central banks	20,353,201	20,353,201	228,190	18,255
	Public Sector Entities	206,853	206,853	6,060	485
	Insurance cos, securities firms and fund managers	311	311	311	25
	Corporates	264,012	261,696	260,840	20,867
	Regulatory Retail	4,924	4,924	4,924	394
	Other assets	1,350,984	1,350,984	659,658	52,773
	Equity exposure	158,198	158,198	158,198	12,656
	Defaulted exposures	3,697	3,697	4,355	348
	Total on-balance sheet exposures	22,342,180	22,339,864	1,322,536	105,803
	<u>Off-balance sheet exposures</u>				
	OTC derivatives	197,925	197,925	70,361	5,629
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	104,391	103,407	70,931	5,674
	Total off-balance sheet exposures	302,316	301,332	141,292	11,303
	Total on and off-balance sheet exposures (SA)	22,644,496	22,641,196	1,463,828	117,106
1.2	<u>Exposures under the Foundation IRB approach (FIRB)</u>				
	<u>On-balance sheet exposures</u>				
	Banks, Development Financial Institutions and MDBs	5,508,049	5,508,049	782,027	62,562
	Insurance Cos, Securities Firms and Fund Managers	1,118,447	1,093,410	293,521	23,482
	Corporates	35,693,398	31,726,610	31,145,192	2,491,615
	Equity (simple risk weight)	1,850	1,850	5,550	444
	Defaulted exposures	1,131,903	1,109,664	-	-
	Total on-balance sheet exposures	43,453,647	39,439,583	32,226,290	2,578,103
	<u>Off-balance sheet exposures</u>				
	OTC derivatives	2,338,188	2,332,450	865,000	69,200
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	7,851,987	6,818,826	6,150,629	492,050
	Defaulted exposures	18,635	15,296	-	-
	Total off-balance sheet exposures	10,208,810	9,166,572	7,015,629	561,250
	Total on and off-balance sheet exposures (FIRB)	53,662,457	48,606,155	39,241,919	3,139,353

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	35,616,954	35,616,954	4,023,464	321,877
	Qualifying revolving retail	2,232,633	2,232,633	798,471	63,878
	Other retail	15,341,000	15,341,000	2,668,310	213,465
	Defaulted exposures	846,226	846,226	418,102	33,448
	Total on-balance sheet exposures	54,036,814	54,036,813	7,908,348	632,668
	<i><u>Off-balance sheet exposures</u></i>				
	OTC derivatives	423	423	95	8
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	9,405,026	9,405,026	1,212,550	97,004
	Defaulted exposures				
	Total off-balance sheet exposures	9,405,449	9,405,449	1,212,645	97,012
	Total on and off-balance sheet exposures (AIRB)	63,442,263	63,442,262	9,120,993	729,680
	Total exposures under IRB approach	117,104,720	112,048,417	48,362,912	3,869,033
	Total (exempted exposures and exposures under the IRB approach) after scaling factor			52,728,514	4,218,281
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market risk</u>	Long position	Short position		
	Interest rate risk	166,977	86,677	1,299,083	103,927
	Foreign currency risk	474,067	642,125	175,207	14,017
	Commodity risk	-	-	-	-
	Options risk	-	-	311,451	24,916
4.0	<u>Operational risk (basic indicator approach)</u>			5,762,242	460,979
5.0	<u>Total RWA and capital requirements</u>			60,276,497	4,822,120

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 2020 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	<u>Credit risk</u>				
1.1	<u>Exempted exposures under the Standardised Approach (SA)</u>				
	<i><u>On-balance sheet exposures</u></i>				
	Sovereigns/central banks	23,059,910	22,859,553	229,862	18,389
	Public Sector Entities	179,046	179,046	-	-
	Insurance cos, securities firms and fund managers	62	62	62	5
	Corporates	294,798	292,128	291,658	23,333
	Regulatory Retail	9,965	9,965	9,965	797
	Other assets	1,321,778	1,321,778	702,149	56,172
	Equity exposure	155,929	155,929	155,929	12,474
	Defaulted exposures	3,950	3,950	5,922	474
	Total on-balance sheet exposures	25,025,438	24,822,411	1,395,547	111,644
	<i><u>Off-balance sheet exposures</u></i>				
	OTC derivatives	98,390	98,390	56,255	4,500
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	90,766	89,748	88,198	7,056
	Total off-balance sheet exposures	189,156	188,138	144,453	11,556
	Total on and off-balance sheet exposures (SA)	25,214,594	25,010,549	1,540,000	123,200
1.2	<u>Exposures under the Foundation IRB approach (FIRB)</u>				
	<i><u>On-balance sheet exposures</u></i>				
	Banks, Development Financial Institutions and MDBs	8,545,328	7,696,678	743,093	59,447
	Insurance Cos, Securities Firms and Fund Managers	1,130,296	1,120,279	278,386	22,271
	Corporates	34,219,891	30,171,147	30,587,833	2,447,027
	Equity (simple risk weight)	2,456	2,456	7,369	590
	Defaulted exposures	983,679	965,294	-	-
	Total on-balance sheet exposures	44,881,649	39,955,855	31,616,681	2,529,334
	<i><u>Off-balance sheet exposures</u></i>				
	OTC derivatives	2,201,029	2,197,675	883,199	70,656
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	7,546,399	6,555,912	6,106,505	488,520
	Defaulted exposures	16,613	15,446	-	-
	Total off-balance sheet exposures	9,764,041	8,769,033	6,989,704	559,176
	Total on and off-balance sheet exposures (FIRB)	54,645,690	48,724,888	38,606,385	3,088,511

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	35,534,166	35,534,166	3,822,943	305,835
	Qualifying revolving retail	2,548,509	2,548,509	929,284	74,343
	Other retail	15,730,978	15,730,978	2,836,203	226,896
	Defaulted exposures	745,269	745,269	358,289	28,663
	Total on-balance sheet exposures	54,558,922	54,558,922	7,946,719	635,738
	<i><u>Off-balance sheet exposures</u></i>				
	OTC derivatives	482	482	110	9
	Off-Balance sheet exposures other than OTC derivatives or credit derivatives	9,347,069	9,347,069	1,251,725	100,138
	Defaulted exposures	-	-	-	-
	Total off-balance sheet exposures	9,347,551	9,347,551	1,251,836	100,147
	Total on and off-balance sheet exposures (AIRB)	63,906,473	63,906,473	9,198,555	735,884
	Total exposures under IRB approach	118,552,163	112,631,361	47,804,940	3,824,395
	Total (exempted exposures and exposures under the IRB approach) after scaling factor			52,213,236	4,177,059
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market risk</u>				
		Long position	Short position		
	Interest rate risk	121,706	88,261	907,177	72,574
	Foreign currency risk	498,504	570,773	94,230	7,538
	Commodity risk	1,622	-	3,041	243
	Options risk	-	-	62,200	4,976
4.0	<u>Operational risk (basic indicator approach)</u>			5,658,697	452,696
5.0	<u>Total RWA and capital requirements</u>			58,938,581	4,715,087

2. CAPITAL ADEQUACY (Cont'd.)

The aggregate breakdown of RWA by exposures in each category of the Islamic Banking Window as at 30 June 2021 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%
1.0	Credit risk	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1.1	Exempted exposures under Standardised Approach (SA)						
	<i>On-balance sheet exposures</i>						
	Sovereigns/Central Banks	2,288,863	2,288,863	-	-	-	-
	Corporates	-	-	-	-	-	-
	Other assets	6,171	6,171	6,171	-	6,171	494
	Total on-balance sheet exposures	2,295,034	2,295,034	6,171	-	6,171	494
	<i>Off-balance sheet exposures</i>						
	OTC derivatives	11,620	11,620	4,405	-	4,405	352
	Off-balance sheet exposures other than OTC derivatives or credit derivatives						
	Total off-balance sheet exposures	11,620	11,620	4,405	-	4,405	352
	Total on and off-balance sheet exposures (SA)	2,306,655	2,306,655	10,576	-	10,576	846
1.2	Exposures under the FIRB approach						
	<i>On-balance sheet exposures</i>						
	Banks, Development Financial Institutions and MDBs	151,821	151,821	15,409	-	15,409	1,233
	Insurance Cos, Firms & Fund	1,001,376	1,001,376	264,674	264,674	-	-
	Corporates	2,330,014	2,195,031	2,667,122	938,329	1,728,792	138,303
	Defaulted Exposures	14,461	14,461	-	-	-	-
	Total on-balance sheet exposures	3,497,672	3,362,689	2,947,205	1,203,003	1,744,201	139,536
	<i>Off-balance sheet exposures</i>						
	OTC Derivatives	13,527	13,442	9,077	-	9,077	726
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	398,922	386,367	377,462	-	377,462	30,197
	Total off-balance sheet exposures	412,449	399,809	386,539	-	386,539	30,923
	Total on and off-balance sheet	3,910,121	3,762,498	3,333,744	1,203,003	2,130,740	170,459

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> <u>On-balance sheet exposures</u>						
	Corporate						
	Residential mortgages	2,765,052	2,765,053	469,355	-	469,355	37,548
	Other retail	1,156,681	1,156,681	299,929	-	299,929	23,994
	Defaulted exposures	66,020	66,020	32,924	-	32,924	2,634
	Total on-balance sheet exposures	3,987,753	3,987,754	802,208	-	802,208	64,176
	<u>Off-balance sheet exposures</u>						
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	417,803	417,803	68,664	-	68,664	5,493
	Total off-balance sheet exposures	417,803	417,803	68,664	-	68,664	5,493
	Total on and off-balance sheet	4,405,556	4,405,557	870,872	-	870,872	69,669
2.0	Total exposures under IRB approach	8,315,677	8,168,055	4,204,616	1,203,003	3,001,612	240,128
	Total (exempted exposures and exposures under the IRB approach) after scaling factor			4,467,469	1,275,184	3,192,285	255,383
	<u>Large exposures risk requirement</u>	-	-	-	-	-	-
	<u>Market risk</u>						
		Long position	Short position				
	Interest rate risk	352	342	4,254	-	4,254	340
	Foreign currency risk	740	1,065	1,065	-	1,065	85
	Commodity risk	-	-	-	-	-	-
	Options risk	-	-	-	-	-	-
	Operational risk (basic indicator approach)			126,449	-	126,449	10,116
5.0	Total RWA and capital requirements			4,599,237	1,275,184	3,324,053	265,924

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 2020 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	<u>Exempted exposures under Standardised Approach (SA)</u>						
	<u>On-balance sheet exposures</u>						
	Sovereigns/Central Banks	1,338,772	1,338,772	-	-	-	-
	Corporate	535	95	95	-	95	8
	Other assets	6,486	6,486	6,486	-	6,486	519
	Total on-balance sheet exposures	1,345,793	1,345,353	6,581	-	6,581	526
	<u>Off-balance sheet exposures</u>						
	OTC derivatives	5,627	5,627	2,013	-	2,013	161
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-	-	-
	Total off-balance sheet exposures	5,627	5,627	2,013	-	2,013	161
	Total on and off-balance sheet exposures (SA)	1,351,421	1,350,981	8,594	-	8,594	688
1.2	<u>Exposures under the FIRB approach</u>						
	<u>On-balance sheet exposures</u>						
	Banks, Development Financial Institutions and MDBs	115,504	115,504	11,893	-	11,893	951
	Insurance Cos, Securities Firms & Fund Managers	1,001,476	1,001,476	238,004	238,004	238,004	19,040
	Corporates	2,092,581	1,966,802	2,457,216	527,369	1,691,844	135,348
	Defaulted Exposures	15,486	15,486	-	-	-	-
	Total on-balance sheet exposures	3,225,048	3,099,269	2,707,113	765,372	1,941,741	155,339
	<u>Off-balance sheet exposures</u>						
	OTC Derivatives	637	612	804	-	804	64
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	131,255	124,533	160,743	-	160,743	12,859
	Total off-balance sheet exposures	131,892	125,145	161,547	-	161,547	12,924
	Total on and off-balance sheet exposures (FIRB)	3,356,940	3,224,414	2,868,660	765,372	2,103,288	168,263

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>						
	<u>On-balance sheet exposures</u>						
	Corporate	-	-	-	-	-	-
	Residential mortgages	2,539,930	2,539,930	408,690	-	408,690	32,695
	Other retail	1,087,704	1,087,704	294,283	-	294,283	23,543
	Defaulted exposures	59,951	59,951	18,139	-	18,139	1,451
	Total on-balance sheet exposures	3,687,585	3,687,585	721,111	-	721,111	57,689
	<u>Off-balance sheet exposures</u>						
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	457,948	457,948	73,259	-	73,259	5,861
	Total off-balance sheet exposures	457,948	457,948	73,259	-	73,259	5,861
	Total on and off- balance sheet exposures (AIRB)	4,145,532	4,145,532	794,370	-	794,370	63,550
	Total exposures under IRB approach	7,502,472	7,369,946	3,663,030	765,372	2,897,658	231,813
	Total (exempted exposures and exposures under the IRB approach) after scaling factor			3,891,406	811,295	3,080,111	246,409
2.0	<u>Large exposures risk requirement</u>	-	-	-	-	-	-
3.0	<u>Market risk</u>						
		Long position	Short position				
	Interest rate risk	256	256	5,221		5,221	418
	Foreign currency risk	62	339	339		339	27
	Commodity risk	-	-	-	-	-	-
	Options risk	-	-	-	-	-	-
4.0	<u>Operational risk (basic indicator approach)</u>			93,714	-	93,714	7,497
5.0	<u>Total RWA and capital requirements</u>			3,990,680	811,295	3,179,385	254,351

3. CREDIT RISK

(i) The credit exposures by sector of the Bank as at 30 June 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	1,791,931	23,864	-	-	-	1,815,795
Mining and quarrying	-	-	1,065,697	-	179,033	11,048	-	-	-	1,255,778
Manufacturing	-	-	90,263	-	8,083,565	1,328,594	-	-	-	9,502,422
Electricity, gas and water	-	-	-	-	691,641	12,570	-	-	-	704,211
Construction	-	-	-	-	10,366,034	527,917	-	-	-	10,893,951
Wholesale, retail trade, restaurant and hotels	-	-	19,195	-	15,045,646	4,311,746	-	-	400	19,376,987
Transport, storage and communication	-	-	1,229	-	2,028,659	171,168	-	-	-	2,201,056
Finance, insurance and business services	48,906	259,585	6,438,413	1,239,179	2,878,480	970,671	-	-	-	11,835,234
Real estate	-	-	-	-	4,013,996	647,871	-	-	-	4,661,867
Community, social and personal services	-	-	-	-	35,239	127,917	-	-	-	163,156
Households	-	-	-	-	3,125	16,778,970	38,534,850	-	-	55,316,945
Others	20,411,403	30,299	-	-	28,835	-	-	160,048	1,391,229	22,021,814
	20,460,309	289,884	7,614,797	1,239,179	45,146,184	24,912,336	38,534,850	160,048	1,391,629	139,749,215

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 2020 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	1,912,643	26,806	-	-	-	1,939,449
Mining and quarrying	-	-	939,264	-	196,953	10,209	-	-	-	1,146,426
Manufacturing	-	-	76,037	-	7,307,636	1,365,505	-	-	-	8,749,178
Electricity, gas and water	-	-	-	-	262,442	12,793	-	-	-	275,235
Construction	-	-	-	-	10,891,718	549,171	-	-	-	11,440,889
Wholesale, retail trade, restaurant and hotels	-	179,045	3,230	-	13,412,676	4,383,772	-	-	-	17,978,723
Transport, storage and communication	-	-	268	-	2,078,322	187,574	-	-	-	2,266,164
Finance, insurance and business services	14,104	52,467	9,415,524	1,238,898	3,019,857	975,109	-	-	-	14,715,959
Real estate	-	-	-	-	4,053,440	666,667	-	-	-	4,720,107
Community, social and personal services	-	-	-	-	40,629	126,365	-	-	-	166,994
Households	-	-	-	-	3,406	17,208,786	38,403,682	-	-	55,615,874
Others	23,045,806	-	-	-	171,290	-	-	158,385	1,376,278	24,751,759
	23,059,910	231,512	10,434,323	1,238,898	43,351,012	25,512,757	38,403,682	158,385	1,376,278	143,766,757

3. CREDIT RISK (Cont'd.)

(ii) The credit exposures by sector of the Islamic Banking Window as at 30 June 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	491,911	434	-	-	-	492,345
Mining & Quarrying	-	-	-	-	85,745	-	-	-	-	85,745
Manufacturing	-	-	-	-	363,761	166,650	-	-	-	530,411
Electricity, gas and water	-	-	-	-	514,830	-	-	-	-	514,830
Construction	-	-	-	-	370,480	66,245	-	-	-	436,725
Wholesale, retail trade, restaurant and hotels	-	-	-	-	584,221	433,094	-	-	-	1,017,315
Transport, storage and communication	-	-	-	-	104,404	29,684	-	-	-	134,088
Finance, insurance and business services	732	9,019	151,821	1,003,978	38,021	161,369	-	-	-	1,364,940
Real estate	-	-	-	-	201,344	116,701	-	-	-	318,045
Community, social and personal services	-	-	-	-	-	28,772	-	-	-	28,772
Households	-	-	-	-	-	291,113	3,111,494	-	-	3,402,607
Others	2,288,131	-	-	-	2,206	-	-	-	6,171	2,296,508
	<u>2,288,863</u>	<u>9,019</u>	<u>151,821</u>	<u>1,003,978</u>	<u>2,756,924</u>	<u>1,294,062</u>	<u>3,111,494</u>	<u>-</u>	<u>6,171</u>	<u>10,622,332</u>

3. CREDIT RISK (Cont'd.)

The credit exposures by sector of the Islamic Banking Window for the financial year ended 31 December 2020 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
Agriculture, hunting, forestry and fishing	-	-	-	-	524,065	450	-	-	-	524,515
Mining and Quarrying	-	-	-	-	96,873	-	-	-	-	96,873
Manufacturing	-	-	-	-	319,301	160,764	-	-	-	480,065
Electricity, gas and water	-	-	-	-	56,921	-	-	-	-	56,921
Construction	-	-	-	-	416,643	66,793	-	-	-	483,436
Wholesale, retail trade, restaurant and hotels	-	-	-	-	479,525	389,479	-	-	-	869,004
Transport, storage and communication	-	-	-	-	96,846	34,482	-	-	-	131,328
Finance, insurance and business services	1,405	4,518	115,504	1,002,586	36,288	158,644	-	-	-	1,318,945
Real estate	-	-	-	-	214,033	109,194	-	-	-	323,227
Community, social and personal services	-	-	-	-	-	26,942	-	-	-	26,942
Households	-	-	-	-	-	291,032	2,907,752	-	-	3,198,784
Others	1,337,367	-	-	-	-	-	-	-	6,486	1,343,853
	1,338,772	4,518	115,504	1,002,586	2,240,495	1,237,780	2,907,752	-	6,486	8,853,893

3. CREDIT RISK (Cont'd.)

(iii) The credit exposures by remaining contractual maturities of the Bank as at 30 June 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
< 3 months	3,972,532	39,793	3,267,652	155,996	13,025,723	947,419	1,968	-	-	21,411,083
3 - 6 months	1,067,023	10,641	1,541,935	20,750	3,951,238	170,881	6,767	-	-	6,769,235
6 - 12 months	2,985,096	83,824	968,262	23,630	4,577,361	6,965,881	1,553,022	-	580,675	17,737,751
1 - 3 years	6,208,771	155,626	974,486	30,178	10,810,494	2,611,854	108,724	160,048	810,954	21,871,135
3 - 5 years	3,198,385	-	759,937	1,008,625	6,977,757	821,590	268,643	-	-	13,034,937
> 5 years	3,028,502	-	102,525	-	5,803,611	13,394,711	36,595,726	-	-	58,925,074
	20,460,309	289,884	7,614,797	1,239,179	45,146,184	24,912,336	38,534,850	160,048	1,391,629	139,749,215

The credit exposures by remaining contractual maturities of the Bank for the financial year ended 31 December 2020 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
< 3 months	7,418,993	29,575	6,287,134	166,738	11,963,366	824,667	11,376	-	-	26,701,849
3 - 6 months	399,945	22,892	1,766,966	15,203	3,183,683	236,593	7,176	-	-	5,632,458
6 - 12 months	925,705	-	234,336	16,167	4,404,287	7,229,928	1,562,091	-	505,038	14,877,552
1 - 3 years	7,961,590	152,118	1,523,194	19,566	11,465,997	2,648,115	100,174	158,385	871,240	24,900,379
3 - 5 years	3,640,054	26,927	526,916	1,021,224	6,578,760	847,866	264,882	-	-	12,906,629
> 5 years	2,713,623	-	95,777	-	5,754,919	13,725,588	36,457,983	-	-	58,747,890
	23,059,910	231,512	10,434,323	1,238,898	43,351,012	25,512,757	38,403,682	158,385	1,376,278	143,766,757

3. CREDIT RISK (Cont'd.)

(iv) The credit exposures by remaining contractual maturities of the Islamic Banking Window as at 30 June 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
< 3 months	159,374	2,422	135,682	2,602	745,197	2,728	-	-	-	1,048,004
3 - 6 months	794,141	1,948	-	-	40,064	309	-	-	-	836,462
6 - 12 months	1,334,616	4,649	-	-	31,783	41	-	-	-	1,371,089
1 - 3 years	732	-	16,139	-	107,494	8,353	48	-	6,171	138,937
3 - 5 years	-	-	-	1,001,377	680,083	4,569	999	-	-	1,687,028
> 5 years	-	-	-	-	1,152,303	1,278,062	3,110,447	-	-	5,540,812
	2,288,863	9,019	151,821	1,003,978	2,756,924	1,294,062	3,111,494	-	6,171	10,622,331

The credit exposures by remaining contractual maturities of the Islamic Banking Window for the financial year ended 31 December 2020 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	Equity exposures RM'000	Other assets RM'000	Grand total RM'000
< 3 months	1,216,661	2,410	100,896	1,109	653,095	2,825	-	-	-	1,976,996
3 - 6 months	120,706	2,108	-	-	32,686	427	-	-	-	155,927
6 - 12 months	-	-	-	-	101,832	195	-	-	-	102,027
1 - 3 years	1,405	-	14,608	-	101,393	7,591	-	-	6,486	131,483
3 - 5 years	-	-	-	1,001,477	261,337	3,908	1,253	-	-	1,267,975
> 5 years	-	-	-	-	1,090,152	1,222,834	2,906,499	-	-	5,219,485
	1,338,772	4,518	115,504	1,002,586	2,240,495	1,237,780	2,907,752	-	6,486	8,853,893

3. CREDIT RISK (Cont'd.)

The aggregate breakdown of credit risk standardised exposures by risk weights of the Bank as at 30 June 2021 were as follows:

Risk weights	Bank									
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Regulatory Retail	Other assets	Equity	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	RM'000
0%	19,243,258	176,553	-	-	2,325	-	691,326	-	20,113,462	-
10%	-	-	-	-	-	-	-	-	-	-
20%	1,217,051	113,331	-	-	323	-	-	-	1,330,705	266,141
35%	-	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	39,181	293,104	4,924	700,303	158,198	1,195,710	1,195,710
110%	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	1,318	-	-	-	1,318	1,977
270%	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-
Total	20,460,309	289,884	-	39,181	297,070	4,924	1,391,629	158,198	22,641,196	1,463,828

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 2020 were as follows:

Risk weights	Bank									
	Sovereigns/ central banks	Public sector entities	Banks, DFIs and MDBs	Ins cos, securities firms and fund managers	Corporates	Regulatory Retail	Other assets	Equity	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	RM'000
0%	21,710,244	179,046	-	-	2,021	-	619,629	-	22,510,940	-
10%	-	-	-	-	-	-	-	-	-	-
20%	1,149,309	52,467	-	-	202	-	0	-	1,201,977	240,395
35%	-	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	2	-	-	-	2	1
75%	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	43,041	328,099	9,965	756,649	155,929	1,293,683	1,293,683
110%	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	3,947	-	-	-	3,947	5,921
270%	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-
Total	22,859,553	231,512	-	43,041	334,270	9,965	1,376,278	155,929	25,010,549	1,540,000

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 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	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%	2,288,863	-	-	-	-	-	-	2,288,863	-
10%	-	-	-	-	-	-	-	-	-
20%	-	9,019	-	-	-	-	-	9,019	1,804
35%	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-
100%	-	-	-	2,601	-	6,171	-	8,772	8,772
110%	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-
Total	2,288,863	9,019	-	2,601	-	6,171	-	2,306,655	10,576

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 2020 were as

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	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%	1,338,772	-	-	-	-	-	-	1,338,772	-
10%	-	-	-	-	-	-	-	-	-
20%	-	4,518	-	-	-	-	-	4,518	904
35%	-	-	-	-	-	-	-	-	-
50%	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-
100%	-	-	-	1,109	95	6,486	-	7,690	7,690
110%	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-
Total	1,338,772	4,518	-	1,109	95	6,486	-	1,350,981	8,594

3. CREDIT RISK (Cont'd.)

Rated Exposures according to ratings by ECAIs of the Bank as at 30 June 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)		-	-	-	-	289,884
Insurance cos, securities firms and fund managers		-	-	-	-	39,181
Corporates		-	-	-	-	297,070
Regulatory Retail		-	-	-	-	4,924
Total		-	-	-	-	631,060

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
		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		-	20,460,309	-	-	-	-
Total		-	20,460,309	-	-	-	-

3. CREDIT RISK (Cont'd.)

Rated Exposures according to ratings by ECAs of the Bank for the financial year ended 31 December 2020 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)		-	-	-	-	231,512
Insurance cos, securities firms and fund managers		-	-	-	-	43,041
Corporates		-	-	-	-	334,270
Regulatory Retail		-	-	-	-	9,965
Total		-	-	-	-	618,789

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		-	21,761,800	-	-	-	1,097,753
Total		-	21,761,800	-	-	-	1,097,753

3. CREDIT RISK (Cont'd.)

Rated Exposures according to ratings by ECAIs of the Islamic Banking Window as at 30 June 2021 were as

RM'000						
Exposure class	Ratings of corporates by approved ECAIs					
	Moodys	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)		-	-	-	-	9,019
Insurance cos, securities firms and fund managers		-	-	-	-	2,601
Corporates		-	-	-	-	-
Total		-	-	-	-	11,620

RM'000							
Exposure class	Ratings of banking institutions by approved ECAIs						
	Moodys	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						
	Moodys	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		-	2,288,863	-	-	-	-
Total		-	2,288,863	-	-	-	-

3. CREDIT RISK (Cont'd.)

Rated Exposures according to ratings by ECAs of the Islamic Banking Window for the financial year ended 31 December 2020 were as follows:

RM'000						
Exposure class	Ratings of corporates by approved ECAs					
	Moodys	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		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)		-	-	-	-	4,518
Insurance cos, securities firms and fund managers		-	-	-	-	1,109
Corporates		-	-	-	-	95
Total		-	-	-	-	5,722

RM'000							
Exposure class	Ratings of banking institutions by approved ECAs						
	Moodys	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						
	Moodys	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		-	829,859	-	-	-	508,913
Total		-	829,859	-	-	-	508,913

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 2021:

Exposures under the IRB approach by Risk Grade

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
<u>Non-retail exposures (EAD)</u>			
Large corporate, SMEs and specialised lending (IPRE)	22,347,755	20,806,376	1,152,281
Bank	7,566,181	48,616	-
Insurance Cos, securities firm and fund managers	1,199,324	674	-
Total non-retail exposures	31,113,260	20,855,667	1,152,281
<u>Undrawn commitments</u>			
Large corporate, SMEs and specialised lending (IPRE)	1,515,302	486,745	1,501
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	1,515,302	486,745	1,501
<u>Exposure weighted average LGD (%)</u>			
Large corporate, SMEs and specialised lending (IPRE)	43%	40%	45%
Bank	45%	45%	-
Insurance Cos, securities firm and fund managers	44%	16%	-
<u>Exposure weighted average risk weight (%)</u>			
Large corporate, SMEs and specialised lending (IPRE)	65%	109%	0%
Bank	16%	58%	-
Insurance Cos, securities firm and fund managers	26%	79%	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Specialised Lending Exposure (EAD)</u>					
Project Finance	89,359	450,041	-	-	-
Object Finance	-	-	-	0.005	-
Risk Weighted Assets	62,552	405,037	-	0.01	-

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
<u>Retail exposures (EAD)</u>				
Residential mortgages	33,738,602	641,635	3,603,165	551,448
Qualifying revolving retail	4,217,216	748,235	1,546,365	33,221
Other retail	13,913,730	2,040,520	2,146,389	261,736
Total retail exposures	51,869,548	3,430,390	7,295,919	846,405
<u>Undrawn commitments</u>				
Residential mortgages	2,056,455	170,628	139,364	-
Qualifying revolving retail	3,234,703	347,772	696,709	-
Other retail	2,104,759	444,075	210,804	180
Total undrawn commitments	7,395,917	962,475	1,046,877	180
<u>Exposure weighted average LGD (%)</u>				
Residential mortgages	12.80%	14.13%	13.54%	14.17%
Qualifying revolving retail	31.93%	45.92%	43.80%	59.46%
Other retail	16.17%	25.06%	23.85%	23.73%
<u>Exposure weighted average risk weight (%)</u>				
Residential mortgages	7.38%	21.94%	44.99%	27.65%
Qualifying revolving retail	5.99%	20.14%	62.94%	277.67%
Other retail	12.08%	27.95%	38.37%	66.23%

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 2020:

CRR band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
<u>Non-retail exposures (EAD)</u>			
Large corporate, SMEs and specialised lending (IPRE)	22,064,468	19,858,378	998,245
Bank	10,343,279	91,044	-
Insurance Cos, securities firm and fund managers	1,195,205	652	-
Total non-retail exposures	33,602,953	19,950,074	998,245
<u>Undrawn commitments</u>			
Large corporate, SMEs and specialised lending (IPRE)	1,682,598	605,667	1,877
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	1,682,598	605,667	1,877
<u>Exposure weighted average LGD (%)</u>			
Large corporate, SMEs and specialised lending (IPRE)	42%	40%	45%
Bank	41%	45%	-
Insurance Cos, securities firm and fund managers	45%	14%	-
<u>Exposure weighted average risk weight (%)</u>			
Large corporate, SMEs and specialised lending (IPRE)	66%	114%	0%
Bank	11%	62%	-
Insurance Cos, securities firm and fund managers	24%	72%	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Specialised Lending Exposure (EAD)</u>					
Project Finance	91,962	-	-	-	-
Object Finance	-	-	-	-	-
Risk Weighted Assets	64,373	-	-	-	-

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
<u>Retail exposures (EAD)</u>				
Residential mortgages	34,025,110	598,344	3,270,180	510,048
Qualifying revolving retail	4,105,639	856,893	1,746,060	23,764
Other retail	14,223,677	2,074,020	2,261,152	211,587
Total retail exposures	52,354,426	3,529,257	7,277,392	745,399
<u>Undrawn commitments</u>				
Residential mortgages	2,045,170	168,974	145,325	-
Qualifying revolving retail	3,003,987	391,010	765,085	-
Other retail	2,171,693	418,075	238,102	129
Total undrawn commitments	7,220,849	978,059	1,148,512	129
<u>Exposure weighted average LGD (%)</u>				
Residential mortgages	12.74%	13.87%	13.49%	14.06%
Qualifying revolving retail	32.91%	45.65%	44.32%	59.03%
Other retail	16.34%	26.77%	25.61%	25.34%
<u>Exposure weighted average risk weight (%)</u>				
Residential mortgages	7.33%	21.89%	43.63%	27.51%
Qualifying revolving retail	6.26%	19.84%	62.75%	287.35%
Other retail	12.19%	29.91%	40.37%	70.75%

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 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)	1,306,275	975,331	15,211
Bank	151,610	210	-
Insurance Cos, securities firm and fund managers	1,001,376	-	-
Total non-retail exposures	2,459,262	975,541	15,211
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	37,951,420	13,116,449	750,000
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	37,951,420	13,116,449	750,000
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)	103%	133%	0%
Bank	10%	43%	-
Insurance Cos, securities firm and fund managers	26%	-	-

Specialised Lending Exposure under the Supervisory Slotting Criteria

Supervisory Categories / Risk Weights	Strong/ 70%	Good/ 90%	Satisfactory/ 115%	Weak/ 250%	Default/ 0%
	RM'000	RM'000	RM'000	RM'000	RM'000
Specialised Lending Exposure (EAD)					
Project Finance	10,066	450,041	-	-	-
Object Finance	-	-	-	-	-
Risk Weighted Assets	7,046	405,037	-	-	-

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	2,585,016	96,574	381,519	48,385
Other retail	688,071	454,962	133,394	17,635
Total retail exposures	3,273,087	551,536	514,913	66,020
Undrawn commitments				
Residential mortgages	249,097	35,385	13,575	-
Other retail	54,131	58,656	6,959	-
Total undrawn commitments	303,228	94,041	20,534	-
Exposure weighted average LGD (%)				
Residential mortgages	15.55%	15.48%	16.39%	15.71%
Other retail	22.44%	26.93%	28.62%	37.89%
Exposure weighted average risk weight (%)				
Residential mortgages	11.33%	23.77%	52.19%	2.47%
Other retail	18.92%	29.78%	42.99%	179.93%

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 2020:

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)	1,354,068	869,279	16,612
Bank	115,504	-	-
Insurance Cos, securities firm and fund managers	1,001,476	-	-
Total non-retail exposures	2,471,049	869,279	16,612
Undrawn commitments			
Large corporate, SMEs and specialised lending (IPRE)	50,107	15,936	1,126
Bank	-	-	-
Insurance Cos, securities firm and fund managers	-	-	-
Total undrawn commitments	50,107	15,936	1,126
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)	105%	138%	0%
Bank	10%	-	-
Insurance Cos, securities firm and fund managers	24%	-	-

As at 31 December 2020, there were no Specialised Lending Exposure under the Supervisory Slotting Criteria for Islamic Banking Window.

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	2,477,900	73,348	311,319	45,185
Other retail	649,306	435,782	137,926	14,766
Total retail exposures	3,127,206	509,131	449,245	59,951
Undrawn commitments				
Residential mortgages	285,376	25,760	11,501	-
Other retail	61,503	67,711	6,097	-
Total undrawn commitments	346,879	93,471	17,598	-
Exposure weighted average LGD (%)				
Residential mortgages	15.55%	15.46%	16.52%	15.71%
Other retail	23.84%	27.31%	27.64%	41.90%
Exposure weighted average risk weight (%)				
Residential mortgages	11.04%	23.69%	52.17%	2.04%
Other retail	20.00%	30.39%	43.93%	116.61%

3. CREDIT RISK (Cont'd.)

Retail exposures under the IRB approach by expected loss range of the Bank as at 30 June 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	37,017,387	1,028,736	80,235	408,492	-
Qualifying revolving retail	4,993,335	1,034,215	267,988	183,297	66,202
Other retail	17,138,952	830,310	159,387	158,125	75,601
Total retail exposures	59,149,674	2,893,261	507,610	749,914	141,803
<u>Undrawn commitments</u>					
Residential mortgages	2,350,649	15,035	763	-	-
Qualifying revolving retail	3,611,567	443,799	137,528	84,462	1,828
Other retail	2,709,902	46,928	2,565	373	50
Total undrawn commitments	8,672,118	505,762	140,856	84,835	1,878
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	9.70%	71.64%	94.50%	0.60%	0.00%
Qualifying revolving retail	7.77%	47.18%	97.89%	114.94%	181.32%
Other retail	14.95%	52.20%	100.80%	45.99%	24.47%

Retail exposures under the IRB approach by expected loss range of the Bank for the financial year ended 31 December 2020 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	37,117,141	830,021	86,040	370,480	-
Qualifying revolving retail	5,017,892	1,229,668	239,944	197,628	47,224
Other retail	17,544,085	856,165	175,754	127,952	66,480
Total retail exposures	59,679,118	2,915,854	501,738	696,059	113,704
<u>Undrawn commitments</u>					
Residential mortgages	2,341,425	17,062	982	-	-
Qualifying revolving retail	3,450,546	542,915	86,516	78,368	1,737
Other retail	2,775,908	48,743	3,215	133	-
Total undrawn commitments	8,567,879	608,720	90,713	78,501	1,737
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	9.50%	71.45%	83.07%	0.64%	-
Qualifying revolving retail	8.30%	47.81%	106.02%	129.28%	162.14%
Other retail	15.13%	57.52%	105.09%	47.38%	36.32%

3. CREDIT RISK (Cont'd.)

Retail exposures under the IRB approach by expected loss range of the Islamic Banking Window as at 30 June 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	2,999,493	55,902	7,714	48,385	-
Other retail	1,233,206	44,246	2,447	5,964	8,199
Total retail exposures	4,232,699	100,148	10,161	54,349	8,199
<u>Undrawn commitments</u>					
Residential mortgages	297,434	599	24	-	-
Other retail	116,938	2,808	-	-	-
Total undrawn commitments	414,372	3,407	24	-	-
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	15.44%	80.39%	89.95%	2.47%	0.00%
Other retail	25.34%	56.55%	80.78%	179.28%	56.69%

Retail exposures under the IRB approach by expected loss range of the Islamic Banking Window for the financial year ended 31 December 2020 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	2,818,294	35,866	8,407	45,185	-
Other retail	1,159,614	48,323	10,938	9,655	9,250
Total retail exposures	3,977,908	84,189	19,345	54,840	9,250
<u>Undrawn commitments</u>					
Residential mortgages	321,948	689	-	-	-
Other retail	133,460	1,851	-	-	-
Total undrawn commitments	455,408	2,540	-	-	-
<u>Exposure weighted average risk weight (%)</u>					
Residential mortgages	14.79%	80.38%	89.95%	2.04%	0%
Other retail	25.09%	50.00%	68.29%	140.91%	43%

3. CREDIT RISK (Cont'd.)

Credit risk mitigation

The following tables presented the total exposures which are covered by eligible credit risk mitigants of the Bank as at 30 June 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	20,353,201	-	-	-
Public Sector Entities	206,853	176,553	-	-
Banks, DFIs and MDBs	5,508,049	-	-	-
Insurances cos, securities firms and fund managers	1,118,758	-	25,038	-
Corporates	35,959,642	3,291,825	2,215,958	1,753,145
Regulatory retail	17,573,633	-	-	-
Residential mortgages	35,616,954	-	-	-
Other assets	1,350,984	-	-	-
Equity exposures	160,048	-	-	-
Defaulted exposures	1,463,765	5,735	791	20,930
Total on-balance sheet exposures	119,311,887	3,474,113	2,241,787	1,774,075
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	1,925,572	5,615	3,045	1,127
Off-balance sheet exposures other than OTC derivatives or credit derivatives	17,972,188	229,714	830,673	205,038
Defaulted exposures	10,843	-	3,049	-
Total off-balance sheet exposures	19,908,603	235,329	836,767	206,165
Total on and off-balance sheet exposures	139,220,490	3,709,442	3,078,554	1,980,240

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following tables presented the total exposures which are covered by eligible credit risk mitigants of the Bank for the financial year ended 31 December 2020:

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	23,059,910	-	200,357	-
Public Sector Entities	179,046	179,046	-	-
Banks, DFIs and MDBs	8,545,328	-	848,650	-
Insurances cos, securities firms and fund managers	1,130,358	-	10,016	-
Corporates	34,524,654	2,803,114	2,339,840	1,711,575
Regulatory retail	18,279,487	-	-	-
Residential mortgages	35,534,166	-	-	-
Other assets	1,321,778	-	-	-
Equity exposures	158,385	-	-	-
Defaulted exposures	1,283,719	4,407	566	14,599
Total on-balance sheet exposures	124,016,831	2,986,567	3,399,428	1,726,174
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	1,679,485	2,314	1,797	0
Off-balance sheet exposures other than OTC derivatives or credit derivatives	17,604,520	145,264	821,528	182,240
Defaulted exposures	7,665	-	878	-
Total off-balance sheet exposures	19,291,670	147,578	824,204	182,240
Total on and off-balance sheet exposures	143,308,501	3,134,145	4,223,632	1,908,414

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following tables presented the total exposures which are covered by eligible credit risk mitigants of Islamic Banking Window as at 30 June 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	2,288,863	-	-	-
Banks, DFIs and MDBs	151,821	-	-	-
Insurances cos, securities firms and fund managers	1,001,376	-	-	-
Corporates	2,330,014	98,897	85,411	49,572
Regulatory retail	1,156,681	-	-	-
Residential mortgages	2,765,052	-	-	-
Other assets	6,171	-	-	-
Defaulted exposures	61,750	-	-	-
Total on-balance sheet exposures	9,761,728	98,897	85,411	49,572
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	25,147	-	85	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	815,976	2,743	10,173	2,382
Defaulted Exposures	750	-	-	-
Total off-balance sheet exposures	841,873	2,743	10,258	2,382
Total on and off-balance sheet exposures	10,603,601	101,640	95,669	51,954

3. CREDIT RISK (Cont'd.)

Credit risk mitigation (cont'd.)

The following tables presented the total exposures which are covered by eligible credit risk mitigants of Islamic Banking Window for the financial year ended 31 December 2020:

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	1,338,772	-	-	-
Banks, DFIs and MDBs	115,504	-	-	-
Insurances cos, securities firms and fund managers	1,001,476	-	-	-
Corporates	2,093,116	94,904	80,354	45,864
Regulatory retail	1,087,704	-	-	-
Residential mortgages	2,539,930	-	-	-
Other assets	6,486	-	-	-
Defaulted exposures	55,183	-	-	-
Total on-balance sheet exposures	8,238,171	94,904	80,354	45,864
<i><u>Off-balance sheet exposures</u></i>				
OTC derivatives	6,265	-	25	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	588,077	3,127	6,681	41
Defaulted Exposures	1,126	-	-	-
Total off-balance sheet exposures	595,468	3,127	6,707	41
Total on and off-balance sheet exposures	8,833,639	98,031	87,061	45,905

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 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	2,940,643		2,851,409	1,868,972
Transaction related contingent items	5,746,450		2,851,324	1,749,702
Short-term self liquidating trade related contingencies	826,480		169,588	111,482
Foreign exchange related contracts				
One year or less	42,089,706	255,248	881,116	206,451
Over one year to five years	386,635	2,795	29,387	13,598
Over five years				
Interest/profit rate related contracts				
One year or less	15,118,675	82,568	198,079	107,136
Over one year to five years	27,453,757	205,661	1,113,830	435,332
Over five years	1,936,708	55,088	239,852	125,263
Equity related contracts				
One year or less	33,049	123	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Precious metal contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Commodity contracts				
One year or less	449,921	47,666	73,907	47,478
Over one year to five years	29,410	184	365	198
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6,449,590		4,445,337	2,752,623
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	20,249,987		1,048,510	209,024
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.	15,830,785		5,994,897	724,919
Unutilised credit card lines	94,871		18,974	17,387
Off-balance sheet for securitisation exposures	-		-	-
Total	139,636,667	649,333	19,916,575	8,369,565

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 2020 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	2,627,192		2,549,849	1,727,545
Transaction related contingent items	5,866,993		2,910,012	1,801,497
Short-term self liquidating trade related contingencies	436,465		99,150	61,223
Foreign exchange related contracts				
One year or less	35,267,102	257,337	670,627	182,943
Over one year to five years	196,407	1,300	17,149	11,954
Over five years	-	-	-	-
Interest/profit rate related contracts				
One year or less	6,219,513	44,782	94,004	44,549
Over one year to five years	25,759,642	385,087	1,196,853	516,581
Over five years	1,807,224	69,181	242,603	126,779
Equity related contracts				
One year or less	118,736	4,263	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Commodity contracts				
One year or less	518,729	51,824	78,012	56,693
Over one year to five years	19,308	343	653	65
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6,483,994		4,456,619	2,852,274
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	20,177,400		1,040,924	233,966
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.	15,634,135		5,925,122	751,331
Unutilised credit card lines	95,857		19,171	17,579
Off-balance sheet for securitisation exposures	-		-	-
Total	121,228,697	814,118	19,300,748	8,384,979

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 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	43,343		43,343	36,075
Transaction related contingent items	59,828		30,184	27,426
Short-term self-liquidating trade-related contingencies	10,013		2,003	2,538
Foreign exchange related contracts				
One year or less	557,824	3,992	14,896	6,918
Over one year to five years	34,494	352	2,264	1,668
Over five years				
Interest/profit rate related contracts				
One year or less				
Over one year to five years	289,560	2,196	7,987	4,896
Over five years				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,020,856		733,823	377,722
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	220,596		7,372	2,365
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	347,068		-	-
Total	2,583,582	6,540	841,872	459,608

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 2020 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	35,164		35,164	36,981
Transaction related contingent items	56,499		28,449	32,415
Short-term self-liquidating trade-related contingencies	4,362		872	1,436
Foreign exchange related contracts				
One year or less	435,412	8,729	6,265	2,817
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Interest/profit rate related contracts				
One year or less	-	-	-	-
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	720,560		518,124	160,519
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	260,048		6,594	2,651
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	227,495		-	-
Total	1,739,540	8,729	595,468	236,819

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-21		31-Dec-20	
	Exposures	RWA	Exposures	RWA
	RM'000	RM'000	RM'000	RM'000
Publicly traded equity exposures * mainly acquired via loan restructuring activities	1,850	5,550	2,456	7,369
All other equity exposures	158,198	158,198	155,929	155,929
Total	160,048	163,748	158,385	163,298

	Bank	
	30-Jun-21 RM'000	31-Dec-20 RM'000
Realised gains arising from sales and liquidation	5,678	-
Unrealised gains included in fair value reserve	147,701	145,850

As at 30 June 2021, there were no equity exposures under Islamic Banking Window.

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

Interest/Profit Rate Sensitivity Analysis - Banking Book

The table below shows the results at 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 withdrawal 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-21	Increase/ (Decrease) in basis points	Sensitivity of EVE	Increase/ (Decrease) in basis points	Sensitivity of EVE
Currency		RM'000		RM'000
Total	+200/(200)	(755,344)/ 820,851	+100/(100)	(397,552)/ 447,727
MYR	+200/(200)	(754,586)/ 814,380	+100/(100)	(397,050)/ 441,919
USD	+200/(200)	(758)/ 6,471	+100/(100)	(502)/ 5,808
31-Dec-20	Increase/ (Decrease) in basis points	Sensitivity of EVE	Increase/ (Decrease) in basis points	Sensitivity of EVE
Currency		RM'000		RM'000
Total	+200/(200)	(544,784)/ 533,352	+100/(100)	(281,127)/ 304,669
MYR	+200/(200)	(554,087)/ 532,553	+100/(100)	(285,816)/ 304,481
USD	+200/(200)	9,303/ 799	+100/(100)	4,689/ 188

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

30-Jun-21	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI
Currency		RM'000		RM'000
Total	+200/(200)	295,036/ (464,022)	+100/(100)	147,518/ (205,935)
MYR	+200/(200)	316,512/ (462,148)	+100/(100)	158,256/ (204,061)
USD	+200/(200)	(21,476)/ (1,874)	+100/(100)	(10,738)/ (1,874)
31-Dec-20	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI	Increase/ (Decrease) in basis points	Sensitivity of NII/NPI
Currency		RM'000		RM'000
Total	+200/(200)	389,685/ (570,677)	+100/(100)	194,843/ (264,821)
MYR	+200/(200)	422,720/ (549,896)	+100/(100)	211,360/ (255,267)
USD	+200/(200)	(33,035)/ (20,781)	+100/(100)	(16,517)/ (9,554)