ICBC 工銀亞洲

跨境金融 首選銀行

ANNUAL REPORT 2020 年報

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工銀亞洲簡介

中國工商銀行(亞洲)有限公司(「工銀亞洲」或「本銀行」)是一家在香港註冊成立的持牌銀行,為目前全中國最大商業銀行－中國工商銀行股份有限公司(「中國工商銀行」)境外業務旗艦,亦為香港具本地系統重要性銀行之一。業務範圍包括商業銀行、投資銀行及證券、保險、基金等綜合金融服務,經營重點為企業銀行、零售銀行及金融市場等業務。

工銀亞洲前身為香港友聯銀行有限公司。香港友聯銀行有限公司於一九六四年在香港成立,並於一九七三年在香港公開上市,在成為中國工商銀行集團成員後,於二零零零年八月二十一日易名為中國工商銀行(亞洲)有限公司。

於二零零一年七月,中國工商銀行向工銀亞洲注入香港分行企業銀行業務,促使工銀亞洲的客戶基礎擴大、改善存款及貸款組合及使服務產品組合更趨多元化。透過此業務轉移,大大提升工銀亞洲的競爭力。

於二零零四年四月三十日,工銀亞洲購入華比富通銀行之零售及商業銀行業務。華比富通銀行隨後易名為華比銀行,成為工銀亞洲的全資附屬公司。至二零零五年十月,工銀亞洲正式將華比銀行香港分行併入。於二零零五年,工銀亞洲收購華商銀行為全資附屬公司,重點發展中國內地人民幣業務。

於二零零八年八月三十一日,工銀亞洲完成收購和昇投資管理有限公司,並將其易名為工銀亞洲投資管理有限公司(於二零一七年十月正式更名為工銀資管(全球)有限公司)。作為工銀亞洲的全資附屬公司,工銀資管(全球)有限公司專注於中國工商銀行集團全球資產管理業務。

於二零一零年十二月二十一日,中國工商銀行完成對工銀亞洲的私有化程序,工銀亞洲亦隨即從香港聯合交易所退市,成為中國工商銀行集團的全資附屬公司。私有化的完成為工銀亞洲提供了更為廣闊的融資空間,使工銀亞洲能更靈活地獲取中國工商銀行的支持,在集團內實現更有效的業務聯動與整合。

工銀亞洲在完成私有化程序後,發展步伐不斷加快,在持續提升盈利能力、不斷增強創新理念及加大重視風險管控等多方驅動力下,實現了客戶基礎日漸擴大,多業務穩步齊升、資產規模及結構不斷擴大和優化的良好勢頭。

工銀亞洲一直堅持「立足香港,聯通內地,輻射亞太,面向全球」的戰略,充分發揮香港作為離岸人民幣中心的市場機遇,積極拓展全面的人民幣業務及跨境銀行服務,並在離岸人民幣金融產品領域中實現多項創舉,多次獲得中港官方機構及知名媒體頒發優質跨境金融相關獎項,其中包括「最佳中資銀行」、「卓越跨境銀行服務品牌」、「優秀境外機構投資者」及「最佳財資管理銀行獎」等。

Profile of ICBC (Asia)

Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)" or the "Bank") is a licensed bank incorporated in Hong Kong. It is the flagship of overseas business of Industrial and Commercial Bank of China Limited ("ICBC") – currently the largest commercial bank in China, and it is one of the domestic systemically important banks (D-SIBs) in Hong Kong. It is engaged in commercial banking, investment banking and other financial services, including those of securities, insurance and funds, with a focus on commercial and retail banking as well as global market business.

ICBC (Asia) was formerly known as Union Bank of Hong Kong Limited. Union Bank of Hong Kong Limited was established in Hong Kong in 1964 and publicly listed in 1973. The Bank changed its name to "Industrial and Commercial Bank of China (Asia) Limited" on 21 August 2000 following its becoming a member of ICBC Group.

In July 2001, ICBC injected the corporate banking business of its Hong Kong Branch into ICBC (Asia). It expanded the customer base of ICBC (Asia), improved its deposits and loans portfolio and also diversified its product mix. Such transfer of business therefore led to a substantial enhancement of the competitive edge of ICBC (Asia).

ICBC (Asia) acquired Fortis Bank Asia HK's retail and commercial banking operations on 30 April 2004. Fortis Bank Asia HK was then renamed to Belgian Bank and became a wholly-owned subsidiary of ICBC (Asia). In October 2005, Belgian Bank, Hong Kong Branch was formally merged with ICBC (Asia). In 2005, ICBC (Asia) acquired Chinese Mercantile Bank which becomes its wholly-owned subsidiary and focuses on renminbi banking business in mainland China.

On 31 August 2008, ICBC (Asia) completed the acquisition of Worldsec Asset Management Limited and renamed it to ICBC (Asia) Investment Management Company Limited (officially changed the name to ICBC Asset Management (Global) Company Limited in October 2017). Being a wholly-owned subsidiary of ICBC (Asia), ICBC Asset Management (Global) Company Limited specialised in ICBC's global asset management business.

On 21 December 2010, ICBC completed its privatisation process of ICBC (Asia), which was henceforth withdrawn from listing on The Stock Exchange of Hong Kong Limited and became a wholly-owned subsidiary of ICBC. The completion of privatisation thus provides ICBC (Asia) with broader access to finance, allows greater flexibility in obtaining the support of ICBC and achieving more effective business connection and integration within the ICBC Group.

Upon the completion of the privatisation process, ICBC (Asia) accelerates its pace of development. Benefited from its continuous enhancing profitability, innovation, risk management and control effectiveness and other driven forces, ICBC (Asia) achieves a good momentum of steady growth in the client base and business development, resulting in continued expanding of its total asset size and optimisation of its asset structure.

By persisting in the business strategy of "Taking root in Hong Kong, Connecting with mainland China, Spanning across Asia Pacific, Facing the World", ICBC (Asia) seizes the favourable opportunities of Hong Kong being the offshore renminbi centre and keenly explores renminbi businesses and cross-border banking services. ICBC (Asia) realised a number of pioneering projects in offshore renminbi financial products, and was received various awards regarding quality cross-border services from official organisations in mainland China and Hong Kong and well-known media, such as "Best Bank in Hong Kong (Chinese Financial Institutions)", "Excellent Brand of Cross-border Banking Services", "Excellent Foreign Institutional Investor", and "Best Treasury Management Bank Award", etc.

公司資料

截至二零二一年三月二十四日止

董事會

高明 *(主席兼執行董事)*
沈曉東 *(副主席兼執行董事)*
武龍 *(副主席、執行董事兼行政總裁)*
王于漸，S.B.S.，太平紳士 *(副主席、獨立非執行董事)*
盧建 *(執行董事、副行政總裁兼替任行政總裁)*
洪貴路 *(非執行董事)*
胡益民 *(非執行董事)*
徐耀華 *(獨立非執行董事)*
袁金浩，FHKIoD *(獨立非執行董事)*
武捷思 *(獨立非執行董事)*
柯清輝，S.B.S.，太平紳士 *(獨立非執行董事)*

公司秘書

于洪

審核委員會

柯清輝，S.B.S.，太平紳士* *(主席)*
洪貴路 *(替任主席)*
王于漸，S.B.S.，太平紳士*
徐耀華*

戰略與企業管治委員會

高明 *(主席)*
沈曉東
武龍
洪貴路
王于漸，S.B.S.，太平紳士*
徐耀華*
袁金浩，FHKIoD*
武捷思*
柯清輝，S.B.S.，太平紳士*

董事會風險管理委員會

徐耀華* *(主席)*
胡益民 *(替任主席)*
武龍
盧建
袁金浩，FHKIoD*
武捷思*
柯清輝，S.B.S.，太平紳士*

薪酬委員會

袁金浩，FHKIoD* *(主席)*
洪貴路
徐耀華*

提名委員會

武捷思* *(主席)*
胡益民
王于漸，S.B.S.，太平紳士*

高層管理人員

高明 *(主席兼執行董事)*
沈曉東 *(副主席兼執行董事)*
武龍 *(副主席、執行董事兼行政總裁)*
盧建 *(執行董事、副行政總裁兼替任行政總裁)*
梁銘謙 *(副行政總裁兼替任行政總裁)*
許蒙 *(副行政總裁兼首席風險官)*
顧旋 *(副行政總裁)*
王超明 *(副行政總裁兼首席信息官)*
李冬 *(副行政總裁)*
陳銀彬 *(副行政總裁)*

審計師

畢馬威會計師事務所

註冊辦事處

香港中環花園道三號
中國工商銀行大廈三十三樓

網址

http://www.icbcasia.com

* *獨立非執行董事*

Corporate Information

As at 24 March 2021

BOARD OF DIRECTORS

Gao Ming
(Chairman & Executive Director)
Shen Xiaodong
(Vice Chairman & Executive Director)
Wu Long
(Vice Chairman, Executive Director & Chief Executive Officer)
Wong Yue Chim, Richard, S.B.S., J.P.
(Vice Chairman, Independent Non-executive Director)
Lu Jian
(Executive Director, Deputy Chief Executive & Alternate Chief Executive)
Hong Guilu *(Non-executive Director)*
Hu Yimin *(Non-executive Director)*
Tsui Yiu Wa, Alec *(Independent Non-executive Director)*
Yuen Kam Ho, George, FHKIoD
(Independent Non-executive Director)
Wu Jie Si *(Independent Non-executive Director)*
Or Ching Fai, S.B.S., J.P.
(Independent Non-executive Director)

COMPANY SECRETARY

Yu Hong

AUDIT COMMITTEE

Or Ching Fai, S.B.S., J.P.* *(Chairman)*
Hong Guilu *(Alternate Chairman)*
Wong Yue Chim, Richard, S.B.S., J.P.*
Tsui Yiu Wa, Alec*

STRATEGY AND CORPORATE GOVERNANCE COMMITTEE

Gao Ming *(Chairman)*
Shen Xiaodong
Wu Long
Hong Guilu
Wong Yue Chim, Richard, S.B.S., J.P.*
Tsui Yiu Wa, Alec*
Yuen Kam Ho, George, FHKIoD*
Wu Jie Si*
Or Ching Fai, S.B.S., J.P.*

RISK MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS

Tsui Yiu Wa, Alec* *(Chairman)*
Hu Yimin *(Alternate Chairman)*
Wu Long
Lu Jian
Yuen Kam Ho, George, FHKIoD*
Wu Jie Si*
Or Ching Fai, S.B.S., J.P.*

REMUNERATION COMMITTEE

Yuen Kam Ho, George, FHKIoD* *(Chairman)*
Hong Guilu
Tsui Yiu Wa, Alec*

NOMINATION COMMITTEE

Wu Jie Si* *(Chairman)*
Hu Yimin
Wong Yue Chim, Richard, S.B.S., J.P.*

SENIOR MANAGEMENT

Gao Ming
(Chairman & Executive Director)
Shen Xiaodong *(Vice Chairman & Executive Director)*
Wu Long
(Vice Chairman, Executive Director & Chief Executive Officer)
Lu Jian
(Executive Director, Deputy Chief Executive & Alternate Chief Executive)
Leung Ming Hym, Peter
(Deputy Chief Executive & Alternate Chief Executive)
Xu Meng *(Deputy Chief Executive & Chief Risk Officer)*
Gu Xuan *(Deputy Chief Executive)*
Wang Chaoming
(Deputy Chief Executive & Chief Information Officer)
Li Dong *(Deputy Chief Executive)*
Chen Yinbin *(Deputy Chief Executive)*

AUDITORS

KPMG

REGISTERED OFFICE

33/F., ICBC Tower
3 Garden Road,
Central, Hong Kong

WEBSITE

http://www.icbcasia.com

* *Independent Non-executive Director*

財務概況
Financial Performance

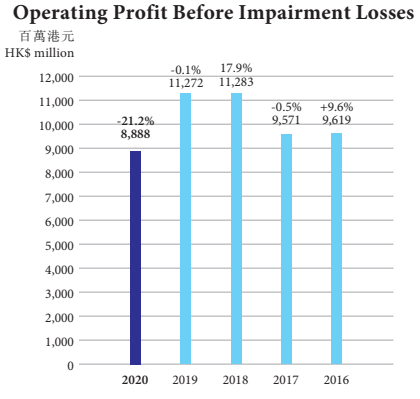
財務摘要 Financial Highlights

全年(百萬港元)	**For the Year** (in HK$ million)	**2020**	2019	變動百分比 % Change
淨利息收入	Net Interest Income	**9,836**	12,155	-19.1%
淨收費及佣金收入	Net Fee and Commission Income	**1,979**	2,204	-10.2%
其他營業收入	Other Operating Income	**750**	620	20.9%
營業支出	Operating Expenses	**3,677**	3,708	-0.8%
金融資產之減值損失淨額	Net Impairment Losses on Financial Assets	**(2,923)**	(1,831)	59.6%
除稅前溢利	Profit before Tax	**6,460**	9,980	-35.3%
稅項	Tax	**935**	1,678	-44.3%
股東應佔溢利	Profit Attributable to Shareholders	**5,525**	8,303	-33.5%

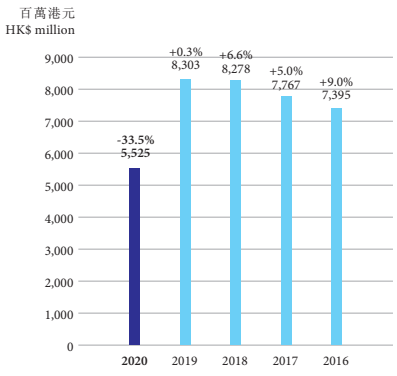
於年結日(百萬港元)	**At Year End** (in HK$ million)	**2020**	2019	變動百分比 % Change
貸款及其他賬項	Advances and other accounts	**479,562**	474,986	1.0%
資產總額	Total Assets	**931,093**	953,564	-2.4%
存款總額	Total Deposits	**529,530**	543,923	-2.6%
權益總額	Total Equity	**137,767**	133,855	2.9%

財務比率	**Financial Ratios**	**2020**	重列 Restated 2019
資本充足比率	Capital Adequacy Ratio	**21.11%**	20.56%
平均流動資金覆蓋比率	Average Liquidity Coverage Ratio	**207.08%**	192.16%
成本對收入比率	Cost to Income	**29.27%**	24.75%

未扣除減值損失之營業溢利
Operating Profit Before Impairment Losses



股東應佔溢利
Profit Attributable to Shareholders



財務概況
Financial Performance

五年財務概況 Five Year Summary

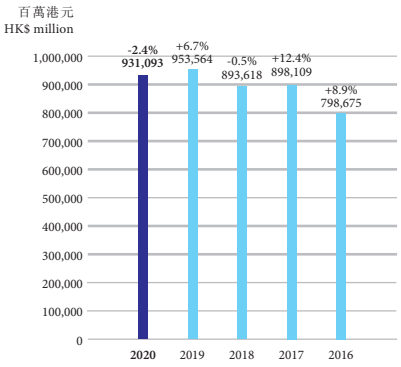
全年(百萬港元)	**For the Year** (in HK$ million)	**2020**	2019	2018	重列 Restated 2017	2016
淨利息收入	Net Interest Income	**9,836**	12,155	11,625	10,052	9,143
淨收費及佣金收入	Net Fee and Commission Income	**1,979**	2,204	2,396	2,376	2,156
其他營業收入	Other Operating Income	**750**	620	716	208	1,111
營業支出	Operating Expenses	**3,677**	3,708	3,454	3,064	2,791
金融資產之減值損失淨額	Net Impairment Losses on Financial Assets	**(2,923)**	(1,831)	(1,229)	(580)	(812)
除稅前溢利	Profit before Tax	**6,460**	9,980	10,392	9,481	9,069
稅項	Tax	**935**	1,678	2,113	1,713	1,673
股東應佔溢利	Profit Attributable to Shareholders	**5,525**	8,303	8,278	7,767	7,395
每股計(港元)	**Per Share** (in HK$)	**2020**	2019	2018	2017	2016
每股基本盈利	Basic Earnings per Share	**2.01**	3.12	3.21	3.01	2.87
於年結日(百萬港元)	**At Year End** (in HK$ million)	**2020**	2019	2018	2017	2016
貸款及其他賬項	Advances and other accounts	**479,562**	474,986	475,789	459,830	419,655
資產總額	Total Assets	**931,093**	953,564	893,618	898,109	798,675
存款總額	Total Deposits	**529,530**	543,923	558,480	587,352	465,141
權益總額	Total Equity	**137,767**	133,855	117,317	91,686	83,886

財務比率	**Financial Ratios**	**2020**	重列 Restated 2019	2018	2017	2016
資本充足比率	Capital Adequacy Ratio	**21.11%**	20.56%	19.75%	16.57%	17.01%
平均流動資金覆蓋比率	Average Liquidity Coverage Ratio	**207.08%**	192.16%	166.47%	134.83%	128.80%
貸款對資產總額比率	Loans to Total Assets	**51.51%**	49.81%	53.24%	51.20%	52.54%
減值貸款比率	Impaired Loan ratio	**0.91%**	1.04%	0.81%	0.66%	0.74%
非信貸不良預期信用損失準備覆蓋率*	Non credit-impaired ECL Coverage Ratio*	**1.04%**	1.00%	1.13%	1.27%	1.41%
成本對收入比率	Cost to Income	**29.27%**	24.75%	23.44%	24.25%	22.49%
平均資產回報率	Return on Average Assets	**0.59%**	0.90%	0.90%	0.96%	1.01%
平均普通股本回報率	Return on Average Common Equity	**5.11%**	8.44%	9.56%	9.72%	9.82%

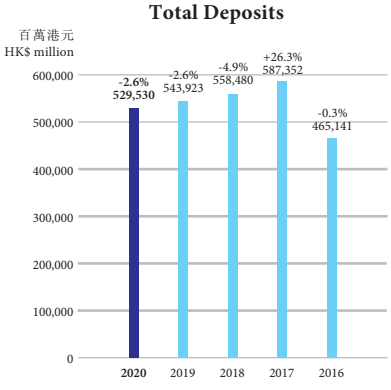
* 包括「法定儲備」

* Including "Regulatory Reserve"

資產總額
Total Assets



存款總額
Total Deposits



財務概況
Financial Performance

客戶存款 Customer Deposits

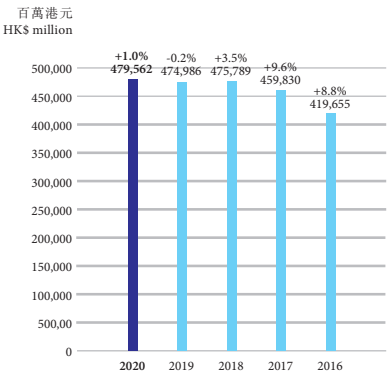
1. 按類別劃分	1. By Type	2020	2019
活期	Current	**8.3%**	6.9%
儲蓄	Savings	**31.5%**	21.4%
定期	Fixed	**60.2%**	71.7%
合計	Total	**100.0%**	100.0%

2. 按剩餘到期日劃分	2. By Remaining Maturity	2020	2019
須於要求時即時償還	Repayable on Demand	**40.3%**	30.5%
至一個月	Up to one month	**16.1%**	22.2%
一至三個月	1-3 months	**18.3%**	26.6%
三至十二個月	3-12 months	**22.8%**	18.2%
一至五年	1-5 years	**2.5%**	2.5%
合計	Total	**100.0%**	100.0%

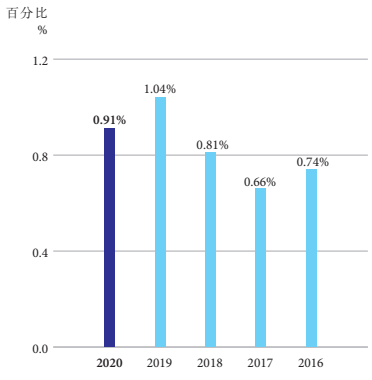
3. 按貨幣劃分	3. By Currency	2020	2019
港元	HKD	**43.8%**	44.3%
美元	USD	**35.1%**	35.2%
其他	Others	**21.1%**	20.5%
合計	Total	**100.0%**	100.0%

其他營業收入	Other Operating Income	2020	2019
淨交易收入及以公平價值經損益表入賬金融資產及負債之淨收益／(虧損)	Net trading income and net gain/(loss) on financial assets and liabilities at fair value through profit or loss	**51.9%**	30.8%
來自金融投資之股息收入	Dividend income from financial investments	**4.8%**	5.7%
管理費收入	Management fee income	**34.5%**	40.0%
物業租金收入	Rental income	**3.0%**	2.2%
投資物業租金收入	Rental income from investment properties	**0.5%**	0.6%
其他	Others	**5.3%**	20.7%
合計	Total	**100.0%**	100.0%

貸款總額及其他帳項
Total Advances and Other Accounts



減值貸款比率
Impaired Loan Ratio



財務概況
Financial Performance

貸款組合 Loan Portfolio

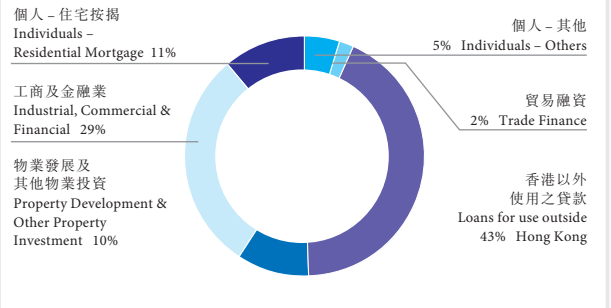
1. 按行業劃分*	1. By Industry Sectors *	2020	2019
在香港使用之貸款	Loans for Use in Hong Kong		
工商及金融	Industry, Commercial and Financial		
物業發展	Property Development	**9.8%**	9.7%
物業投資	Property Investment	**6.8%**	7.0%
金融企業	Financial Concerns	**6.4%**	6.6%
股票經紀	Stockbrokers	**0.8%**	0.8%
批發及零售業	Wholesale and Retail Trade	**1.7%**	2.5%
土木工程	Civil Engineering Works	**0.3%**	0.3%
製造業	Manufacturing	**1.2%**	2.1%
運輸及運輸設備	Transport and Transport Equipment	**5.5%**	4.9%
電力、煤氣	Electricity and Gas	**0.4%**	0.3%
資訊科技	Information Technology	**1.9%**	1.1%
酒店、住宿及飲食	Hotels, Boarding House and Catering	**0.4%**	0.5%
娛樂活動	Recreational Activities	**0.1%**	0.1%
其他	Others	**4.1%**	6.0%
個人	Individuals		
購買「居者有其屋計劃」、「私人參建居屋計劃」及「租者置其屋計劃」樓宇之貸款	Loans for the purchases of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Schemes	**0.1%**	0.1%
購買其他住宅物業之貸款	Loans for the purchase of Other Residential Properties	**10.7%**	10.6%
信用卡貸款	Credit Card Advances	**0.1%**	0.1%
其他	Others	**4.7%**	4.3%
貿易融資	Trade Finance	**2.4%**	2.7%
在香港以外使用之貸款	Loans for Use outside Hong Kong	**42.6%**	40.3%
合計	Total	**100.0%**	100.0%

2. 按剩餘到期日劃分	2. By Remaining Maturity	2020	2019
須於要求時即時償還	Repayable on Demand	**1.2%**	1.7%
一年或以下	One Year or Less	**38.3%**	34.2%
五年或以下但超過一年	Five Years or Less, but Over One Year	**39.5%**	44.4%
超過五年	Over Five Years	**20.7%**	19.3%
並無限期	Undated	**0.3%**	0.4%
合計	Total	**100.0%**	100.0%

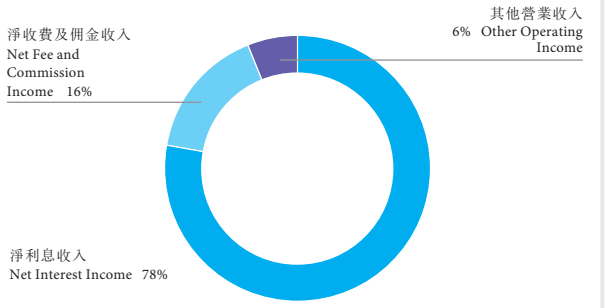
3. 按貨幣劃分	3. By Currency	2020	2019
港元	HKD	**51.7%**	49.3%
美元	USD	**18.9%**	24.5%
其他	Others	**29.4%**	26.2%
合計	Total	**100.0%**	100.0%

* 不包括商業票據及銀行同業 * Excluding Trade Bills and Advances to Banks

貸款組合 二零二零年
Loans Composition 2020



收入組合 二零二零年
Income Composition 2020



主席致辭

二零二零年是非比尋常的一年，新冠肺炎疫情全球蔓延，香港經濟遭受沉重打擊，亦為本地銀行業帶來前所未有的考驗。面對各種嚴峻挑戰，本銀行上下堅定信心、眾志成城、審慎穩健、有效應對，堅決緊守風控合規底線，在香港銀行業總體不良貸款率攀升的形勢下，本銀行於二零二零年不良貸款額、不良貸款率實現逆市「雙降」，分別較二零一九年末減少5.62億港元和下降13個基點，且現金撥備覆蓋率提升63個百分點，為本銀行的穩健發展提供有力保障。與此同時，本銀行積極貫徹落實國家與工銀集團發展戰略，堅持開拓進取、持續深化轉型創新，深入服務實體經濟發展，二零二零年末總資產為9,311億港元、貸款餘額為4,796億港元、客戶存款餘額為5,225億港元，全年實現撥備前利潤88.88億港元、稅後淨利潤55.25億港元，整體呈現出「經營平穩、基礎夯實」的發展態勢。

高效應對疫情，攜手各界積極抗疫紓困。面對突如其來的新冠肺炎疫情，本銀行迅速啟動應急防控機制，全面排查風險、加強全行防疫措施，切實保障了員工及客戶的健康安全，成功維持各項業務的高效運轉。面對挑戰，我們始終心繫香港，全方位創新服務、配套資源、為客戶推出一攬子紓困措施，助力全港抵禦疫情，攜手各界共度時艱。年內，本銀行向社會各界慷慨捐贈善款及口罩等防疫物資，並全面響應「共度時艱不裁員」號召，支持特區政府穩經濟、保就業，履行本地系統重要性銀行的責任擔當。

融入國家戰略，助力香港及區域經濟發展。本銀行認真落實集團「國際視野、全球經營」的工作思路，在切實提升香港經濟社會服務能力的同時，把握「雙循環」、粵港澳大灣區、人民幣國際化等國家戰略深入推進所帶來的機遇，進一步完善「服務新發展格局、推動高質量發展」的區域佈局。在大灣區及內地重點區域，本銀行充分發揮集團內外聯動和橫跨兩地的經營優勢，完成大灣區「金融30條」政策出台後的首筆跨境人民幣銀團貸款、首筆港股上市公司人民幣派息、首筆大灣區保理資產跨境轉讓等業務，全年跨境人民幣業務量增長約70%，並在重點區域落地多筆重大融資項目，全面助力企業復工復產及實體經濟發展。在亞太區市場，本銀行利用集團亞太區銀團貸款中心等區域中心資源，持續服務「走出去」中港企業，在「一帶一路」沿線落地多筆重大標誌性項目，積極參與高水平開放型經濟建設。同時，全面落實國家「穩外貿、穩外資」要求，為外貿和跨境產業鏈客戶推出「專項資金池」，為相關企業辦理結算100多億美元、發放貿易融資貸款超26億美元。

主席致辭

加快轉型升級，不斷提升經營發展質量。本銀行牢記「穩」是手段，「進」是目標，在加快推動公司、機構、零售、金融市場等業務成長優化的同時，堅持不懈加快「投資銀行、資產管理、交易銀行、數字金融」四大轉型業務發展。**「大資管」穩健發展。**資產管理規模增長14%，實現全球規模最大的中國純國債ETF、全球首單中國存託憑證(CDR)基礎證券託管等創新突破，連續三年榮膺債券通有限公司頒發「債券通優秀託管銀行」。**「大投行」保持領先。**牽頭完成多筆重點債券承銷項目，位列領先位置；助力實現工銀集團銀團牽頭行港澳地區市場排名第二；落地多筆跨境併購及結構化融資的重量級項目。**交易銀行成效顯現。**企業網上貿易融資功能不斷優化，使用本銀行多項不同產品的客戶數量快速增長，交易銀行客戶低息存款增速亦創近年新高。**數字金融全面提速。**主動適應金融科技發展趨勢，以客戶為中心制定數字化轉型規劃，全面推進數字化轉型步伐，全行業務線上化率、網上銀行及手機銀行客戶滲透率穩步提升。

防控各類風險，不斷夯實穩健發展基礎。一方面，本銀行對疫情影響地區、行業及領域進行前瞻性排查，扎實做好風險緩釋工作，主動退出高風險貸款、清收處置不良貸款，堅守特殊時期資產質量生命線。另一方面，通過開展「風險文化全面提升年」活動，圍繞「主動防、智能控、全面管」的實施路徑，不斷完善全面風險管理體系、嚴格控制各類風險事件；全面對標監管要求，建立一體化內控合規管理體系，持續推動落實資本、風控、流動性等提升項目，推動風控合規水平再上新台階。

認真履行社會責任，熱忱服務香港社會發展。在致力於提升業務經營的同時，本銀行積極履行社會責任，不遺餘力參與社會公益事業、關愛扶助弱勢社群，連續二十二年擔任香港明愛籌款委員會主席，攜手各界籌募善款、造福社群。本銀行亦積極響應香港特區政府綠色金融與環境保護號召，通過綠色投融資、綠色運營、綠色環保等措施，助力推動香港社會綠色及可持續發展。二零二零年適逢工銀亞洲成立20周年，借此契機本銀行進一步設立了「工銀亞洲慈善基金」，力爭在更廣泛的社會公益領域展現更大責任擔當。

主席致辭

展望二零二一年，新冠肺炎疫情反覆、地緣博弈加劇等不利因素仍將衝擊全球經濟發展，預料香港銀行業面臨的外部形勢依舊複雜嚴峻。但我們也在危機之中看到新機和希望：內地企業赴港首次或二次上市及中概股回歸，加上《區域全面經濟夥伴協定》(RCEP)簽署、大灣區「金融30條」等政策實施，將進一步加快人民幣國際化和推動跨境業務發展；數字化趨勢加速演進，也為商業銀行轉型創新提供了新動力。

二零二一年又是國家「十四五」規劃實施的開局之年，本銀行將積極融入國家發展戰略，切實踐行新發展理念、服務新發展格局，全面推動高質量發展，並認真落實集團「境內外匯業務首選銀行」、「重點區域競爭力提升」、「第一個人金融銀行」等戰略部署，進一步發揮集團境外業務旗艦及多功能平台中心作用，依託集團強大資源與跨境綜合特色服務，助力香港更好融入國家發展大局、保持長期繁榮穩定；同時，依靠「機制創新、資源優化、效能提升」推動發展，利用金融科技賦能各領域轉型升級，持續深化「一體兩翼」區域佈局，立足香港、聯通內地、輻射亞太、面向全球，努力在國家擴大開放、區域經貿合作深化等進程中做出更大的貢獻！

過去一年，得益於總行和董事會的正確引領、管理層的盡職付出和全體員工的勤勉努力，本銀行在複雜嚴峻的經營環境下取得了來之不易的經營業績，本人在此謹致謝忱。同時，謹代表本銀行，對廣大客戶的信任支援以及社會各界的鼎力幫助，表示由衷的感謝！

高明
主席

二零二一年三月二十四日

Chairman's Statement

The year 2020 was an exceptional year for Hong Kong. The COVID-19 pandemic was raging worldwide, also dealing a heavy blow to Hong Kong's economy. Inevitably, the city's banking sector underwent an unprecedented test. It was against this backdrop of the severe challenges that the entire staff of ICBC (Asia) persevered to ensure effective risk control and regulatory compliance by overcoming adversity as a cohesive group with confidence, steadfastness and prudence. While the non-performing loan ratio of Hong Kong's banking sector was mounting amid the difficult business environment in 2020, the Bank bucked the trend as it recorded decreases in both its non-performing loans and non-performing loan ratio which were down by HK$562 million and 13 basis points, respectively, compared with those in 2019. Moreover, the liquidity coverage ratio increased by 63 percentage points, laying a solid foundation for the Bank's steady development. Meanwhile, the Bank steadfastly pursued the development strategies of both the State and the ICBC Group. It also expedited its development with determination and forged ahead with business transformation and innovation to serve the real economy of Hong Kong. The efforts yielded operating results that fully reflected the momentum of the Bank's steady operation with consolidated business fundamentals. As at the end of 2020, the Bank's total assets were HK$931.1 billion; its loans totalled HK$479.6 billion; and customers' deposits totalled HK$522.5 billion. For the year 2020, the Bank posted pre-provision profit of HK$8.888 billion and after-tax net profit of HK$5.525 billion.

Coping with the pandemic efficiently and joining hands with all sections of society in fighting the virus and providing relief. To deal with the unexpected pandemic, the Bank promptly started its emergency mechanism for preventing and controlling the spread of the disease. It overhauled all aspects of its operation to evaluate the risk and then stepped up its pandemic prevention measures accordingly. As a result, the Bank has ensured the health and safety of both the employees and customers and maintained the efficient operation of its various businesses. Ever mindful of Hong Kong's well-being, the Bank innovated its services and deployed resources with an all-out effort that culminated in a host of relief measures for customers. With these measures, the Bank joined hands with all sections of society in helping the city ride out the economic hardship inflicted by the pandemic. During the year under review, the Bank donated money and protective supplies such as face masks to charitable causes and people in need. It also answered a call for "getting through tough times together without lay-offs" in support of the Hong Kong government's efforts to stabilise the economy and safeguard jobs, thus fulfilling its social responsibility as a domestic systemically important bank.

Fitting in with the State's strategy for national development and aiding in Hong Kong's and regional economic development. With ICBC Group's motto "Global Operation from an International Perspective" as its idea for work, the Bank has been enhancing its capability for serving Hong Kong's economy and society and, at the same time, capitalising on such national development strategies as the "dual circulation" economic strategy, the policy on fostering the development of the Guangdong-Hong Kong-Macau Greater Bay Area (the "Greater Bay Area") and the internationalisation of renminbi. Consequently, the Bank has built up its regional business presence with which it plays its role well as a banking service provider in the new situation and promotes high-quality development. In the Greater Bay Area and other key regions of mainland China, the Bank took full advantage of its capability to coordinate its operations at home and abroad and its cross-border operations in both Hong Kong and the mainland by arranging for the first cross-border renminbi syndicated loan and conducting the first transaction at its renminbi dividend distribution service and its first cross-border transfer of domestic factoring assets between Hong Kong and the Greater Bay Area since the implementation of the *Opinions for Financial Support for the Development of the Guangdong-Hong Kong-Macau Greater Bay Area (30 Financial Measures for Greater Bay Area)*. In 2020, the volume of the Bank's cross-border renminbi business grew by approximately 70%. The Bank also undertook a number of sizeable financing projects in the key regions of mainland China in its great efforts to assist enterprises in resuming their business and to aid in real economy's development. In the Asian-Pacific market, the Bank leveraged its core resources such as Asia-Pacific Syndicated Loan Centre to continue to serve mainland Chinese and Hong Kong enterprises which "go global" and to undertake a number of landmark projects of investment and financing in countries which were covered by the Belt and Road Initiative. Meanwhile, the Bank worked towards the State's goal of "Stabilising Foreign Trade and Foreign Investment" by setting up a special cash pooling arrangement for customers who engaged in foreign trade and cross-border businesses. It arranged for the settlement of more than US$10 billion worth of accounts for such companies and lent more than US$2.6 billion in trade finance.

Chairman's Statement

Speeding up business transformation and upgrading to enhance the quality of business operation and development. The Bank aims for progress with prudence. Therefore, it pressed on with its business transformation by speeding up the development of its businesses of investment banking, asset management, transaction banking and digital financial services while it expedited the development of its well-established businesses such as corporate banking, institutional business, retail banking and global market business. Specifically, the Bank steadily executed the "Mega Asset Management" strategy for its development which resulted in a 14% increase in the value of the assets under its management. It also made other breakthroughs under that strategy by developing the world's largest exchange traded fund to track the Chinese government bonds and undertaking the first case of custody of the underlying securities of the Chinese Depository Receipt (CDR) in the global market, as well as earning the title of the "Bond Connect Top Custodian" from Bond Connect Company Limited for the third consecutive year. With the steady execution of its "Mega Investment Banking" strategy, the Bank maintained its market leadership in investment banking, and ranked among top-tier banks in the bond market as it underwrote a number of sizeable and significant bond issues in the capacity of a lead arranger; it helped the ICBC Group rise to the second position in the 2020 Hong Kong and Macau Mandated Lead Arranger League; the Bank also completed a number of large projects that involved cross-border mergers and acquisitions and structured finance. In the business of transaction banking, the Bank also achieved significant results. It kept optimising the functions of its online service of trade finance. This resulted in a rapid increase in the number of customers who used various types of the Bank's products and services. The growth rate of low-interest deposits placed with the Bank by the customers for its transaction banking hit a new high in recent years. Meanwhile, the development of its digital financial services accelerated as the Bank proactively adapted itself to the trends in financial technology. It took a customer-oriented approach for formulating and promoting digital transformation. Its all-out effort in this regard led to steady increases in the proportion of the Bank's online operations and the penetration of its online banking and mobile banking in its customer base.

Minimising risks to consolidate foundation for steady development. The Bank evaluated and thus reduced the potential default risks associated with its lending to certain geographical areas, industries and fields which had been afflicted by the pandemic. Accordingly, it proactively recalled high-risk loans and collected money of or disposed of non-performing loans to clean up the balance sheet with the aim of firmly maintaining the overall quality of the loan assets during the time of extraordinary circumstances. Meanwhile, the Bank conducted a campaign called "Heightening Risk Awareness", in which it refines its comprehensive risk management system by means of "proactive prevention, computerised control and comprehensive management of risks" to strictly control various types of risks. It was also building a unified management system for internal control and regulatory compliance according to the requirements stipulated by the regulatory authorities. Specifically, the Bank consistently made improvements in terms of capital adequacy, risk control and liquidity, etc. As a result, the Bank has taken risk control and regulatory compliance to the next level.

Fulfilling social responsibility with dedication and contributing to Hong Kong society's development with passion. The Bank actively fulfils its social responsibility while it is committed to enhancing its business operation. It spares no effort to participate in charitable causes and cares about the disadvantaged sections of the community. As the Chairman of Caritas Hong Kong Fund Raising Committee for twenty-two consecutive years, the Bank joined hands with all sections of the community in raising funds for the benefit of society. It also embraced green finance and environmental protection advocated by the Hong Kong Special Administrative Region Government. For instance, the Bank conducted green investment and financing, promoted green operation and adopted environmental measures to add impetus to Hong Kong society's eco-friendly and sustainable development. To commemorate its 20th anniversary, the Bank launched ICBC (Asia) Charitable Foundation in 2020 with the aim of assuming greater responsibility for contributing to more charitable causes.

Chairman's Statement

In 2021, the global economy is expected to still be dampened by the waxing and waning of the COVID-19 pandemic and the escalating geopolitical tensions. Inevitably, Hong Kong's banking sector will still face a complicated and severe external environment. Nevertheless, we also see new opportunities and hope in the crisis. For instance, developments such as the mainland Chinese companies carrying out their IPOs or secondary listing in Hong Kong, the growing trend for overseas country-listed China-concept stocks to return to Hong Kong's stock market for listing, the signing of the *Regional Comprehensive Economic Partnership* and the implementation of *the 30 Financial Measures for the Greater Bay Area* will accelerate the internationalisation of renminbi and drive the development of cross-border banking services. Meanwhile, a growing trend towards digitalisation also adds impetus to the business transformation of and innovation in commercial banking.

The year 2021 marks the beginning of China's 14th Five-year Plan. The Bank will do its best to contribute to the success of the State's strategy for national development. It will embrace new concepts of development in order to play its role well as a banking service provider in the new situation and to promote high-quality development. Specifically, the Bank will forge ahead with the Group's strategies of "Becoming People's First Choice as Bank for Foreign Exchange Service in Mainland China", "Enhancing Competitive Strength in Key Regional Markets" and "Becoming the Number One Private Banking Provider". Such effort will enable the Bank to reinforce its dual role as the ICBC Group's flagship in the overseas markets and multifunctional platform. The Bank will also leverage ICBC Group's abundant resources and comprehensive yet distinctive cross-border banking services to help Hong Kong fit in with China's national development and thus ensure the city's prosperity and stability for the long term. Furthermore, the Bank will facilitate its own development with work that can be encapsulated in the phrase "Innovating Mechanism, Optimising Resources and Raising Efficiency". In concrete terms, the Bank will drive the transformation and upgrading of its various businesses with financial technology and press ahead with its "One Core, Two Wings" strategy while "Taking Root in Hong Kong, Connecting with Mainland China, Spanning across Asia Pacific, Facing the World". The Bank will endeavour to make greater contribution to the further opening-up of China's market and the country's regional trade and economic cooperation.

In the past year, the Bank attained hard-earned operating results despite the complicated and harsh operating environment. This can be credited to the guidance of the parent bank and the Board of Director of the Bank, the dedication of the management and the diligence of the entire staff. I am very grateful to all of them. On behalf of the Bank, I would also like to express my gratitude to the customers for their trust and various sectors of the community for their support.

Gao Ming
Chairman

24 March 2021

管理層討論與分析

財務回顧

本集團於二零二零年錄得除税後溢利55.25億港元，較去年減少27.77億港元。

淨利息收入減少23.19億港元至98.36億港元，減幅達19.1%。收費及佣金收入淨額減少2.25億港元至19.79億港元，減幅10.2%。非利息收入與總營業收入的比率為21.7%。

總營業支出較去年減少0.8%。成本對收入比率由二零一九年的24.8%增加至二零二零年的29.3%。

扣除減值損失之營業溢利為59.65億港元，較二零一九年減少34.76億港元或36.8%。

本集團出售投資證券錄得淨盈利5.47億港元，而二零一九年則為5.50億港元。

財務狀況表

於二零二零年十二月三十一日，工銀亞洲的資產總額達9,311億港元，較上年度年結日的水平減少225億港元，減幅為2.4%。

於二零二零年十二月三十一日，工銀亞洲的貸款總額達4,796億港元，較上年度年結日的水平增加46億港元，增幅為1.0%。

於二零二零年十二月三十一日，客戶存款結餘總額達5,225億港元，較二零一九年十二月三十一日減少2.4%。

於二零二零年十二月三十一日，已發行存款證總額為70億港元，較二零一九年十二月三十一日減少18.5%。

資本及流動資金管理

本集團於二零二零年年底的資本充足率為21.11%(二零一九年年底：20.56%)。二零二零年度的平均流動資金覆蓋比率為207.1%(二零一九年年度平均比率：192.2%)。

資產質素

根據本銀行的審慎風險管理政策，資產質素繼續維持在令人滿意的水平。於二零二零年年結時，減值貸款為44.22億港元，減值貸款比率較二零一九年度下跌13個基點至0.91%。

於二零二零年十二月三十一日，累計貸款減值準備合共為77.11億港元(二零一九年：55.48億港元)，當中包括29.00億港元(二零一九年：24.69億港元)減值信用風險之減值準備及48.11億港元(二零一九年：30.78億港元)非減值信用風險之減值準備。

於二零二零年十二月三十一日，逾期貸款總額較上年度年結日的水平減少4.91億港元至37.58億港元。

公司金融

二零二零年，新冠肺炎疫情衝擊全球經濟，本地經濟同樣面臨下行壓力。儘管如此，本銀行在波動市況下持續探索新的業務發展機遇，在深耕本地業務的同時，積極把握粵港澳大灣區(「大灣區」)的發展優勢，全面執行「一體兩翼」戰略，以立足本地市場為基礎，進一步拓展大灣區及亞太地區兩個重點戰略市場，並取得良好成效。

本地業務方面，本銀行自新冠肺炎疫情後積極響應香港金融管理局(「金管局」)號召，制定及推出了多輪針對本地企業的紓困措施及融資擔保計劃，支持企業穩定生產經營，助力本地經濟民生平穩運行，盡顯工銀亞洲作為一家扎根香港的本地銀行對社會之承擔。

本銀行一直致力拓展大灣區業務，年內不斷創新業務模式，切實支持民營企業和實體經濟的平穩健康發展。此外，本銀行緊跟國家跨境人民幣發展戰略，充分發揮中國工商銀行集團(「工銀集團」或「總行」)資源及聯動優勢，為香港本地客戶和中資企業實現「走出去」提供完備的跨境人民幣融資結算方案。為確保信貸業務健康及可持續發展，本銀行聚焦大灣區優質客戶及重點項目，新增貸款以「質」為先，令信貸結構更加穩健。

亞太區業務發展方面，自總行於二零一八年成立「亞太區銀團貸款中心」至二零二零年底，本銀行累計跟進執行150個重大項目，並先後與21間工銀集團境外機構、總行相關業務負責部門及一家政策性銀行合作，成功完成33筆銀團業務，當中工銀集團所承貸的總金額逾640億港元，且涉及多個幣種，業務範圍更覆蓋全球15個國家及地區，項目涵蓋中資及港資「走出去」企業、「一帶一路」倡議、「互聯互通」相關項目以及亞太區國家和地區的知名企業等。

產品與業務發展方面，本銀行因應市場需要對傳統產品作出優化創新，為客戶提供具針對性的創新產品方案，積極提升服務水平。本銀行透過各類風險排查措施成功降低潛在風險，回收不良貸款，進一步加強信貸基礎；同時積極把握本地市場業務機遇，牽頭籌組多筆重大銀團貸款並擔當主要業務角色，全面提升融資業務的競爭力和業界知名度，整體貸款規模逆勢增長。此外，存款結構不斷優化，低息存款佔比逐年增加。

展望二零二一年，本銀行將致力發展公司金融業務，並以大灣區業務為重點，乘著國家對大灣區的政策優惠與發展機遇，加強與區內工銀集團各分支機構的聯動，推動公司金融業務的穩步發展。

管理層討論與分析

零售業務

二零二零年，受新冠肺炎疫情等不利因素影響，香港經濟受壓，亦為本銀行零售業務帶來嚴竣考驗。在面對分行客流量減少的情況下，本銀行積極開展線上業務，針對性地制定了穩中求進的經營策略。在全行員工的共同努力下，本銀行零售業務積極融合線上線下、本地和跨境等元素，把握互聯網金融和大灣區發展的契機，於二零二零年維持良好發展，風險管理得以加強，實現了理想的經營業績及規模，並在成功控制成本的前提下，提升了零售業務對全行的營業收入和利潤貢獻佔比。

中間業務方面，本銀行緊貼市場脈搏，適時把握全球金融市場貨幣寬鬆、流動性充裕及中概股回港上市等機遇，透過優化交易渠道、產品創新、促銷推廣等措施，加強「以客戶為中心」的理念，實施靈活銷售策略，有效提升客戶產品滲透率，帶動中間業務收入大幅增長。核心財富管理收入包括證券、保險、基金亦錄得突破性的增幅，當中在證券業務方面，本銀行為推動工銀亞洲證券業務電子化轉型，成功於年內推出「工銀智投資」手機應用程式，為客戶提供港股、滬深股通、美股交易、新股現金及融資認購等一站式交易服務，同時透過線上渠道為客戶提供全面市場行情和資訊，讓客戶享受更優質的證券服務體驗。

貸款業務方面，年初預估經濟將受疫情衝擊，或導致中小企業面臨困境，影響各界生計，本銀行及早做好信貸質素的管理部署，加強風險管理，並積極配合香港政府的紓緩措施，為個人及中小企業客戶推出「還息不還本」方案，減輕客戶還款壓力。存款業務方面，本銀行以財富管理為軸心，提供多種以客戶需求為本的支付服務和交易方案，在保障存款業務規模穩定增長的同時，大幅優化了結構。

跨境業務方面，為迎合本地客戶內地置業的趨勢，本銀行不斷優化「灣區置業通」服務及申請流程，借款及還款一站式全程均在本地進行，減省客戶兩地奔走，現時服務範圍已覆蓋大灣區九大主要城市，當中包括深圳、中山、珠海等。本銀行亦分別與珠海及江門不動產登記中心聯合推出跨境合作計劃，讓本地客戶無需親赴內地，便可完成按揭抵押登記。為配合大灣區發展規劃，本銀行繼續為高端客戶提供專屬貴賓服務—「灣區服務通」，讓客戶於大灣區指定服務網點免費專享一系列貴賓設施及服務。此外，憑藉中國工商銀行貫通於內地及全球龐大匯款網絡的優勢，本銀行為客戶提供完善跨境匯款網絡，可靠便捷。在港工作的內地人士可利用本銀行的「工銀開薪匯」，將大額人民幣薪酬、贍家款(家庭開支)等款項透過跨境支付匯入境內賬戶，以上種種創新的個人金融產品為客戶提供了更優質便捷的大灣區金融服務。二零二零年，本銀行榮獲由新城財經台頒發的「卓越大灣區個人金融服務品牌」大獎及星島日報頒發的「星鑽服務大獎2020－大灣區金融服務」，表彰工銀亞洲於跨境金融業務的卓越貢獻，肯定了工銀亞洲為大灣區內廣大客戶提供多元及優質的跨境金融服務。

零售網絡方面，截至二零二零年底，本銀行共設有57間零售網點及162部自動櫃員機，覆蓋人流密集地區。本銀行不斷完善分行網絡建設，年內將佐敦分行遷往尖沙咀中港城，更好地服務跨境客戶；仁政街分行搬遷至屯門新墟，更好服務新界西區居民。另一方面，本銀行積極配合香港金管局推動本地普及金融發展，年內於沙田水泉澳邨增設自動櫃員機，為社區居民提供方便的銀行服務。

展望二零二一年，外圍經營環境預期仍然充滿挑戰，本銀行將繼續大力發展零售業務，配合手機銀行「e開戶」，並重點提升本銀行財富管理服務能力，加強運用金融科技及透過產品創新提供優質服務，致力滿足客戶不同需求，提升零售業務對本銀行的經營貢獻。今後，工銀亞洲將持續優化零售銀行服務水平，為廣大客戶提供全方位的優質銀行服務。

管理層討論與分析

人民幣業務

二零二零年，工銀亞洲充分把握人民幣國際化及大灣區建設等國家戰略，在加强對本地客户營銷的同時，促進了人民幣產品創新及基礎設施建設，並持續提升本銀行人民幣業務在香港市場的影響力及競爭優勢，推動人民幣業務獲得顯著發展。

人民幣業務創新方面，本銀行年內成功辦理首筆大灣區保理資產跨境轉讓業務，以創新金融服務支持大灣區建設，並打通了跨境資產轉讓新渠道，切實幫助企業降低融資成本。此外，本銀行還實現了多項重大業務突破，當中包括完成全球首單中國存託憑證(CDR)基礎證券託管以及發行了市場首個追蹤「富時全球國債指數」中國國債部分的交易所買賣基金(ETF)產品等。本銀行亦推出了「人民幣派息」業務，進一步創新並開拓派發股息的業務範疇，更成功辦理首筆人民幣派息，為在港上市的中資企業提供便利。

本銀行專注跨境人民幣業務發展，積極推進人民幣在大宗商品貿易結算中的應用，持續發展跨境人民幣證券投資業務。本銀行於促進人民幣國際化的貢獻備受肯定，連續第三年榮膺由債券通有限公司頒發的「債券通優秀託管銀行」大獎。

在金融基礎設施建設支援方面，二零二零年，本銀行成為全球唯一一家以非人民幣清算行身份獲得人民幣跨境支付系統(CIPS)境外直接參加行資格、並順利投產CIPS直參業務的本地銀行。工銀亞洲從CIPS境外間接參與者晉升至直參行角色，有助以全新身份及升級服務，為市場提供更優質高效的跨境人民幣清算服務。

展望未來，工銀亞洲將持續積極推進跨境人民幣業務發展，充分發揮資本、網絡及科技優勢，增強產品創新及盈利能力，為加速人民幣國際化進程、鞏固香港人民幣離岸中心地位、促進香港與內地市場互聯互通作出更大貢獻。

機構業務

二零二零年，面對複雜多變的外部環境，本銀行及時調整業務經營策略，積極完善業務結構，創新及優化產品與服務，確保年內機構業務穩健經營，同時取得多項業務創新成果。

回顧年內，本銀行在經濟不穩的市場環境下持續開發潛在機構客戶，並透過深入調查研究及採取主動式營銷手法，實現客戶數量增長及結構優化。業務發展方面，本銀行積極參與機構客戶雙邊貸款、銀團貸款、首次公開招股(IPO)融資和債券發行等多類型項目，鞏固自身投融資業務優勢；同時，積極把握中國重點區域發展戰略所帶來的廣闊機遇，致力與銀行客戶加強貿易融資、非國際貿易項下風險參貸等業務合作。

本銀行一向致力於服務創新，因應客戶業務需求，年內大力推動機構業務產品多元化發展，成功推出多項創新產品及業務，當中包括全球現金管理、再保險業務備用信用證等服務，為客戶提供更優質多元的業務選擇。本銀行更積極完善機構業務職能，發揮作為工銀集團境外旗艦優勢，成為本銀行與集團內其他機構聯動的統籌單位，有效加強本銀行與集團內各地區分支機構的溝通協作。本銀行亦透過完善制度建設、統一授信管理、加強客戶資訊保密等措舉，不斷提升合規和風險管理水平。

二零二一年，本銀行將持續緊密監察經濟金融市場動向，緊貼客戶需求，在拓展機構業務客戶基礎的同時，加強集團內公私業務聯動，同時秉持「交易銀行」的發展理念，聚焦大灣區建設發展，圍繞客戶的經營活動需求，提供一攬子綜合金融服務。本銀行亦將進一步強化與機構客戶的聯動，並加強與各境內外機構之聯動機制建設，透過各方通力協作推動各機構優勢互補，促進共同發展。

管理層討論與分析

金融市場業務

回顧二零二零年，外部環境眾多不利因素，當中包括新冠肺炎疫情、中美貿易摩擦持續、環球經濟增速放緩、市場波動加劇等，均為本銀行金融市場業務帶來新的挑戰。本銀行憑藉自身豐富的業務經驗，準確把握市場機遇，積極拓展業務，並在有效管控風險的前提下實現收入和利潤的穩健增長。

債券投資業務方面，突如其來的疫情導致金融市場顯著波動，美國聯邦儲備局大規模寬鬆政策令金融市場收益率普遍下行，本銀行一方面因應市況及時調整債券配置部署，審慎管理風險，並積極尋找美元及人民幣等市場投資機會；另一方面加強主動管理，致力保持組合整體收益率水平，提升組合整體利息收入。再者，本銀行持續透過審慎的信用分析精選投資債券，保障業務信用質量得以維持在較高水平。

代客交易方面，本銀行二零二零年外匯業務收入較二零一九年實現雙位數增長，成功抵銷因利率走低而造成的利率衍生產品收入缺口，當中收入來源仍以企業客戶為主。受惠於產品創新和銷售渠道拓展，零售及私人銀行客戶的業務收入亦穩步增長，佔比持續提升。

做市交易方面，本銀行二零二零年交易盈利創下歷史新高，報價能力亦持續提升，作為離岸人民幣及港幣主要做市商的地位得以進一步鞏固。本銀行在主要交易渠道的交易量排名亦保持同業領先，連續第四年蟬聯香港聯合交易所年度「固定收益及外匯業務重要戰略合作夥伴」(「FIC Key Business Partner」)。此外，本銀行進一步發展電子交易平台，做市覆蓋範圍持續擴大，電子平台的客戶量和交易量繼續保持穩定增長。

展望二零二一年，預計新冠肺炎疫情下全球經濟復甦仍存在較大的不確定性，本銀行將繼續嚴格控制風險，深入分析和調整策略，致力把握於波動市況中蘊藏的業務機遇。同時，本銀行將積極拓展銷售渠道及豐富交易業務產品，持續提升自身核心競爭力，努力實現金融市場業務穩步發展。

資產管理

二零二零年，本銀行全資附屬子公司－工銀資管(全球)有限公司(「工銀資管(全球)」)繼續保持穩健發展態勢，截至年末，工銀資管(全球)的資產管理及顧問規模達1,461億港元，較二零一九年同期增長14%。

年內，儘管國際金融市場受疫情影響出現較大波動，工銀資管(全球)通過持續完善投資研究體系，取得了優秀的投資管理業績。股票投資方面，工銀資管(全球)聚焦中國新經濟投資主線，二零二零年實現約63%的加權平均收益，大幅跑贏恒生指數(全年下跌3.4%)；債券投資方面，工銀資管(全球)憑藉在中資美元債券和離岸人民幣債券領域的優勢及成熟經驗，主動管理產品，未發生任何違約風險事件；另類投資方面，工銀資管(全球)積極聯動工銀集團及工銀亞洲，推動投貸聯動之業務發展。工銀資管(全球)獲國際知名財經雜誌《財資》評選為「二零二零年亞洲本幣債券睿智投資者」，成為香港地區唯一連續兩年上榜的中資資產管理機構；旗下「環球新興企業基金」在香港中資基金業協會聯合彭博通訊社舉辦的二零二零年度第六屆「離岸中資基金大獎」中榮獲「最佳總回報－大中華股票(1年)」亞軍。

產品開發方面，工銀資管(全球)進一步強化中國資產管理優勢，推出「工銀南方東英富時中國國債指數ETF」，為目前市場上唯一完全追蹤富時中國國債指數的產品，成為國際投資者投資中國國債低成本高效工具。此外，工銀資管(全球)積極拓展客戶，對公通過市場化競標獲得多家大型機構投資者的專戶委任，零售方面則通過工銀亞洲分行和互聯網券商渠道實現銷售規模同比增長逾10倍。

工銀資管(全球)於深圳設立的全資子公司－工銀亞投股權投資管理(深圳)有限公司充分發揮其私募股權投資平台優勢，配合工銀理財有限責任公司(「工銀理財」)及中國工商銀行境內其他分行，在年內完成數個重點項目投資，為工銀理財資金開拓了在境內資產管理新規下參與股權項目的投資渠道。

展望二零二一年，工銀資管(全球)將繼續遵循深化「大資管」的戰略部署，進一步培育海外資管業務的潛能和優勢，持續提升主動管理資產規模、收入和利潤水平，努力在投資研究能力、產品佈局、營銷網絡等方面實現同業較佳水平，致力成為中資領先且在亞洲具影響力的境外資產管理公司。

管理層討論與分析

全球資本融資

二零二零年，工銀亞洲在債券承銷、銀團貸款及信貸資產交易等業務發展規模繼續不斷壯大，在亞太地區資本市場的發展中發揮重要作用。

本銀行債券承銷類業務於年內依然延續良好發展態勢，繼續活躍於中資企業境外債券市場，先後為多家大型央企、地方國有企業及金融機構完成多次境外債券發行，相關債券承銷業務數量亦錄得穩步增長。本銀行在綠色債券、社會責任債券、永續債券以及不同監管架構下的資本補充債券等發行種類上實現突破創新，特別是在多年期、多幣種的ESG債券承銷業務中更是處於市場領先地位。

作為具市場影響力的承銷行之一，本銀行於債券承銷業務中擔任全球協調人角色的比重繼續維持在較高水平，項目質量顯著提升。本銀行年內承銷本外幣債券、中期票據及存款證共計74筆，發行量合共達325億港元，承銷的部分債券更榮獲《財資》雜誌頒發「年度社會債券(中國大陸)」、「年度可持續性債券(中國大陸)」、「年度最佳公司債券(中國大陸)」等多項業界大獎。

本銀行持續深耕銀團貸款業務，年內銀團貸款總安排量達330億港元，助力工銀集團在港澳地區安排行排名上升至第二位[1]。本銀行作為牽頭行為多家大型企業，包括香港機場管理局、中國海外集團有限公司、海通國際證券有限公司、中國交通建設股份有限公司、濰柴動力股份有限公司、立訊精密工業股份有限公司、中國燃氣控股有限公司等成功籌組銀團貸款。其中為中國燃氣控股有限公司牽頭籌組的銀團，是本銀行於《關於金融支持粵港澳大灣區建設的意見》支持政策出台後的首筆跨境人民幣銀團貸款，以實際行動支持國家政策。此外，本銀行為香港機場管理局牽頭籌組的銀團貸款更榮獲《財資》雜誌頒發的交通運輸及基礎建設組別「年度最佳銀團貸款」獎項。

本銀行積極參與信貸資產二級市場，透過信貸資產流轉提升本銀行資產的流轉速度和流動性，資產交易業務量持續佔據市場主要份額，並進一步擴展亞太區資產交易網絡。本銀行亦於跨境併購、私有化、項目融資、股權類投融資等多個領域主動開展結構化融資及財務顧問業務，發揮「融資」和「融智」的雙重作用，當中涉及國企混改、公共事業、製造業、互聯網及娛樂傳媒等範疇。

展望二零二一年，本銀行將繼續充分把握大灣區建設、人民幣國際化進程及「一帶一路」倡議等帶來的廣闊發展機遇和亮麗前景，致力為客戶提供全方位的資本融資服務，並發揮跨境金融的業務實力和競爭力，持續鞏固本銀行在亞太區資本市場的優勢地位。

[1] 資料來源：Refinitiv/LOANCONNECTOR

金融科技及網絡金融發展

二零二零年，本銀行秉持「科技驅動、價值創造」的發展理念，致力透過金融科技提升服務質量和效率，與時並進優化金融業務發展模式，進一步鞏固了本銀行安全防線，並因應疫情發展為客戶提供全天候的線上服務，全力推進零售及商業銀行業務數字化轉型。

在加強科技風險管控的前提下，本銀行年內持續提升了系統運營和維護的安全穩定性，打造「DevOps能力體系」，達成以金融科技創新推動數字化轉型的目標。

為加強信息安全和鞏固風險控制防線，本銀行全面實施由金管局推出的「網絡防衛計劃」(CFI)及完成了「網絡防衛評估框架1.0」(C-RAF)的全部評估工作，並獲得網絡安全標準ISO 27001證書。本銀行亦致力構建集檢測、分析、應對、攔截和預防於一體的全新自動化、立體化安全防護體系；積極參與內外部不同團體所舉行的安全演練，以提高本銀行應變能力，以及與執法機構和監管機構的聯動應對能力。

在創新成果方面，本銀行目前已構建生物特徵識別認證、大數據、人工智能機器學習等技術平台，並適時研發推出了自動櫃員機無卡提款等具競爭力且為市場首推的創新產品，為香港本地客戶帶來嶄新的業務模式與用戶體驗，展現工銀亞洲致力走在香港金融科技發展前沿的不懈努力。

在促進業務數字化發展方面，本銀行進一步優化手機銀行「e開戶」服務，推出了一站式銀行綜合賬戶及投資賬戶的線上開立服務，並同時支援使用新智能香港身份證遙距開戶。本銀行不斷更新的線上服務還包括應用於手機銀行服務的流動保安編碼安全認證技術、優化定期存款及轉賬匯款等多項功能，同時建設獨立運營的本地開放應用程式界面(API)，並積極與其他外部機構開展線上金融業務合作，持續提升客戶體驗。與此同時，工銀亞洲積極優化企業網上銀行系統，提升支付結算、貿易融資和財富管理等線上業務服務水平，並新增港幣和美元「隔夜定期存款」、貿易融資還款、出口發票(通知)融資申請等產品及服務，協助企業客戶方便快捷地在線上辦理更多業務。

展望二零二一年，本銀行將繼續堅持「創新發展、轉型發展、聯動發展和精益發展」的方向，重點加強工銀亞洲科技與業務結合的實力，提升價值創造力，並聚焦科技風險管控和數字化轉型兩大領域，持續提升工銀亞洲金融科技在香港同業中的地位，致力將金融科技建設成為工銀亞洲在香港銀行業界中的重要特色標誌。

管理層討論與分析

現金管理業務

工銀亞洲作為工銀集團亞太區現金管理中心，致力發展結算與現金管理業務，歷經十年發展，結算與現金管理產品體系已趨成熟及完備，包括賬戶管理與資訊服務、收付款服務、流動性管理及短期投資理財四大業務產品線，令該業務成為吸納客戶及鞏固與拓展存款業務的有力工具。截至二零二零年年末，工銀亞洲累計為超過4,500家香港本地及跨境現金管理客戶提供服務。

本銀行積極創新及持續優化結算與現金管理產品，有效促進業務發展及提升市場競爭力與服務能力。二零二零年年內，本銀行進一步推出海外「銀企互聯」渠道，為多家大型企業客戶提供更安全高效、直接方便的金融解決方案；研發並投產線上跨境集中支付系列產品，滿足不同大型企業與財資中心客戶對全球賬戶管理的需求。另特別推出多元化的網上銀行產品，包括助力客戶實時掌握賬戶變動的「動賬伴侶」、供財務和人事部門各司其職處理薪酬事宜的「權限分離式支薪」、可一次性提交多筆付款指令的「網銀批量付款」，以及為客戶帶來更高存款收益的「網銀節節高」等，充分滿足客戶在疫情下足不出戶自助辦理更多銀行業務的確切需求。

工銀亞洲持續把握香港財資中心政策優惠機遇，充分聯動工銀集團境內外機構，繼續深耕並不斷拓展香港本地、中國內地與亞太區域三大市場，促進結算與現金管理業務持續快速發展，成為多家大型集團企業開展香港財資中心業務的主要合作銀行，跨境與本地現金管理客戶規模亦實現同步提升。二零二零年，本銀行於結算與現金管理業務的成績備受業界肯定，榮獲「最佳財資管理銀行獎」及「深圳市金融創新獎•港深合作創新三等獎」等多項金融大獎，標誌著工銀亞洲現金管理的優質服務續獲提升並得到廣泛認可。通過與工銀集團及保薦人等多方緊密合作，本銀行的IPO收款行業務繼續位於同業前列，成為市場上提供IPO收款行的主要商業銀行之一，年內共完成26個IPO收款行項目。

展望二零二一年，本銀行將繼續把握香港本地政策優勢，以拓展香港財資中心客戶和IPO收款行客户為核心，緊貼客戶需求積極創新，加強重點產品的推廣工作，並著力研發特色產品，打造結算與現金管理業務生態圈，以持續提升市場競爭力，推動結算與現金管理業務穩健發展。

私人銀行

二零二零年，本銀行持續優化管理私人銀行客戶及資產的結構和質量，在相關業務方面取得良好的發展成果。作為工銀集團私人銀行全球化發展的旗艦，本銀行積極與總行、其境內外分行及第三方機構攜手協作、整合資源，致力為高淨值客戶提供投融資一體化、安全穩健的財富管理方案，以及專業、貼心的優質金融服務。

年內，本銀行進一步豐富產品體系、優化業務流程，強化非金融增值服務體系和綜合服務能力，並加強團隊建設和內控管理，以全方位提升私人銀行的內部管理及業務拓展能力。

客戶拓展方面，受惠於內地大量新經濟企業來港上市及中概股回歸等利好趨勢，投資市場變得熾熱蓬勃，為本銀行帶來了全新的潛在目標客戶市場。因應新的業務發展機遇，本銀行一方面憑藉工銀集團強大的環球網絡，聚焦在港進行IPO的內地企業，積極拓展以新經濟企業高級管理層為代表的新富階層客戶群；另一方面憑藉本銀行於香港全面的服務覆蓋及客戶網絡優勢，集中拓展本地高淨值個人零售市場，為私人銀行業務的可持續發展提供動力。產品體系優化方面，本銀行堅持以客戶需求為導向，精選優質產品以豐富業務範疇，具針對性地為客戶量身訂做更加個性化、多元化的投資方案和財富增值服務。

大灣區的持續發展亦為本銀行私人銀行財富管理業務提供了廣闊發展空間及龐大市場機遇，本銀行持續研發創新產品及滿足大灣區客戶跨境投資交易需求的金融服務體系。與此同時，本銀行加強與工銀集團於大灣區內的其他機構聯動，積極開拓區內高淨值客源，為高淨值個人及企業客戶提供全面的跨境金融方案，滿足客戶全球資產配置的需求。

展望二零二一年，本銀行將繼續充分利用工銀集團強大的網絡資源及服務平台，發揮香港作為國際金融中心聯通內地的競爭優勢，推行零售業務向財富管理轉型發展策略，並持續運用金融科技提升產品及服務體系，為私人銀行客戶提供創新財富管理方案，協助客戶掌握全球金融市場走勢並滿足其投資需求。

管理層討論與分析

消費金融業務

二零二零年，受環球經濟波動和新冠肺炎疫情衝擊，本地經營環境受到較大影響。因應市況及消費者行為模式變化，本銀行年內就消費金融業務推出多項全新產品和服務，並不斷探索不同的業務合作新模式，致力為本地客戶提供更安全便利的消費金融服務。

產品和服務創新方面，本銀行陸續推出手機線上貸款及申辦信用卡功能、支援跨境移動支付的「ICBC Pay」產品，以及線上銀聯「優計劃」消費券的支付功能，全力推動本銀行消費金融業務的數字化及線上化轉型。除此之外，本銀行透過應用金融科技最新技術，不斷優化現有產品設計和服務流程，為客戶提供更優質便利的互聯網線上產品及服務體驗。

客戶拓展和市場推廣方面，本銀行針對不同目標客戶推出多款信用卡，包括深受客戶喜愛的「ICBC | LINE FRIENDS銀聯雙幣鑽石卡」及「ICBC | LINE FRIENDS Visa Signature卡」，以及凸顯本銀行消費金融業務數字化發展成果的「ICBC AXA安盛虛擬電子信用卡」及「ICBC Visa虛擬電子信用卡」。此外，本銀行與香港電視廣播有限公司(TVB)旗下網購平台big big shop、本地大型購物商場K11及香港中國旅行社網站等知名商戶緊密合作，吸納更廣闊客戶群，並與Alipay HK攜手推出電子印花獎賞、「工銀亞洲淘寶日」、「淘寶六一八年中慶典」、「淘寶雙十一」和「淘寶雙十二」消費獎賞等聯合推廣活動，深受本地客戶歡迎。同時致力推廣個人無抵押貸款、現金分期以及消費和賬單分期等多元化業務，以配合客戶不同需要。

商戶收單業務方面，鑒於疫情下大眾消費及付款的習慣有所改變，本銀行把握發展本地線上收單市場的時機，將業務範疇拓展至物業管理、保險及教育等行業，將多個不同的應用場景與線上支付結合，進一步改變傳統支付模式，促進本地商戶業務轉型及線上線下融合發展。產品方面，本銀行持續優化商戶收單產品，年內推出全新的智能終端機界面及新增手機掃描支付方式，為商戶提供更流暢便捷的多功能操作體驗及更美觀的視覺觀感。

展望二零二一年，預期因疫情經濟發展仍存在不明朗因素，消費者行為模式或將產生較大改變，市場仍充滿著挑戰與機遇，本銀行將致力推進消費金融業務的數字化轉型，優化市場拓展和推廣策略，致力創新產品和提升服務質素，並以尤其是大灣區的跨境業務拓展為重點，積極搭建兩地跨境支付平台，推動內地及香港的互聯互通，為本地居民帶來更多元優質的創新支付和消費金融體驗。

華商銀行

二零二零年，本銀行全資附屬子公司－華商銀行整體經營實現「穩中有進、進中提質」的良好態勢。全年累計實現撥備前利潤17.94億港元，同比增長0.33%；實現中間業務淨收入1.63億港元，同比增長37%；年末撥備覆蓋率較二零二零年初提升54.52個百分點，抗風險能力持續增強。

年內，華商銀行通過優化業務結構、創新拓展營業收入、壓縮同業負債成本、加強債券波段操作(在低價位買入並於高位賣出)等措施，令盈利水平穩步提升。資產方面，持續增加較高收益的個人和公司貸款業務比例，降低相對較低收益的票據業務和非銀行金融機構貸款佔比，使資產結構得以進一步優化。負債方面，在兼顧盈利和流動性的雙重要求之前提下，華商銀行加強了前瞻性管理，持續優化同業負債期限及品種結構，改善流動性核心監管指標並持續達標。

華商銀行堅持差異化定位、特色化經營，深入推進轉型創新，精心服務優質細分市場和特定客群，特色創新服務成效顯著，使金融服務更具靈活性、競爭力和普及性。一是深化與工銀集團的戰略協同，積極推動銀團貸款等業務發展；二是穩步發展個人貸款業務，使之成為華商銀行新的增長點；三是實現分離式保函業務健康快速發展，成為華商銀行大規模服務中小企業的特色產品，取得良好的經濟與社會效益；四是成功辦理首筆線上供應鏈融資業務；五是深化科技賦能，開展機器人流程自動化(RPA)項目，開啟數字化轉型進程，並規劃建設智慧運營與維護平台，不斷提升經營與管理效能。

華商銀行始終堅持穩健審慎經營，以全方位綜合防控風險，保持資產質素穩定，同時保持常態化防控疫情，年內全行未有發生重大安全事故和經營風險事件。

此外，華商銀行穩步推進企業品牌建設，加強品牌宣傳推廣，維持中誠信國際信用評級有限責任公司主體信用評級「AAA」最高認定，並獲得由深圳特區報社頒發的「優秀金融企業獎」、中國外匯交易中心暨全國銀行間同業拆借中心頒發的「銀行間本幣市場最佳進步獎」等多項殊榮，進一步提升市場地位和品牌影響力。

展望未來，華商銀行將繼續貫徹國家金融支援實體經濟的各項部署，堅持「穩中求進」的工作總基調，加強風險防控和合規經營，持續推進轉型創新發展，在鞏固經營基本業務的同時拓展更多新業務領域，致力建設為大灣區精品銀行。

管理層討論與分析

人力資源

本銀行一直視員工為公司最寶貴的資產，始終堅持「以人為本」的管理理念，持續推行與時俱進的人力資源管理發展理念，促進員工與本銀行邁步前進，共同成長。

二零二零年，本銀行繼續積極廣納賢才，優化員工隊伍。截至二零二零年底，本銀行及子公司員工總數為3,097人。本銀行持續投入資源以支持員工的全面發展，當中包括健全行內員工職業發展政策，加強不同層級人員能力發展，並積極推動員工跨部門交流學習，以拓展更多領域的專業知識，加強複合型人才培育。因應疫情發展，本銀行進一步豐富線上教學培訓資源，以網絡教學形式持續開展領導力發展項目，進一步提升本銀行員工的履職及職業發展能力。

本銀行致力落實金管局提倡的良好銀行文化三大支柱體系建設，多措並舉，透過完善內部制度及流程、加強意識傳導、健全員工意見反饋機制等，提升本銀行員工的風險管理能力及合規意識，並持續深化績效管理及激勵措施，引導員工行為，激發員工動力，促進銀行整體的戰略發展。年內，本銀行高級管理人員致力維繫與員工間的良性溝通，分別與各層級員工多次進行不同形式的會議，就本銀行的多個範疇廣泛聽取並交換意見，鼓勵員工建言獻策。

本銀行亦積極響應香港特區政府及各社會團體號召，投入豐富資源創造職位，助力穩定本地勞工市場，吸引大學畢業生投身於金融銀行業就業，如參與香港中國企業協會「青春試翼 • 大學畢業生啟航計劃」及香港再出發大聯盟推出的「協助應屆畢業生就業計劃」。年內，本銀行亦連續三年獲積金局「積金好僱主」嘉許。

於疫情期間，本銀行全力配合香港特區政府的抗疫防疫措施以減少辦公場所人流及社交接觸，因時制定及實施特殊上班工作安排，並為員工提供午膳及膳食津貼，更安排有需要的員工進行核酸檢測及提供額外假期，致力保障員工的健康和安全。為協助員工紓壓減負共同抗疫，本銀行亦組織了豐富的線上康樂活動，致力在行內營造「以人為本」的生活方式及工作環境。

展望二零二一年，本銀行人力資源範疇將重點圍繞區域化發展、核心能力建設及績效效能提升等三方面開展工作，務求全方位促進銀行與員工共同和諧發展。

綠色金融

二零二零年，工銀亞洲積極響應香港特區政府和金管局的倡議，致力推動綠色金融發展，全力支持環境及社會的可持續發展，推動香港發展成為區內領先的綠色金融及投資中心。

在公司治理方面，本銀行將綠色金融全面融入本銀行的整體發展策略，建立由董事會及高級管理層所統籌領導的綠色金融推進機制，就公司治理、戰略規劃、風險管控、業務產品、配套資源、披露溝通等六大範疇制定相應的執行計劃，全方位開展綠色金融工作。

在綠色信貸方面，本銀行依照工銀集團的綠色信貸整體策略，視綠色貸款為本銀行的發展重點，持續完善綠色貸款的准入審批和分類統計標準，並把綠色客戶、綠色產品、綠色債券納入年度信貸偏好體系，令綠色貸款在總貸款額中的佔比不斷提升。二零二零年，本銀行的綠色貸款餘額大幅增長超過60%，涵蓋水污染治理、污水處理及循環再用、風力發電、核能發電等多種類型客戶及普及金融項目。年內，工銀亞洲向光大國際提供3億美元授信額度，全力支持該集團在環保領域的業務發展，並向浙江省溫州市蒼南縣及平陽縣提供合共11億元人民幣貸款，用於自然保護、生態修復及災害防控等工作。

在綠色債券方面，本銀行持續開展多項綠色主題債券的發行、承銷和投資工作，並取得顯著成果。綠債發行方面，中國工商銀行香港分行於二零一九年九月成功發行全球首支「粵港澳大灣區」概念綠色債券，榮獲本港機構及海外傳媒頒授殊榮，包括香港品質保證局(HKQAA)的「傑出綠色債券發行機構－最大規模單一綠色債券(銀行業)」，以及英國《金融時報》旗下《銀行家》(「The Banker」)雜誌的「2020年度亞太區最佳綠色金融交易」獎項。綠債承銷方面，本銀行所承銷的綠色及可持續發展債券數量較去年同期增長37.5%，二零二零年榮獲香港《財資》雜誌頒發「最佳中小企業社會責任債券」、「最佳可持續發展債券」、「最佳綠色債券」三項大獎。綠債投資方面，本銀行年內新增綠色債券投資約9億港元，藉此支持上海浦東發展銀行、珠海大橫琴集團、北京控股集團、德國復興信貸銀行及歐洲投資銀行等多家大型機構發行綠色債券。

展望二零二一年，本銀行將繼續踐行綠色與可持續發展理念，銳意發展綠色債券及綠色信貸業務，推出更多創新綠色金融產品，進一步完善氣候與環境風險管理體系，並積極響應金管局的要求及倡議，展開氣候與環境風險情景分析和壓力測試，同時將致力開展內部及對外的相關議題研究及培訓宣傳工作，攜手各界推動綠色經濟與可持續發展。

管理層討論與分析

企業社會責任

工銀亞洲一直秉持「受益於社會，回饋於社會」的企業社會責任精神，積極貢獻社會，致力將「多元發展　關愛盡顯」的理念落實到日常營運中，鼓勵全行員工身體力行實踐公益事務。本銀行在社區服務的工作一直廣受認同，更連續十八年榮獲香港社會服務聯會頒發「商界展關懷」標誌。二零二零年，本銀行更藉二十周年行慶之際正式成立「工銀亞洲慈善基金」，旨在促進社會民生福祉，投入更多資源惠澤社群，標誌著其對香港社會持之以恆的承諾，承擔起更大的社會責任。

年內，新冠肺炎疫情對香港社會各界造成沉重打擊，工銀亞洲與各界攜手抗疫扶助基層，協助社會走出困局。本銀行積極捐資設立香港首家非官營醫療口罩生產線、組員慰問前線醫護人員並捐贈醫療口罩，向香港的士司機從業員總會捐款援助基層服務行業，本銀行還與員工同行向內地防疫一線捐款，並且分階段適時推出多項金融紓困措施，針對性地為企業及個人客戶紓解燃眉之急，為他們提供經濟上的適切支援。

本銀行更特別啟動「抗疫 • 分享愛」系列捐贈及送暖行動，動員全行同事參與募捐電腦文儀用品器材及禦寒衣物，透過本地不同的慈善團體轉贈予有需要的基層家庭。當中參與計劃的機構包括香港聖公會麥理浩夫人中心旗下「社區互惠銀行計劃」及香港啟愛共融中心。於冬至前夕，本銀行亦與香港循道衛理觀塘社會服務處合作舉辦福袋送暖行動，將「工銀亞洲愛心冬至抗疫福袋」贈予當區的低收入基層人士、劏房戶及貧困家庭等有需要人士，與他們同心抗疫。

公益工作方面，本銀行已連續二十二年獲委任為香港明愛籌款委員會主席，一直鼎力支持香港明愛舉辦的多項籌款活動，包括慈善高爾夫球賽、捐助明愛籌款晚會、支持愛心曲奇義賣及代售慈善抽獎券等多項慈善公益活動，並成功為香港明愛合共籌得超過200萬港元善款，讓眾多有需要的基層人士及家庭受惠。

此外，本銀行亦致力參與其他眾多範疇的慈善公益項目。文化體育方面，本銀行連續第九年參與香港大型慈善活動「公益金百萬行」，逾300名同事身體力行參與慈善步行，萬眾同心，共襄善舉；理財教育方面，本銀行積極實踐普及金融，致力向社會不同階層推廣金融知識與理財概念。

綠色環保方面，本銀行年內與香港漁農自然護理署及香港環保團體－綠惜地球進行為期五年的工銀亞洲「植林優化計劃」順利邁進第二個年頭，並由合作夥伴安排下進行實地觀察及維護工作，繼續助力提升香港植林區的生態價值及生物多樣性。本銀行繼續於行內廣泛推行「綠色辦公室計劃」，持續推行及優化多項以「減廢」、「節源」、「重用」為目標的環保措施。

展望二零二一年，本銀行將繼續將可持續發展視為企業長遠發展策略和營運上的重要一環，開展更多豐富多元的企業社會責任活動，同時透過「工銀亞洲慈善基金」造福更廣泛社群，致力為香港的社會公益事業貢獻力量。

Management's Discussion and Analysis

FINANCIAL REVIEW

The Group recorded profit after tax of HK$5,525.2 million for the year 2020, representing a decrease of HK$2,777.4 million as compared to the previous year.

Net interest income decreased by HK$2,319.2 million, or 19.1%, to HK$9,836.2 million. Net fee and commission income decreased by HK$225.3 million, or 10.2%, to HK$1,978.9 million. The ratio of non-interest income to total operating income was 21.7%.

Total operating expenses were 0.8% lower than the previous year. The cost to income ratio increased from 24.8% in 2019 to 29.3% in 2020.

Operating profit after impairment losses was HK$5,964.8 million, a decrease of HK$3,475.5 million, or 36.8%, as compared with 2019.

The Group recorded HK$547.2 million of net gain from disposal of investment securities as compared to HK$549.8 million in 2019.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020, ICBC (Asia)'s total assets amounted to HK$931.1 billion, representing a decrease of HK$22.5 billion, or 2.4%, as compared with the previous year-end position.

As at 31 December 2020, ICBC (Asia)'s loans amounted to HK$479.6 billion, representing an increase of HK$4.6 billion, or 1.0%, as compared with the previous year-end position.

As at 31 December 2020, total outstanding customers' deposits amounted to HK$522.5 billion, representing a decrease of 2.4% as compared to the position as at 31 December 2019.

As at 31 December 2020, total outstanding certificates of deposit issued amounted to HK$7.0 billion, representing a decrease of 18.5% as compared to the position as at 31 December 2019.

CAPITAL AND LIQUIDITY MANAGEMENT

The capital adequacy ratio of the Group was 21.11% as at the end of 2020 (the end of 2019: 20.56%). The average liquidity coverage ratio for the year 2020 amounted to 207.1% (average of 2019: 192.2%).

ASSET QUALITY

Under the Bank's prudent risk management policy, the asset quality remained continuously at a satisfactory level. As at the end of 2020, impaired loans amounted to HK$4,421.7 million while the impaired loan ratio decreased by 13 basis points to 0.91% as compared with 2019.

As at 31 December 2020, the cumulative loan impairment allowances aggregated to HK$7,710.8 million (2019: HK$5,547.5 million). This included impairment allowances of HK$2,900.0 million (2019: HK$2,469.3 million) for credit impaired exposures and HK$4,810.8 million (2019: HK$3,078.2 million) for not credit-impaired exposures.

As at 31 December 2020, total overdue advances decreased by HK$491.1 million, to HK$3,758.1 million, as compared to the previous year-end position.

Management's Discussion and Analysis

Corporate Banking

In 2020, the COVID-19 pandemic dealt a heavy blow to the global economy. Hong Kong also faced the pressure of an economic slowdown. Nevertheless, the Bank continued to explore new business opportunities under the market volatility by developing further its local business in Hong Kong and actively grasping the opportunities in the Guangdong-Hong Kong-Macau Greater Bay Area (the "Greater Bay Area") with its advantage there. It made an all-out effort to pursue the "One Core, Two Wings" strategy, under which it consolidated its foothold in Hong Kong and further developed the two other markets of strategic importance, namely the Greater Bay Area and the Asia-Pacific region. The Bank achieved great results during the year under review.

In the local market, the Bank has rolled out several rounds of relief measures and carried out the SME Financing Guarantee Scheme to help small and medium-sized enterprises stabilise their productions and operations and thus safeguard the local economy and people's livelihood under the outbreak of the COVID-19 pandemic, answering the call of Hong Kong Monetary Authority (the "HKMA") for lenders to help local businesses ride out the difficult times. The relief measures have demonstrated the Bank's commitment to fulfil its social responsibility as a local bank firmly rooted in Hong Kong.

The Bank is set to expand its business in Greater Bay Area. During the year, the Bank kept innovating its business model. The move was aimed at giving support to private enterprises and facilitating the healthy, steady development of the real economy. Furthermore, the Bank capitalised on the national strategy of promoting the use of renminbi in cross-border transactions by providing comprehensive solutions for cross-border financing and settlement in renminbi to Hong Kong clients and mainland Chinese enterprises which "go global". It offered such services by leveraging the abundant resources of Industrial and Commercial Bank of China Group ("ICBC Group" or the "ICBC head office") and the Bank's capability to effectively cooperate with the latter's business units. To ensure the stable and sustainable development of its credit services, the Bank focused on high-quality customers and sizable, major projects in the Greater Bay Area. It attached great importance to the creditworthiness of the borrowers when it extended credit to them, thus making the loan portfolio more robust and secure.

The Bank also made progress in the development of its business in the Asia-Pacific region. Since the establishment of the Asia Pacific Syndicated Loan Centre by ICBC head office in 2018, the Bank has executed and followed up 150 major projects in total as at the end of 2020. It has also cooperated with 21 overseas institutions of ICBC Group, relevant business departments at the head office and a policy bank in underwriting 33 syndicated loans, of which more than HK$64 billion worth of loans were underwritten and granted by ICBC Group. The loans, which were granted in 15 countries and regions around the world, were denominated in multiple currencies. The companies that have taken out such syndicated loans included mainland Chinese and Hong Kong enterprises which are "going global", companies involved in the Belt and Road Initiative and the connectivity related projects, and well-known enterprises in the Asia-Pacific countries and regions.

In terms of products and business development, the Bank kept innovating its products to satisfy the market needs. For instance, it optimised traditional products and provided clients with customised and innovative financial products and solutions, thus raising the standard of its service. The Bank succeeded in reducing the potential default risks by conducting various reviews of the risks of its loan portfolio and stepped up the disposal of non-performing loans to clean up the balance sheet, thus strengthening the foundation of its credit service. The Bank seized local market opportunities by acting as a lead arranger of a number of sizeable syndicated loans. As a result, it not only recorded growth in loans despite the adverse market conditions but also greatly enhanced its overall competitiveness in investment and financing and raised its profile in the industry. In addition, with the proportion of CASA (current and savings accounts) deposits (which have low deposit interest rates) increasing year by year, the deposit mix has been continuously optimised.

In 2021, the Bank will further develop its corporate banking business with a focus on its business in the Greater Bay Area. It will capitalise on the state's preferential policy on the Greater Bay Area's development and seize the business opportunities by working in tandem with the institutions of ICBC Group in the area so as to drive the steady growth in its corporate banking business.

Retail Banking

In 2020, Hong Kong's economy was depressed by a number of unfavourable factors, especially by the COVID-19 pandemic. The Bank's retail banking business was no exception as it also underwent a severe trial. In view of the decrease in footfall at its branches, the Bank actively migrated its businesses online and formulated specific strategies for achieving steady progress in its operations. With the joint effort of all the staff members of the Bank, the retail banking business continued to perform well in 2020 by integrating online and offline and utilising local and cross-border resources to seize opportunities on the Internet banking and the Greater Bay Area development. It recorded satisfactory operating performance and significant progress in scaling up its business while strengthening its risk management. Operating revenue and profit from the retail banking business increased as a percentage of the Bank's total while cost control was effectively implemented.

In its intermediary business, the Bank kept its finger on the pulse of the financial markets so it was able to capitalise on the quantitative easing adopted by governments around the world, abundant liquidity on the financial markets and the growing trend for overseas country-listed China-concept stocks to return to Hong Kong's stock market for listing. The Bank achieved significant growth in income from its intermediary business by optimising its transaction channels and strengthening the "customer centric" strategies. Also contributing to the growth are product innovation, promotional campaigns and flexible sales strategies which together effectively increased the products' penetration among the customers. Incomes from the core wealth management services such as securities brokerage, insurance and fund management reached a breakthrough in terms of growth. ICBC (Asia) also pushed forward with the electronic transformation of its securities brokerage business by successfully launching the "ICBC Smart Invest" mobile application during the year. The application is an all-in-one trading platform that enables the users to deal in Hong Kong stocks, Northbound stocks in Shanghai or Shenzhen Stock Connect and US stocks, and subscribe for IPOs with debit from their cash accounts or through IPO margin financing, etc. It also serves as an online channel to provide comprehensive information about the market to enhance the customers' experience with the Bank's securities brokerage service.

In its loan business, the Bank had anticipated at the beginning of 2020 that a heavy blow dealt by the pandemic to the economy could get small and medium-sized enterprises (SME) into a very difficult situation and affect the livelihood of various sectors of the community. Therefore, it stepped up measures to ensure the quality of the loans and thus strengthened the risk management. On the other hand, the Bank supported the HKSAR Government's relief measures and introduced principal moratorium for personal and SME loans to alleviate customers' cash flow pressure caused by loan repayment during the difficult times. With wealth management as an axis, the Bank promoted a variety of customer demand-oriented payment services and transaction solutions to ensure the steady growth of deposit business scale while greatly optimising the structure.

Management's Discussion and Analysis

In its cross-border banking business, the Bank capitalised on the growing trend for local customers to purchase property in mainland China. It kept on improving the quality and application procedures of its "Greater Bay Area Loan - Mortgage" service. Customers were able to enjoy the one-stop service of drawdown and repayment in Hong Kong, saving themselves from cross-border travels. During the year, the market coverage of the service was further extended to nine major cities in the Greater Bay Area such as Shenzhen, Zhongshan and Zhuhai. The Bank also collaborated with the Real Estate Registration Centres in Zhuhai and Jiangmen on the "Greater Bay Area Loan - Mortgage" service, allowing the Hong Kong residents to complete the mortgage registration without going to the two cities across the border. To capitalise on the development of the Greater Bay Area, the Bank launched the exclusive "Greater Bay Area Premier Banking Services" for its VIP customers, allowing free access to VIP facilities and priority services at designated branches in the area. In addition, riding on the advantages of ICBC's extensive remittance network in mainland China and around the globe, the Bank provided customers with a comprehensive cross-border remittance network that is reliable and convenient. Moreover, the Bank provided the "Outward Remittance Service of Payment" that allowed mainland Chinese working in Hong Kong to remit their salaries and allowances for families in renminbi from Hong Kong to their bank accounts in mainland China. All these innovative personal finance services enabled a more convenient and enhanced experience for the Bank's customers in the Greater Bay Area. During the year, the Bank won the "Excellent Brand of Greater Bay Area Personal Financial Service" award from Metro Finance and the "Sing Tao Service Awards 2020 - Greater Bay Area Financial Service" from Sing Tao Daily in recognition of the Bank's outstanding contribution to the development of cross-border financial services, especially its effort to offer quality and diverse cross-border banking services to customers in the Greater Bay Area.

As at the end of 2020, the Bank provided services through 57 retail outlets and 162 automated teller machines in areas with high pedestrian traffic. The Bank endeavours to improve its retail banking network and the outlets' infrastructure. During the year, its Jordan Branch was relocated to Hong Kong China City in Tsim Sha Tsui to better serve cross-border customers with its convenient location. Yan Ching Street Branch was relocated to San Hui in Tuen Mun to better serve customers in New Territories West. Furthermore, to support HKMA's initiative in financial inclusion in local communities, the Bank set up new automated teller machines in Shui Chuen O Estate, Shatin in the year to provide convenient banking services for the local citizens.

In 2021, the business environment is still full of challenges. The Bank will continue to grow its retail business with the application of Mobile Banking New Customer Account Opening Service and an emphasis on the capability of wealth management service. It will provide quality services by embracing FinTech and product innovation to meet customers' needs and increase the retail banking business's contribution to the Bank's business development. In the future, ICBC (Asia) will continue to improve its retail banking services so as to offer quality and comprehensive banking services to customers.

Renminbi Business

In 2020, ICBC (Asia) fully capitalised on China's national strategies such as the internationalisation of the renminbi and the development of the Greater Bay Area by stepping up marketing campaigns targeted at local customers and by expediting renminbi product innovation and infrastructure construction in the area. Meanwhile, the Bank also continuously enhanced both the business presence and competitive advantages of its renminbi business in the Hong Kong market, achieving remarkable progress in that line of business.

In what can be regarded as a prime example of renminbi business innovation, the Bank conducted its first cross-border transfer of domestic factoring assets between Hong Kong and the Greater Bay Area in 2020. This showcased how the Bank supported the development of the Greater Bay Area with innovative financial services and opened up a new channel for cross-border transfer of assets, thus effectively helping enterprises reduce financing costs. In addition, the Bank achieved a number of significant breakthroughs, including the first case of underlying securities custody of the Chinese Depository Receipt (CDR) in the global market and issuing the first Exchange Traded Funds (ETF) product in the market to track the Chinese government bonds as part of the FTSE World Government Bond Index. The Bank also launched an renminbi dividend distribution service for the greater convenience of Chinese enterprises that are listed in Hong Kong and conducted its first-ever transaction of this kind. The move marked the innovation and expansion of the scope of the Bank's dividend distribution business.

In its effort to further develop the cross-border renminbi business, the Bank actively promoted the use of renminbi as a currency in settlement for bulk commodity trade and kept on developing its cross-border renminbi-denominated securities investment business. The Bank was highly recognised for its contribution to the internationalisation of renminbi. It won the title of the "Bond Connect Top Custodian" from Bond Connect Company Limited for the third consecutive year.

In terms of the financial infrastructure development, the Bank became the only non-renminbi clearing bank around the globe to have been qualified as a direct participant in the Cross-Border Interbank Payment System (CIPS) for cross-border renminbi payments in 2020 as well as one of the foreign direct participating banks which has put CIPS into implementation successfully. In this connection, the role of ICBC (Asia) in CIPS was upgraded from foreign indirect participant to direct participant. With this new identity, the Bank would be able to provide upgraded, better and more efficient cross-border renminbi clearing services in the market.

Looking ahead, ICBC (Asia) will continue to push forward with the development of its cross-border renminbi business by giving full play to its advantages of plentiful capital, a wide network and advanced technology. It will also step up product innovation and enhance its profitability. All this will enable the Bank to make greater contribution to the internationalisation of renminbi, the consolidation of Hong Kong's status as an offshore renminbi business hub and the interconnection between the markets of Hong Kong and mainland China.

Management's Discussion and Analysis

Institutional Business

To cope with the complicated and volatile external environment in 2020, the Bank promptly adjusted its operational strategies for institutional banking. That line of business improved its business mix, innovated and optimised its products and services to ensure the steady operation of its institutional business throughout the year. It had various achievements in innovation in its business.

In the year of review, it was against the backdrop of a volatile economy that the Bank continued to actively seek potential institutional clients. It conducted thorough research and proactive marketing which resulted in growth in the number of customers and the optimisation of customer mix. In terms of business development, the Bank actively participated in multiple types of projects, including bilateral financing, deals of syndicated loans, initial public offering (IPO) financing and bond issues of institutional clients, and thus enhanced the competitive advantage of its investment and financing business. Meanwhile, the Bank took the initiative in grasping the tremendous opportunities brought by the development strategies of China's key regions by strengthening its collaboration with bank clients in trade finance and non-international trade risk participation.

The Bank always devotes itself to service innovation based on customer needs. For instance, it forged ahead with the diversification of its institutional business products and services during the year, and successfully introduced a number of innovative products and services, including global cash management and standby letters of credit for reinsurance business, aiming at providing better and diversified business options to customers. Furthermore, the Bank proactively improved the functions of its institutional business and manifested its advantage as ICBC Group's flagship in the overseas business. As a result, the institutional business has been functioning as a unit that effectively coordinates the development among the Bank and other business units in different regions within the Group. In addition, the Bank refined the formulation of the system, unified the management for extending credit and stepped up the protection of the confidentiality of customer data. All these measures have helped enhance the Bank's regulatory compliance and risk management.

In 2021, the Bank will keep abreast of the economic development and trends on the financial market so that it can meet the customer needs promptly and continue to expand the customer base of its institutional business. Meanwhile, it will reinforce the coordination between its businesses of corporate banking and retail banking, and continue to move forward with the development of transaction banking as it provides a comprehensive range of financial services that can meet customers' operational needs amid the development of the Greater Bay Area. The Bank will seek closer cooperation with the domestic and overseas institutional clients and strengthen the mechanism for this purpose. This allows all the parties to advance their business development by complementing each other.

Global Market Business

The year of 2020 was marked by a number of unfavourable elements in the external environment, including the COVID-19, the protracted China-United States trade conflicts, global economic slowdown and the exacerbation of market volatility. All these posed new challenges to the Bank's global market business. The Bank leveraged its extensive experience in global market business and took advantage of market opportunities in the right direction to actively expand its business while maintaining stringent management and control of risks. The efforts paid off as it recorded stable growth in both revenue and profit during the year.

Yields from bond investment in the financial markets fell generally in 2020 as the Federal Reserve System of the United States adopted an expansionary monetary policy on a massive scale. The COVID-19 pandemic also took its toll as it puts the financial markets on a roller coaster ride. In response to the situation, the Bank promptly adjusted its bond portfolio, managed the related risks prudently, and explored the opportunities for investing in the markets for US dollar- and renminbi-denominated bonds. Meanwhile, it also strengthened its dynamic approach to investment to maintain the target level of the yield from the overall bond portfolio and to boost the interest income from its investment portfolio. Additionally, the Bank adopted a prudent credit analysis process to select bonds for investment, thus maintaining the credit quality of its bond portfolio at a high level.

In 2020, the Bank recorded double-digit growth in revenue compared with 2019 from its business of foreign exchange trading on behalf of customers as it succeeded in offsetting the decrease in revenue from interest rate derivatives caused by a downtrend in interest rate. The revenue was still mainly derived from its business with corporate customers. Revenue from the business with customers at the retail and private banking also grew steadily because of the product innovation and sales channel expansion and such revenue increased as a proportion of the total revenue from the global market business.

In 2020, profit from the Bank's market-making business hit a record high. The Bank strengthened its position as one of the major market makers by constantly providing competitive quotes in the offshore renminbi and Hong Kong dollar markets. The Bank remained a top-ranked market player in terms of trading volume on mainstream trading platforms and it was awarded the title of "FIC Key Business Partner" by Hong Kong Exchanges and Clearing Limited for the fourth consecutive year. Furthermore, the Bank further upgraded its digital trading platform and successfully expanded the market coverage of its online market-making business, which maintained steady growth in term of both the number of customers and trading volume.

In 2021, the global economic outlook is expected to remain clouded with uncertainties due to the still raging COVID-19 pandemic. Therefore, the Bank will not only continue with stringent risk control but also actively explore possibilities for business in a fluctuating market by conducting in-depth analysis and adjusting its business strategy. In the meantime, the Bank aims to enhance its core competitive strength and achieve steady development in its global market business through expansion of its marketing channels and product diversification.

Management's Discussion and Analysis

Asset Management

ICBC Asset Management (Global) Company Limited ("ICBC AMG"), the wholly-owned subsidiary of the Bank, maintained its steady growth in 2020. As at the end of 2020, total assets under its management and advisory business reached HK$146.1 billion, up by 14% compared with that in 2019.

Despite the turmoil in financial markets caused by the pandemic during the year under review, ICBC AMG still achieved outstanding performance in asset management through continuous improvement in its system for investment and research, and realised a weighted average return of around 63% in 2020 in its equity investments due to its investment strategy of focusing on China's new economy, thus significantly outperforming the Hang Seng Index (which fell by 3.4% in 2020). As to bond investments, there was no default occurred in its actively managed products with ICBC AMG's strength and extensive experience in investing in US dollar bonds issued by mainland Chinese enterprises and offshore renminbi bonds. ICBC AMG also developed its alternative investment business by collaborating with both ICBC Group and ICBC (Asia) in promoting the coordination between the equity investment and credit facility business. ICBC AMG was rated as "The Most Astute Investor in Asian Local Currency Bonds for 2020" by The Asset, a renowned international financial magazine. It was also the only mainland Chinese asset manager in Hong Kong to have won that title for two consecutive years. ICBC AMG's Global Emerging Enterprises Fund won the "Best Total Return - Greater China Equity (1 Year) - 1st Runner Up" in the 6th HKCAMA-Bloomberg Offshore China Fund Awards co-organised by Chinese Asset Management Association of Hong Kong and Bloomberg in 2020.

ICBC AMG further strengthened its competitive advantage in the field of China-related asset management and launched ICBC CSOP FTSE Chinese Government Bond Index ETF, which was the only investment fund in the market tracking the performance of the FTSE Chinese Government Bond Index. The ETF is an efficient and low-cost tool for Chinese government bond investors from around the world. In addition, ICBC AMG actively expanded its customer base through both institutional and retail channels – it was engaged by several large institutional investors by winning the business with competitive tenders, and recorded a more than tenfold increase in the sale of its mutual funds at retail banking through the branches of the Bank and online brokers in 2020.

ICBC (Asia) Equity Investment Management (Shenzhen) Company Limited, ICBC AMG's wholly-owned subsidiary in Shenzhen, completed several key investment projects by leveraging its advantage in private equity investment and cooperating with ICBC Wealth Management Company Limited ("ICBC Wealth Management") and other branches of ICBC in mainland China. This opened up a new channel for ICBC Wealth Management for participating in private equity investment under the new asset management regulations in mainland China.

In 2021, ICBC AMG will continue to forge ahead under the "Mega Asset Management" strategy. It will further build up the advantage of its overseas asset management business and unlock its potential, scale up its actively managed assets and increase their income and profit. It will strive to deliver better performance in its investment capabilities, product lines, distribution network and regulatory compliance among the peers, as it aspires to become a leading mainland Chinese offshore asset management company with influence in the Asian market.

Management's Discussion and Analysis

Global Capital Financing

In 2020, ICBC (Asia)'s bond underwriting, syndicated loans and loan asset trading businesses continued to grow and played an important role in the development of Asia Pacific's capital markets.

The Bank maintained stable growth momentum in its bond underwriting business during the year. It remained active in the Chinese offshore bond market and successfully acted as the lead arranger in the offshore bond issues of various central and local state-owned enterprises and financial institutions. As a result, the volume of the Bank's bond underwriting business grew steadily. The Bank also achieved breakthroughs in diversifying the types of bonds that it underwrote, which included green bonds, social bonds, perpetual bonds and capital replenishment bonds governed by different regulatory regimes. Notably, the Bank also established its market leadership in the business of underwriting ESG bonds which were denominated in various currencies with different maturities.

As one of the most prominent and influential bond underwriters in the market, the Bank also continued to play the global coordinator role in a high proportion of its bond underwriting transactions, which had improved the quality of the transactions to a great extent. The Bank underwrote a total of 74 deals, which were together worth HK$32.5 billion during the year. These included the underwriting of bonds denominated in local and foreign currencies, medium-term notes, and certificates of deposits. Some of them were rated by The Asset magazine as the "Best Social Bond (mainland China)", the "Best Sustainability Bond (mainland China)" and the "Best Corporate Bond (mainland China)" in 2020, etc.

The Bank continued to develop its loan syndication business and arranged HK$33 billion worth of syndicated loans in 2020, thus helping the ICBC Group rise to the second position in the 2020 Hong Kong and Macau Mandated Arranger League Table[1]. During the year, the Bank acted as syndicated loan lead arranger for many large corporations, including Hong Kong Airport Authority, China Overseas Holdings Limited, Haitong International Securities Group Limited, China Communications Construction Group (Hong Kong) Holdings Limited, Weichai Power Company Limited, Luxshare Precision Limited and China Gas Holdings Limited, etc. It was noteworthy that the syndicated loan arranged for China Gas Holdings Limited was the first cross-border renminbi syndicated loan since the implementation of the *Opinions for Financial Support for the Development of the Guangdong-Hong Kong-Macau Greater Bay Area*. That showed the concrete action taken by the Bank to support the national policy. In addition, the syndicated loan arranged by the Bank for Hong Kong Airport Authority won the award of "The Best Syndicated Loan of the Year" in the category for transport and infrastructure from The Asset magazine.

The Bank actively participated in secondary loan market, and improved its asset turnover and liquidity by engaging in secondary loan trading with its loan asset trading business continuing to hold a major share of the market. Moreover, the Bank further extended its loan asset trade network in Asia-Pacific. Committed to diversifying its business, the Bank also proactively launched structured finance and advisory services in the fields of cross-border mergers and acquisitions, privatisation, project financing, and equity investment and financing, etc., covering the sectors of the ownership restructuring of state-owned enterprises and other projects in the areas of public utilities, manufacturing, internet, entertainment and media, to apply its financial expertise to the financing projects.

In 2021, the Bank will continue to do its best to grasp the plentiful opportunities and promising prospects presented by the development of the Greater Bay Area, the internationalisation of renminbi and the Belt and Road Initiative. It will also remain dedicated to providing customers with comprehensive solutions for capital financing. The Bank will give full play to the strengths and competitiveness of its cross-border financial services and continue to reinforce its prominence in the Asia-Pacific capital market.

[1] Source: Refinitiv/LOANCONNECTOR

Management's Discussion and Analysis

Development of Financial Technology and Internet Finance Business

In 2020, ICBC (Asia) continued to be "Technology-Driven and Creating Value". This concept of development is manifested in the Bank's commitment to improving service quality and efficiency through FinTech and keeping up with the times by optimising the mode of development of its financial services. It also stepped up its information system security measures to safeguard its operation and provided 24-hour online service to customers as a way to adapt to the pandemic. The Bank also pressed ahead with the digital transformation of both its retail and corporate banking businesses.

To strengthen its technology risk management, the Bank continued to improve the security and stability of the system's operation and maintenance during the year. To serve this purpose, the Bank had already created a "DevOps capability system", which paved the way for digital transformation by means of FinTech.

In order to enhance its information security and buttress its firewalls as risk control measures, the Bank has fully implemented the "Cyber Defense Plan" (CFI), which was launched by HKMA, and completed all evaluations of the "Cyber Resilience Assessment Framework ("C-RAF") 1.0". It has obtained the network security standard ISO 27001 certificate. The Bank is also committed to building a new automated and three-dimensional security and protection system that integrates the functions of detection, analysis, response, interception and prevention. It actively participated in security drills held both internally and externally to improve the Bank's incident response capability as well as its ability to cooperate with law enforcement agencies and regulatory agencies on cybersecurity incident response.

In terms of achievements in innovation, the Bank has established technology platforms such as biometric authentication, big data, and artificial intelligence machine learning, etc. It also launched innovative products or services with competitive advantages such as ATM cardless withdrawal which were the first of their kinds on the market, thus enabling the implementation of a new business model and bringing a new kind of user experience to local customers in Hong Kong. This has demonstrated the Bank's unremitting efforts to stay at the forefront of Hong Kong's FinTech development.

In its drive to digitalise its banking business, the Bank has optimised the "New Customer Account Opening" function in mobile banking, and launched an online one-stop service for opening integrated accounts and investment accounts with the Bank. It also offered technical support to customers who opened accounts online with the new smart Hong Kong ID cards. The Bank has upgraded its online services constantly, including applying Soft Token security authentication technology in mobile banking services and enhancing such online services of time deposits, fund transfer and remittance. It also launched and established an independently operated open application programming interface ("API") platform, and actively cooperated with other external institutions on online financial services to improve the customer experience continuously. Meanwhile, ICBC (Asia) actively optimised the online corporate banking system, raised the standards of such online services of payment and settlement, trade finance and wealth management. It also introduced such new online products and services as "overnight time deposits" in Hong Kong dollar and US dollar, repayment in trade finance, and application for export invoice (notice) financing to help corporate customers conduct more business online conveniently and quickly.

In 2021, ICBC (Asia) will continue to work firmly towards the goal of achieving "development through innovation, business transformation, cooperation and lean management". Emphases will be placed on the enhancement of the Bank's capabilities to integrate technology into its businesses and to create value. It will also step up its technology risk management and digital transformation. All this will help to raise the status of the Bank as a player in the field of the Hong Kong banking sector's FinTech, with development of FinTech being a symbol of ICBC (Asia) in the industry.

Cash Management Business

As an ICBC Group's Asia-Pacific Cash Management Centre, ICBC (Asia) actively engages in payments and cash management business. After ten years of development, the Bank's four major comprehensive product lines of payments and cash management business have been well established, including account management and information service, receivables and payment solutions, liquidity management and interest optimisation products for short-term investment. By the end of 2020, the Bank has provided cash management services for over 4,500 local and cross-border clients.

Continuous product innovation and enhancement in the payments and cash management business have contributed the Bank in developing its business and improving both its competitiveness and service capability. During the year of 2020, the Bank further introduced its "Host-to-Host Service", and provided efficient, secured and direct financial solutions for many large enterprises; the Bank also developed multiple online cross-border payment services that simplified and centralised enterprises' global treasury activities. In addition, diverse online banking services were introduced to meet the growing demands for digital banking during the COVID-19 pandemic, including "Account Companion" that monitors real-time changes on the bank accounts, "Payroll Service" that allows authority segregation among finance and human resources departments, "Bulk Payment Service" that enables clients to submit multiple payment instructions in one time, and "Online Account Interest Optimisation Plan" that offers yield enhancement to clients.

ICBC (Asia) has valued the opportunity to support clients that plan to establish corporate treasury centres in Hong Kong to benefit from the government's preferential policies towards such development. In order to expand its business in Hong Kong, mainland China and Asia Pacific, ICBC (Asia) continues to cooperate with both the domestic and overseas business units of ICBC Group. The Bank has become a major partner of many corporations in setting up their treasury centres in Hong Kong, leading to the growth of its cross-border and local cash management clients. In 2020, the Bank's payment and cash management business was highly recognised by the industry and received several awards, including the "Best Treasury Management Bank" and the "2019 Shenzhen-Hong Kong Financial Collaborative Innovation Award". These recognitions represent the continuous enhancement in the Bank's outstanding cash management services. Meanwhile, the Bank continued to rank as one of the top IPO receiving banks and completed 26 projects in 2020.

In 2021, ICBC (Asia) will continue to take advantage on the Hong Kong government's preferential policies, emphasise on supporting clients to set up treasury centres and act as receiving bank in IPO projects. The Bank will also continue to strive for product innovation to meet enterprises' business needs through developing distinctive products and promotional campaigns for signature products. This will enable the Bank to build up an ecosystem of cash management business, thus improving its competitiveness and promoting steady development of payments and cash management business.

Management's Discussion and Analysis

Private Banking

In 2020, the Bank's private banking business achieved considerable growth and continuously optimised both the structure and quality of its client base and assets. As the flagship for the global development of ICBC Group's private banking business, the Bank has been actively cooperating with the ICBC head office, the ICBC Group's domestic and global branches as well as third parties institutions, and integrating resources with them in order to provide its high-net-worth clients with holistic and secure wealth management solutions that cover investment and financing. The Bank has been providing premium financial services for the clients with professionalism and attentiveness.

During the year, the Bank further enriched its product portfolio and optimised its business processes by bolstering its non-financial value-added services and overall service capabilities, as well as strengthening its team and internal control management. These measures were designed to enhance the private banking sector's capabilities for internal management and business development on all fronts.

New prospective clients emerged for the Bank's private banking business, which caused the market for investment to become buoyant. This was benefiting from the rocketing number of mainland China-based new-economy enterprises applying for listings in Hong Kong and the growing trend of overseas country-listed China-concept stocks returning to Hong Kong's stock market. To grasp the new opportunities for business development, the Bank leveraged the tremendous global network of ICBC Group, focused on the mainland Chinese companies that carried out their IPOs in Hong Kong and vigorously recruited to its client base the new affluent class which was best represented by the senior management of the new-economy enterprises. On top of that, the Bank relied on its comprehensive service coverage and enormous retail banking clientele in Hong Kong to expand the local market of high-net-worth individuals, thus adding impetus to the sustainable growth of the private banking business. To optimise its products and services, the Bank continued with a client-centric approach by offering select and quality financial products such as personalised and diverse investment plans and wealth accumulation services to expand the scope of its business.

The unceasing development of the Greater Bay Area has continued to open up substantial room for growth and many opportunities in a massive market for the Bank's private banking and wealth management business. The Bank continued with product innovation that contributed to its comprehensive financial service system to meet the Greater Bay Area customers' demand for cross-border investment and transactions. Meanwhile, the Bank strengthened its linkage with the other institutions from the ICBC Group in the Greater Bay Area to actively expand its high-net-worth customer base in the area. It provided comprehensive cross-border financial solutions for individuals and corporate clients there to meet their needs for global asset allocation.

Looking ahead to 2021, the Bank will continue to fully utilise ICBC Group's resources such as its robust network and service platforms, and capitalise on Hong Kong's competitive advantage of being an international financial centre that is connected to mainland China to implement the strategy of transforming its retail business to wealth management business. It will also enhance its products and service system with the application of FinTech. The Bank is dedicated to providing innovative wealth management solutions to the customers of its private banking business, assisting them in keeping abreast of the trends of global financial markets and satisfying their investment needs.

Consumer Finance Business

In 2020, the global economic fluctuation and COVID-19 pandemic combined to deal a heavy blow to the local business environment. In response to the changes in both the market situation and consumer behaviour, the Bank's consumer finance business launched a number of new products and services and continued to explore different new business models during the year as it aimed to provide local customers with safer and more convenient consumption and financial services.

During the year, the Bank pressed ahead with innovation in products and services. It successively launched "ICBC Pay", the digital product that enabled online lending and application for a credit card, to support cross-border mobile payments, as well as the payment of UnionPay "u•plan" e-vouchers as it pushed forward with the digitalisation of its consumer finance business and was shifting that business online. At the same time, the Bank continues to optimise the existing product design and operation process by applying the latest financial technologies to serve customers with better and convenient online products and services.

For customer development and marketing promotion, the Bank has launched multiple types of credit cards for different target customers, including "ICBC | LINE FRIENDS UnionPay Dual Currency Diamond Card", "ICBC | LINE FRIENDS Visa Signature Card", and the "ICBC AXA Virtual Digital Credit Card" and "ICBC Visa Virtual Digital Credit Card", which mark the Bank's achievement in the digitalisation of its consumer finance business. In addition, the Bank has worked closely with well-known merchants such as the online shopping platform big big shop of Hong Kong Television Broadcast Limited (TVB), one of the local largest shopping malls K11, and the online shop of China Travel Service (Hong Kong). The move has helped to broaden the customer base. The Bank also joined hands with Alipay HK to launch a number of consumer reward schemes and marketing campaigns such as e-stamping rewards, "ICBC (Asia) Taobao Day", "Taobao 618 Mid-year Celebration", "Taobao Double Eleven" and "Taobao Double Twelve", which was popular among local customers. The Bank is also committed to promoting its diverse businesses such as personal unsecured loans, credit card cash instalment, and spending and statement instalment, so as to satisfy different needs of customers.

As to its merchant acquiring business, the epidemic brought changes to customers' consumption and payment habits so the Bank seized the opportunity to develop a local online merchant acquiring service by extending its market coverage to various industries such as property management, insurance and education, thus applying its online payment platform to different situations and transforming the traditional payment method. This helped local merchants transform their business and integrate their online and offline operations. Furthermore, the Bank continued to optimise the products in its merchant-acquiring business by launching a new smart terminal interface and a new mobile phone scanning payment method during the year, enabling the merchants to conduct their business more smoothly and conveniently with multiple functions of online payment and better visual experience.

In 2021, there will still be uncertainty about economic development amid the epidemic, and customer behaviour and consumption patterns may undergo major changes. All this will present both challenges and opportunities. The Bank will forge ahead with the digital transformation of its consumer finance business, increase its market penetration, refine its promotional strategy, continue with product innovation and improve the service quality. Notably, the Bank has already earmarked its cross-border business in the Greater Bay Area as a top priority. It will actively build its cross-border payment platform for mainland China and Hong Kong, thus increasing the connectivity between the two places. The Bank will also introduce more diverse and quality innovative payment methods and consumer finance services to the local residents.

Management's Discussion and Analysis

Chinese Mercantile Bank

In 2020, Chinese Mercantile Bank (CMB), a wholly-owned subsidiary of the Bank, achieved the goal of "Making progress while maintaining stability and improving quality" in its overall operation. Its pre-provision profit for 2020 increased by 0.33% to HK$1.794 billion while the net income from its intermediate business surged by 37% to HK$163 million; the provision coverage at the end of 2020 increased by 54.52 percentage points compared with that at the beginning of the year, indicating CMB's increasing ability to withstand risks.

During the year, CMB improved its profitability steadily by optimising its business mix, innovating ways to generate and increase its revenue, reducing the cost of inter-bank liabilities, and strengthening its ability to make profit from bond price fluctuations (by buying bonds at lower prices and selling them at higher prices). To further optimise its asset structure, CMB continued to raise the proportions of its personal and corporate loans which had higher rates of return, and decreased the proportions of the bill business and loans granted to non-bank financial institutions which had lower rates of return. CMB also stepped up the proactive management of its liabilities while maintaining profitability and liquidity. It continuously optimised the structure of its inter-bank liabilities in terms of maturity period and variety, and improved its liquidity in terms of the core regulatory compliance indicators in addition to consistently meeting the relevant standards.

Positioned as a bank that is defined by its differentiated products and services as well as operation with characteristic features, CMB pushes forward with business transformation and innovation and specialises in the high-end market niches of specific customer groups. It has enhanced the adaptability, competitiveness and popularity of its financial services through innovation. Firstly, it furthered its strategic coordination with ICBC Group in the development of loan syndication and other businesses; secondly, CMB steadily developed its personal loan business, turning it into one of its new growth drivers; thirdly, its business of separate letter of guarantee developed healthily and rapidly. CMB served small and medium-sized enterprises with the differentiated product of this line of business on a massive scale. This has yielded both economic and social benefits; fourthly, its online supply chain financing business successfully completed its first transaction; fifthly, CMB enhanced its capability for business operation and management by embracing technology to a greater extent. It started a robotic process automation project and embarked on digital transformation. It was also planning the establishment of a smart platform for business operation and maintenance to raise the efficiency of operation and management.

CMB has always maintained a prudent approach to its operation. With the comprehensive measures to prevent and control risks, CMB consistently ensured the stability of its assets quality. Meanwhile, it made epidemic prevention and control the norm for its daily operation. There were no accidents or disruptions to its business operation during the year.

In addition, CMB has been building its brand image steadily and stepping up branding and marketing. The efforts paid off as it was given the highest credit rating of "AAA" by China Chengxin International Credit Rating Company Limited. CMB also won other awards, including the "Excellent Financial Enterprise Award" from Shenzhen Special Zone Daily and the "Award for Best Progress in Inter-bank Local Currency Market" from the China Foreign Exchange Trade System & National Interbank Funding Center. This has enhanced CMB's market position and brand influence.

Looking ahead, CMB will resolutely follow the state policy of supporting the development of the real economy with the financial system. It will also continue to adhere to the principle of "striving for progress while maintaining stability", enhance both risk control and regulatory compliance, forge ahead with business transformation and innovation, ensure the stability of its mainstay business and diversify into new businesses as it aspires to become a boutique bank in the Greater Bay Area.

Human Resources

The Bank always regards its staff as the most valuable asset. Therefore, it applies the "people-oriented" management philosophy and updates its human resources management practices to move with the times. This drives the growth of both the Bank and its employees.

In 2020, the Bank proactively acquired various talents through diverse recruitment channels and optimised its workforce. As at the end of 2020, the total number of employees of ICBC (Asia) and its subsidiaries was 3,097. The Bank continued to invest resources in the comprehensive development of its employees, optimise its policy on career development, strengthen the capabilities of the staff members at different levels and actively promote cross-departmental exchange and learning for expanding the staff's scope of expertise in different fields in order to strengthen the nurturing of interdisciplinary talents. To adapt to the development of the pandemic, the Bank enriched its online learning and training resources and continued to conduct online leadership development programmes. This has enhanced the staff's capabilities to fulfil their duties and develop their careers.

The Bank is committed to implementing a sound bank culture based on the three pillars developed and promulgated by the HKMA. During the year, the Bank enhanced its risk management capabilities and compliance awareness by improving internal policies and processes, raising the staff's awareness and optimising the mechanisms for collecting the employees' feedback. The Bank also continued to enhance its performance management and incentive measures to motivate the staff and guide their behaviours, thus contributing to the overall strategic development of the Bank. During the year, the senior management of the Bank maintained effective communication with the staff. It held several communication sessions with employees at all levels in different ways to listen to their views and exchange ideas with them on many areas of the Bank's operation and to encourage them to make suggestions.

The Bank responded positively to the call of the Hong Kong Government and various social organisations for maintaining stable levels of local employment and invested plenty of resources in creating financial and banking job opportunities for university graduates. For example, it participated in the "New Graduates - New Opportunities Scheme" rolled out by the Hong Kong Chinese Enterprises Association and the "Graduate Employment Scheme" organised by the Hong Kong Coalition. During the year, the Bank also won the "Good MPF Employer Award" from the Mandatory Provident Fund Authority for the third consecutive year.

During the pandemic, the Bank implemented special work arrangements to reduce the flow of people and social contact in the workplace in line with the government's anti-pandemic measures. It offered meal allowances as well as office lunch to its employees, and arranged COVID-19 nucleic acid tests and special leaves for employees in need to safeguard their health and safety. The Bank also organised various online recreational activities to relieve the stress and burden of its employees. The employee care measures manifested the Bank's people-oriented approach and are aimed at improving the employees' life and working environment.

In 2021, the Bank's human resources management will focus its efforts on the development of regional operations, the building of core competencies and the cultivation of team capability. All this is aimed at contributing to the harmonious progress and development of both the Bank and its employees.

Management's Discussion and Analysis

Green Finance

In 2020, ICBC (Asia) embraced green finance underpinned by the Hong Kong government and HKMA's initiative to support the sustainable development of both the environment and society and to help develop Hong Kong into a leading hub of green finance and investment in the region.

In terms of corporate governance, the Bank has fully integrated the concept of green finance into its overall strategy for development. It has established a green finance development mechanism which was planned and led by the Board of Directors and senior management, covering six major areas including corporate governance, strategic planning, risk management and control, products of the Bank's various businesses, supporting resources, and information disclosure and communication. Action plans for the Bank's work on green finance have been formulated in each of the areas.

In accordance with ICBC Group's overall strategy for green credit, the Bank has made green loan business one of the focuses of its business development and continued to improve the access approval process and fine-tune the criteria for classifying its green loans and compiling statistics on them. Green customers, green products, and green bonds have been included as indicators in the system for annual review of the Bank's credit preference. The proportion of green loans in the total amount of loans has been increasing. In 2020, the Bank's green loan balance increased significantly by more than 60%. The green loans had been granted to various environmental projects such as water pollution control, sewage treatment and recycling, wind power and nuclear power as well as financial inclusion projects. During the year, ICBC (Asia) provided Everbright International with a credit line of US$300 million to fully support Everbright Group's environmental protection business. It also provided a total of RMB1.1 billion worth of loans to Cangnan County and Pingyang County in Wenzhou City, Zhejiang Province for nature conservation, ecological restoration and natural disaster prevention and control.

The Bank continued to make significant progress in its business of issuing, underwriting and investing in green bonds. In terms of green bond issuance, ICBC Hong Kong Branch successfully issued the first Greater Bay Area concept green bonds in the world in September 2019, and won the title of "Outstanding Green Bond Issuer - Largest Single Green Bond (Banking Industry)" from the Hong Kong Quality Assurance Agency (HKQAA) and the "Deals of the Year 2020 - Asia Pacific" from The Banker magazine, which is owned by the Financial Times Limited. In respect of green bond underwriting, the number of green bonds and sustainability bonds underwritten by the Bank increased by 37.5% in 2020. In the same year, the Bank won three awards including "Best SME Social Responsibility Bond", "Best Sustainability Bond" and "Best Green Bond" from The Asset magazine. In terms of green bond investment, the Bank invested approximately HK$900 million during the year in green bonds issued by many large institutions such as Shanghai Pudong Development Bank, Zhuhai Da Heng Qin Group, Beijing Enterprises Group, a German state-owned bank called KfW Development Bank, and European Investment Bank to support their green projects.

In 2021, the Bank will continue to adopt the concepts of environmental protection and sustainability to its business. For instance, it will step up the development of its businesses of green bonds and green lending, introduce more innovative green financial products, and improve its system for the climate and environmental risk management. It will also conduct scenario analysis and a stress test in accordance with the requirements of HKMA to evaluate its capability to manage climate-related and environmental risks. The Bank will also organise both internal and external seminars about and training on the related topics. It will work with all sections of society to contribute to a green economy and attain sustainability.

Corporate Social Responsibility

The Bank always believes in fulfilling its corporate social responsibility by giving back to society. It actively applied the principle of showing care through diverse development to its daily operation and encouraged employees to volunteer for charitable activities. The Bank was awarded the logo of "Caring Company" by The Hong Kong Council of Social Service for the eighteenth consecutive year in recognition of its continuous dedication to community service. To commemorate its 20th anniversary, the Bank launched ICBC (Asia) Charitable Foundation in 2020 to contribute to the well-being of society and devote more resources to the betterment of the community, marking its unswerving commitment to assuming greater corporate social responsibility.

During the year, Hong Kong society was hit hard by the COVID-19 pandemic, the Bank joined hands with various sections of the community in providing pandemic relief for the grassroots and the needy to help them ride out the difficult times. It made a donation towards the establishment of the first non-official local medical-grade mask production line, visited frontline healthcare workers and donated medical-grade masks to them, and donated money to Taxi Drivers & Operators Association, thus providing assistance to grassroots workers in the service sector. Not only did the Bank make donation with its staff to the compatriots who work on the frontline of epidemic fight in mainland China, but also introduced various financial relief measures for its corporate and personal customers at different stages of the pandemic situation, providing financial support to meet their urgent needs.

The Bank launched its "Sharing Love Amid Pandemic" campaign in which its employees donated computers, stationery and winter clothing and the Bank arranged for the delivery of the donations to the disadvantaged families with the help of such charitable organisations as HKSKH Lady MacLehose Centre through"People's Talent Bank Project" as well as JLife Foundation. In the fight against the virus together, ICBC (Asia) also collaborated with Kwun Tong Methodist Social Service to distribute the "ICBC (Asia) gift bags" to low-income people, subdivided unit households and underprivileged families before the winter solstice.

As the Chairman of Caritas Hong Kong Fund Raising Committee for twenty-two consecutive years, the Bank remains committed to fully supporting Caritas Hong Kong in its fund-raising activities. In 2020, the Bank helped Caritas Hong Kong raise more than HK$2 million by organising Charity Golf Day, donating to the Caritas annual TV fund raising show, supporting charity sales of cookies, and selling Caritas raffle tickets on behalf of the organisation. All the funds raised would benefit the grassroots and families in need.

The Bank also devoted itself to many other types of charity projects: in the field of the arts and sport, the Bank participated in the Walk for Millions for the ninth consecutive year in which over 300 employees joined the walk with one heart to contribute to the charity; as part of the Bank's move to promote financial inclusion, it popularised wealth management education and financial knowledge in all sections of society.

2020 marked the second year of the five-year Plantation Enrichment Project, which was jointly conducted by the Bank, the Agriculture, Fisheries and Conservation Department of the Hong Kong government and a local environmental group, The Green Earth. All the partners worked together in field studies and plantation maintenance work to help conserve the ecosystem and biodiversity of Hong Kong's afforestation areas. In the meantime, the Bank extensively promoted the concept of "Green Office" at its own office by implementing measures to reduce waste, save energy and reuse materials.

In 2021, the Bank will continue to regard sustainable development as an integral part of its long-term development and operation. Therefore, it will keep on championing Hong Kong's charitable causes by organising various corporate social responsibility events, and benefiting the wider society through ICBC (Asia) Charitable Foundation.

董事及高層管理人員簡歷

截至二零二一年三月二十四日止

高明女士(*主席兼執行董事*)

高女士，五十五歲，自二零一七年二月起獲委任為本銀行主席兼執行董事，她亦出任本銀行戰略與企業管治委員會主席。高女士持有麥考瑞大學應用財務專業碩士學位及吉林工業大學特殊用途(科技英語)專業碩士學位。高女士擁有豐富的銀行業務經驗，曾擔任中國工商銀行(歐洲)有限公司主席，中國工商銀行盧森堡分行總經理及中國工商銀行股份有限公司國際業務部總經理。

沈曉東先生(*副主席兼執行董事*)

沈先生，五十七歲，自二零二一年三月起獲委任為本銀行副主席兼執行董事。沈先生現為本銀行戰略與企業管治委員會委員。沈先生持有吉林工學院(現稱為「長春工業大學」)工業管理工程學士學位及中歐國際工商學院工商管理碩士學位。沈先生擁有豐富的銀行業務經驗，曾擔任中國工商銀行股份有限公司廣東分行副行長、行長。

武龍先生(*副主席、執行董事兼行政總裁*)

武先生，四十九歲，自二零一八年八月起獲委任為本銀行執行董事兼行政總裁，並於二零一九年一月起獲委任為本銀行副主席。武先生現為本銀行戰略與企業管治委員會及董事會風險管理委員會委員。武先生持有河南財經學院(現稱為「河南財經政法大學」)國際經濟系國民經濟管理學士學位、中山大學工商管理碩士學位及中歐國際工商學院高層管理人員工商管理碩士學位。武先生擁有豐富的銀行業務經驗，曾擔任中國工商銀行(澳門)股份有限公司副董事長、執行董事、總經理，中國工商銀行股份有限公司安徽分行副行長及中國工商銀行股份有限公司廣東江門分行行長。

盧建先生(*執行董事、副行政總裁兼替任行政總裁*)

盧先生，四十四歲，於二零一七年二月加入本銀行為助理行政總裁，並於二零一七年八月獲委任為本銀行副行政總裁及二零一七年十月獲委任為本銀行執行董事兼替任行政總裁。盧先生為本銀行董事會風險管理委員會委員。盧先生持有東北財經大學國際金融專業經濟學學士學位及香港科技大學金融分析與公司融資碩士學位並擁有特許金融分析師資格。盧先生擁有豐富的銀行業務經驗，曾於二零零七年四月至二零一五年七月期間服務本銀行超過八年，並曾擔任中國工商銀行(泰國)有限公司執行董事兼行政總裁。

董事及高層管理人員簡歷

截至二零二一年三月二十四日止

洪貴路先生 *(非執行董事)*

洪先生，五十四歲，自二零一六年十二月起獲委任為本銀行非執行董事，為本銀行審核委員會替任主席、薪酬委員會及戰略與企業管治委員會委員。洪先生持有美國喬治華盛頓大學會計學碩士學位。洪先生擁有豐富的銀行業務經驗，現為中國工商銀行股份有限公司戰略管理與投資者關係部集團派駐子公司董監事辦公室高級專家、專職派出董事。洪先生現為華商銀行、工銀瑞信基金管理有限公司及中國工商銀行(澳門)股份有限公司非執行董事。

胡益民先生 *(非執行董事)*

胡先生，五十三歲，自二零二零年九月起獲委任為本銀行非執行董事，為本銀行董事會風險管理委員會替任主席及提名委員會委員。胡先生持有清華大學工商管理碩士學位及中國人民大學基本建設經濟專業學士學位。胡先生擁有豐富的銀行業務經驗，現為中國工商銀行股份有限公司戰略管理與投資者關係部集團派駐子公司董監事辦公室高級專家、專職派出董事。胡先生現為華商銀行、工銀資管(全球)有限公司、工銀理財有限責任公司及工銀國際控股有限公司非執行董事。

王于漸教授，S.B.S.，太平紳士 *(副主席、獨立非執行董事)*

王教授，六十八歲，自二零零零年七月起獲委任為本銀行獨立非執行董事，並於二零一九年一月起獲委任為本銀行副主席。他現為本銀行戰略與企業管治委員會、審核委員會及提名委員會委員。他持有美國芝加哥大學經濟學博士學位。王教授現為香港大學經濟學講座教授，他積極推動有關香港及中國經濟政策之研究活動，為香港經濟研究中心和香港經濟及商業策略研究所之創辦總監。王教授於一九九九年獲香港特別行政區政府頒授銀紫荊星章，以表揚其對香港教育、房屋、工業及科技發展所作出之貢獻。王教授現為鷹君集團有限公司、盈科大衍地產發展有限公司及新鴻基地產發展有限公司之獨立非執行董事(上述公司均於香港聯交所上市)。

董事及高層管理人員簡歷

截至二零二一年三月二十四日止

徐耀華先生 *(獨立非執行董事)*

徐先生，七十一歲，自二零零零年八月起獲委任為本銀行獨立非執行董事，為本銀行董事會風險管理委員會主席、戰略與企業管治委員會、審核委員會及薪酬委員會委員。他持有美國田納西州大學理學士及工程學碩士(工業工程學)學位。他於美國哈佛大學約翰·F·肯尼迪政府學院修畢政府高級經理管理學課程。徐先生由二零零一年七月至二零零二年六月期間於深圳證券交易所擔任諮詢顧問及理事，於二零零零年八月至二零零一年二月期間出任香港勵晶太平洋集團有限公司行政總裁，該公司於香港聯合交易所上市。於二零零一年十二月至二零零四年十二月期間，徐先生曾任香港證券專業學會之主席。徐先生於一九九四年加入香港聯合交易所有限公司為財務及運作服務科執行總監，並於一九九七年至二零零零年期間出任行政總裁一職。徐先生於二零零零年三月至二零零零年七月期間出任香港交易及結算所有限公司之集團營運總裁，並於一九八九年至一九九三年期間出任香港證券及期貨事務監察委員會之總經理(財務、資訊及人力資源)、助理總監(發牌科)兼總經理(人力資源)。徐先生過往亦積極參與多項政府及社會活動，其中包括香港盈富基金監督委員會前主席、香港廉政公署證券、期貨及投資界專業道德推廣計劃籌劃委員會前主席、香港公司法改革常務委員會前委員、香港貿易發展局金融服務諮詢委員會前委員、香港公益金商業及僱員募捐計劃籌劃委員會前委員(銀行及金融組別)、香港職業訓練局銀行及金融業訓練委員會前委員及禁毒基金會管理委員會投資小組委員會前委員。徐先生現時為中遠海運國際(香港)有限公司、太平洋網絡有限公司、華領醫藥(上述公司均於香港聯交所上市)及新濠博亞娛樂有限公司(於美國納斯達克上市)的獨立非執行董事。他亦為ATA Creativity Global(於美國納斯達克上市)之獨立董事。

袁金浩先生，FHKIoD *(獨立非執行董事)*

袁先生，七十六歲，自二零零三年四月起獲委任為本銀行獨立非執行董事，為本銀行薪酬委員會主席、董事會風險管理委員會及戰略與企業管治委員會委員。袁先生持有香港大學經濟及政治學榮譽學士學位。袁先生分別在美國麻省Cambridge國際市務學院修讀國際市場管理課程及獲香港政府保薦往英國牛津大學深造公共行政及國際關係，並於法國歐洲商業學院(INSEAD)參與國際工商管理人員培訓計劃。於二零零三年六月，袁先生被邀參與美國哈佛大學肯尼地行政管理學院主辦的領袖發展計劃。於二零零四年六月，袁先生參與美國加州史丹福大學「公司管治」研修論壇。在二零零六年初，史丹福大學社會創建學院更邀請袁先生為訪問學者作短期研修。袁先生自一九九七年九月起九年內曾擔任「香港明天更好基金」行政總裁。於加入「香港明天更好基金」前，袁先生於香港政府新聞處擔任新聞處助理處長及署理副處長。袁先生積極參與籌組於香港舉行之重要國際會議，並曾擔當多項公職，他現為香港耆康老人福利會董事局成員。於二零零三年至二零零七年期間，袁先生曾任香港特別行政區政府中央政策組香港泛珠江三角洲流域研究委員會成員。在二零零六年一月至二零一三年一月期間，袁先生曾為中國人民政治協商會議廣西壯族自治區委員會委員、中國社會科學院財政與貿易經濟研究所顧問、中國上海社會科學院港澳研究中心顧問及中國廣州市國際投資促進中心顧問。袁先生現為香港大學校董會委員及聯合國亞太經濟和社會委員會委員。袁先生為香港董事學會之資深會員、英國管理學會及英國市務學會會員，並曾獲前任美國總統布殊親函嘉許其支持世界反恐工作的貢獻。

武捷思博士 *(獨立非執行董事)*

武博士，六十九歲，自二零一三年三月起獲委任為本銀行獨立非執行董事，為本銀行提名委員會主席、戰略與企業管治委員會及董事會風險管理委員會委員。武博士持有中國人民銀行金融研究所經濟學博士學位，並獲天津南開大學授予教授資格。武博士擁有豐富的投資與企業管理經驗。武博士曾任中國工商銀行股份有限公司深圳市分行行長、深圳市政府副市長及廣東省省長助理。武博士現為深圳市富海銀濤資產管理股份有限公司董事長。他亦為北京控股有限公司的獨立非執行董事、銀基集團控股有限公司的非執行董事(上述公司均於香港聯交所上市)。武博士亦為中信銀行(國際)有限公司獨立非執行董事。

柯清輝博士，S.B.S.，太平紳士 *(獨立非執行董事)*

柯博士，七十一歲，自二零一八年十二月起獲委任為本銀行獨立非執行董事，為本銀行審核委員會主席、董事會風險管理委員會及戰略與企業管治委員會委員。柯博士持有香港大學經濟學及心理學學士學位，並於二零一四年獲香港城市大學頒授榮譽社會科學博士，二零一七年五月獲恒生管理學院頒發榮譽院士，二零零九年獲香港特別行政區頒授銀紫荊星章及獲香港大學頒發榮譽院士。柯博士於保險、銀行及金融服務行業擁有豐富經驗，他曾擔任香港上海滙豐銀行有限公司總經理及董事、滙豐保險集團有限公司主席、恒生銀行有限公司行政總裁及副主席，恒生保險有限公司及恒生銀行(中國)有限公司主席及中國工商銀行股份有限公司獨立非執行董事。他曾擔任國泰航空有限公司、和記黃埔有限公司董事、國際資源集團有限公司副主席及獨立非執行董事、電視廣播有限公司獨立非執行董事，Aquis Entertainment Limited副主席及非執行董事(該公司的股份均於澳洲證券交易所上市)及思捷環球控股有限公司董事會執行主席及執行董事。柯博士積極參與多項政府及社會活動，他現為香港公益金名譽副會長及太平紳士。柯博士曾擔任香港公益金執行委員會、籌募委員會主席及分別於2000年及2003年擔任香港銀行公會主席、在2001年、2002年、2004年及2005年為香港銀行公會副主席，香港銀行同業結算公司董事，香港銀行學會副會長及理事會成員。柯博士曾是香港貿易發展局金融服務諮詢委員會主席和服務業拓展計劃委員會委員，亦曾為香港交易及結算所有限公司風險管理委員會成員及航空發展諮詢委員會成員、香港城市大學校董會副主席、香港大學校務委員會成員、香港僱主聯合會諮詢顧問、第五屆東亞運動會籌備委員會委員及2009東亞運動會(香港)有限公司董事。柯博士現為中策集團有限公司的非執行董事兼董事會主席，周大福珠寶集團有限公司及維珍妮國際(控股)有限公司獨立非執行董事(該等公司的股份均於香港聯交所主板上市)。

董事及高層管理人員簡歷

截至二零二一年三月二十四日止

梁銘謙先生(*副行政總裁兼替任行政總裁*)

梁先生，五十八歲，自二零零一年七月加入本銀行，於二零一一年八月起獲委任為本銀行副行政總裁，並於二零一六年五月獲委任為替任行政總裁。梁先生持有英國紐卡素大學會計及財務分析學士學位和英國倫敦大學法律學士學位。梁先生為英格蘭及威爾斯特許會計師公會之資深會員，亦為香港會計師公會及英國特許公認會計師公會之資深會員。

許蒙女士(*副行政總裁兼首席風險官*)

許女士，五十二歲，自二零一七年九月加入本銀行為副行政總裁兼首席風險官。現主要負責本銀行信貸審批、風險管理、放款管理及信貸與投資管理。許女士擁有豐富的銀行業務管理經驗。她持有北京工商大學經濟學學士學位及復旦大學與香港大學國際工商管理碩士學位。

顧旋先生(*副行政總裁*)

顧先生，四十七歲，自二零一八年三月加入本銀行為副行政總裁。顧先生現負責本銀行零售業務、財富管理業務、渠道管理、私人銀行業務、消費金融業務、信用卡業務、網絡金融業務以及證券經紀業務。他擁有豐富的銀行業務管理經驗。顧先生持有蘇州大學中文系學士學位和南京大學國際貿易專業碩士學位。

王超明先生(*副行政總裁兼首席信息官*)

王先生，五十歲，自二零一一年五月加入本銀行，於二零一五年七月獲委任為助理行政總裁兼首席信息官，並於二零一七年十月獲委任為副行政總裁。王先生現主要負責本銀行金融科技、營運管理、管理信息及總務。王先生擁有豐富的銀行業務經驗。他持有浙江大學電機工程學系工學學士學位及工學碩士學位及復旦大學與香港大學國際工商管理碩士學位。

李冬先生(*副行政總裁*)

李先生，四十五歲，自二零一六年五月加入本銀行，於二零一六年十一月獲委任為助理行政總裁，並於二零一八年二月獲委任為副行政總裁。他負責本銀行公司業務、大灣區公司業務、亞太業務、全球資本融資及現金與結算管理業務。李先生擁有豐富的銀行業務管理經驗。他持有南京建築工程學院(現稱為「南京工業大學」)工業與民用建築本科工學學士及東南大學工商管理碩士學位。

陳銀彬先生(*副行政總裁*)

陳先生，五十一歲，於二零一七年十一月獲委任為本銀行助理行政總裁，並於二零一九年一月獲委任為副行政總裁。他負責管理本銀行全資附屬公司華商銀行的業務。陳先生擁有豐富的銀行業務管理經驗。他持有武漢大學物理系學士、南京大學國際貿易碩士學位及復旦大學與香港大學國際工商管理碩士學位。

Biographical Details of Directors & Senior Management

As at 24 March 2021

Ms. Gao Ming *(Chairman & Executive Director)*

Ms. Gao, aged 55, was appointed as the Chairman and Executive Director of the Bank in February 2017. She is the Chairman of Strategy and Corporate Governance Committee of the Bank. Ms. Gao holds two Master's Degrees, one in Applied Finance from Macquarie University and another in English from Jilin University of Technology. She is very experienced in banking business and served in several positions including the Chairman of Industrial and Commercial Bank of China (Europe) S.A., the General Manager of Industrial and Commercial Bank of China, Luxembourg Branch and the General Manager of the International Business Department of Industrial and Commercial Bank of China Limited.

Mr. Shen Xiaodong *(Vice Chairman & Executive Director)*

Mr. Shen, aged 57, was appointed as the Vice Chairman and Executive Director of the Bank in March 2021. He is a Member of Strategy and Corporate Governance Committee of the Bank. Mr. Shen holds a Bachelor's Degree in Industrial Management Engineering from Jilin University of Engineering (Now known as "Changchun University of Technology") and a Master's Degree in Business Administration from China Europe International Business School. Mr. Shen is very experienced in banking business and served in several positions including Deputy General Manager and General Manager of Industrial and Commercial Bank of China Limited, Guangdong Branch.

Mr. Wu Long *(Vice Chairman, Executive Director & Chief Executive Officer)*

Mr. Wu, aged 49, was appointed as the Executive Director and Chief Executive Officer of the Bank in August 2018 and was appointed as the Vice Chairman of the Bank in January 2019. He is a Member of Strategy and Corporate Governance Committee and Risk Management Committee of Board of Directors of the Bank. Mr. Wu holds a Bachelor's Degree in National Economic Management from Henan University of Finance and Economics (Now known as "Henan University of Economics and Law"), a Master's Degree in Business Administration from Sun Yat-sen University and an Executive Master's Degree in Business Administration from China Europe International Business School. Mr. Wu is very experienced in banking business and served in several positions including Vice Chairman, Executive Director and General Manager of Industrial and Commercial Bank of China (Macau) Limited, Vice President of Industrial and Commercial Bank of China Limited, Anhui Provincial Branch and President of Industrial and Commercial Bank of China Limited, Guangdong Jiangmen Branch.

Mr. Lu Jian *(Executive Director, Deputy Chief Executive & Alternate Chief Executive)*

Mr. Lu, aged 44, joined the Bank in February 2017 as the Assistant Chief Executive. He was appointed as the Deputy Chief Executive of the Bank in August 2017 and was appointed as the Executive Director and Alternate Chief Executive of the Bank in October 2017. Mr. Lu is a Member of Risk Management Committee of Board of Directors of the Bank. Mr. Lu holds a Bachelor's Degree in International Finance from Dongbei University of Finance & Economics and a Master's Degree in Financial Analysis from The Hong Kong University of Science and Technology. He is also a Chartered Financial Analyst Charterholder. Mr. Lu is very experienced in banking business. He had served in the Bank for over 8 years from April 2007 to July 2015 and once served as the Executive Director and Chief Executive of Industrial and Commercial Bank of China (Thai) Public Company Limited.

Biographical Details of Directors & Senior Management

As at 24 March 2021

Mr. Hong Guilu *(Non-executive Director)*

Mr. Hong, aged 54, was appointed as a Non-executive Director of the Bank in December 2016. He is the Alternate Chairman of Audit Committee and a Member of Remuneration Committee and Strategy and Corporate Governance Committee of the Bank. Mr. Hong holds a Master's Degree in Accounting from George Washington University. Mr. Hong is very experienced in banking business and is the Senior Expert and Accredited Director of Administration Office of Directors and Supervisors to Subsidiaries of Corporate Strategy and Investor Relations Department of Industrial and Commercial Bank of China Limited. He is currently the Non-executive Director of Chinese Mercantile Bank, ICBC Credit Suisse Asset Management Co., Ltd. and Industrial and Commercial Bank of China (Macau) Limited.

Mr. Hu Yimin *(Non-executive Director)*

Mr. Hu, aged 53, was appointed as a Non-executive Director of the Bank in September 2020, and he is also the Alternate Chairman of Risk Management Committee of Board of Directors and a Member of Nomination Committee of the Bank. Mr. Hu holds a Master's Degree in Business Administration from Tsinghua University and a Bachelor's Degree in Infrastructure Economics from Renmin University of China. Mr. Hu is very experienced in banking business and is the Senior Expert and Accredited Director of Administration Office of Directors and Supervisors to Subsidiaries of Corporate Strategy and Investor Relations Department of Industrial and Commercial Bank of China Limited. Mr. Hu is currently the Non-executive Director of Chinese Mercantile Bank, ICBC Asset Management (Global) Company Limited, ICBC Wealth Management Co., Ltd and ICBC International Holdings Limited.

Professor Wong Yue Chim, Richard, S.B.S., J.P. *(Vice Chairman, Independent Non-executive Director)*

Professor Wong, aged 68, was appointed as an Independent Non-executive Director of the Bank in July 2000 and was appointed as the Vice Chairman of the Bank in January 2019. He is a Member of Strategy and Corporate Governance Committee, Audit Committee and Nomination Committee of the Bank. Professor Wong holds a PhD in Economics from the University of Chicago. He is Professor of Economics at The University of Hong Kong. He has been active in advancing economic research on policy issues in Hong Kong and the People's Republic of China through his work as founding Director of both the Hong Kong Centre for Economic Research and Hong Kong Institute of Economics and Business Strategy. Professor Wong was awarded the Silver Bauhinia Star in 1999 by the Government of the HKSAR for his contributions in education, housing, industry and technology development. Professor Wong is currently an Independent Non-executive Director of Great Eagle Holdings Limited, Pacific Century Premium Developments Limited and Sun Hung Kai Properties Limited, all of them are listed on the Hong Kong Stock Exchange.

Biographical Details of Directors & Senior Management

As at 24 March 2021

Mr. Tsui Yiu Wa, Alec *(Independent Non-executive Director)*

Mr. Tsui, aged 71, was appointed as an Independent Non-executive Director of the Bank in August 2000. He is the Chairman of Risk Management Committee of Board of Directors and also a Member of Strategy and Corporate Governance Committee, Audit Committee and Remuneration Committee of the Bank. He holds a Bachelor of Science Degree and a Master of Engineering Degree in Industrial Engineering from University of Tennessee. He has completed the Program for Senior Managers in Government at the John F. Kennedy School of Government at Harvard University. Mr. Tsui was the Adviser and Council Member of the Shenzhen Stock Exchange from July 2001 to June 2002 and was the Chief Executive of Regent Pacific Group Limited, a Hong Kong listed investment company, from August 2000 to February 2001. He was also the Chairman of Hong Kong Securities Institute from December 2001 to December 2004. He joined The Stock Exchange of Hong Kong Limited in 1994 as an Executive Director of the Finance and Operations Services Division and became the Chief Executive from 1997 to 2000. He was also the Chief Operating Officer of Hong Kong Exchanges and Clearing Limited from March 2000 to July 2000 and the General Manager (Finance, Technology & Human Resources), and then Assistant Director (Licensing), and at the same time the General Manager (Human Resources) of the Securities and Futures Commission of Hong Kong from 1989 to 1993. Mr. Tsui also involved in numerous government and community activities, including being a former Chairman of the Supervisory Committee of Tracker Fund of Hong Kong and the Organizing Committee of Independent Commission Against Corruption Professional Ethics Programme for the Securities, Futures and Investments Sectors, a former member of the Standing Committee on Company Law Reform, the Hong Kong Trade Development Council Financial Services Advisory Committee, The Community Chest of Hong Kong Corporate and Employee Contribution Programme Organizing Committee (Banking and Finance Group), the Banking and Finance Industry Training Board of the Vocational Training Council and the Investment Sub-Committee of the Government Committee of the Beat Drugs Fund Association. Mr. Tsui is currently an Independent Non-executive Director of COSCO SHIPPING International (Hong Kong) Co., Ltd., Pacific Online Limited and Hua Medicine, all of them are listed on the Hong Kong Stock Exchange, and Melco Resorts & Entertainment Limited, a company listed on the NASDAQ and an Independent Director of ATA Creativity Global, a company listed on NASDAQ.

Mr. Yuen Kam Ho, George, FHKIoD *(Independent Non-executive Director)*

Mr. Yuen, aged 76, was appointed as an Independent Non-executive Director of the Bank in April 2003. He is the Chairman of Remuneration Committee and also serves as a Member of Risk Management Committee of Board of Directors and Strategy and Corporate Governance Committee of the Bank. He holds a Bachelor's Degree (Honors) in Economics and Political Science from The University of Hong Kong. Mr. Yuen had attended post-graduate studies in marketing management at the International Marketing Institute, Cambridge, Massachusetts, U.S.A. and had completed the Hong Kong Administrators Course (commissioned by the Hong Kong Government) in public administration and international relations at Oxford University, the United Kingdom, and the International Executive Program in INSEAD, France respectively. In June 2003, Mr. Yuen was admitted to the Leadership in Development Program organised by Kennedy School of Government, Harvard University. In June 2004, Stanford University, California, U.S.A. had also invited Mr. Yuen to participate in its "Corporate Governance" forum and in early 2006 the University awarded a fellowship to Mr. Yuen as a non-profit leader at its Centre for Social Innovation. Mr. Yuen had been Chief Executive of The Better Hong Kong Foundation for nine years since September 1997. Prior to his joining the Foundation, he was the Assistant Director/Acting Deputy Director of the Information Services Department of the Hong Kong Government. Mr. Yuen plays an active role in organising international business conferences in Hong Kong and also takes part in numerous government and community activities, he is currently a board member of the Hong Kong Society for the Aged. Mr. Yuen was the Panel member of the Central Policy Unit of the Government of the HKSAR on the Pan-Pearl River Delta between 2003-2007. From January 2006 to January 2013, Mr. Yuen had been a member of The Chinese People's Political Consultative Conference, Guangxi Autonomous Region, China; an advisor of the Institute of Finance and Trade Economics, Chinese Academy of Social Sciences, China; an advisor of The Shanghai Academy of Social Sciences, China and an advisor of The Board of International Investment of Guangzhou Municipality, China. At present, Mr. Yuen is a member of the Court of The University of Hong Kong and a member of Business Advisory Council of United Nations Economic and Social Commission for Asia and the Pacific. Mr. Yuen is a Fellow of the Hong Kong Institute of Directors, a member of the British Institute of Management and the Institute of Marketing, United Kingdom, and was also commended by the former U.S. President, George W. Bush for his efforts in support of coalition's campaign against global terrorism.

Biographical Details of Directors & Senior Management

As at 24 March 2021

Dr. Wu Jie Si *(Independent Non-executive Director)*

Dr. Wu, aged 69, was appointed as an Independent Non-executive Director of the Bank in March 2013. He is the Chairman of Nomination Committee and also a Member of Strategy and Corporate Governance Committee and Risk Management Committee of Board of Directors of the Bank. Dr. Wu holds a Doctorate Degree in Economics from Graduate School of the People's Bank of China and has got a Professor's Qualification at Tianjin Nankai University. Dr. Wu is very experienced in investment and corporate management and was previously the President of Industrial and Commercial Bank of China Limited, Shenzhen Branch, the Deputy Mayor of the Shenzhen Municipal Government and the Assistant to the Governor of Guangdong Province. Dr. Wu is currently the Chairman of the Shenzhen Fuhaiyintao Asset Management Co., Ltd. and he is also an Independent Non-executive Director of Beijing Enterprises Holdings Limited, a Non-executive Director of Silver Base Group Holdings Limited, both of them are listed on the Hong Kong Stock Exchange. Dr. Wu is also an Independent Non-executive Director of China Citic Bank International Limited.

Dr. Or Ching Fai, S.B.S., J.P. *(Independent Non-executive Director)*

Dr. Or, aged 71, was appointed as an Independent Non-executive Director of the Bank in December 2018. He is the Chairman of Audit Committee and also serves as a Member of Risk Management Committee of Board of Directors and Strategy and Corporate Governance Committee of the Bank. Dr. Or holds a Bachelor's Degree in Economics and Psychology from the University of Hong Kong. He was conferred an Honorary Doctor of Social Science by the City University of Hong Kong in 2014 and Honorary Fellow by Hang Seng Management College in May 2017. He was awarded a Silver Bauhinia Star from the Government of HKSAR and Honorary University Fellow from The University of Hong Kong in 2009. Dr. Or is very experienced in Insurance, Banking and Financial Industries, he was the General Manager and Director of The Hongkong and Shanghai Banking Corporation Limited, Chairman of HSBC Insurance Limited, Vice-Chairman and Chief Executive of Hang Seng Bank, Chairman of Hang Seng Insurance Company Limited and Hang Seng Bank (China) Limited and Independent Non-executive Director of Industrial and Commercial Bank of China Limited. He was also a Director of Cathay Pacific Airways Limited, Hutchison Whampoa Limited and a Vice Chairman and an Independent Non-executive Director of G-Resources Group Limited, an Independent Non-executive Director of Television Broadcast Limited, the Deputy Chairman and a Non-executive Director of Aquis Entertainment Limited (a company listed on the Australian Securities Exchange), and also the Non-executive Chairman of the Board and Non-executive Director of Esprit Holdings Limited. Dr. Or takes part in numerous government and community activities, he is currently a Vice Patron of the Board of the Community Chest of Hong Kong and a Justice of the Peace. Dr. Or was previously the Chairman of Executive and Campaign Committee of the Community Chest of Hong Kong, the Chairman of the Hong Kong Association of Banks in 2000 and 2003 and was Vice-Chairman of Hong Kong Association of Banks in 2001, 2002, 2004 and 2005, a Director of the Hong Kong Interbank Clearing Limited, a Vice President and a Council Member of the Hong Kong Institute of Bankers. Dr. Or has also been Chairman of the Financial Services Advisory Committee and a Member of the Services Promotion Programme Committee of the Hong Kong Trade Development Council. He has been a Member of the Risk Management Committee of Hong Kong Exchanges and Clearing Limited, a Member of the Aviation Development Advisory Committee, Deputy Council Chairman of the Council of City University of Hong Kong, a Council Member of the University of Hong Kong, an Adviser of the Employers' Federation of Hong Kong, a member of the 5th East Asian Games Planning Committee and Chinese People's Political Consultative Conference Beijing Committee and a Director of 2009 East Asian Games (Hong Kong) Limited. Dr. Or is currently the Chairman and Non-executive Director of China Strategic Holdings Limited, and an Independent Non-executive Director of Chow Tai Fook Jewellery Group Limited and Regina Miracle International (Holdings) Limited, all of them are listed on the Hong Kong Stock Exchange.

Biographical Details of Directors & Senior Management

As at 24 March 2021

Mr. Leung Ming Hym, Peter *(Deputy Chief Executive & Alternate Chief Executive)*

Mr. Leung, aged 58, joined the Bank in July 2001 and was appointed as the Deputy Chief Executive of the Bank in August 2011. He was appointed as the Alternate Chief Executive of the Bank in May 2016. Mr. Leung holds a Bachelor's Degree in Accounting and Financial Analysis from Newcastle University, UK and a Bachelor's Degree in Laws from University of London, UK. Mr. Leung is a fellow member of The Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants (UK).

Ms. Xu Meng *(Deputy Chief Executive & Chief Risk Officer)*

Ms. Xu, aged 52, joined the Bank in September 2017 as the Deputy Chief Executive and Chief Risk Officer. She is currently responsible for the Banks' credit approval, risk management, loans administration and credit and investment management. Ms. Xu is very experienced in banking management. She holds a Bachelor's Degree in Economics in Beijing Technology and Business University and a Master's Degree in International Business Administration from Fudan University and The University of Hong Kong.

Mr. Gu Xuan *(Deputy Chief Executive)*

Mr. Gu, aged 47, joined the Bank in March 2018 as the Deputy Chief Executive. Mr. Gu is currently responsible for the Bank's retail banking business, wealth management business, channel management, private banking business, consumer finance business, credit card business, internet finance business and securities brokerage business. He is very experienced in banking management. Mr. Gu holds a Bachelor's Degree in Chinese from Soochow University and a Master's Degree in International Trade from Nanjing University.

Mr. Wang Chaoming *(Deputy Chief Executive & Chief Information Officer)*

Mr. Wang, aged 50, joined the Bank in May 2011 and was appointed as the Assistant Chief Executive and Chief Information Officer in July 2015. He was appointed as the Deputy Chief Executive of the Bank in October 2017. He is currently responsible for the Bank's financial technology, operations management, management information and general administration. Mr. Wang is very experienced in banking management. He holds a Bachelor's Degree and a Master's Degree in Electrical Engineering from Zhejiang University and a Master's Degree in International Business Administration from Fudan University and The University of Hong Kong.

Mr. Li Dong *(Deputy Chief Executive)*

Mr. Li, aged 45, joined the Bank in May 2016 and was appointed as the Assistant Chief Executive in November 2016. He was appointed as the Deputy Chief Executive of the Bank in February 2018. He is currently responsible for the Bank's corporate banking business, Greater Bay Area corporate banking business, Asia-Pacific business, global capital financing business and payment and cash management business. Mr. Li is very experienced in banking management. He holds a Bachelor's Degree in Engineering (Industrial and Civil Engineering) from Nanjing Institute of Architectural and Civil Engineering (Now known as "Nanjing Tech University") and a Master's Degree in Business Administration from SouthEast University.

Mr. Chen Yinbin *(Deputy Chief Executive)*

Mr. Chen, aged 51, was appointed as the Assistant Chief Executive of the Bank in November 2017. He was appointed as the Deputy Chief Executive of the Bank in January 2019. He is currently responsible for overseeing the business of Chinese Mercantile Bank, the wholly-owned subsidiary of the Bank. Mr. Chen is very experienced in banking management. He holds a Bachelor's Degree in Physics from Wuhan University, a Master's Degree in International Trade from Nanjing University and a Master's Degree in International Business Administration from Fudan University and The University of Hong Kong.

董事會報告
Report of the Directors

本銀行的董事會(「董事會」)謹此提呈本銀行及本銀行之附屬公司(統稱「本集團」)截至二零二零年十二月三十一日止年度之董事會報告及經審計之綜合財務報表。

The Board of Directors (the "Board") of the Bank have pleasure in submitting their report together with the audited consolidated financial statements of the Group (the Bank together with its subsidiaries hereinafter referred to as the "Group") for the year ended 31 December 2020.

主要業務及分部業務分析

本集團之主要業務為提供銀行及相關的金融服務。本銀行附屬公司的其他詳情載於財務報表附註33。

本集團於本年度按業務及地區分部劃分之業績分析載於財務報表附註5。

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The principal activities of the Group are the provision of banking and related financial services. Other particulars of the Bank's subsidiaries are set out in Note 33 to the financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 5 to the financial statements.

業績及分派

本集團截至二零二零年十二月三十一日止年度之業績載於第81頁之綜合收益表。

董事會建議截至二零二零年十二月三十一日止年度不派發末期股息。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated income statement on page 81.

The Board has not recommended the payment of final dividend for the year ended 31 December 2020.

儲備

股東應佔溢利5,525,152,000港元(二零一九年:8,302,598,000港元)已轉入儲備。本集團之儲備於年內之變動詳情分別載於財務報表附註41及綜合股東權益變動表。

RESERVES

Profit attributable to shareholders of HK$5,525,152,000 (2019: HK$8,302,598,000) has been transferred to reserves. Details of movements in the reserves of the Group during the year are set out in Note 41 to the financial statements and in the consolidated statement of changes in equity, respectively.

捐款

本集團於年內之慈善及其他捐款總額為2,979,000港元。

DONATIONS

Charitable and other donations made by the Group during the year amounted to HK$2,979,000.

固定資產

本集團於年內固定資產的變動詳情分別載於財務報表附註30及31。

FIXED ASSETS

Details of the movements in fixed assets by the Group during the year are set out in Notes 30 and 31 to the financial statements respectively.

董事會報告
Report of the Directors

已發行股份

本銀行之已發行股份詳情載於財務報表附註39。

ISSUE OF SHARES

Details of the Bank's issued shares are set out in Note 39 to the financial statements.

五年財務摘要

以下為本集團過去五個財政年度之業績、資產及負債摘要。

FIVE YEAR'S FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below.

		2020 **千港元** **HK$'000**	2019 千港元 HK$'000	2018 千港元 HK$'000	2017 千港元 HK$'000	2016 千港元 HK$'000
業績	**Results**					
股東應佔溢利	Profit attributable to shareholders	**5,525,152**	8,302,598	8,278,163	7,767,358	7,395,366
資產及負債	**Assets and liabilities**					
資產總額	Total assets	**931,092,538**	953,563,756	893,618,387	898,109,027	798,674,517
負債總額	Total liabilities	**793,325,463**	819,708,662	776,300,898	806,422,987	714,788,371
權益總額	**Total equity**	**137,767,075**	133,855,094	117,317,489	91,686,040	83,886,146

董事

本銀行董事名單列載於本年報「公司資料」內。董事的簡歷列載於本年報「董事及高層管理人員簡歷」內。

於本年度至本報告的日期止之董事會成員變動如下:

- 席德應先生自二零二零年九月二十八日起辭任本銀行非執行董事。
- 胡益民先生自二零二零年九月二十八日起獲委任為本銀行非執行董事。
- 沈曉東先生自二零二一年三月九日起獲委任為本銀行副主席兼執行董事。

根據章程細則第93條的規定,期間獲董事會委任的董事任期將於下屆股東週年大會屆滿,惟可於該股東週年大會重選連任。在上述期間獲委任的董事任期將於應屆股東週年大會上屆滿並可重選連任。據此,胡益民先生及沈曉東先生的任期將於應屆股東週年大會上屆滿,並願意重選連任。

DIRECTORS

The list of Directors of the Bank is set out in the "Corporate Information" of this Annual Report. The biographical details of the Directors are set out in the "Biographical Details of Directors & Senior Management" of this Annual Report.

The following changes in the Board occurred during the year and up to the date of this Report:

- Mr. Xi Deying resigned as Non-executive Director of the Bank with effect from 28 September 2020.
- Mr. Hu Yimin was appointed as Non-executive Director of the Bank with effect from 28 September 2020.
- Mr. Shen Xiaodong was appointed as Vice Chairman and Executive Director of the Bank with effect from 9 March 2021.

In accordance with Article 93 of the Articles of Association, any Director appointed by the Board during the period shall hold office only until the next annual general meeting of the Bank, and shall then be eligible for re-election at such meeting. For any person who have been appointed as the director of the Bank during the period will retire at the forthcoming annual general meeting and will offer themselves for re-election, if any. Accordingly, Mr. Hu Yimin and Mr. Shen Xiaodong will retire at the forthcoming annual general meeting and being eligible, will offer themselves for re-election.

董事會報告
Report of the Directors

本銀行之非執行董事及獨立非執行董事的委任並無指定任期，惟須根據章程細則第94(1)及94(2)條的規定最少每三年一次於股東週年大會上輪值告退及獲選連任。據此，武龍先生，徐耀華先生及袁金浩先生將根據章程細則的規定，於應屆股東週年大會上輪值告退，並願意重選連任。

The Non-executive Directors and the Independent Non-executive Directors of the Bank are not appointed for specific term but subject to the retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles 94(1) and 94(2) of the Articles of Association. Accordingly, Mr. Wu Long, Mr. Tsui Yiu Wa, Alec and Mr. Yuen Kam Ho, George will retire by rotation and, all being eligible, offer themselves for re-election at the forthcoming annual general meeting in accordance with the Articles of Association.

董事於交易、安排或合約之權益

於本年度內，本銀行、其控股公司、或其任何附屬公司或各同系附屬公司概無就本集團業務訂立任何重大、而任何董事直接或間接擁有重大權益的交易、安排或合約。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance, in relation to the Group's business to which the Bank, its holding companies, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事認購股份之權益

本銀行、其控股公司、或其任何附屬公司或各同系附屬公司於本年度內任何時間概無訂立任何安排，致使本銀行董事可藉認購本銀行或任何其他法人團體之股份或債券而獲益。

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

At no time during the year was the Bank, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

附屬公司董事名單

於本年度至本報告的日期止之期間，出任本銀行(包括在截至二零二零年十二月三十一日止年度的綜合財務報表內)附屬公司董事會的董事名單，已登載於本銀行網站www.icbcasia.com主頁內的「關於我們 — 企業訊息 — 公司治理」項下以供閱覽。

LIST OF DIRECTORS OF SUBSIDIARIES

The list of all directors who have served on the boards of the subsidiaries of the Bank (included in the annual consolidated financial statements for the year ended 31 December 2020) during the year and up to the date of this Report are available on the Bank's website at www.icbcasia.com under "About Us – Corporate News– Corporate Governance" section on the home page.

管理合約

於本年度內，本銀行並無就全部或任何重大部分業務的管理及行政工作簽訂或存有任何合約。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Bank were entered into or existed during the year.

股票掛鈎協議

於本年度內及年結日，本銀行並無訂立及存在任何股票掛鈎協議。

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Bank during the year or subsisted at the end of the year.

獲准許的彌償條文

根據章程細則，本銀行的每名董事、秘書或其他人員，在其執行及/或履行其職責及/或行使其職權及/或其他涉及或關於其職責、職權或職務所招致的全部費用、開支、損失、支出及法律責任，均有權獲得本銀行彌償。本銀行已安排董事之責任保險，以便為董事的責任提供本銀行可合法安排的保障。

公司治理

本銀行致力維持和強化高水平之公司治理常規。本銀行公司治理常規之詳情載於本年報之「公司治理報告」內。

符合《銀行業(披露)規則》

截至二零二零年十二月三十一日止年度之財務報表，符合《銀行業(披露)規則》中所適用的披露規定。

審計師

本銀行二零二零年度之綜合財務報表由畢馬威會計師事務所審計。為回應適用於最終控股公司的審計師輪調的要求，德勤·關黃陳方會計師行已獲提名為本銀行新審計師。惟此委任須於應屆股東週年大會上獲得股東批准後，方可作實。

承董事會命

高明女士
主席
香港，二零二一年三月二十四日

PERMITTED INDEMNITY PROVISION

The Articles of Association provides that every director, secretary, or other officer of the Bank shall be entitled to be indemnified by the Bank against all costs, charges, losses, expenses and liabilities incurred by him/her in the execution and/or discharge of his/her duties and/or the exercise of his/her powers and/or otherwise in relation to or in connection with his/her duties, powers or office. The Bank has maintained insurance for the benefit of the Directors against liability which may lawfully be insured by the Bank.

CORPORATE GOVERNANCE

The Bank is committed to maintaining and upholding high standards of corporate governance practices. Details of the Bank's corporate governance practices are set out in the "Corporate Governance Report" of this Annual Report.

COMPLIANCE WITH THE BANKING (DISCLOSURE) RULES

The financial statements for the year ended 31 December 2020 comply with the applicable disclosure provisions as set out in the Banking (Disclosure) Rules.

AUDITORS

The consolidated financial statements for the year 2020 of the Bank have been audited by KPMG. In response to the requirement on rotation of auditors applicable to the ultimate holding company, Deloitte Touche Tohmatsu has been nominated to be the new auditors of the Bank. The appointment is subject to shareholder's approval at the forthcoming Annual General Meeting.

On behalf of the Board

Ms. Gao Ming
Chairman
Hong Kong, 24 March 2021

公司治理報告
Corporate Governance Report

截至二零二一年三月二十四日止
As at 24 March 2021

本銀行致力維持和強化高水平之公司治理常規，已遵循香港金融管理局(「金管局」)發出之《本地註冊認可機構的企業管治》監管政策手冊所載之指引。

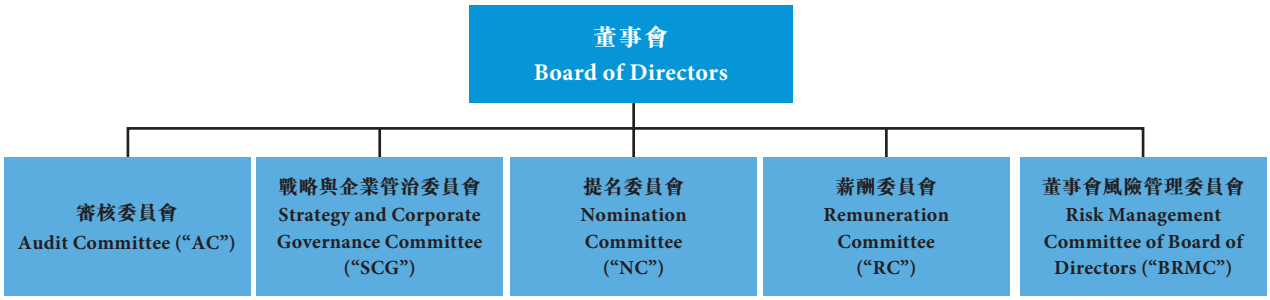
The Bank is committed to maintaining and upholding high standards of corporate governance practices. The Bank has followed the guidelines set out in the Supervisory Policy Manual entitled "Corporate Governance of Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority ("HKMA").

為突顯本銀行持續維持良好公司治理之承諾，本銀行制訂「公司治理制度」，並會根據市場趨勢及監管機構所發佈的指引和要求進行修訂及加強相關措施。

In order to show its continuous commitment in the development of sound corporate governance, the Bank has adopted its "Corporate Governance Manual" and will revamp and strengthen relevant measures according to market trend as well as guidelines and requirements issued by regulatory authorities.

本銀行之公司治理架構

CORPORATE GOVERNANCE STRUCTURE OF THE BANK



有關本銀行董事會及各附屬委員會的成員名單列載於本年報「公司資料」內。

Details of the composition of the Board and each of the Board Committees of the Bank are set out in "Corporate Information" of this Annual Report.

董事會

董事會

董事會負有領導及管治本銀行的責任，並共同承擔指導及監督本銀行事務以推動本銀行成功發展。董事會制定本銀行之策略，並監察高級管理層之表現及運作。董事會須確保本銀行以高度的誠信及在法律和政策的架構內審慎經營業務，董事會履行其責任時應顧及股東、存戶及其他利益相關者的合法權益。

本銀行董事會主席及行政總裁的角色清晰劃分。該等角色區分有利於本銀行管理，主席負責確保董事會適當地履行其職能，貫徹良好企業管治常規，適時處理所有重要和合適的事項，而行政總裁則負責領導高級管理層，落實董事會所採納的重要策略，執行本銀行的日常運作及有關事務。

董事會每年檢討及評估其工作程序及效能，以便作出改善。

BOARD OF DIRECTORS

The Board

The Board has responsibility for leadership and control of the Bank and is collectively responsible for promoting the success of the Bank by directing and supervising the Bank's affairs. The Board sets strategies for the Bank and monitors the performance and activities of the senior management. The Board ensures prudent management of the Bank with high degree of honesty and within the legal and regulatory framework, and the Board takes into account the legitimate interests of shareholders, depositors and other relevant stakeholders.

The roles of Chairman and Chief Executive Officer are segregated. The Bank benefits from the segregation in which the Chairman is responsible for ensuring that the Board properly discharges its responsibilities, conforms to good corporate governance practices and procedures and all key and appropriate issues are discussed by the Board timely, and the Chief Executive Officer is responsible for leading the Senior Management and implementing important policies adopted by the Board, managing the Bank's operations and relevant issues.

The Board reviews and evaluates its work process and effectiveness annually, with a view to identifying areas for improvement and further enhancement.

公司治理報告
Corporate Governance Report

截至二零二一年三月二十四日止
As at 24 March 2021

董事會組成

於本報告日期，本銀行之董事會由十一名董事組成，當中包括四名執行董事、兩名非執行董事及五名獨立非執行董事。獨立非執行董事的人數與比例均超過有關法例及法規的要求。本銀行受惠於各董事專業知識及豐富之業務及銀行經驗。有關董事履歷之詳情載於本年報「董事及高層管理人員簡歷」一節。

Board Structure

As at the date of this report, the Board consisted of eleven Directors comprising four Executive Directors, two Non-executive Directors and five Independent Non-executive Directors ("INED"). Both the number and percentage of the INED are well above the requirements set by relevant rules and regulations. The Bank benefits from the professional expertise as well as business and banking experience of its Directors. Biography of the Directors is set out in the "Biographical Details of Directors and Senior Management" section under this Annual Report.

董事會會議

董事會應最少每季舉行一次會議，該等常規董事會會議一般由過半數董事會成員親身或透過其他電子通訊方式積極參與。董事會於有需要時將舉行特別會議。本銀行於二零二零年共召開四次董事會會議。

Board Meetings

Board meetings are held at least once every quarter. Such regular Board meetings will normally involve the active participation, either in person or through other electronic means of communication, of a majority of Board members. Special Board meetings will be held when necessary. The Board held four meetings during the year 2020.

本銀行董事會常規會議之議程經諮詢董事後擬定。董事可於適當情況尋求獨立專業意見，董事亦可於合理情況下並經取得董事會主席及／或行政總裁同意後，要求於董事會會議前舉行預備會議，以協助其履行本銀行之職務。此外，所有董事有權全面地和及時地獲得與本銀行有關之所有資料並有自行接觸本銀行管理層之獨立途徑，以使彼等在履行作為董事之職務及職責上可作出知情決定。所有董事可獲得公司秘書之意見及服務，確保董事會程序及所有適用規則及規例均獲得遵守。

Directors are consulted on matters to be included in the agenda of regular Board meetings. Directors may seek independent professional advice or request pre-meetings ahead of Board or Board Committees meetings with the consent of the Chairman and/or Chief Executive Officer when appropriate to assist him/her in discharging his/her duties to the Bank. Besides, all Directors have been given rights on fully and timely access to all relevant information of the Bank and have separate and independent access to the management of the Bank so that they can make an informed decision in discharging their duties and responsibilities as Directors. All Directors have access to advice and services of the Company Secretary to ensure due compliance with the Board procedures, and all applicable rules and regulations.

每年之董事會會議召開日期通常會於上一個年度結束前經咨詢董事會成員決定。公司秘書於舉行會議日期最少兩星期前向全體董事發出正式會議通告，以讓所有董事獲得充裕之通知期，方便安排時間出席。在特殊情況，公司秘書將盡快以電話通知所有董事有關會議日期。載有分析及背景資料之議程及會議文件須於董事會會議指定日期前不少於七天發送予全體董事。

Board meeting dates of each year are normally determined before the end of the previous year in consultation with the Directors. Formal notice of meeting shall be given to all Directors by the Company Secretary at least two weeks before the date of the meeting to provide sufficient notice to give all Directors an opportunity to attend. Under special circumstances, the Company Secretary will promptly contact all Directors by way of telephone. Agenda and accompanying papers containing analysis and background information are circulated to all Directors not less than 7 days before the intended date of Board meeting.

董事會及其附屬委員會之會議紀錄，已對會議上董事會及其附屬委員會所考慮事項及達致之決定作足夠詳細之記錄，其中包括董事提出之任何疑慮或所表達之反對意見(如有)。董事會及其附屬委員會會議紀錄之初稿及最終定稿會發送全體董事或(根據情況而定)董事會附屬委員會之委員，以供彼等分別發表意見及存檔之用。

Minutes of the meetings of the Board and the Board Committees have been recorded in sufficient detail including the matters considered by the Board and the Board Committees, decisions reached, and concerns raised by Directors or dissenting views (if any) expressed. Draft and final versions of the minutes of the Board and the Board Committees are sent to all Directors or members of the Board Committees (as the case may be) for their comments and records respectively.

任何董事亦可在任何合理時段透過合理通知查閱董事會及其所有附屬委員會之會議記錄、會議文件及相關資料。

Minutes and papers of the meetings of the Board and all the Board Committees, and relevant materials are open for inspection at any reasonable time on reasonable notice by any Director.

倘董事在任何事項(包括與關連人士之重大交易)中存有董事會認為屬重大之利益衝突，有關事項將根據《公司條例》及本銀行章程細則所載規定在董事會會議上處理。

If a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board has determined to be material, the relevant matter will be dealt with at a Board meeting in accordance with the requirements as set out in the Companies Ordinance and the Articles of Association of the Bank.

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委任和重選董事會

本銀行訂明一套正式、經審慎考慮並具透明度之程序以委任新董事，確保董事具備所需的勝任能力及技能，以有效推動本銀行業務增長。提名委員會將多方面評估候選人的合適性並商議新董事之委任，經同意後推薦予董事會考慮及批准。如候選人擔任獨立非執行董事，須確保該候選人能夠符合獨立性的要求，以及金管局發出之提升香港銀行業獨立非執行董事的專業能力的規定。根據《銀行業條例》之規定，委任任何新董事亦須先獲得金管局批准。根據本銀行章程細則規定，所有新委任董事於獲委任生效後首個股東週年大會上由本銀行股東選舉，並符合資格獲選連任。本銀行之非執行董事及獨立非執行董事並無指定任期，但須根據本銀行之章程細則於股東週年大會上輪值告退及獲選連任。提名委員會檢討各獨立非執行董事的獨立性，於董事輪值告退時對已擔任董事超過九年的獨立非執行董事，將另作評估，並向董事會提交其是否適合繼續留任之建議供董事會批准。

於每屆股東週年大會上當時三分一之董事(若董事數目並非三之倍數，則取其最接近者，但不能超過三分一)須輪值告退，並可重選連任。武龍先生，徐耀華先生及袁金浩先生將於本銀行應屆股東週年大會上輪值告退，並願意重選連任。

期間獲委任的董事(如有)將於應屆股東週年大會上屆滿並可重選連任。據此，胡益民先生及沈曉東先生的任期將於應屆股東週年大會上屆滿，並願意獲選連任。

除上述退任董事將於本銀行應屆股東週年大會上獲選連任外，截至本報告刊發日期，並無董事自上一次獲選後連任超過三年。

董事責任保險

本銀行於年內已為各董事購買適當之董事責任保險，以保障彼等因本銀行經營業務而引起的賠償責任。本銀行均會為該保險的保額及保障範圍進行年度檢討。

Appointments and Re-election of the Board

The Bank uses a set of formal, prudent and transparent procedures for the appointment of new Directors to ensure the Directors have the necessary competencies and skills to support the development and growth of the Bank. The suitability of new Directors will be evaluated in various aspects and the appointment of new Directors will be discussed by NC before recommending to the Board for consideration and approval after due deliberation. A candidate who is to be appointed as an INED should ensure he/she meets the independence requirements and also the requirements of the guidance on "Empowerment of Independent Non-Executive Directors in the Banking Industry in Hong Kong" issued by the HKMA. In accordance with the requirement under the Banking Ordinance, approval from HKMA shall also be obtained for any appointment of new Directors. According to the Bank's Articles of Association, all new Directors are subject to election by shareholder(s) of the Bank at the next scheduled annual general meeting after their appointments have become effective, and shall then be entitled for re-election. The Non-executive Directors and the INED of the Bank are not appointed for specific term but subject to the retirement by rotation and re-election at the annual general meeting in accordance with the Bank's Articles of Association. The NC conducts review of the independence of the INED, additional assessment will be conducted during rotation for those INED who have been serving on the Board for more than 9 years, NC will make recommendations based on the results of the assessment on the suitability of the INED to continue to act as director to the Board for approval.

At each annual general meeting, one-third of the Directors for the time being or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office by rotation. All the retiring Directors are eligible for re-election. Mr. Wu Long, Mr. Tsui Yiu Wa, Alec and Mr. Yuen Kam Ho, George will offer themselves for retirement and being eligible, will be entitled for re-election at the forthcoming Annual General Meeting of the Bank.

For any person who have been appointed as the director of the Bank during the period will retire at the forthcoming annual general meeting of the Bank and will offer themselves for re-election, if any. Accordingly, Mr. Hu Yimin and Mr. Shen Xiaodong will retire at the forthcoming annual general meeting and being eligible, will offer themselves for re-election.

Save for the above-mentioned retiring Directors, who will offer themselves for re-election at the forthcoming annual general meeting of the Bank, as at the date of this report, no Director held office for over three years since last re-election.

Directors' Liability Insurance Policy

During the year, the Bank has arranged for appropriate cover on Directors' Liability Insurance Policy to indemnify the Directors for liabilities arising from corporate activities. The coverage and the amount insured under such policy are reviewed annually by the Bank.

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董事會及董事評估

本銀行於年內向每位董事發出問卷就董事、董事會及其附屬委員會的表現及效能進行評估。基於填寫完畢的問卷，本銀行進行了分析並編定報告，提名委員會已檢閱該評估報告並已提呈董事會參考。

董事培訓及專業發展

為確保新委任董事對本銀行的業務運作有充分瞭解及確保董事能定期更新其知識，以便向董事會提供具有充分依據的建議及意見，增加彼等對本銀行的貢獻，董事會據此制定了一套關於董事入職介紹的董事指引及培訓之制度。

本銀行亦適時向各董事會成員提供關於影響董事及本銀行的有關監管條例的重大修訂。此外，本銀行鼓勵各董事會成員積極參與持續培訓課程，亦會適時安排各項相關的專業培訓課程予各董事會成員參加。年內，所有董事均已參與持續專業培訓以擴展並更新其知識及技能。

薪酬披露資料

根據金管局監管手冊CG-5《穩健的薪酬制度指引》，註冊認可機構需就其薪酬制度作出適當披露。本銀行已遵循該指引第3部分有關薪酬披露之要求。有關本銀行薪酬披露資料將載於張貼在本銀行網站上的年度監管披露報表內。

董事會附屬委員會

董事會已設立五個附屬委員會並授予各項責任以協助董事會履行其職責。該等附屬委員會包括審核委員會、戰略與企業管治委員會、董事會風險管理委員會、薪酬委員會及提名委員會。該等附屬委員會各自以書面列明具體職責範圍，清楚載列其目標、職能及職責。

所有董事會附屬委員會主要由非執行董事及獨立非執行董事組成，定期向董事會報告其決策及推薦建議。根據該等附屬委員會之職責範圍，重大事項須提交董事會批准。董事會將對這些職責範圍進行定期檢討及適當更新。

Evaluation of the Board and Directors

During the year, the Bank had conducted an evaluation of the effectiveness of the Directors, the Board and the Board Committees of the Bank in the form of a questionnaire to all Directors individually. Based on the completed questionnaire, the Bank analyzed the results and a report delineated the results had been reviewed by the NC and submitted to the Board.

Directors' Training and Professional Development

To ensure that the newly appointed Directors have adequate understanding of the Bank's business operations and to enable Directors to update their knowledge regularly so as to provide informed recommendation and advice and make contribution to the Bank, the Board establishes a set of written policy specifying guidelines on Directors' induction and training upon appointment.

The Bank also provides regular updates to Board members on material changes to regulatory requirements applicable to the Directors and the Bank on a timely basis. In addition, Board members are encouraged to participate actively in continuous training programmes and the Bank also arranges relevant professional training programmes for Board members. In 2020, all Directors have attended continuous training programmes to update their knowledge and technique.

Disclosure on remuneration

According to HKMA's Supervisory Policy Manual CG-5 "Guideline on a Sound Remuneration System", authorized institutions are required to make disclosures in relation to their remuneration systems as appropriate. The Bank has fully complied with HKMA's disclosure requirements set out in Part 3 of the said Guideline. Disclosure on remuneration of the Bank will be included in the Annual Banking Disclosure Statement posted on the Bank's website.

BOARD COMMITTEES

The Board has set up five committees which are delegated with different responsibilities to assist the Board in performing its duties. They are Audit Committee, Strategy and Corporate Governance Committee, Risk Management Committee of Board of Directors, Remuneration Committee and Nomination Committee. Each of these Board Committees has specific written Terms of Reference which state clearly its objectives, functions and responsibilities.

All Board Committees are comprised mainly of Non-executive Directors and INED. All Board Committees report to the Board on their decisions or recommendations on a regular basis. Material matters are reserved for the approval of the Board according to the terms of reference of such committees. The Board will conduct regular review and update on the terms of reference of such committees.

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審核委員會

審核委員會負責協助董事會獨立地監察本銀行財務匯報程序、外部審計監察、內部監控(包括風險管理制度)及合規的成效以及監督內部審計職能。同時,本委員會亦會定期檢討本銀行對遵守各項規則的情況,包括但不限於監管機構、業內或法例的規定及指引。審核委員會共有四名成員,其中包括三名獨立非執行董事。

審核委員會於二零二零年舉行了四次會議,本銀行之相關高級管理人員、內部審計人員及外聘審計師代表均列席全部會議。審核委員會在年內所履行之主要工作摘要如下:

- 檢討致管理層之外聘審計師管理意見書及管理層之回應;
- 檢討二零二零年年度外聘審計師之審核計劃及工作範圍;
- 審批二零二一年年度之內部審計計劃;
- 檢討內部審計報告,包括內部監控評級;
- 審議截至二零一九年十二月三十一日止財政年度經審核財務報表;及
- 審議截至二零二零年六月三十日止六個月之中期財務資料披露報表。

審核委員會亦負責就本銀行外聘審計師之委任、重選、解聘及薪酬提供推薦建議。畢馬威會計師事務所為本銀行的外聘審計師。外聘審計師就其財務報告責任所作之聲明載於本銀行二零二零年年報第73頁至第80頁之獨立核數師報告書。

戰略與企業管治委員會

戰略與企業管治委員會旨在加強本銀行戰略性發展及規劃和監察本銀行的公司治理制度,包括但不限於對本銀行戰略發展規劃、戰略性資本配置和重大機構重組及調整方案進行檢討,並向董事會提出建議。同時,本委員會亦會協助並持續檢討本銀行對戰略與公司治理相關的規範、法律及監管要求的遵守情況,就企業管治常規提供意見,提高本銀行信息披露的透明度及質素,以及跟進法規變動,藉以最大化可持續的企業價值及股東利益。戰略與企業管治委員會共有九名成員,其中包括五名獨立非執行董事。

Audit Committee

AC assists the Board in monitoring the Bank's financial reporting process independently and external audit function, ensuring an effective system of internal control and compliance (including risk management system), and supervising the internal audit function. Meanwhile, the committee is also responsible for reviewing the Bank's compliance with applicable rules, including but not limited to the requirements and guidelines of regulators, businesses or laws. AC comprises four members and three of them are INED.

AC held four meetings during the year 2020 and all the meetings were with the participation of the relevant senior management, internal audit officers of the Bank and representatives from the external auditors of the Bank. Major works performed by AC were summarised as follows:

- Reviewed external auditor's management letter and management response;
- Reviewed the external auditor's 2020 audit plan and work scope;
- Approved the internal audit plan for the year of 2021;
- Reviewed the internal audit reports covering the evaluation of internal control;
- Approved the audited financial statements for financial year ended 31 December 2019; and
- Approved the Interim Financial Disclosure Statements for the six months ended 30 June 2020.

AC is also responsible for making recommendations on the appointment, re-appointment, removal and remuneration of the Bank's external auditor. KPMG is the external auditors of the Bank. A statement by the external auditor with respect to their responsibilities is included in the Independent Auditor's Report on pages 73 to 80 of the Bank's 2020 Annual Report.

Strategy and Corporate Governance Committee

SCG aims to enhance the strategic development and planning of the Bank and to strengthen the corporate governance framework of the Bank, including but not limited to reviewing the Bank's strategic development plan, strategic capital deployment and major institutional restructuring and adjustment plans, and makes recommendation to the Board. Meanwhile, the committee is also responsible for reviewing the Bank's compliance with legal, regulatory and corporate governance standards, providing advice on corporate governance practice, enhancing the transparency and quality of information disclosure of the Bank and keeping abreast of changes in regulations, with the aim to maximise sustainable corporate values and shareholder's interests. SCG comprises nine members and five of them are INED.

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戰略與企業管治委員會於二零二零年舉行了一次會議。本委員會年內所履行之主要工作摘要如下：

- 檢討本銀行《公司治理制度》之修訂；
- 檢討本銀行《董事利益衝突政策》；
- 聽取關於本銀行二零二一至二零二三年發展規劃總體思路匯報；及
- 聽取關於本銀行金融科技創新情況及中國工商銀行ECOS智慧銀行生態系統匯報。

In 2020, SCG held one meeting. The major works performed by SCG during the year included:

- Reviewed the revised "Corporate Governance Manual" of the Bank;
- Reviewed the "Directors' conflict of interest policy" of the Bank;
- Reviewed the "Strategic development plan from 2021 to 2023" report of the Bank; and
- Reviewed the "Fintech innovation" report of the Bank and "ICBC ECOS Intelligent Bank ecosystem" report of the Bank.

董事會風險管理委員會

董事會風險管理委員會負責檢討本銀行的各種風險狀況，並審批風險管理、合規內控和防範金融犯罪工作原則、重大政策、指引及本銀行的風險承受能力，亦會監控及檢討本銀行風險管理體系的有效性，包括其承受壓力狀況的能力，其監管的主要風險包括信用、市場、操作、利率、法律及合規、流動性、聲譽及戰略風險。董事會風險管理委員會授權防範金融犯罪委員會，負責按董事會風險管理委員會所批准的相關制度和政策具體執行反洗錢及恐怖分子資金籌集工作，同時授權高級管理層建立風險偏好管理制度，包括風險偏好監控和管理流程。本集團的風險偏好指標體系涵蓋收益類、資本類及風險類三個主要範疇，並包括了本集團在追求實現其戰略及業務目標時所願意和能夠承擔的定性及定量的風險偏好指標，每年進行最少一次年檢並由董事會風險管理委員會最終審批，確保本集團的經營在風險偏好所允許的範圍內。董事會風險管理委員會共有七名成員，其中包括四名獨立非執行董事。

Risk Management Committee of Board of Directors

BRMC reviews the Bank's position in various risks and approves risk management, internal control and financial crimes principles, major policies, guidelines and risk appetite of the Bank. It also monitors and reviews the effectiveness of the risk management system of the Bank, including its ability to withstand stress conditions. The key risks it oversees include credit, market, operational, interest rate, legal and compliance, liquidity, reputation and strategic risks. BRMC delegates to the Financial Crime Compliance Committee to execute the works related to prevention of money laundering and terrorist financing based on the frameworks and policies approved by the BRMC. Senior Management is delegated by the BRMC to establish Policy related to risk appetite including risk appetite monitoring and management process. The Group's risk appetite framework covers three aspects, namely profit, capital and risk. The risk appetite consists of quantitative and qualitative description of types and level of risks that the Group is willing and able to accept in pursuit of its strategic and business goals. The Policy is reviewed at least annually and approved by the BRMC to ensure the Group operates within the risk appetite. BRMC comprises seven members and four of them are INED.

董事會風險管理委員會於二零二零年舉行了四次會議。本委員會年內所履行之主要工作摘要如下：

- 定期審閱本銀行的風險報告，其中包括主要風險的壓力測試結果、合規風險及防範金融犯罪工作等；
- 審批本銀行恢復計劃的年檢；
- 檢討本銀行風險文化、風險偏好及信貸偏好；
- 檢討及審批本銀行風險相關的重大政策、限額及辦法，其中包括壓力測試的政策、市場風險手冊、防範金融犯罪及風險管理辦法等；及
- 監督本銀行執行風險管理政策及遵守相關法例及法規。

In 2020, BRMC held four meetings. The major works performed by BRMC during the year included:

- Reviewed the risk management reports of the Bank regularly, including the bank-wide stress-testing results, compliance risk and works related to financial crimes etc;
- Approved the annual review of Recovery Plan of the Bank;
- Reviewed the risk culture of the Bank, the risk appetite and credit preference;
- Reviewed and approved the major risk management policies, limits and measures of the Bank including the stress testing policy, market risk manual, financial crime and risk management measures etc; and
- Oversaw the implementation of risk management policies of the Bank and compliance with relevant laws and regulations.

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薪酬委員會

薪酬委員會負責監督本銀行董事及高級管理人員之薪酬，以確保彼等之薪酬與其職責相稱，並與本銀行之文化、策略、市場情況及相關監管規則配合一致。薪酬委員會亦就董事會履行與本銀行文化相關的職責方面向董事會提供意見及負責就本銀行之薪酬政策架構向董事會作出推薦建議。薪酬委員會共有三名成員，其中包括兩名獨立非執行董事。

薪酬委員會於二零二零年度舉行了兩次會議。本委員會年內所履行之主要工作摘要如下：

- 考慮及向董事會推薦本銀行表現花紅之分配(包括發放予執行董事)；
- 考慮及向董事會推薦高級管理人員截至二零一九年度之表現花紅；
- 考慮及向董事會推薦非執行董事及獨立非執行董事截至二零一九年度之董事袍金；
- 考慮及向董事會推薦本銀行截至二零二零年十二月三十一日止年度分派表現花紅之薪酬政策；
- 檢討本銀行之薪酬政策；及
- 檢討本銀行企業文化核心指標監測及工作報告。

有關各董事於二零二零年薪酬之資料載於本銀行財務報表附註17。

Remuneration Committee

RC is responsible for overseeing the remuneration of the Directors and senior management of the Bank to ensure their remuneration is appropriate for their duties and consistent with the Bank's culture, strategy, market condition and control environment. RC is also responsible for advising and assisting the Board in discharging its responsibilities for the Bank's culture-related matters and recommending to the Board on the Bank's remuneration policy framework. RC comprises three members and two of them are INED.

In 2020, RC held two meetings. The major works performed by RC during the year included:

- Considered the allocation of performance bonus of the Bank (including that distributed to the Executive Directors) and made recommendation to the Board;
- Considered the performance bonus of senior management for the year of 2019 and made recommendation to the Board;
- Considered the Directors' fee of the Non-executive Directors and INED for the year of 2019 and made recommendation to the Board;
- Considered the remuneration policy on distribution of performance bonus of the Bank for the year ended 31 December 2020 and made recommendation to the Board;
- Reviewed the remuneration policy of the Bank; and
- Reviewed the bank culture key indicators and report of the Bank.

Information relating to the remuneration of each Director for 2020 is set out in Note 17 to the financial statements of the Bank.

提名委員會

提名委員會負責就本銀行所有新委任董事及高級管理人員評估候選人是否合適及向董事會作出該等委任之推薦建議。提名委員會亦負責定期檢討董事會之架構及組成，並對董事會效能進行評價。提名委員會共有三名成員，其中包括兩名獨立非執行董事。

提名委員會於二零二零年度舉行了一次會議，本委員會年內所履行之主要工作摘要如下：

- 檢討本銀行董事會成員及高級管理層的任期；
- 檢討本銀行高級管理層成員委任及繼任政策；
- 檢討及評估董事及董事會的表現及效能，其中包括董事會及其附屬委員會的人數、架構及構成；及

Nomination Committee

NC is responsible for assessing the suitability of the candidates and recommending to the Board all new appointments of Directors and senior management executives. NC also reviews the structure and composition of the Board on a regular basis, and assesses the efficiency of the Board. NC comprises three members and two of them are INED.

In 2020, NC held one meeting. Major works performed by NC during the year included:

- Reviewed the terms of office of the Board and Senior Management of the Bank;
- Reviewed the appointment and succession planning policy for Senior Management of the Bank;
- Reviewed and assessed the evaluation of the performance and effectiveness of the Directors and the Board as well as the size, structure and composition of the Board and Board Committees of the Bank; and

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– 考慮及向董事會推薦有關本銀行董事會及其附屬委員會成員組合的變動。

– Considered the changes to the composition of the Board and Board Committees and made recommendation to the Board.

董事會權力之轉授

董事會承擔領導及管治本銀行之責任，並將其管理及行政功能方面之權力轉授予本銀行高級管理層。董事會就高級管理層獲授權之權力制定清晰之指引，特別是報告機制及須經董事會批准之事項(例如管理層結構、業務目標、策略及業務計劃、政策以及規定出現重大變動以致可能對本銀行之財務及風險管理產生重大影響之事宜)。

除董事會附屬委員會外，董事會亦成立執行委員會並向董事會匯報。為此，董事會訂立了清晰的書面指引，列明具體職責範圍，清楚載列其職能及職責。董事會將對這些授權和指引進行定期重檢。執行委員會負責督導本銀行整體營運。執行委員會主席由董事會主席擔任，其成員包括執行董事、行政總裁、副行政總裁，以及助理行政總裁。

DELEGATION OF THE BOARD

The Board assumes the responsibility for leadership and governance of the Bank and delegates aspects of its management and administration functions to the senior management. The Board sets up clear guidelines governing the powers delegated to the senior management, in particular, with respect to reporting mechanism and the matters that are subject to the approval of the Board (such as substantial changes in the management structure, the business objectives, strategies and business plans, the policies and manuals which may have a material impact on the financial and risk management of the Bank).

Apart from the Board Committees, the Board has also established the Executive Committee, which reports to the Board. The Executive Committee has specific written Terms of Reference which state clearly its functions and responsibilities. The Board will conduct regular review and update on the terms of reference of the Executive Committee. The Executive Committee was established to supervise the overall operation of the Bank. The Executive Committee is chaired by the Chairman of the Board of Directors and consists of Executive Directors, Chief Executive Officer, Deputy Chief Executives and Assistant Chief Executives, as members.

風險管理及內部監控

董事會負責評估及釐定本銀行達成策略目標時所願意接納的風險性質及程度，確保本銀行設立及維持合適及有效的風險管理及內部監控系統，並監督高級管理層對風險管理及內部監控系統的設計、實施及監察。

風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，並只能對不會有重大的失實陳述或損失作出合理而非絕對的保證。

本銀行已制定體系、政策及程序，用以識別、衡量、監控及監視本銀行面對的主要風險類別。業務部門負責評估其負責領域所產生之個別風險類別，根據風險管理程序管理風險，並就風險管理作出報告。高級管理層、高級管理層風險管理委員會及風險管理部會定期檢討及修訂風險管理政策及程序。管理本銀行的各主要風險類別(包括信用、市場、流動性、利率、業務操作、法律及合規、聲譽，以及策略風險)之政策及程序詳情載於本銀行綜合財務報表附註4。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Bank's strategic objectives, and ensuring that the Bank establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees the senior management in the design, implementation and monitoring of the risk management and internal control systems.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Systems, policies and procedures are in place to identify, measure, control and monitor the major types of risks the Bank faces. Business units are responsible for the assessment of individual types of risk arising from their area of operations where risks are managed and reported in accordance with risk management procedures and arrangements. The senior management, Senior Executive Risk Management Committee and Risk Management Department review and revise the risk management policies and procedures on a regular basis. Details of the policies and procedures for management of each of the major types of risks, including credit, market, liquidity, interest rate, operational, legal and compliance, reputation and strategic risks, are included in Note 4 to the financial statements of the Bank.

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為全面有效地識別及管理潛在風險，本銀行採納「三道防線」風險管理模式，本銀行所有部門，作為內部控制的第一道防線，負責在各自業務領域內監督各項合規風險。本銀行指定部門，作為內部控制的第二道防線，需負責監測和控制指定的風險，並向相關部門提出指導以確保其符合監管要求。本銀行審計部作為內部控制的第三道防線，於本銀行內部監控架構內發揮重要作用，定期核查以確保適當遵守有關政策及程序。

To identify and manage all potential risks in a more holistic and effective manner, a "Three Lines of Defence" risk management model is adopted. All individual departments of the Bank, as the first line of defence of internal control framework, are primarily responsible for monitoring the compliance risks in their respective areas. The designated departments of the Bank, as the second line of defence, are primarily responsible for monitoring and controlling the designated risks and providing guidance to individual departments to ensure compliance with applicable regulatory requirement. The Internal Audit Department plays an important role in the Bank's third line of defence of internal control framework, regular audits will be conducted to ensure compliance with relevant policies and procedures.

本銀行的審計部根據董事會轄下審核委員會批准的內部審計計劃，對財務範疇、主要業務領域、主要風險類別、職能運作及活動進行獨立的檢查，直接向審核委員會提交報告，並就有關內部監控之重要發現每年至少四次向審核委員會作出匯報。本銀行的審計部對須關注的事項及須改善的方面有系統地及時跟進，並將跟進情況向審核委員會及董事會主席匯報。

In accordance with the internal audit plan approved by the AC, the Bank's internal audit conducts independent reviews on such aspects as financial activities, main business areas, major kinds of risks, operations and activities. Reports are submitted directly to the AC. It also reports to the AC at least four times each year on significant findings on internal control. The Bank's internal audit closely follows up on the items that require attention in a systematic way and reports to the AC and the Chairman of the Board in a timely manner.

本銀行致力提升管治水平，對所有附屬公司持續監控。於年內，本銀行在組織架構分工及風險管理政策與程序等方面做出持續改善。

The Bank is committed to upholding good corporate governance practices and the internal control system of all subsidiaries are reviewed regularly. During the year, continuous improvements on the organisation structure and segregation of duty and the risk management policy and procedure have been undertaken by the Bank.

董事關於財務報表的責任聲明

DIRECTORS' RESPONSIBILITY STATEMENT IN RELATION TO FINANCIAL STATEMENTS

董事會知悉其有編製本銀行財務報表之責任。本銀行已採用合適的會計政策並貫徹使用，且具有合理的判斷及估計支持，並已遵守所有適用的會計準則。

The Board acknowledges its responsibility for preparing the financial statements of the Bank. The Bank has adopted appropriate accounting policies which have been consistently applied and supported by reasonable judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

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致中國工商銀行(亞洲)有限公司成員

(於香港註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第81至277頁的中國工商銀行(亞洲)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於2020年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2020年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

TO THE MEMBERS OF INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Industrial and Commercial Bank of China (Asia) Limited (the "Bank") and its subsidiaries (together the "Group") set out on pages 81 to 277, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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關鍵審計事項(續)

客戶貸款及墊款的預期信用損失準備

詳情請參閱分別列載於綜合財務報表的附註2.7.1(vii)、4.2(h)及26。

關鍵審計事項	我們的應對
客戶貸款及墊款減值準備的確定涉及管理層主觀判斷。對於集團而言，客戶貸款及墊款減值準備的確定較大程度依賴於外部宏觀環境和集團內部信用風險管理策略，以及運用判斷確定違約損失率或評估沒有設定擔保物的或者可能存在擔保物不足情況的個別客戶貸款及貸款的可收回現金流。新型冠狀病毒肺炎(COVID-19)疫情帶來的經濟影響給管理層判斷帶來了額外挑戰。	審計方法： • 瞭解和評價與客戶貸款及墊款減值準備相關的內部控制運行的有效性： – 了解和評價信用審批、記錄、監控、定期信用等級重評、以及減值準備計提等相關的關鍵財務報告內部控制的設計和運行有效性；特別地，我們評價與基於各級次客戶貸款的資產品質以及信用監控而進行貸款階段劃分相關的關鍵內部控制的設計和運行有效性；
集團基於金融工具的信用風險自初始確認後是否已顯著增加及是否已發生信貸不良，將金融工具劃分入三個風險階段，按照相當於該金融工具未來12個月內或整個存續期內預期信用損失的金額計量其損失準備。 除已發生信貸不良的企業客戶貸款及墊款外，客戶貸款及墊款採用風險參數法進行計量。關鍵參數包括違約概率、違約損失率及違約風險敞口，參數評估考慮的因素包括歷史逾期資料、歷史損失率、內部信用評級及其他調整因素。	– 我們的內部資訊技術專家參與評估系統的一般控制的環境及對信用評級過程和交易過程有關鍵影響的資訊系統的自動控制的設計，實施和運營效率，包括對系統訪問的控制，數據控制和變更管理，系統之間的數據傳輸，逾期報告的匯編，預期信用損失模型的參數映射和預期信用損失的損失準備的系統計算； • 對金融工具的分類準確性進行了評估。我們獲取了有關管理層如何應用金融工具準則(《香港財務報告準則第9號》)中的分類要求以及相關分類結果的數據。我們選取了客戶貸款及墊款的特定項目，對客戶貸款的合約現金流量特徵及與其業務模式相關的檔進行了評估；

KEY AUDIT MATTERS (continued)

Expected credit loss allowance of loans and advances to customers

Refer to notes 2.7.1(vii), 4.2(h) and 26 to the consolidated financial statements and the accounting policies respectively.

Key audit matter	How the matter was addressed in our audit
Impairment of loans and advances to customers is a subjective area due to the degree of judgment applied by management in determining impairment allowances. From the Group's perspective, the determination of the loss allowances for loans and advances to customers is heavily dependent on the external macro environment and the Group's internal credit risk management strategy, and the judgments in determining the loss given default or the assessment of recoverable cash flows relating to individual loans and advances to customers, where loans and advances to customers were unsecured or were subject to potential collateral shortfalls. The economic impact of the COVID-19 pandemic has added additional challenges to management's judgement. The Group classifies financial instruments into three stages and recognizes an impairment allowance based on the expected credit loss for the next 12 months or the entire lifetime of the financial asset, depending on whether credit risk on that financial instrument has increased significantly since initial recognition and whether an asset is considered to be credit-impaired respectively. The loss allowance for loans and advances to customers, other than those corporate loans and advances which are credit-impaired, is measured using the risk parameters method. The key parameters include probability of default (PD), loss given default (LGD) and exposure at default (EAD), which are derived from considerations including the historical overdue data, historical loss ratio, internal credit grading and other adjustment factors.	Our audit procedures to assess loss allowance for expected credit losses included the following: • evaluating the effectiveness of internal control operations related to allowance for expected credit losses: – assessing the key design and operational effectiveness of internal controls of the financial reporting process, including credit approval, recording, monitoring, re-evaluation of periodic credit grading, and the accrual of loss allowance; in particular, we assessed the design, implementation and operating effectiveness of the key internal controls over the classification of loans by credit quality across all stages and credit monitoring process; – involving our internal information technology specialists to assess the design, implementation and operating effectiveness of general information technology controls and automated controls of key information system critical to the credit grading process and transaction process, including controls over access to systems, controls over data and change management, data transmission between systems, compilation of the overdue reports for advances to customers, mapping of parameters of expected credit loss model and system calculation of loss allowance for expected credit loss; • evaluating the accuracy of the classification of financial instruments. We obtained information on how management applied the classification requirements of the accounting standards for financial instruments ("HKFRS 9") and the classification results. We selected specific items of loans and advances to customers to assess the contractual cash flow characteristics of the advances to customers and relevant documents in relation to the business model;

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關鍵審計事項(續)

客戶貸款及墊款的預期信用損失準備(續)

詳情請參閱分別列載於綜合財務報表的附註2.7.1(vii)、4.2(h)及26。(續)

關鍵審計事項

已發生信貸不良的企業客戶貸款及墊款採用現金流貼現法評估其預期信用損失。在運用判斷確定可回收現金流時，管理層會考慮多種因素。這些因素包括客戶貸款的可行的清收措施、借款人的財務狀況、擔保物的估值、索賠受償順序、是否存在其他債權人及其配合程度。當集團聘請外部評估師對特定資產和其他流動性不佳的擔保物進行評估時，可執行性、時間和方式也會影響最終的可收回金額並影響報告期末的預期信用損失準備金額。

由於客戶貸款及墊款減值準備的確定存在固有不確定性以及涉及到管理層判斷，同時其對集團的經營狀況和資本狀況會產生重要影響，我們將客戶貸款及墊款減值準備的確定識別為關鍵審計事項。

我們的應對

- 在我們的內部模型專家的協助下，對預期信用損失模型的穩健性及其所運用的參數的可靠性進行了評估，包括評估了違約概率、違約損失率、違約風險敞口、折現率及根據前瞻性資訊的調整及其他調整因素，以及評估了所涉及的主要管理層判斷的合理性；
- 通過選取特定項目，對納入預期信用損失模型的關鍵參數所運用的資訊進行了完整性和準確性評估；將單項貸款的資料與相關協定及其他相關文件進行了對比，以評估對納入預期信用損失模型的貸款數據的準確性。對於由外部數據計算得出的關鍵參數，我們選取了特定項目，並通過與公開資料進行對比，檢查了該等數據是否準確；
- 對於涉及判斷的關鍵參數，通過從外部管道獲得相應證明和與集團的歷史損失經驗等內部記錄進行對比，對主要參數進行評估。作為審計程式的一部分，我們詢問了管理層對估計值和模型參數作出修改的原因，考慮了管理層判斷的一致性；
- 將模型中所運用的前瞻性經濟因素與市場資訊進行對比，同時考慮新型冠狀病毒肺炎疫情所帶來的經濟影響，以評價這些數據是否與市場及經濟的發展相符；

KEY AUDIT MATTERS (continued)

Expected credit loss allowance of loans and advances to customers (continued)

Refer to notes 2.7.1(vii), 4.2(h) and 26 to the consolidated financial statements and the accounting policies respectively. (continued)

Key audit matter

Loss allowances for the credit-impaired corporate loans and advances are measured using the discounted cash flow method. Management exercises judgment in determining recoverable cash flow based on a range of factors. These factors include available remedies for recovery, the financial situation of the borrowers, collateral valuation, the seniority of the claim and the existence and cooperativeness of other creditors. Whilst the Group appoints an external appraiser for the valuation of certain property and other illiquid collateral, enforceability, timing and means of realization also affect the ultimate collectability and thereby the amount of expected credit loss allowances as at the reporting date.

We identified the loss allowance for expected credit losses as a key audit matter because of the inherent uncertainty and management judgments involved, and because the loss allowance is significant to the financial results and capital of the Group.

How the matter was addressed in our audit

- assessing the soundness of expected credit loss models and reliability of parameters used with the assistance of our internal model specialists, evaluating probability of default, loss given default, exposure at default, discount rate, forward-looking adjustment and other adjustment factors, and evaluating the reasonableness of key management judgments involved;
- assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model, by selecting specific items and comparing individual loan information with the underlying agreements and other related documentation to assess the accuracy of the loan information in the expected credit loss model. For key parameters derived from external data, we selected specific items to inspect the accuracy of such data by comparing them with public sources;
- assessing key parameters involving judgments by seeking evidence from external sources and comparing it with internal records including historical loss experience. As part of these procedures, we inquired management for the reasons of modifications of estimates and model parameters, and considered the consistency of management judgments;
- comparing the forward-looking economic factors used in the models with market information to assess whether they were aligned to market and economic development, taking into consideration of the economic impact of COVID-19 pandemic;

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關鍵審計事項(續)

客戶貸款及墊款的預期信用損失準備(續)

詳情請參閱分別列載於綜合財務報表的附註2.7.1(vii)、4.2(h)及26。(續)

關鍵審計事項	我們的應對
	• 選取特定項目，評價管理層對信用風險是否自初始確認後發生了顯著增加的判斷及貸款是否已發生減值的評估的合理性。我們按行業對集團的貸款組合進行了分析，並且從更易受到當前經濟情況衝擊的行業中選取具體項目，同時參考其他具潛在信用風險的借款人。我們檢查了貸款逾期資料，詢問了信貸經理借款人的業務運營狀況，檢查了借款人的財務資料及調查了有關借款人所從事業務活動的市場訊息；
	• 對信用風險自初始確認以來發生或未發生顯著增加的客戶貸款及墊款樣本，分別根據採取上述參數與估計的預期信用損失模型，重新計算其未來12個月內或合約期內預期信用損失的準備金額。
	• 我們的內部模型專家通過將實際結果與管理層對往年所作估計進行對比，檢查了管理層對關鍵估計以及所運用的公開資訊的追溯覆核結果並評估其審計影響。我們的內部模型專家亦參與檢查了管理層敏感度分析結果並評估其審計影響。
	• 對於所選取的、已發生信貸不良的企業客戶貸款樣本，執行了信用風險評估，包括通過詢問管理層評價預測可收回的現金流量，運用判斷及開展調研，以及評價抵押品變現及預測現金流量的時間和方式，對集團回收方案的可行性提出疑問，並考慮了管理層認定的其他還款來源。我們亦評價了管理層是否一致地應用了主要假設，並將該等假設與我們取得的資料來源進行了比對；以及
	• 評價與客戶貸款與墊款減值準備相關的財務報表資訊披露是否符合相關會計準則的披露要求。

KEY AUDIT MATTERS (continued)

Expected credit loss allowance of loans and advances to customers (continued)

Refer to notes 2.7.1(vii), 4.2(h) and 26 to the consolidated financial statements and the accounting policies respectively. (continued)

Key audit matter	How the matter was addressed in our audit
	• selecting specific items to assess the reasonableness of management judgments on whether the credit risk has increased significantly since initial recognition and whether credit impairment has occurred. We analysed the portfolio by industry sector to select specific items in industries more vulnerable to the current economic situation with reference to other borrowers with potential credit risk. We checked loan overdue information, making enquiries of the credit managers about the borrowers' business operations, checking borrowers' financial information and researching market information about borrowers' businesses;
	• recalculating the amount of credit loss allowance for 12 month and life time credit losses using the expected credit loss model based on the above parameters and assumptions for a sample of loans and advances to customers where the credit risk of the loan has not, or has, increased significantly since initial recognition, respectively.
	• involving our internal model specialists to inspect the results of management's retrospective review of the significant assumptions and publicly available information used, by comparing actual results with management estimate for prior reporting period, and to assess the audit impact of the results of the retrospective review. We also involved our internal model specialists to inspect results of management's sensitivity analysis and assess the audit impact of the results.
	• performing credit assessments for the selected credit impaired corporate loans and advances by assessing the forecast of recoverable cash flows through inquiry, applying judgment and our own research, and evaluating the timing and means of realization of collateral, forecast cash flows, challenging the viability of the Group's recovery plans and considering other sources of repayment asserted by management. We also evaluated the consistency of management's application of key assumptions and compared them with our own data sources; and
	• evaluating whether the presentations and disclosures on advances to customers and impairment of loans and advances to customers meet the disclosure requirements in the prevailing accounting standards.

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關鍵審計事項(續)

金融工具公允價值的確定

詳情請參閱分別列載於綜合財務報表第108、122、191、228、229及241頁的附註2.7.1(vi)、2.10、4.6、23、24、25及27的會計政策。

關鍵審計事項

以公允價值列賬的金融工具是集團持有的重要資產之一。集團於2020年12月31日以公允價值計量的金融資產金額為1,692.80億港幣。其中，在公允價值級次第一層、第二層及第三層的金融資產公允價值分別為43.68億港幣、1,627.19億港幣及21.93億港幣。集團於2020年12月31日以公允價值計量的金融負債金額為229.97億港幣，均屬於公允價值級次第二層的金融負債。

集團所持有以公允價值計量的金融工具是用一系列市場數據及需要大量參數的估值模型進行計量的。這其中有大部分的資訊是從流動市場的公開信息中獲得的。一些不能從公開資訊中獲得的資料，例如運用於公允價值級次第三層的金融工具中的資料，則需要運用管理層的判斷進行估計。

集團已經形成了用於對特定的某些在公允價值級次第二層及第三層的金融工具進行估值的模型。這些模型也都涉及重大的管理層判斷。

由於金融工具估值方面的複雜性及決定所採用的參數和模型所需的管理層判斷的程度，我們將金融工具公允價值的計量認定為一項關鍵審計事項。

我們的應對

審計方法：

- 測試圍繞金融工具的估值及獨立協力廠商價值確認的關鍵內部控制的設計、執行及運行有效性；
- 採用抽樣的方式，將集團計算所得的金融工具之公允價值與市場公開資訊進行比較；
- 採用抽樣的方式，讓我們的內部估值專家對金融工具進行獨立估值，並將結果與集團的計算進行比較。我們的獨立估值包括形成估值模型、獨立獲取參數及驗證參數；
- 根據主要的相關會計準則，確定綜合財務報表中的披露是否適當地反映了集團的金融工具估值風險敞口；以及
- 對於在處理金融工具中比較關鍵的系統，我們的信息技術專家對這些系統中相關自動控制的設計、執行及運行有效性作出了評估。我們還評估了包括系統存取權限和數據及變更管理等內部控制的設計、執行及運行有效性。

KEY AUDIT MATTERS (continued)

Assessment of the fair value of financial instruments

Refer to notes 2.7.1(vi), 2.10, 4.6, 23, 24, 25 and 27 to the consolidated financial statements on pages 108, 122, 191, 228, 229 and 241 respectively

The key audit matter

Financial instruments carried at fair value accounted for a significant portion of the Group's assets. At 31 December 2020, the fair value of the Group's financial assets was HKD169,280 million of which HKD4,368 million, HKD162,719 million and HKD2,193 million were classified under the fair value hierarchy as level 1, 2 and 3 financial assets respectively. At 31 December 2020, the fair value of the Group's financial liabilities was HKD22,997 million which were all classified under the fair value hierarchy as level 2 financial liabilities.

The valuation of the Group's financial instruments, held at fair value, is based on a combination of market data and valuation models which often require a considerable number of inputs. Many of these inputs are obtained from readily available data for liquid markets. Where such observable data is not readily available, as in the case of level 3 financial instruments, estimates need to be developed which can involve significant management judgement.

The Group has developed its own models to value certain level 2 and level 3 financial instruments, which also involves significant management judgement.

We identified the assessment of the fair value of financial instruments as a key audit matter because of the degree of complexity involved in valuing certain financial instruments and the degree of judgement exercised by management in determining the inputs used in the valuation models.

How the matter was addressed in our audit

Our audit procedures to assess the fair value of financial instruments included the following:

- assessing the design, implementation and operating effectiveness of key internal controls over the valuation and independent price verification of financial instruments;
- comparing the fair values of a sample of financial instruments applied by the Group with publicly available market data;
- engaging our internal valuation specialists to assist us in performing, on a sample basis, independent valuations of financial instruments and comparing these valuations with the Group's valuations. Our independent valuation included developing models, obtaining inputs independently and verifying the inputs;
- assessing whether the disclosures in the consolidated financial statements appropriately reflected the Group's exposure to financial instrument valuation risk with reference to the requirements of the prevailing accounting standards; and
- for the key underlying systems used for the processing of transactions in relation to financial instruments, our information technology specialists assessed the design, implementation and operating effectiveness of a selection of relevant automated controls within these systems. We also assessed the design, implementation and operating effectiveness of the key internal controls over these underlying systems, including controls over access to these systems and controls over data and change management.

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綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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核數師就綜合財務報表審計承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向全體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或淩駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當修改我們的意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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核數師就綜合財務報表審計承擔的責任(續)

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。

我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

本次獨立核數師報告的項目合夥人為黃寶珊。

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓

二零二一年三月二十四日

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit.

We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Wong Po Shan.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 March 2021

綜合收益表
Consolidated Income Statement

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

		附註 Notes	2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	(6)	**20,740,563**	27,701,708
利息支出	Interest expense	(6)	**(10,904,399)**	(15,546,374)
淨利息收入	**Net interest income**	(6)	**9,836,164**	12,155,334
收費及佣金收入	Fee and commission income	(7)	**2,202,804**	2,535,693
收費及佣金支出	Fee and commission expense	(7)	**(223,926)**	(331,518)
收費及佣金收入淨額	**Net fee and commission income**	(7)	**1,978,878**	2,204,175
淨交易收入	Net trading income	(8)	**164,552**	696,828
以公平價值經損益表入賬金融資產及負債之淨收益／(虧損)	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	(9)	**224,826**	(506,198)
來自金融投資之股息收入	Dividend income from financial investments	(10)	**35,582**	35,566
其他營業收入	Other operating income	(11)	**325,020**	393,937
營業收入	**Operating income**		**12,565,022**	14,979,642
營業支出	Operating expenses	(12)	**(3,677,247)**	(3,707,874)
未扣除減值損失之營業溢利	**Operating profit before impairment losses**		**8,887,775**	11,271,768
金融資產之減值損失淨額	Net impairment losses on financial assets	(14)	**(2,922,974)**	(1,831,474)
扣除減值損失之營業溢利	**Operating profit after impairment losses**		**5,964,801**	9,440,294
重估投資物業虧損	Revaluation loss on investment properties	(30)	**(5,500)**	(4,200)
出售物業及設備之虧損淨額	Net loss on disposal of property, plant and equipment	(15)	**(1,908)**	(952)
出售以公平價值經其他全面收益入賬金融資產之淨收益	Net gain on disposal of financial assets at fair value through other comprehensive income		**547,197**	549,819
營業溢利	**Operating profit**		**6,504,590**	9,984,961
應佔聯營公司虧損	Share of loss of associates		**(44,735)**	(4,696)
除稅前溢利	**Profit before tax**		**6,459,855**	9,980,265
所得稅支出	Income tax expense	(16)	**(934,703)**	(1,677,667)
年內本銀行股東應佔溢利	**Profit for the year attributable to shareholders of the Bank**		**5,525,152**	8,302,598
每股盈利－基本及攤薄	**Earnings per share - Basic and diluted**	(19)	**2.01港元 HK$2.01**	3.12港元 HK$3.12

綜合全面收益表
Consolidated Statement of Comprehensive Income

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

		2020 千港元 HK$'000	2019 千港元 HK$'000
年內溢利	**Profit for the year**	**5,525,152**	8,302,598
不可重新分類至收益表之項目：	**Item that will not be reclassified to income statement:**		
以公平價值經其他全面收益入賬權益投資之公平價值儲備變動	Change in fair value reserve of equity investments at fair value through other comprehensive income	**(804,983)**	412,867
所得稅影響	Income tax effect	**–**	(50,290)
		(804,983)	362,577
銀行房產重估盈餘／(虧絀)	Revaluation surplus/(deficit) on bank premises	**845**	(1,474)
所得稅影響	Income tax effect	**(2,128)**	1,240
		(1,283)	(234)
可能於其後重新分類至收益表之項目：	**Items that may be reclassified subsequently to income statement:**		
現金流對沖之對沖工具之公平價值變動	Change of fair value of hedging instruments under cash flow hedges	**(486,433)**	(250,567)
所得稅影響	Income tax effect	**(63,685)**	33,786
		(550,118)	(216,781)
以公平價值經其他全面收益入賬金融資產之公平價值儲備變動	Change in fair value reserve of financial asset measured at fair value through other comprehensive income	**484,312**	2,192,323
所得稅影響	Income tax effect	**(64,059)**	(372,231)
		420,253	1,820,092
換算海外附屬公司業績產生之匯兑差額	Exchange differences arising from translation of results of a foreign subsidiary	**616,186**	(231,634)
年內除稅後其他全面收益	**Other comprehensive income for the year, net of tax**	**(319,945)**	1,734,020
年內除稅後全面收益總額	**Total comprehensive income for the year, net of tax**	**5,205,207**	10,036,618
本銀行股東應得之全面收益總額	**Attributable to:** **Shareholders of the Bank**	**5,205,207**	10,036,618

綜合財務狀況表
Consolidated Statement of Financial Position

於二零二零年十二月三十一日
As at 31 December 2020

		附註 Notes	二零二零年十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年十二月三十一日 31 December 2019 千港元 HK$'000
資產	**Assets**			
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	(21)	**118,727,991**	138,338,758
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	(22)	**103,478,432**	104,951,872
持作交易用途金融資產	Financial assets held for trading	(23)	**-**	492,484
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss	(24)	**5,093,540**	5,047,582
衍生金融工具	Derivative financial instruments	(25)	**16,465,187**	10,190,659
貸款及其他賬項	Advances and other accounts	(26)	**479,562,460**	474,986,476
金融投資：	Financial investments:		**186,966,866**	198,972,985
－以公平價值經其他全面收益入賬	– Measured at fair value through other comprehensive income	(27)	**140,006,031**	152,374,354
－以攤銷成本入賬	– Measured at amortised cost	(27)	**46,960,835**	46,598,631
於聯營公司之投資	Investments in associates	(28)	**200,509**	170,244
商譽及其他無形資產	Goodwill and other intangible assets	(29)	**1,021,525**	1,016,481
投資物業	Investment properties	(30)	**131,929**	135,234
物業及設備	Property, plant and equipment	(31)	**2,163,802**	1,896,067
遞延稅項資產	Deferred income tax assets	(36)	**657,377**	379,507
其他資產	Other assets	(32)	**16,622,920**	16,985,407
資產總額	**Total assets**		**931,092,538**	953,563,756
負債	**Liabilities**			
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	(34)	**205,998,447**	207,074,805
衍生金融工具	Derivative financial instruments	(25)	**15,624,197**	7,768,074
客戶存款	Deposits from customers	(35)	**522,484,014**	535,277,097
已發行存款證	Certificates of deposit issued		**7,045,548**	8,645,518
已發行債券	Debt securities in issue		**25,136,923**	30,872,769
－指定以公平價值經損益表入賬	– Designated at fair value through profit or loss		**7,373,240**	8,425,301
－以攤銷成本入賬	– Measured at amortised cost		**17,763,683**	22,447,468
現行所得稅負債	Current income tax liabilities		**1,037,278**	1,697,004
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	(37)	**–**	3,889,974
其他負債	Other liabilities	(38)	**15,999,056**	24,483,421
負債總額	**Total liabilities**		**793,325,463**	819,708,662
權益	**Equity**			
股本	Share capital	(39)	**44,187,631**	44,187,631
保留溢利	Retained earnings		**62,329,014**	58,162,741
其他儲備	Other reserves		**3,614,723**	3,869,015
歸屬於本銀行股東權益總額	Total equity attributable to shareholders of the Bank		**110,131,368**	106,219,387
額外權益工具	Additional equity instruments	(40)	**27,635,707**	27,635,707
權益總額	**Total equity**		**137,767,075**	133,855,094
權益及負債總額	**Total equity and liabilities**		**931,092,538**	953,563,756

高明 *主席兼執行董事*
武龍 *副主席、執行董事兼行政總裁*

Gao Ming *Chairman, & Executive Director*
Wu Long *Vice Chairman, Executive Director, & Chief ExecutiveOfficer*

綜合權益變動表
Consolidated Statement of Changes in Equity

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

		附註 Note	股本 Share capital 千港元 HK$'000	銀行房產重估儲備 Bank premises revaluation reserve 千港元 HK$'000	公平價值儲備(可轉回) Fair value reserve (recycling) 千港元 HK$'000	公平價值儲備(不可轉回) Fair value reserve (non-recycling) 千港元 HK$'000	現金流對沖儲備 Cash flow hedge reserve 千港元 HK$'000	匯兌儲備 Exchange reserve 千港元 HK$'000	一般儲備 General reserve 千港元 HK$'000	保留溢利 Retained earnings 千港元 HK$'000	額外權益工具 Additional equity instrument 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零二零年一月一日	At 1 January 2020		44,187,631	608,522	249,096	90,869	(137,772)	(669,457)	3,727,757	58,162,741	27,635,707	133,855,094
年內溢利	Profit for the year		-	-	-	-	-	-	-	5,525,152	-	5,525,152
年內其他全面收益:	Other comprehensive income for the year:											
以公平價值經其他全面收益入賬金融資產之公平價值變動	Change in fair value of financial asset measured at fair value through other comprehensive income		-	-	285,380	(804,983)	-	-	-	-	-	(519,603)
出售以公平價值經其他全面收益入賬投資證券之已變現儲備	Reserve realised on disposal of Investment securities measured at fair value through other comprehensive income		-	-	189,121	-	-	-	-	-	-	189,121
現金流對沖之公平價值變動	Changes in fair value of cash flow hedge		-	-	-	-	(486,433)	-	-	-	-	(486,433)
預期信用損失撥備之變動	Change in provision for ECL		-	-	9,811	-	-	-	-	-	-	9,811
銀行房產重估盈餘	Revaluation surplus on bank premises		-	845	-	-	-	-	-	-	-	845
遞延稅項變動	Change in deferred tax	(36)	-	(2,128)	(64,059)	-	(63,685)	-	-	-	-	(129,872)
匯兌差額	Exchange differences		-	-	-	-	-	644,327	-	(28,141)	-	616,186
期內全面收益總額	Total comprehensive income for the period		-	(1,283)	420,253	(804,983)	(550,118)	644,327	-	5,497,011	-	5,205,207
發行股本	Issuance of share capital		-	-	-	-	-	-	-	-	-	-
轉撥部分保留溢利至一般儲備	Partial transfer of retained earnings to general reserve		-	-	-	-	-	-	37,512	(37,512)	-	-
其他調整項目	Other adjustments		-	-	-	-	-	-	-	(1,293,226)	-	(1,293,226)
於二零二零年十二月三十一日	At 31 December 2020		44,187,631	607,239	669,349	(714,114)	(687,890)	(25,130)	3,765,269	62,329,014	27,635,707	137,767,075

綜合權益變動表
Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度
For the year ended 31 December 2019

		附註 Note	股本 Share capital 千港元 HK$'000	銀行房產重估儲備 Bank premises revaluation reserve 千港元 HK$'000	公平價值儲備(可轉回) Fair value reserve (recycling) 千港元 HK$'000	公平價值儲備(不可轉回) Fair value reserve (non-recycling) 千港元 HK$'000	現金流對沖儲備 Cash flow hedge reserve 千港元 HK$'000	匯兌儲備 Exchange reserve 千港元 HK$'000	一般儲備 General reserve 千港元 HK$'000	保留溢利 Retained earnings 千港元 HK$'000	額外權益工具 Additional equity instrument 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零一九年一月一日	At 1 January 2019		36,379,331	608,756	(1,570,996)	(271,708)	79,009	(437,823)	3,607,912	51,287,301	27,635,707	117,317,489
年內溢利	Profit for the year		-	-	-	-	-	-	-	8,302,598	-	8,302,598
年內其他全面收益：	Other comprehensive income for the year:											
以公平價值經其他全面收益入賬金融資產之公平價值變動	Change in fair value of financial asset measured at fair value through other comprehensive income		-	-	1,859,367	412,867	-	-	-	-	-	2,272,234
出售以公平價值經其他全面收益入賬投資證券之已變現儲備	Reserve realised on disposal of Investment securities measured at fair value through other comprehensive income		-	-	292,497	-	-	-	-	-	-	292,497
現金流對沖之公平價值變動	Changes in fair value of cash flow hedge		-	-	-	-	(250,567)	-	-	-	-	(250,567)
預期信用損失撥備之變動	Change in provision for ECL		-	-	40,459	-	-	-	-	-	-	40,459
銀行房產重估盈餘	Revaluation surplus on bank premises		-	(1,474)	-	-	-	-	-	-	-	(1,474)
遞延稅項變動	Change in deferred tax	(36)	-	1,240	(372,231)	(50,290)	33,786	-	-	-	-	(387,495)
匯兌差額	Exchange differences		-	-	-	-	-	(231,634)	-	-	-	(231,634)
期內全面收益總額	Total comprehensive income for the period		-	(234)	1,820,092	362,577	(216,781)	(231,634)	-	8,302,598	-	10,036,618
發行股本	Issuance of share capital		7,808,300	-	-	-	-	-	-	-	-	7,808,300
轉撥部分保留溢利至一般儲備	Partial transfer of retained earnings to general reserve		-	-	-	-	-	-	119,845	(119,845)	-	-
其他調整項目	Other adjustments		-	-	-	-	-	-	-	(1,307,313)	-	(1,307,313)
於二零一九年十二月三十一日	At 31 December 2019		44,187,631	608,522	249,096	90,869	(137,772)	(669,457)	3,727,757	58,162,741	27,635,707	133,855,094

綜合現金流量表
Consolidated Statement of Cash Flows

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

		附註 Notes	2020 千港元 HK$'000	2019 千港元 HK$'000
營業活動之現金流量：	Cash flows from operating activities:			
除税前溢利	Profit before tax		**6,459,855**	9,980,265
金融資產之減值損失淨額	Net impairment losses on financial assets	(14)	**2,948,980**	1,831,474
以攤銷成本入賬之已發行債券攤銷	Amortisation of debt securities in issue measured at amortised cost		**(4,877)**	(50,946)
無形資產攤銷	Amortisation of intangible assets	(29)	**7,322**	9,772
固定資產折舊	Depreciation of fixed assets	(31)	**112,643**	98,190
使用權資產折舊	Depreciation on right-of-use assets	(31)	**515,391**	499,313
以攤銷成本入賬之後償債項利息支出	Interest expenses on subordinated debts measured at amortised cost	(6)	**184,534**	290,459
已發行債券利息支出	Interest expenses on debt securities in issue	(6)	**669,875**	538,161
租賃負債利息支出	Interest expenses on lease liabilities		**29,303**	39,851
收回已核銷貸款及其他賬項	Recoveries of loans and advances written off	(14)	**(26,006)**	2,836
物業及設備之虧損淨額	Net loss from property, plant and equipment	(15)	**1,908**	952
重估投資物業虧損	Revaluation loss on investment properties	(30)	**5,500**	4,200
出售以公平價值經其他全面收益入賬金融資產之淨收益	Net gain on disposal of financial assets measured at fair value through other comprehensive income		**(547,197)**	(549,819)
以公平價值經損益表入賬金融資產及負債之淨(收益)／虧損	Net (gain)/loss on financial asset and liabilities at fair value through profit or loss	(9)	**(224,826)**	506,198
應佔聯營公司虧損	Share of loss of associates	(28)	**44,735**	4,696
來自公平價值經損益表入賬上市金融資產之股息收入	Dividend income from listed financial assets at fair value through profit or loss	(10)	**(27,382)**	(22,191)
來自公平價值經其他全面收益入賬非上市權益證券之股息收入	Dividend income from unlisted equity securities measured at fair value through other comprehensive income	(10)	**(8,200)**	(13,375)
匯兑差額與其他非現金項目之抵銷	Elimination of exchange difference and other non-cash items		**954,887**	127,515
			11,096,445	13,297,551
營業資產(增加)／減少：	(Increase)/decrease in operating assets:			
原到期日為三個月以上之銀行同業及其他金融機構之存款	Placements with banks and other financial institutions with original maturity beyond three months		**8,084,855**	(56,165,054)
持作交易用途金融資產	Financial assets held for trading		**492,484**	(492,484)
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss		**112,797**	(4,483,167)
以公平價值經其他全面收益入賬之金融資產(非股權投資)	Financial assets (non-equity) measured at fair value through other comprehensive income		**12,585,038**	(48,216,709)
以攤銷成本入賬金融資產	Financial assets measured at amortised cost		**(361,187)**	19,634,568
客戶、銀行同業及其他金融機構貸款及其他賬項以及其他資產	Loans and advances to customers, banks and other financial institutions and other assets		**(7,868,391)**	(5,732,575)
衍生金融工具	Derivative financial instruments		**(5,446,226)**	(1,130,637)
營業負債增加／(減少)：	Increase/(decrease) in operating liabilities:			
銀行同業及其他金融機構存款	Deposits from banks and other financial institutions		**(1,076,358)**	45,641,745
客戶存款	Deposits from customers		**(12,793,083)**	1,745,289
存款證	Certificates of deposit		**(1,599,970)**	(16,476,208)
其他負債	Other liabilities		**(8,062,128)**	5,595,736
衍生金融工具	Derivative financial instruments		**6,877,795**	728,632
源自／(用於)營業之現金流量	Cash flows from/(used in) operations		**2,042,071**	(46,053,313)
已付香港利得税	Hong Kong profits tax paid		**(1,691,330)**	(30,885)
已付海外税款	Overseas tax paid		**(292,328)**	(634,249)
源自／(用於)營業活動之現金流量淨額	Net cash flows from/(used in) operating activities		**58,413**	(46,718,447)

綜合現金流量表
Consolidated Statement of Cash Flows

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		附註 Notes	**2020 千港元 HK$'000**	2019 千港元 HK$'000
投資活動之現金流量：	Cash flows from investing activities:			
購買無形資產	Purchase of intangible assets	(29)	**(12,202)**	(7,858)
購買物業及設備	Purchase of property, plant and equipment	(31)	**(902,658)**	(294,716)
出售物業及設備所得款項	Proceeds from disposal of property, plant and equipment		**22,103**	15,762
於聯營公司之投資	Investment in associates		**(75,000)**	(75,450)
來自公平價值經損益表入賬上市金融資產之股息收入	Dividend income from listed financial assets at fair value through profit or loss	(10)	**27,382**	22,191
來自公平價值經其他全面收益入賬非上市權益證券之股息收入	Dividend income from unlisted equity securities measured at fair value through other comprehensive income	(10)	**8,200**	13,375
用於投資活動之現金流量淨額	Net cash flows used in investing activities		**(932,175)**	(326,696)
融資活動之現金流量：	Cash flows from financing activities:			
額外權益工具之分派付款	Distribution paid on additional equity instruments		**(1,293,226)**	(1,307,313)
發行以攤銷成本入賬之已發行債券	Issuance of debt securities in issue measured at amortised cost		**–**	7,721,705
贖回以攤銷成本入賬之後償債項	Redemption of subordinated debts measured at amortised cost		**(3,889,974)**	(3,892,875)
以攤銷成本入賬之已發行債券到期	Mature of debt securities in issue measured at amortised cost		**(5,482,336)**	–
指定以公平價值經損益表入賬之已發行債券到期	Mature of debt securities in issue designated at fair value through profit or loss		**(985,990)**	(251,283)
發行股本	Issuance of share capital	(39)	**–**	7,808,300
以攤銷成本入賬之後償債項已支付利息	Interest paid on subordinated debts measured at amortised cost		**(201,714)**	(287,914)
已發行債券之已支付利息	Interest paid on debt securities in issue		**(679,683)**	(512,135)
支付租賃負債	Payment of lease liabilities		**(546,097)**	(480,758)
(用於)／源自融資活動之現金流量淨額	Net cash flows (used in)/ from financing activities		**(13,079,020)**	8,797,727
匯兑差額之影響	Effects of foreign exchange differences		**954,260**	(239,032)
現金及等同現金項目之減少淨額	Net decrease in cash and cash equivalents		**(12,998,522)**	(38,486,448)
於一月一日之現金及等同現金項目	Cash and cash equivalents at 1 January		**140,766,069**	179,252,517
於十二月三十一日之現金及等同現金項目	Cash and cash equivalents at 31 December		**127,767,547**	140,766,069

就綜合現金流量表而言，現金及現金等同項目包括下列原到期日為三個月或以下之結餘：

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise the following balances with original maturity of three months or less:

		2020 千港元 HK$'000	2019 千港元 HK$'000
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	**62,228,000**	59,777,227
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	**65,539,547**	80,988,842
		127,767,547	140,766,069
源自經營業務活動的現金流量包括：	Cash flows from operating activities included:		
利息收入	Interest received	**30,121,313**	36,338,621
利息支出	Interest paid	**22,434,318**	26,016,930

財務報表附註
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1.1 主要業務

本銀行之主要業務為提供銀行、財務及其他相關服務。各附屬公司之主要業務載於財務報表附註33。

1.2 主要營業地點

本銀行為於香港註冊成立並於香港為本籍的持牌銀行，其註冊辦事處及主要營業地點為香港中環花園道3號中國工商銀行大廈33樓。

2 主要會計政策概述

編製本綜合財務報表採用之主要會計政策如下所述。

2.1 編製基準

本集團之綜合財務報表依照所有適用的《香港財務報告準則》(「《香港財務報告準則》」，當中包含由香港會計師公會(「香港會計師公會」)發出的所有適用的個別《香港財務報告準則》、《香港會計準則》(「《香港會計準則》」)及詮釋)、香港普遍採納的會計原則，以及香港公司條例的規定編製。

本綜合財務報表乃按歷史成本慣例編製，但有以下例外：對於某些房屋樓宇採用重估市價修訂，對於以公平價值經其他全面收益入賬金融資產、持作交易用途之金融資產及金融負債、以公平價值經損益表入賬之金融資產及金融負債以及衍生金融工具則以公平價值來計量。

1.1 PRINCIPAL ACTIVITIES

The principal activities of the Bank are the provision of banking, financial and other related services. The principal activities of the subsidiaries are shown in Note 33 to the financial statements.

1.2 PRINCIPAL PLACE OF BUSINESS

The Bank is a licensed bank incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, except for certain buildings modified by the revaluation, financial assets at fair value through other comprehensive income (FVTOCI), financial assets and financial liabilities held for trading, financial assets and financial liabilities at fair value through profit or loss (FVTPL) and derivative financial instruments which have been measured at fair value.

2 主要會計政策概述(續)

2.1 編製基準(續)

按照《香港財務報告準則》編製的財務報表要求管理層作出判斷、估計及假設。該等判斷、估計及假設會影響政策應用及所呈報的資產及負債、收入及支出金額。該等估計及相關假設以過往經驗及在具體情況下相信為合理的各項其他因素為基礎，而所得結果乃用作判斷目前無法直接通過其他來源獲得的資產及負債賬面值的依據。實際結果或會有別於該等估計。

該等估計及相關假設會持續予以審閱。如會計估計的修訂僅對作出修訂的期間產生影響則有關修訂只會在該期間內確認；如會計估計的修訂對現時及未來期間均產生影響，則會在作出該修訂期間及未來期間內確認。

在附註3內，管理層已解釋應用對財務報表有重大影響的《香港財務報告準則》所作的詳細判斷及不明朗估計的主要來源。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Details of judgement made by the management in the application of HKFRS that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

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2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響

香港會計師公會已頒布以下於本集團之本會計期間首次生效之經修訂《香港財務報告準則》:

- 《香港財務報告準則》第3號之修訂「*業務之定義*」
- 《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂「*利率基準改革*」
- 《香港會計準則》第16號之修訂「*新型冠狀病毒肺炎相關租金減讓*」

除《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂「*利率基準改革*」以及《香港會計準則》第16號之修訂「*新型冠狀病毒肺炎相關租金減讓*」外,該等變動概無對本集團本期間或過往期間之業績及財務狀況之編製或呈列方式有重大影響。本集團未有應用任何於本會計期間未生效之新訂準則或詮釋。

《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂「*利率基準改革*」

本集團從二零二零年一月一日起,初始採用銀行同業拆借利率改革(《香港財務報告準則第9號)、《香港會計準則第39號》和《香港財務報告準則第7號》之修訂)。

本集團把銀行同業拆借利率改革修訂本追溯應用於二零二零年一月一日已存在或在該日後指定並直接受利率基準改革影響的套期關係。這些修訂亦應用於二零二零年一月一日已存在的計入其他綜合收益的損益金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs")

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRS 3, *Definition of a Business*
- Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform*
- Amendments to HKAS 16, *Covid-19-Related Rent Concessions*

Except for Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform* and Amendment to HKFRS 16, *COVID-19-Related Rent Concessions*, none of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform*

The Group has initially adopted Interest Rate Benchmark Reform (Amendments to HKFRS 9, HKAS 39 and HKFRS 7) from 1 January 2020.

The Group applied the Interest Rate Benchmark Reform Amendments retrospectively to hedging relationships that existed at 1 January 2020 or were designated thereafter and that are directly affected by interest rate benchmark reform. These amendments also apply to the gain or loss recognized in other comprehensive income that existed at 1 January 2020.

2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響(續)

《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂*「利率基準改革」*(續)

A. 管理利率基準改革以及由此產生的任何風險

i. 概述

全球正在對主要利率基準進行根本性改革，包括用替代性的、接近無風險的利率取代銀行同業拆借利率。本集團的金融工具面臨銀行同業拆借利率風險，將在相關的市場舉措中予以替代或改革。本集團經營所在轄區的過渡時點和方法存在不確定性。本集團預計IBOR改革將影響風險管理和套期會計。本集團已建立了一個項目來管理其所有可能受影響的合同的過渡。該項目由一名副行政總裁負責，涉及集團各職能部門的高級代表，包括資產負債管理，一線業務和產品管理，法律和合規，財務，風險管理，運營和技術。項目組每月向管理層提供進度更新。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform (continued)*

A. Managing interest rate benchmark reform and any risks arising due to reform

i. Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. There is uncertainty over the timing and the methods of transition across the jurisdictions that the Group operates in. The Group anticipates that IBOR reform will impact its risk management and hedge accounting. The Group has established a project to manage the transition for any of its contracts that could be affected. The project is coordinated by a Deputy Chief Executive and involved senior representatives from functions across the Group including the asset and liability management, front line business and product management, legal and compliance, finance, risk management, operations and technology. The project team provides monthly progress updates to the senior management.

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2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響(續)

《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂*「利率基準改革」*(續)

A. 管理利率基準改革以及由此產生的任何風險(續)

ii. 就風險管理目的而持有的衍生工具以及套期會計

衍生工具

本集團就風險管理目的而持有在現金流量套期關係中指定的利率掉期。利率掉期的浮動部分與歐元銀行同業拆借利率(Euribor利率)、香港銀行同業拆借利率(HIBOR利率)或美元倫敦銀行同業拆借利率(美元LIBOR利率)相掛鈎。本集團的衍生工具受國際掉期交易協會(ISDA)的主協議的約束。該協會已經於二零二零年十月二十三日發佈了後備條款標準及內容，本集團也開始啟動了ISDA協議簽署客戶的相關工作。截至二零二零年十二月三十一日，本集團未修改任何衍生工具。

套期會計

本集團已評估，截至二零二零年十二月三十一日，其現金流套期關係在多大程度上因IBOR改革而面臨不確定性。本集團的被套期項目和套期工具仍然與IBOR基準利率相掛鈎，即Euribor利率、HIBOR利率和美元LIBOR利率。IBOR基準利率將每日報價，並且IBOR現金流量將與對手方照常進行交換。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform (continued)*

A. Managing interest rate benchmark reform and any risks arising due to reform (continued)

ii. Derivatives held for risk management purposes and hedge accounting

Derivatives

The Group holds interest rate swaps for risk management purposes, which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to either Euribor, HIBOR or USD LIBOR. The Group's derivative instruments are governed by the International Swaps and Derivatives Association (ISDA)'s Master Agreement. ISDA fallback protocol and supplement was released on 23 October, 2020, and the group has prepared to negotiate the inclusion of new fallback clauses with its derivative counterparties. No derivative instruments have been modified as at 31 December 2020.

Hedge accounting

The Group evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 31 December 2020. The Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rates which are Euribor, HIBOR and USD LIBOR. IBOR benchmark rates are quoted each day and IBOR cash flows are exchanged with its counterparties as usual.

2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響(續)

《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂*「利率基準改革」*(續)

A. 管理利率基準改革以及由此產生的任何風險(續)

ii. 就風險管理目的而持有的衍生工具以及套期會計(續)

套期會計(續)

二零一九年，Euribor利率的計算方法發生變化。該年七月，比利時金融服務市場管理局根據歐盟基準條例授權使用Euribor利率，即允許市場參與者繼續就現有和新增合同使用Euribor利率。本集團預計Euribor利率將在可預見的將來繼續作為基準利率而使用。

但是，本集團的現金流量套期關係將超出美元LIBOR利率的預計終止日期。本集團預計美元LIBOR利率將在二零二三年六月三十日後停止使用。首選的替代參考利率為擔保隔夜融資利率(SOFR)。接受IBOR改革影響的套期關係應用二零一九年九月頒布的《香港財務報告準則》第9號修訂。

直接受IBOR改革影響的套期關係可能會失效，原因是市場參與者對何時從當前的IBOR基準利率轉變為替代基準利率的預期存在差異。被套期項目和套期工具的過渡可能發生在不同時點，並可能導致套期無效。本集團已按照相同期限和類似到期日的美元LIBOR利率工具的可獲取市場利率報價，計量了與LIBOR利率相掛鈎的套期工具，並在類似基礎上計量了套期現金流現值的累計變化。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform* (continued)

A. Managing interest rate benchmark reform and any risks arising due to reform (continued)

ii. Derivatives held for risk management purposes and hedge accounting (continued)

Hedge accounting (continued)

The calculation methodology of Euribor changed during 2019. In July 2019, the Belgian Financial Services and Markets Authority granted authorization with respect to Euribor under the European Union Benchmarks Regulation. This allows market participants to continue to use Euribor for both existing and new contracts and the Group expects that Euribor will continue to exist as a benchmark rate for the foreseeable future.

However, the Group's cash flow hedging relationships extend beyond the anticipated cessation date for USD LIBOR. The Group expects that USD LIBOR will be discontinued after the 30 June, 2023. The preferred alternative reference rate is Secured Overnight Financing Rate (SOFR). The Group applies the amendments to HKFRS 9 issued in September 2019 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness. The Group has measured its hedging instrument indexed to USD LIBOR using available quoted market rates for LIBOR-based instruments of the same tenor and similar maturity and has measured the cumulative change in present value of hedged cash flows on a similar basis.

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2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響(續)

《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號之修訂*「利率基準改革」*(續)

A. 管理利率基準改革以及由此產生的任何風險(續)

ii. 就風險管理目的而持有的衍生工具以及套期會計(續)

套期會計(續)

截至二零二零年十二月三十一日，本集團在套期關係中指定的美元LIBOR利率風險敞口的名義金額為44,281百萬港元，這是因為利率掉期對沖美元LIBOR利率現金流量，與本集團在二零二三年到期的以美元計價的銀行擔保貸款負債的本金相同。本集團正積極與貸款人接洽，在二零二一年後到期的浮動利率負債中添加適當的後備準備。我們預計套期工具將按照上述「衍生工具」所概述的內容予以修改。

B. 自二零二零年一月一日起適用於直接受IBOR改革影響的套期的具體政策

為了評估被套期項目與套期工具之間是否存在經濟關係，本集團假設基準利率不會因IBOR改革而改變。

對於預測交易的現金流量套期，本集團假設基準利率不會因IBOR改革而更改基準利率，以便認定此項預測交易極有可能發生，並且存在最終可能影響損益的現金流量變動風險。為確定指定的預測交易是否不再發生，本集團假設指定為套期的利率基準現金流量不會因IBOR改革而改變。

如果在被套期項目或套期工具的利率基準現金流量的時點和金額方面不再存在因IBOR改革所引起的不確定性，或者當套期關係終止時，本集團將停止對被套期項目與套期工具之間的經濟關係評估應用修訂。為了對被套期項目進行極有可能性評估，當被套期項目基於利率基準的未來現金流的時點和金額不再因IBOR改革而存在不確定性，或者當套期關係終止時，本集團將不再應用該修訂。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform (continued)*

A. Managing interest rate benchmark reform and any risks arising due to reform (continued)

ii. Derivatives held for risk management purposes and hedge accounting (continued)

Hedge accounting (continued)

The Group's exposure to USD LIBOR designated in a hedging relationship is HKD44,281 million nominal amount at 31 December 2020 attributable to the interest rate swap hedging USD LIBOR cash flows on the same principal amount of the Group's USD-denominated secured bank loan liability maturing in 2023. The Group is actively engaging with lenders to include appropriate fallback provisions in its floating-rate liabilities with maturities after 2021. We expect that the hedging instrument will be modified as outlined under Derivatives above.

B. Specific policies applicable from 1 January 2020 for hedging directly affected by IBOR reform

For the purpose of evaluating whether there is an economic relationship between the hedged items and the hedging instruments, the Group assumes that the benchmark interest rate is not altered as a result of IBOR reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of IBOR reform for the purpose of asserting that the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. To determine whether the designated forecast transaction is no longer expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of IBOR reform.

The Group will cease to apply the amendments to its assessment of the economic relationship between the hedged item and the hedging instrument when the uncertainty arising from IBOR reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, or when the hedging relationship is discontinued.

2 主要會計政策概述(續)

2.2 新訂／經修訂《香港財務報告準則》(「《香港財務報告準則》」)及《香港會計準則》(「《香港會計準則》」)之影響(續)

《香港會計準則》第16號之修訂「新型冠狀病毒肺炎相關租金減讓」

此修訂提供了一種可行權宜方法，容許承租人無須評估因新型冠狀病毒肺炎大流行而直接產生的若干合資格租金減讓(「新型冠狀病毒肺炎相關租金減讓」)是否一種租賃修訂，而是將該等租金減讓當作非租賃修訂入賬。

本集團已選擇提早採納此修訂，並對本集團於年內獲授的所有合資格的新型冠狀病毒肺炎相關租金減讓採取有關的可行權宜方法。因此，已收到的租金減讓9百萬港元已入賬為負可變租賃付款，並於觸發該等付款的事件或情況發生的期間在損益中確認。二零二零年一月一日的期初權益結餘並無受到影響。

2.3 已頒布但尚未在截至二零二零年十二月三十一日止年度生效的修訂、新準則及詮釋可能構成影響

若干修訂及新準則於二零二一年一月一日之後開始之年度期間生效並可提早應用。本集團於編製本財務報告時並無提早採納任何新訂或經修訂準則。可能與本集團有關之修訂及新準則如下。

	由以下日期或之後開始之會計期起生效
《香港財務報告準則》第3號之修訂「概念框架的提述」	二零二二年一月一日
《香港會計準則》第16號之修訂「物業及設備：達到擬定用途前所獲收入」	二零二二年一月一日
《香港會計準則》第37號之修訂「虧損合約—履行合約之成本」	二零二二年一月一日
《香港財務報告準則》二零一八年至二零二零年週期之年度改進	二零二二年一月一日

本集團正在評估該等修訂、新準則及詮釋對初始應用期間預期產生之影響。至今所得結論是若採納該等修訂、新準則及詮釋對綜合財務報表不大可能構成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Impact of new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (continued)

Amendments to HKAS 16, Covid-19-Related Rent Concessions

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic ("COVID-19-related rent concessions") are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19 related rent concessions granted to the Group during the year. Consequently, rent concessions received of HKD9 million have been accounted for as negative variable lease payments recognized in profit or loss in the period in which the event or condition that triggers those payments occurred. There is no impact on the opening balance of equity at 1 January 2020.

2.3 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2020

A number of amendments and new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted. The Group has not early adopted any new or amended standards in preparing this financial report. These include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 3, Reference to the Conceptual Framework	1st January, 2022
Amendments to HKAS 16, Property, Plant and Equipment: Proceeds before Intended Use	1st January, 2022
Amendments to HKAS 37, Onerous Contracts – Cost of Fulfilling a Contract	1st January, 2022
Annual Improvement to HKFRSs 2018-2020 Cycle	1st January, 2022

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

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2 主要會計政策概述(續)

2.4 綜合基準

綜合財務報表包括本銀行及其附屬公司截至二零二零年十二月三十一日止年度之財務報表以及應佔其聯營公司(統稱「本集團」)之業績及儲備。

(a) 附屬公司

附屬公司為本集團所控制之實體。當透過參與從而令本集團面對或獲取不同之回報,及有能力透過控制該實體而影響所獲取之回報,本集團被視作可控制該實體。在評估本集團是否有控制權時,只考慮實質的權力(由本集團及其他人士所擁有)。

集團成員公司間所有交易及結餘已在綜合財務報表內對銷。

業務合併乃以收購法入賬。轉讓之代價乃以收購日期的公平價值計算,該公平價值為本集團轉讓的資產於收購日期的公平價值、本集團自被收購方的前擁有人承擔的負債,以及本集團發行以換取被收購方控制權的股權的總和。於各業務合併中,收購方以公平價值或被收購方可識別資產淨值的應佔比例,計算於被收購方的非控股權益。收購相關成本於產生時扣除。

當本集團收購一項業務時,會根據合約條款、於收購日期的經濟環境及相關條件,評估將承接的金融資產及負債,以作出適合的分類及指定,其中包括將被收購方主合約中的嵌入式衍生工具分開。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries and attributable share of results and reserves of its associate (collectively referred to as the "Group") for the year ended 31 December 2020.

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the group has power, only substantive rights (held by the Group and other parties) are considered.

All intra-group transactions and balances are eliminated on consolidation.

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2 主要會計政策概述(續)

2.4 綜合基準(續)

(a) 附屬公司(續)

倘業務合併是分階段進行，先前持有的股權按收購日期的公平價值重新計量，任何由此產生的收益或虧損於損益確認。

由收購方將予轉讓的任何或然代價將於收購日期按公平價值確認。分類為金融工具且在《香港財務報告準則》第9號範疇內一項資產或負債的或然代價按公平價值計量，相關公平價值的變動則於損益確認或作為其他全面收益的變動。倘或然代價並非在《香港財務報告準則》第9號的範疇內，則按合適的《香港財務報告準則》計量。分類為權益的或然代價不會重新計量，而其後結算於權益中入賬。

倘本集團失去附屬公司的控制權，則會取消確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計匯兑差額；並且確認(i)已收代價的公平價值；(ii)任何獲保留投資的公平價值；及(iii)計入損益的任何盈餘或虧絀。先前於其他全面收益已確認的本集團應佔成份，乃視乎情況重新分類至損益或保留溢利。

對附屬公司所有權權益的變動於未失去其控制權時以股權交易入賬。

附屬公司之業績以已收及應收股息計入本銀行之收益表。本銀行於附屬公司之投資按成本減任何減值損失列賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation (continued)

(a) Subsidiaries (continued)

If the business combination is achieved in stages, previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of HKFRS 9 is measured at fair value with changes in fair value either recognised in profit or loss or as change to other comprehensive income. If the contingent consideration is not within the scope of HKFRS 9, it is measured in accordance with the appropriate HKFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The results of subsidiaries are included in the Bank's income statement to the extent of dividends received and receivable. The Bank's investments in subsidiaries are stated at cost less any impairment losses.

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2 主要會計政策概述(續)

2.4 綜合基準(續)

(b) 聯營公司

聯營公司為附屬公司或共同控制實體以外，且本集團一般持有其股本投票權不少於20%權益作長期投資而對其管理有重大影響力之實體。

本集團於聯營公司之權益按本集團根據權益會計法分佔之資產淨值減任何減值損失，計入綜合財務狀況表。本集團分佔聯營公司之收購後業績及儲備分別計入綜合收益表及綜合儲備內。因本集團與其聯營公司進行之交易而產生之未變現收益及虧損以本集團於聯營公司之權益為限予以對銷，惟如未變現虧損有證據證明所轉讓資產出現減值則除外。因收購聯營公司產生之商譽計入為本集團於聯營公司之權益之一部分，且不會單獨進行減值測試。

聯營公司之業績以已收及應收股息計入本銀行之收益表。本銀行於聯營公司之投資被視為非流動資產及按成本減任何減值損失列賬。

為符合監管匯報的要求，計算本集團綜合資本充足比率之綜合基準載於「附加財務資料」之附註1內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation (continued)

(b) Associate

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interests in associate are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associate is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associate is included as part of the Group's interests in associate and is not individually tested for impairment.

The results of associate are included in the Bank's income statement to the extent of dividends received and receivable. The Bank's investments in associate are treated as non-current assets and are stated at cost less any impairment losses.

For regulatory reporting, the basis of consolidation for calculation of consolidated capital adequacy ratio of the Group is set out in Note 1 of the "Supplementary Financial Information" section.

2 主要會計政策概述(續)

2.5 利息收入及支出

所有附息金融工具之利息收入及支出乃採用實際利率法於收益表確認。

實際利率法是一種計算金融資產或金融負債已攤銷成本，以及於相關期間分配利息收入及利息支出之方法。實際利率是可準確將金融工具在預計年期內產生之未來現金付款或收入折算為現值，或(如適用)在較短期內折算為該金融資產或金融負債賬面淨值之利率。當計算實際利率時，本集團估計現金流時須考慮金融工具(例如預付選擇權)之所有合約條款，但不包括未來信用損失。實際利率組成部分之計算包括所有合約對手之間所支付或收取之收費及利率差價、交易成本及其他所有溢價或折扣。

若金融資產或一組相類之金融資產之價值因減值損失而被撇減，計算利息收入時則以計算減值損失時用以折現未來現金流量之利率確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Interest income and expense

Interest income and expense are recognised in the income statement for all interest-bearing financial instruments using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, an interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

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2 主要會計政策概述(續)

2.6 非利息收入

費用及佣金收入及支出
費用及佣金一般當提供有關服務時按應計基準確認。有關很可能被提取之貸款之貸款承擔費用予以遞延(連同相關直接成本),並確認為對該貸款實際利率之調整。銀團貸款費是在銀團貸款完成後,而本集團沒有為本身保留任何該貸款組合,或所保留之部分貸款與其他參與方之實際利率相同時,確認為收入。

組合及其他管理諮詢及服務費一般按時間比例基準,根據適用服務合約確認。

淨交易收入
淨交易收入包括所有分類為持作交易及備供銷售的金融資產及金融負債公平價值變動之損益。衍生工具公平價值變動產生之損益,以附註2.7所載之會計政策所述者為限呈報為「淨交易收入」。

外匯買賣及其他交易之損益亦呈報為「淨交易收入」,惟根據載於附註2.12之會計政策於匯兑儲備確認之外幣換算之損益除外。

股息收入
股息乃於本集團收取付款之權利確定時於收益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Non-interest income

Fee and commission income and expense
Fees and commissions are generally recognised on an accrual basis when the service has been provided. Commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan. Loan syndication fees are recognised as revenue when the syndication has been completed and the Group retained no part of the loan package for itself or retained a part at the same effective interest rate as the other participants.

Portfolio and other management advisory and service fees are recognised based on the applicable service contracts, usually on a time- apportionate basis.

Net trading income
Net trading income comprises all gains and losses from changes in the fair value of financial assets and financial liabilities classified as held for trading and available for sale. Gains or losses arising from changes in fair value of derivatives to the extent as described in the accounting policy set out in Note 2.7 are reported as "Net trading income".

Gains and losses on foreign exchange trading and other transactions are also reported as "Net trading income" except for those gains and losses on translation of foreign currencies recognised in the foreign exchange reserve in accordance with the accounting policy set out in Note 2.12.

Dividend income
Dividends are recognised in the income statement when the Group's right to receive payment is established.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計

2.7.1 金融資產及金融負債

i. *確認及初始計量*

本集團於貸款及其他賬項、存款、發行債券及後償負債產生之日初始確認。所有其他金融工具(包括以恆常性買賣金融資產)於交易日期確認,本集團於該日成為該工具合約條款的一方。

金融資產或金融負債初始以公平價值(若非以公平價值經損益表入賬項目,加其收購或發行直接應佔交易成本)計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting

2.7.1 Financial assets and financial liabilities

i. *Recognition and initial measurement*

The Group initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

ii. 分類

初始確認時，金融資產分類為：以攤銷成本入賬、以公平價值經其他全面收益入賬或以公平價值經損益表入賬。

倘金融資產符合以下兩項條件，以攤銷成本入賬及不指定以公平價值經損益表入賬：

- 持有資產的業務模型，目的為持有資產以收取合約現金流量；及
- 金融資產的合約條款於特定日期產生的現金流量純粹為未償還本金支付本金及利息。

僅當債務工具符合以下兩項條件，其以公平價值經其他全面收益入賬而並不指定以公平價值經損益表入賬：

- 持有資產的業務模型，目的透過收取合約現金流量及出售金融資產達至；及
- 金融資產的合約條款於特定日期產生的現金流量純粹為未償還本金支付本金及利息。

於初始確認並非持作交易用途的權益投資時，本集團可以不能撤回地選擇於其他全面收益呈列其後公平價值變動。此選擇為按個別投資的基準作出。

所有其他金融資產分類為以公平價值經損益表入賬。

此外，初始確認時，本集團可以不能撤回地指定符合以攤銷成本入賬或以公平價值經其他全面收益入賬要求之金融資產以公平價值經損益表入賬，倘如此能消除或顯著減少會計錯配。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

ii. Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVTOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

ii. 分類(續)

業務模型評估

本集團在組合層面持有的資產評估業務模型之目標，因為這最能反映業務管理的方法及向管理層提供資訊的方式。考慮的資訊包括：

- 組合的既定政策和目標以及該等政策的實際操作。

  尤其是，管理層策略是否聚焦於賺取合約利息收入、維持特定的利率概況、將金融資產的期限與為該等資產提供資金或透過出售該等資產變現現金流量之負債的期限相配；

- 組合的表現如何評估及呈報予本集團的管理層；

- 影響業務模型(及該業務模型下持有的金融資產)表現的風險以及如何管理該等風險；

- 業務管理人員如何得到補償－例如補償是否根據所管理資產的公平價值或所收取的合約現金流量決定；及

- 過往期間的出售頻率、銷量及出售時點，出售原因以及未來銷售活動的預期。然而，有關銷售活動的資料不會單獨考慮，而是作為整體評估本集團管理金融資產方面達成既定目標及變現現金流量表現的一部分。

持作交易用途或管理及表現按公平價值基準評估的金融資產乃以公平價值經損益表入賬，因為持有彼等不為收取合約現金流量，亦不為同時收取合約現金流量及出售金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

ii. Classification (continued)

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.

  In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

ii. 分類(續)

評估合約現金流量是否僅為支付本金及利息

就評估的目的而言,「本金」的定義是金融資產在初始確認時的公平價值。「利息」的定義是貨幣的時間價值以及與特定時段內未償還本金額有關的信用風險以及其他基本貸款風險及成本(如流動性風險及行政成本)以及利潤率的代價。在評估合約現金流量是否僅為支付本金及利息時,本集團考慮工具的合約條款。這包括評估金融資產是否包含可能改變合約現金流量時點或金額的合約條款,致使其不符合該項條件。在評估時,本集團考慮:

- 將會改變現金流量金額及時點的或有事件;
- 槓桿特徵;
- 提前還款及延期條款;
- 限制本集團申索指定資產(如無追索權資產安排)現金流量的條款;及
- 修改對貨幣時間價值考慮的特徵—如定期重設利率。

重新分類

金融資產於初始確認後不作重新分類,除於本集團更改其管理金融資產的業務模型後的期間。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

ii. Classification (continued)

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

ii. 分類(續)

金融負債

本集團把其金融負債(除金融擔保及貸款承諾外)分類為以攤銷成本入賬或以公平價值經損益表入賬。

iii. 終止確認

金融資產

當來自金融資產的現金流量的合約權利屆滿(另見(iv)),或本集團轉移其於交易中收取合約現金流量的權利,當中已轉移金融資產擁有權的絕大部分風險及回報,或本集團既不轉移亦不保留擁有權的絕大部分風險及回報且並不保留該金融資產的控制權時,則本集團終止確認該金融資產。

一旦終止確認金融資產,資產的賬面值(或分配至終止確認部分資產的賬面值)與(i)收到的代價(包括已取得的任何新資產減承擔的任何新負債)與(ii)已在其他全面收益中確認的累積損益之和的差額於損益內確認。

任何就權益投資證券在其他全面收益中確認的累積損益(指定以公平價值經其他全面收益入賬)於該等證券終止確認時不在損益中確認。已轉移金融資產的任何權益若符合終止確認資格且為本集團所創造或保留均確認為單獨的資產或負債。

本集團訂立交易事項,據此轉移於財務狀況表中確認的資產,惟保留已轉移資產的所有或絕大部分風險及回報或部分風險及回報。在此等情況下,不終止確認已轉移資產。該等交易事項包括借出證券及回購交易。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

ii. Classification (continued)

Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire (see also (iv)), or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

iii. *終止確認(續)*

金融資產(續)

當資產售予第三方而同時對已轉讓資產擁有總額回報掉期，則該交易與回購交易相似以有抵押融資交易入賬，因為本集團保留該等資產擁有權的所有或絕大部分風險及回報。

就金融資產擁有權的絕大部分風險及回報並無保留或轉讓的交易及本集團保留該資產的控制權而言，本集團繼續確認該資產，以其持續參與程度為限，而參與程度將根據承受已轉讓資產價值變動的程度釐定。

在若干交易中，本集團保留對已轉移金融資產提供有償服務的義務。已轉移資產於滿足終止確認準則時終止確認。倘服務費高於履行服務的適合水平(資產)或低於履行服務的適合水平(負債)，則針對服務合約確認資產或負債。

金融負債

當金融負債的合約責任獲解除或取消或屆滿，則本集團終止確認該金融負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

iii. *Derecognition (continued)*

Financial assets (continued)

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Group retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

iv. 金融資產及金融負債的修訂

金融資產

倘金融資產的條款被修訂，本集團將評估該經修訂資產的現金流量是否出現重大差異。倘現金流量出現重大差異，則原金融資產現金流量的合約權利將被視為屆滿。在此情況下，原金融資產將終止確認(見(iii))，並按公平價值確認新金融資產。

倘經修訂資產以攤銷成本入賬的現金流量並無重大差異，則該修訂不會導致該金融資產終止確認。在此情況下，本集團將重新計算該金融資產的總賬面值，並於損益內確認調整總賬面值後的金額為經修訂損益。倘進行修訂是由於借款人出現財務困難(見(vii))，則損益與減值損失一起呈列。否則，其將呈列為利息收入。

金融負債

當金融負債的條款被修改，而經修改負債的現金流量出現重大差異，則本集團將終止確認該金融負債。在此情況下，經修改條款下的新金融負債以公平價值確認。原金融負債與經修改條款下的新金融負債的賬面值差額於損益確認。

v. 抵銷

當及僅當本集團現時存在一項可依法強制執行的權利可抵銷金融資產及金融負債，且其有意以淨額基準結算或同時變現資產及清償負債，則兩者可予抵銷，而其淨額於財務狀況表呈列。

收入及支出僅在《香港財務報告準則》允許的情況下或就一組類似交易(例如本集團的交易活動)所產生的損益按淨額基準呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

iv. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower (see (vii)), then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under HKFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vi. 公平價值計量

「公平價值」是指市場參與者於計量日在本集團可接觸的主要市場(如沒有主要市場,則為最有利的市場)進行有秩交易時,因出售資產所收取的價格或因轉移負債所支付的價格。負債的公平價值反映了其不履約風險。

本集團使用工具在活躍市場的報價計量該工具的公平價值(如適用)。如果該資產或負債的交易頻率和數額足以持續提供定價信息,即可視為活躍市場。

當活躍市場中沒有報價時,本集團會採用估值技術,並盡量使用相關的可觀察輸入數據及避免使用不可觀察的輸入數據。所選用的估值技術包含了市場參與者在釐定交易價格時會考慮的所有因素。

金融工具的交易價格(即所支付或所收取的代價之公平價值)一般是初始確認有關工具的公平價值的最佳依據。如果本集團認為初始確認的公平價值有別於交易價格,而公平價值既非以相同資產或負債在活躍市場的報價作依據,亦不是採用任何不可觀察輸入數據被判斷為就計量而言屬不重大的估值技術,則金融工具會按公平價值初始計量,並作出相應調整,以便遞延初始確認的公平價值與交易價格之間的差異。有關差異其後會在該項工具的整個合約期中,按適當基準在損益中確認,但不遲於可完全以可觀察市場數據支持估值或交易完成之時。

如果按公平價值計量的資產或負債有買入價和賣出價,本集團會以買入價計量資產和長倉,以賣出價計量負債和短倉。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vi. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vi. 公平價值計量(續)

承受市場風險及信用風險(由本集團以市場或信用風險淨額基準管理)的金融資產及金融負債組合的特定風險額,是以出售淨長倉時收取(或轉讓淨短倉時支付)的價格為計量基準。在組合層面的調整數額(例如按淨額基準反映其計量的買賣價調整或信用風險調整),會按組合內各項工具的相對風險調整基準分配至個別的資產和負債。

包含活期特徵(例如活期存款)金融負債的公平價值不少於按要求償還的金額,自該金額可能被要求償付首日當天貼現。

本集團會在報告期末確認期內在各公平價值等級之間出現的任何轉移。

vii. 減值

就以下非以公平價值經損益表入賬金融工具之預期信用損失,本集團確認虧損撥備:

- 屬債務工具的金融資產;
- 應收租金;
- 已發出的金融擔保合約;及
- 已發出的貸款承諾。

概無就權益投資確認減值損失。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vi. Fair value measurement (continued)

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

vii. Impairment

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vii. 減值(續)

本集團以等同合約期內之預期信用損失的金額計量虧損撥備，惟以下除外，彼等以12個月以內預期信用損失計量：

- 於報告日期被釐定為低信用風險之債務投資證券；及
- 自初始確認以來其信用風險未有大幅上升的其他金融工具(應收租金除外)。

應收租金之虧損撥備總以等同合約期內之預期信用損失的金額計量。

當債券信用風險評級相當於根據眾所周知的定義下的「投資級」，則本集團視之為擁有低信用風險。12個月以內預期信用損失指於報告日期後12個月內金融工具可能出現的違約事件導致的預期信用損失部分。

預期信用損失的計量
預期信用損失為信用損失之概率加權估計，其計量方法如下：

- 於報告日期並無信貸不良之金融資產：所有現金流短缺的現值(即實體根據合約應收的現金流量與本集團預期收到的現金流量之間的差額)；
- 於報告日期有信貸不良之金融資產：總賬面值與估計未來現金流的現值之間的差額；
- 未動用貸款承諾：倘動用承諾本集團應收的合約現金流量與本集團預期收到的現金流量之間差額的現值；及
- 金融擔保合約：預期償付持有人的付款減本集團預期收回的任何金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vii. Impairment (continued)

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The Group considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Measurement of ECL
ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vii. *減值(續)*

經重組的金融資產

倘因借款人出現財務困難重新磋商或修訂金融資產的條款或現存的金融資產由新的金融資產取代，則將評估該金融資產應否終止確認，預期信用損失計量方法如下：

- 倘預期重組將不會導致現存資產終止確認，則經修訂金融資產產生的預期現金流量於計算來自現存資產的現金短缺時計入。
- 倘預期重組將導致現存資產終止確認，則新資產的預期公平價值於現存金融資產終止確認時被當成為來自現存資產的最終現金流量。此金額於計算來自現存金融資產的現金短缺時計入，按現存金融資產原實際利率自預期終止確認日期至報告日期貼現。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vii. *Impairment (continued)*

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vii. *減值(續)*

有信貸不良的金融資產

於各報告日期，本集團評估以攤銷成本入賬金融資產及以公平價值經其他全面收益入賬債務金融資產是否有信貸不良。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現「信貸不良」。

金融資產信貸不良的證據包括以下可觀察數據：

- 借款人或發行人出現重大財務困難；
- 違反合約，如拖欠或逾期事件；
- 按本集團於其他情況下不會考慮之條款進行貸款重組；
- 借款人很有可能將告破產或進行其他財務重組；或
- 因為出現財政困難而導致證券失去活躍市場。

因借款人狀況惡化重新磋商的貸款通常被認為出現信貸不良，除非有證據顯示未能收取合約現金流量的風險大幅減少及概無其他減值的指標。此外，逾期90日或以上的零售貸款被認為需要減值。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vii. *Impairment (continued)*

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered impaired.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vii. 減值(續)

有信貸不良的金融資產(續)

於評估主權債券投資是否出現信貸不良時，本集團考慮以下因素：

- 市場對信貸能力的評估，於債券孳息率中反映。
- 評級機構對信貸能力的評估。
- 有關國家接觸資本市場以發行新債券的能力。
- 債券重組的概率，其將導致持有人透過自願性或強制性債務減免蒙受虧損。
- 現行國際支援機制提供所需的支援以作該國的「最後貸款人」，以及政府及機構使用該等機制的動機(於公開聲明中反映)。這包括評估該等機制的深度及(不論有否政治目的)是否有能力達成所需的準則。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vii. Impairment (continued)

Credit-impaired financial assets (continued)

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

vii. 減值(續)

預期信用損失撥備於財務狀況表的呈列

預期信用損失的虧損撥備於財務狀況表呈列方式如下：

- 以攤銷成本入賬金融資產：從資產總賬面值的扣減；
- 貸款承諾及金融擔保合約：一般而言列作撥備；
- 當金融工具包括已動用及未動用部分，且本集團不能從已動用部分的預期信用損失中分辨出貸款承諾部分的預期信用損失：本集團就兩部分呈列合併虧損撥備。合併賬目呈列為從已動用部分總賬面值的扣減。超逾已動用部分總賬面值之任何虧損撥備呈列為撥備；及
- 以公平價值經其他全面收益入賬債務工具：概無虧損撥備於財務狀況表獲確認，因為該等資產的賬面值為其公平價值。然而，虧損撥備獲披露及於公平價值儲備中確認。

核銷

若貸款及債券無實際可收回的前景，則予核銷(部分或全部)。當本集團判斷借款人並無資產或收入來源可產生足夠的現金流量以償還應核銷的金額時，一般會如此處理。然而，本集團對已核銷的金融資產會繼續追收債務的工作，以遵守本集團收回應收金額的程序。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

vii. Impairment (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- debt instruments measured at FVTOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.1 金融資產及金融負債(續)

viii. 指定以公平價值經損益表

金融資產

於初始確認時，本集團已指定若干金融資產以公平價值經損益表入賬，因為此指定消除或顯著減少會計錯配，否則錯配將會發生。

金融負債

本集團已指定若干金融負債以公平價值經損益表入賬，涉及以下其中一種情況：

- 該等負債按公平價值基準作內部管理、評估及呈報；或
- 此指定消除或顯著減少會計錯配，否則錯配將會發生。

2.7.2 現金及等同現金項目

「現金及等同現金項目」包括紙幣及硬幣、於央行持有的不受限結餘及流動性強的金融資產(自收購日期至原到期日為三個月或以下且彼等公平價值變動的風險微不足道)，及為本集團用作管理其短期承諾。

現金及等同現金項目乃以攤銷成本入賬財務狀況表。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.1 Financial assets and financial liabilities (continued)

viii. Designation at fair value through profit or loss

Financial assets

At initial recognition, the Group has designated certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, which would otherwise rise.

Financial liabilities

The Group has designated certain financial liabilities as at FVTPL in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.7.2 Cash and cash equivalents

'Cash and cash equivalents' include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.3 交易資產及負債

「交易資產及負債」指本集團購入或產生的資產及負債，其主要目的為於近期內出售或回購，或持作組合的一部分並管理作短期獲利或持倉之用。

交易資產及負債乃以公平價值初始確認及其後於財務狀況表入賬，交易成本則於損益中確認。所有公平價值變動於損益中確認為淨交易收入的一部分。

2.7.4 持作風險管理用途的衍生工具及對沖會計

持作風險管理用途的衍生工具包括所有不作交易資產及負債分類的衍生工具資產及負債。持作風險管理用途的衍生工具於財務狀況表中以公平價值入賬。

本集團將若干持作風險管理用途的衍生工具及若干非衍生金融工具指定為合資格對沖關係下的對沖工具。於初始指定對沖時，本集團正式以文件記錄對沖工具與對沖項目之間的關係，包括風險管理目的及進行對沖的策略，以及將會用以評估對沖關係有效性的方法。本集團於對沖關係開始時及以持續基準作出評估，即預期對沖工具於指定對沖期間內抵銷相關對沖項目之公平價值或現金流量變動方面是否高效，及各對沖之實際結果是否介乎80%至125%之間。本集團對預測交易的現金流量對沖作出評估，即預測交易是否很大可能發生及是否呈現現金流量變化的風險(最終可能影響損益)。下文討論該等對沖關係。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.3 Trading assets and liabilities

'Trading assets and liabilities' are those assets and liabilities that the Group acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking.

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the statement of financial position, with transaction costs recognised in profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss.

2.7.4 Derivatives held for risk management purposes and hedge accounting

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position.

The Group designates certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at inception of the hedge relationship and on an ongoing basis, of whether the hedging instrument(s) is(are) expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item(s) during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80–125%. The Group makes an assessment for a cash flow hedge of a forecast transaction, of whether the forecast transaction is highly probable to occur and presents an exposure to variations in cash flows that could ultimately affect profit or loss. These hedging relationships are discussed below.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.4 持作風險管理用途的衍生工具及對沖會計(續)

i. *公平價值對沖*

倘指定一項衍生工具作為對沖獲確認資產或負債或可影響損益之堅定承諾之公平價值變動之對沖工具，則衍生工具公平價值變動即時與對沖風險應佔對沖項目公平價值變動一起於損益確認(於損益及其他全面收益表內作相沖項目列在同一行項目中)。

當對沖衍生工具已到期或被出售、終止或行使時，或該對沖不再符合公平價值對沖會計的準則，或取消指定對沖，則對沖會計將會終止。然而，倘由於法律或法規的關係，衍生工具被雙方更替予中央結算對手，而其條款並無改變(除該更替所需要的條款改變外)，則該衍生工具不被認為已到期或被終止。截至對沖項目終止之任何調整(使用實際利率法)以攤銷成本經損益入賬，作為該項目於其餘下合約期之經重新計算實際利率的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.4 Derivatives held for risk management purposes and hedge accounting (continued)

i. *Fair value hedges*

When a derivative is designated as the hedging instrument in a hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss together with changes in the fair value of the hedged item that are attributable to the hedged risk (in the same line item in the statement of profit or loss and other comprehensive income as the hedged item).

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. However, if the derivative is novated to a central clearing counterparties by both parties as a consequence of laws or regulations without changes in its terms except for those that are necessary for the novation, then the derivative is not considered expired or terminated. Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used is amortised to profit or loss as part of the recalculated effective interest rate of the item over its remaining life.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.4 持作風險管理用途的衍生工具及對沖會計(續)

ii. *現金流量對沖*

倘指定一項衍生工具作為對沖現金流量變動之對沖工具，而該現金流量變動源於與已確認資產或負債有關之特定風險，可能影響損益，則衍生工具公平價值變動之有效部分於其他全面收益確認，並於權益之對沖儲備內呈列。衍生工具公平價值變動之任何無效部分則於損益內即時確認。於其他全面收益確認的金額於對沖現金流量影響損益的同一期間重新分類至損益，作為重新分類調整(於損益及其他全面收益表內列在同一行項目中)。當對沖衍生工具已到期或被出售、終止或行使時，或該對沖不再符合現金流量對沖會計的準則，或取消指定對沖，則對沖會計將會終止。然而，倘由於法律或法規的關係，衍生工具被雙方更替予中央結算對手，而其條款並無改變(除該更替所需要的條款改變外)，則該衍生工具不被認為已到期或被終止。

iii. *淨投資對沖*

當一項衍生工具或非衍生金融負債指定為海外營運淨投資之對沖之對沖工具，則衍生工具公平價值變動之有效部分於其他全面收益確認，並於權益之匯兑儲備內呈列。衍生工具公平價值變動之任何無效部分則於損益內即時確認。於其他全面收益確認的金額重新分類至損益，作為出售海外營運之重新分類調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.4 Derivatives held for risk management purposes and hedge accounting (continued)

ii. *Cash flow hedges*

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve within equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of profit or loss and other comprehensive income. If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. However, if the derivative is novated to a central clearing counterparties by both parties as a consequence of laws or regulations without changes in its terms except for those that are necessary for the novation, then the derivative is not considered expired or terminated.

iii. *Net investment hedges*

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of the hedging instrument is recognised in other comprehensive income and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.4 持作風險管理用途的衍生工具及對沖會計(續)

iv. 其他非交易衍生工具

倘衍生工具並非持作交易用途，及並非於合資格對沖關係內指定，則其公平價值之所有變動於損益內即時確認，作為來自以公平價值經損益表入賬其他金融工具之淨收入的一部分。

v. 嵌入式衍生工具

衍生工具可嵌入另一項合約安排(主合約)。當出現以下情況，本集團將就一項嵌入式衍生工具與主合約分開處理：

- 主合約於《香港財務報告準則》第9號範疇下並非一項資產；
- 主合約本身並非以公平價值經損益表入賬；
- 倘嵌入式衍生工具的條款包含在單獨合約中，該等條款將符合衍生工具的定義；及
- 嵌入式衍生工具的經濟特徵及風險並非與主合約的經濟特徵及風險有緊密關係。

分開處理的嵌入式衍生工具以公平價值計量，公平價值之所有變動於損益內確認，除非其形成合資格現金流量或淨投資對沖關係的一部分。分開處理的嵌入式衍生工具於財務狀況表內與主合約一起呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.4 Derivatives held for risk management purposes and hedge accounting (continued)

iv. Other non-trading derivatives

If a derivative is not held for trading, and is not designated in a qualifying hedge relationship, then all changes in its fair value are recognised immediately in profit or loss as a component of net income from other financial instruments at FVTPL.

v. Embedded derivatives

Derivatives may be embedded in another contractual arrangement (a host contract). The Group accounts for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of HKFRS 9;
- the host contract is not itself carried at FVTPL;
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Separated embedded derivatives are measured at fair value, with all changes in fair value recognised in profit or loss unless they form part of a qualifying cash flow or net investment hedging relationship. Separated embedded derivatives are presented in the statement of financial position together with the host contract.

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2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.5 貸款及其他賬項

財務狀況表內的「貸款及其他賬項」科目包括：

- 以攤銷成本入賬貸款及其他賬項(見附註2.7.1(ii))；其以公平價值加增量直接交易成本初始計量，其後用實際利率法以攤銷成本計量；
- 強制以公平價值經損益表入賬或指定以公平價值經損益表入賬貸款及其他賬項；其以公平價值計量，變動於損益內即時確認；及
- 應收租金。

當本集團購入金融資產及同時訂立協議以於一個未來日期按定價再出售該資產(或一項相當類似的資產)(反向回購或借入股票)，該安排以貸款入賬，相關資產並無於本集團的財務報表內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.5 Loans and advances

'Loans and advances' captions in the statement of financial position include:

- loans and advances measured at amortised cost (see note 2.7.1(ii)); they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- loans and advances mandatorily measured at FVTPL or designated as at FVTPL; these are measured at fair value with changes recognised immediately in profit or loss; and
- lease receivables.

When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement is accounted for as a loan or advance, and the underlying asset is not recognised in the Group's financial statements.

2 主要會計政策概述(續)

2.7 金融資產、金融資產減值、金融負債、衍生金融工具及對沖會計(續)

2.7.6 投資證券

財務狀況表內的「投資證券」科目包括：

- 以攤銷成本入賬債務投資證券(見2.7.1(ii))；其以公平價值加增量直接交易成本初始計量，其後用實際利率法以攤銷成本計量；
- 強制以公平價值經損益表入賬或指定以公平價值經損益表入賬債務及權益投資證券；其以公平價值計量，變動於損益內即時確認；
- 以公平價值經其他全面收益入賬債券；及
- 指定以公平價值經其他全面收益入賬權益投資證券。

就以公平價值經其他全面收益入賬債券而言，損益於其他全面收益內確認，除以下各項於損益內確認外(方式如同金融資產以攤銷成本入賬)：

- 使用實際利率法的利息收入；
- 預期信用損失及撥回；及
- 匯兑損益。

當以公平價值經其他全面收益入賬債券終止確認，之前於其他全面收益內確認的累計損益由權益重新分類至損益。

本集團選擇於其他全面收益內呈列若干並非持作交易用途之權益工具投資之公平價值變動。該選擇乃按個別工具之基準於初始確認時作出及不能撤回。

該等權益工具的收益及虧損從不重新分類至損益及概無減值於損益內確認。股息於損益內確認，除非其清晰對應投資成本一部分的收回，在此情況下，其於其他全面收益內確認。於其他全面收益內確認的累計損益於出售投資時轉撥至保留溢利。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets, impairment of financial assets, financial liabilities, derivative financial instruments and hedge accounting (continued)

2.7.6 Investment securities

The 'investment securities' caption in the statement of financial position includes:

- debt investment securities measured at amortised cost (see 2.7.1(ii)); these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- debt and equity investment securities mandatorily measured at FVTPL or designated as at FVTPL; these are at fair value with changes recognised immediately in profit or loss;
- debt securities measured at FVTOCI; and
- equity investment securities designated as at FVTOCI.

For debt securities measured at FVTOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL and reversals; and
- foreign exchange gains and losses.

When debt security measured at FVTOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Group elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

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2 主要會計政策概述(續)

2.8 抵銷金融工具

倘且僅倘有現行可予執行的權利抵銷確認金額及計劃以淨額結算，或同時變賣資產以清償負債，金融資產和金融負債互相抵銷，而在財務狀況表內以淨額列示。

2.9 購回協議

倘承讓人有權根據合約或慣例出售或轉按抵押品時，根據購回協議(「購回協議」)售出之證券在財務報表內重新分類為抵押資產；對手方之負債列入在銀行同業及其他金融機構之存款或客戶存款(視乎適合而定)。根據轉售協議(「轉售協議」)購入之證券列為客戶及銀行之貸款及其他賬項或在銀行同業及其他金融機構之存款(視乎適合而定)。

售價與購回價之差額作為利息處理，並採用實際利率法於協議之年期內計算。借予對手方之證券亦保留在財務報表內。

借入之證券不在財務報表內確認，除非該等證券出售給第三方(在該情況下，買賣及損益包含於交易收入內)。歸還該等證券之責任作為交易負債按公平價值記錄。

2.10 收回資產

已收回抵押品資產列作資產負債表外項目並按公平價值列值。在收回減值貸款及其他賬項時，本集團會通過法庭程序或借款人自願交出擁有權收回抵押品資產。根據本集團附註2.7.1(vii)所載的會計政策，計算減值貸款及其他賬項之減值撥備已計及抵押品資產之可變現淨值。於將收回資產出售後，所收取款額將首先用於抵銷貸款及其他賬項，直至貸款全數收回為止，而任何餘額將退還予借款人。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.9 Sale and repurchase agreements

Securities sold subject to repurchase agreements ("repos") are reclassified in the financial statements as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral; the counterparty liability is included in deposits from banks and other financial institutions or deposits from customers, as appropriate. Securities purchased under agreements to resell ("reverse repos") are recorded as loans and advances to customers and banks or placements with banks and other financial institutions, as appropriate.

The difference between sale and repurchase prices is treated as an interest and accrued over the life of the agreements using the effective interest method. Securities lent to counterparties are also retained in the financial statements.

Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in the trading income. The obligation to return them is recorded at fair value as a trading liability.

2.10 Repossessed assets

Repossessed collateral assets are reported as off balance-sheet items and are stated at fair value. In the recovery of impaired loans and advances, the Group may take possession of the collateral assets through court proceedings or voluntary delivery of possession by the borrowers. In accordance with the Group's accounting policy set out in Note 2.7.1(vii), impairment allowances for impaired loans and advances are maintained after taking into account the net realisable value of the collateral assets. On a sale transaction of repossessed assets, the amount received will be used to offset the loans and advances first until they are fully recovered, and any remaining amount will be released to the borrowers.

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2 主要會計政策概述(續)

2.11 分部報告

經營分部是實體中符合以下條件的組成部分：(a)其從事商業活動而可能藉此而賺取收入及錄得支出(包括與同一實體內的其他組成部分進行的交易有關的收入及支出)；(b)其經營業績由該實體的主要營運決策人定期審閱，以決定分配資源到該分部並評估其表現；及(c)可獲提供個別的財務資料。

2.12 外幣換算

(a) 功能及呈列貨幣

本集團旗下各機構之財務報表中所載項目乃採用該機構營運之主要經濟環境所使用之貨幣(「功能貨幣」)計量。綜合財務報表乃以港元呈列。港元乃本銀行之功能及呈列貨幣。

(b) 交易及結餘

外幣交易按交易日現行之匯率換算為功能貨幣。該等交易結算及以外幣結算之貨幣性資產及負債按年終日之匯率換算所產生之匯兌收益及虧損，於收益表內確認，惟於其他全面收益中遞延為合資格現金流量對沖及合資格淨投資對沖者除外。

按公平價值計量而公平價值變動於收益表確認的非貨幣性項目，如持有以公平價值列入損益表的權益之換算差額將作為公平價值收益或虧損之一部分呈報。按公平價值計量而公平價值變動於權益確認的非貨幣性項目，如已作出選擇將其後公平值變動呈列於其他全面收益內之權益工具則記錄作其他全面收益並列入權益內之公平價值儲備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Segment reporting

An operating segment is a component of an entity: (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available.

2.12 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Bank's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items that are measured at fair value whose fair value changes recognised in the income statement, such as equity held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items that are measured at fair value whose fair value changes recognised in the equity, such as equity investments in respect of which an election has been made to present subsequent changes in fair value in other comprehensive income are recorded as other comprehensive income and included in the fair value reserve in equity.

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2 主要會計政策概述(續)

2.12 外幣換算(續)

(c) 集團旗下公司

本集團旗下所有功能與呈列貨幣不同的機構(均無擁有高通脹經濟之功能貨幣)之業績及財務狀況按以下方式換算為呈列貨幣:

- 該等機構之資產及負債按報告期結束時之收市匯率換算;
- 彼等之收益表按平均匯率換算(如果此平均值並非該等交易日期通行匯率的累積效果之合理約數,收入及支出將按交易日期之通行匯率換算);及
- 所有匯兑差額確認為其他全面收益,並於權益內作為一個獨立組成部分累計。

於合併財務報表時,換算外國機構淨投資及指定作為對沖該等投資之借款及其他貨幣工具所產生之匯兑差額,分別單獨列入權益。倘外國業務被售出,該等匯兑差額列作出售所得收益或虧損之一部分並在收益表內確認。

因收購外國機構產生之商譽及公平價值調整,被當作該外國機構之資產及負債處理,並按於結算日之匯率換算。

(d) 綜合現金流量表

就綜合現金流量表而言,海外附屬公司之現金流量乃按現金流量產生當日之匯率換算為港元。海外附屬公司於整個年度之經常性循環現金流量按年內之加權平均匯率換算為港元。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Foreign currency translation (continued)

(c) Group companies

The results and financial positions of all the group entities (none of which has a functional currency which is the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities of these entities are translated at the closing rate at the end of the reporting period;
- their income statements are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates prevailing at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity.

On consolidation, the exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are included in a separate component of equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Consolidated statement of cash flows

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2 主要會計政策概述(續)

2.13 物業及設備

銀行房產及物業主要包括分行及辦事處。銀行房產及物業按公平價值(公平價值乃根據外部獨立估值師至少每三年一次定期進行之估值減後續折舊後得出)列示。於重估日期，任何累積折舊以資產之賬面值總額變動按比例列賬，以使重估後之資產賬面值相等於重估金額。所有其他物業及設備項目按歷史成本減折舊及減值損失列賬。歷史成本包括收購該等項目直接應佔之支出。成本亦可包括來自因外幣購買物業及設備之合資格現金流量對沖而產生之任何收益或虧損自權益轉出之部分。

在物業及設備項目投入運作後產生的支出(如修理及保養費用)通常於產生該等支出之期間自收益表扣除。倘若符合確認準則，則大型檢查的支出會於資產賬面值中資本化作為重置。倘須定期替換重大部分的物業及設備，則本集團會將該等部分確認為有特定可使用年期個別資產及隨之計提折舊。

因重估銀行房產及物業產生之賬面值增加計入股東權益下其他儲備中。用作抵銷同一資產過往增加之減值，乃直接於權益中與銀行房產重估儲備抵銷；所有其他減值於收益表內扣除。每年，以收益表內扣除之資產之重估賬面值為基準之折舊金額與以該資產之原始成本為基準之折舊金額之差額由銀行房產重估儲備轉撥到保留溢利內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Property, plant and equipment

Bank premises and properties comprise mainly branches and offices. Bank premises and properties are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Increases in the carrying amount arising on revaluation of bank premises and properties are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against bank premises revaluation reserve directly in equity; all other decreases are expensed in the income statement. Each year the difference between the depreciation amount based on the revalued carrying amount of the asset expensed in the income statement and the depreciation amount based on the asset's original cost is transferred from the bank premises revaluation reserve to retained earnings.

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2 主要會計政策概述(續)

2.13 物業及設備(續)

物業及設備之折舊採用直線法計算，以按下文所示之年期內將成本或重估金額撥入其於估計使用年期之剩餘價值：

銀行房產及物業	於該等物業所在土地之剩餘租賃年期或其預計使用年限五十年，以較短者為準
租賃物業裝修	於租賃房產之租賃年期或其預計使用年限十年，以較短者為準
傢俬及設備	四至十年
其他	二至五年

於各財政年度結束時需檢討資產之剩餘價值、使用年期及折舊方法，並在合適之情況下作調整。

倘資產之賬面值大於其估計可收回金額，則該資產之賬面值立即減值至其可收回金額，而減值金額直接計入收益表。

物業及設備項目及初始確認之任何重大部分於出售之後或預期其使用或出售將不會產生未來經濟利益時即終止確認。於資產終止確認年度之收益表內確認之出售或報廢之任何損益，乃銷售所得款項淨額與相關資產賬面值之差額。於出售重估資產時，就上次估值已變現之儲備相關部分轉撥至保留溢利，列為儲備變動。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Bank premises and properties	Over the remaining lease period of the land on which the properties are situated or their estimated useful lives of 50 years, whichever is shorter
Leasehold improvements	Over the lease term of the leased premises or their estimated useful lives of 10 years whichever is shorter
Furniture and equipment	4 to 10 years
Others	2 to 5 years

The residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount, with the amount charged directly to the income statement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset. On disposal of a revalued asset, the relevant portion of the reserve realised in respect of previous valuations is transferred to retained earnings as a movement in reserves.

2 主要會計政策概述(續)

2.14 投資物業

持作收取長期收益或資本增值或兩者並行而非由本集團公司佔用之物業分類為投資物業。

投資物業初始按成本(包括相關交易成本)計量。於初始確認後，投資物業以公平價值列賬。公平價值乃根據活躍市場價格計算，並按特定資產之性質、位置或狀況之任何差異作出必要調整。如此資料不可用，本集團使用替代估值方法，例如較不活躍市場之近期交易價格或已貼現現金流量預期。該等估值根據國際估值準則委員會頒布之指引進行，並由外界估值師每年予以檢討。再發展以持續作投資物業用途之投資物業，或市場活躍度降低之投資物業繼續以公平價值計量。

投資物業之公平價值反映(其中包括)即期租賃之租金收入以及根據現時市況所作有關未來租賃租金收入之假設。

公平價值亦按相似基準反映物業預期可產生之任何現金流出。此等流出之若干部分確認為負債，包括與分類作投資物業之土地有關之融資租約負債；包括或然租金付款之其他現金流出則不會於財務報表中確認。

其後支出僅於當與項目有關之未來經濟利益很有可能會流入本集團，而項目成本能夠可靠地計量，方會於資產之賬面值扣除。所有其他維修及保養成本於產生之財政期間自收益表扣除支銷。

公平價值變動於收益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Investment properties

Property that is held for long-term yields or for capital appreciation or both and that is not occupied by the companies in the Group is classified as investment property.

Investment properties are measured initially at cost, including related transaction costs. After initial recognition, investment properties are carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent transaction prices on less active markets or discounted cash flow projections. These valuations are performed in accordance with the guidance issued by the International Valuation Standards Committee. These valuations are reviewed annually by external valuers. Investment properties that are being redeveloped for continuing use as investment properties, or for which the market has become less active, continue to be measured at fair value.

The fair value of investment properties reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the properties. Some of those outflows are recognised as liabilities, including finance lease liabilities in respect of land classified as investment properties; other outflows including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Changes in fair values are recognised in the income statement.

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2 主要會計政策概述(續)

2.14 投資物業(續)

如投資物業由擁有人佔用，則重新分類為物業及設備，而就會計處理而言，其於重新分類當日之公平價值將變為成本。建設中或發展中以供未來用作投資物業之物業分類為物業及設備，並以成本列賬，直至建設或發展工作完成為止，此時重新分類為投資物業及其後按此入賬。

倘物業及設備項目因用途改變而成為投資物業，該項目於轉變當日之賬面值與公平價值產生之差額，將根據《香港會計準則》第16號於權益內確認為物業及設備重估。然而，如公平價值收益抵銷先前減值損失，則該項收益將於收益表內確認。

2.15 商譽

商譽指一項收購之成本超逾本集團分佔所收購附屬公司於收購日期之可識別資產及負債淨額及所承擔之或然負債之公平價值之部分。收購附屬公司之商譽列入無形資產。收購聯營公司產生之商譽計入「於聯營公司之投資」。商譽的賬面值每年檢討減值，或如發生事件或情況改變顯示賬面值可能已減值，則更頻繁地進行減值檢討。商譽按成本減累計減值損失列賬。就商譽確認之減值損失於其後之期間不予撥回。出售實體之損益包括與所出售實體有關之商譽之賬面值。

商譽就減值測試目的被分配至各現金產生單位。每一該等現金產生單位由每一主要呈報分部代表。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Investment properties (continued)

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Properties that are being constructed or developed for future use as investment properties are classified as property, plant and equipment and stated at cost until construction or development is completed, at which time they are reclassified and subsequently accounted for as investment properties.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

2.15 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets and liabilities and contingent liabilities assumed of the acquired subsidiaries at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of an associate is included in "Investments in associate". The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Goodwill is carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed in a subsequent period. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units is represented by each primary reporting segment.

2 主要會計政策概述(續)

2.16 無形資產(不包括商譽)

個別收購的無形資產於初始確認時按成本計量。於業務合併中收購無形資產的成本乃於收購日期的公平價值。無形資產之使用年期經評估分為有限期及無限期兩類。具有有限年期之無形資產其後於使用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時進行減值評估。

具有有限使用年期之無形資產之攤銷期及攤銷方法至少於各財政年度結束時進行檢討。

終止確認無形資產之損益乃按出售所得款項淨額與資產賬面值之差額計量，並於終止確認該項資產時於收益表內確認。

(a) *電腦軟件*
所購入之電腦軟件可按收購所產生之成本及將特定軟件達致使用狀況為基準予以資本化。此等成本於估計可使用年期(即四年)內攤銷。

與開發或維護電腦軟件程式有關之成本，於產生時確認為支出。直接與製造可辨認及由本集團控制之獨有軟件產品有關，並且很可能於一年以外產生超出其成本之經濟利益之成本，乃確認為無形資產。直接成本包括軟件開發人員成本及於有關雜項支出之應佔部分。

確認為無形資產之電腦軟件開發成本，乃於其估計可使用年期內(不超過四年)攤銷。

(b) *交易權*
交易權指符合資格在香港聯合交易所有限公司或透過其進行交易之權利，具有無限使用年期，並每年進行減值測試。該類無形資產不予攤銷。使用年期每年進行檢討，以確定無限年期之評估是否繼續有理據支持，如否，則由無限期轉變為有限期之使用年期評估按預先基準計算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Gains or losses from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the assets are derecognised.

(a) *Computer software*
Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life of four years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as intangible assets are amortised over their estimated useful life (not exceeding four years).

(b) *Trading rights*
Trading rights represent eligibility rights with indefinite useful lives to trade on or through The Stock Exchange of Hong Kong Limited and are tested for impairment annually. Such intangible assets are not amortised. The useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable, if not, the change in the useful life assessment from indefinite to infinite is accounted for on a prospective basis.

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2 主要會計政策概述(續)

2.17 非金融資產減值

具有無限使用年期之資產毋需攤銷，但須每年進行減值測試。須作出攤銷之資產於出現其賬面值可能不能收回之事件或環境變動時需進行減值檢討。減值損失按資產之賬面值超出其可收回金額之部分確認。可收回金額為資產之公平價值減出售成本，以及使用價值兩者中之較高者。就評估減值而言，資產乃於現金流量可分開辨識(現金產生單位)之最基本層分類。於評估使用價值時，估計未來現金流量按可反映目前市場對貨幣時間值及資產特定風險之評估之稅前貼現率貼現至其現值。減值損失於其產生期間自收益表內扣除，惟資產以重估金額列賬時，其減值損失按該重估資產之有關會計原則入賬。只有在用以釐定資產之可收回金額之估計發生改變時，該資產除商譽外先前已確認之減值損失方予以撥回，惟數額不得高於假設於過往年度並無就資產確認減值損失之情況下原應已釐定之賬面值(減任何折舊／攤銷)。被撥回之減值損失於撥回期間計入收益表。

2.18 所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，即於其他全面收益或直接於權益內確認。

即期及過往期間之即期稅項資產及負債，乃根據於報告期結束時已頒布或已大致頒布之稅率(及稅務法例)，並考慮本集團業務所在國家之現有詮釋及慣例，按預期將自稅務部門收回或付予稅務部門之金額計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation, but are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises.

2.18 Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2 主要會計政策概述(續)

2.18 所得稅(續)

遞延稅項乃就綜合財務報表中資產及負債之稅基與彼等賬面值之間於報告期結束時產生之所有暫時差額，以負債法作出撥備。然而，倘遞延所得稅來自一項交易(並非業務合併)之初始確認資產或負債，且交易時並不影響會計溢利及應課稅收益或虧損，則不入賬列為遞延所得稅。遞延所得稅採用於報告期結束時已頒布或已大致頒布及預計於相關遞延所得稅資產變現或遞延所得稅負債清償時將適用之稅率(及法例)釐定。

遞延所得稅資產乃於未來將很可能產生應課稅溢利以動用暫時差額以作抵銷時方予確認。

遞延所得稅須就投資於附屬公司及聯營公司而產生之暫時差異作出撥備，除非暫時差異撥回之時間由本集團控制及該暫時差異很可能不會在可見未來撥回。

與備供銷售投資及現金流量對沖之公平價值重新計量相關之遞延稅項，直接在權益中扣除或計入權益，亦直接計入權益或在權益中扣除，其後連同遞延損益在收益表中確認。

遞延稅項資產之賬面值於各報告期結束時進行檢討，並在不大可能產生足夠應課稅溢利以動用全部或部分遞延稅項資產作抵銷時予以削減。未確認之遞延稅項資產於報告期結束時重新評估，並於將很可能產生足夠應課稅溢利以收回全部或部分遞延稅項資產作抵銷時方予確認。

遞延稅項資產及遞延稅項負債於擁有合法權利以即期稅項資產抵銷即期稅項負債及遞延稅項與同一應課稅實體及同一稅務部門有關時予以互相抵銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for as deferred income tax. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly to equity, is also credited or charged directly to equity and is subsequently recognised in the income statement together with the deferred gain or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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2 主要會計政策概述(續)

2.19 僱員福利

(a) 僱員假期

僱員應享有之年假及長期服務假期會於確立時確認。根據僱員至報告期結束時已提供的服務而估算的未享用年假及長期服務假期已作撥備。

(b) 退休金責任

本集團分別根據職業退休計劃條例及強制性公積金計劃條例為合資格及選擇參與之集團員工提供定額供款退休金計劃(「職業退休計劃」)及強制性公積金計劃(「強積金計劃」)。本集團向職業退休計劃之供款乃根據合資格員工基本薪金之一個百分比計算，而於強積金計劃之供款則根據合資格員工有關收入之一個百分比(定義見強制性公積金計劃條例)計算。此等供款於產生時列作支出，並可按本集團僱員在全數取得僱主供款前離開計劃而被沒收之供款扣減。上述計劃之資產乃由獨立管理之基金持有，與本集團之資產分開。

2.20 撥備

倘(i)本集團因過往事件而產生現時法律或推定責任；(ii)可能須就解除責任而導致資源流出之可能性高於不會導致流出之可能性；及(iii)可就責任之款額作出可靠估計時，則需確認重組成本及法律索償之撥備。重組撥備包括租約終止罰款及僱員終止付款。未來經營虧損不會確認撥備。

倘有多項相似之責任時，解除該等責任所需導致資源流出之可能性按責任之類別從整體予以釐定。即使在同一類別責任內任何一項目導致資源流出之可能性可能細微，亦需就此確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

(b) Pension obligations

The Group operates a defined contribution retirement scheme under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") and another defined contribution retirement scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme") for those employees of the Group who are eligible and have elected to participate in the schemes. The Group's contributions to the ORSO Scheme are made based on a percentage of the eligible employees' basic salaries and those made to the MPF Scheme are made based on a percentage of the eligible employees' relevant income as defined in the MPF Scheme. These contributions are expensed as incurred and are reduced by contributions forfeited by those employees of the Group who leave the schemes prior to the contributions vesting fully. The assets of the schemes are held separately from those of the Group in independently administered funds.

2.20 Provisions

Provisions for restructuring costs and legal claims are recognised when (i) the Group has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there is a number of similar obligations, the likelihood that an outflow of resources will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow of resources with respect to any one item included in the same class of obligations may be small.

2 主要會計政策概述(續)

2.21 租賃資產

本集團會於合約開始時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用之權利，則該合約屬租賃或包含租賃。倘客戶有權主導可識別資產之使用及從該使用中獲取幾乎所有經濟裨益，則表示控制權已轉讓。

(i) *作為承租人*
倘本集團就低價值資產訂立租賃，則本集團決定是否按個別租賃基準將租賃資本化。就本集團而言，低價值資產一般為影印機。與該等未資本化租賃關聯之租賃付款於租期按系統基準確認為支出。

倘租賃已資本化，租賃負債初始按租期應付租賃付款現值確認，並按租賃中所內含之利率貼現，或倘該利率不易釐定，則使用相關增量借款利率。初始確認後，按攤銷成本計量租賃負債及使用實際利率法計算利息支出。計量租賃負債時，並不包括不依賴某個指數或利率之可變租賃付款，並因此計入彼等所產生會計期間之損益內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) *As a lessee*
When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. For the Group, low-value assets are typically copiers. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

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2 主要會計政策概述(續)

2.21 租賃資產(續)

(i) 作為承租人(續)

於租賃資本化時確認之使用權資產初始按成本計量，其中包括租賃負債之初始金額加上於開始日期或之前作出之任何租賃付款，以及產生之任何初始直接成本。於適用情況下，使用權資產成本亦包括拆除及移除相關資產或恢復相關資產或該資產所在地之估計成本，並貼現至彼等之現值再減去任何已收租賃優惠。使用權資產其後按成本減累計折舊及減值損失列賬(見附註2.13)，惟以下使用權資產類別除外：

- 符合根據附註2.14按公平價值入賬之投資物業定義之使用權資產；
- 根據附註2.13與租賃土地及樓宇有關之使用權資產，而本集團為按公平價值入賬之租賃權益之登記擁有人。

倘某個指數或利率變動引致未來租賃付款變動，或本集團根據剩餘價值擔保預期應付款項之估計有變，或當重新評估本集團是否將合理確定行使購買、延期或終止選擇權而產生變動，則會重新計量租賃負債。當租賃負債以此方式重新計量，則就使用權資產之賬面值作出相應調整，或倘使用權資產之賬面值減至零，則於損益入賬。

本集團將不符合投資物業定義之使用權資產呈列於「物業及設備」中，並將租賃負債呈列於「其他負債」中。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Leased assets (continued)

(i) As a lessee (continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2.13), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property carried at fair value in accordance with note 2.14;
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at fair value in accordance with note 2.13.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment', and presents lease liabilities in "Other liabilities".

2 主要會計政策概述(續)

2.22 現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目包括於購入日期起計三個月內到期的結餘，包括現金及在銀行同業與其他金融機構之結餘以及在銀行同業及其他金融機構的存款。

2.23 或然負債及或然資產

或然資產指因為過往事件而可能產生之資產，其存在將由一宗或多宗本集團所不能完全控制的不確定事件是否發生來確認。

或然負債是指由過往事件引起的可能責任，其存在將由一宗或多宗本集團所不能完全控制的不確定未來事件是否發生來確認，或是由過往事件而引致的現有責任，但由於不大可能導致用作償還責任之經濟利益資源的流出或不能足夠可靠地計量責任金額，故未有被確認。

或然資產不會被確認，但如很可能收到經濟利益時，會在財務報表附註中披露。若將會收到之經濟利益可被實質確定時，將確認為資產。

或然負債不會被確認為撥備，但會在財務報表附註中披露。如情況發生變化，使經濟利益的流出變得很有可能時，則會將其確認為撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash and balances with banks and other financial institutions and placements with banks and other financial institutions.

2.23 Contingent liabilities and contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the Group's control.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control, or a present obligation arising from past events that is not recognised either because an outflow of resources embodying economic benefits will be required to settle the obligation but is not probable or the amount of obligation cannot be measured with sufficient reliability.

A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When the inflow is virtually certain, it will be recognised as an asset.

A contingent liability is not recognised as a provision but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

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2 主要會計政策概述(續)

2.24 關連方

任何一方如屬以下情況，即視為本集團的關連方：

(a) 該一方為以下個人或其近親：

(i) 控制或共同控制本集團；

(ii) 對本集團行使重大影響力；或

(iii) 為本集團或本集團母公司主要管理層成員。主要管理層成員為該等擁有權力直接或間接並且負責計劃、指揮及控制本銀行及其控股公司業務之人士，包括任何董事(不論是執行董事或其他)、本集團執行委員會成員及高級管理層(定義見薪酬政策)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank and its holding companies, directly or indirectly, including any directors (whether executive or otherwise), executive committee members and senior management (as defined under the remuneration policy) of the Group.

2 主要會計政策概述(續)

2.24 關連方(續)

(b) 該一方為下列任何條件適用的實體：

(i) 該實體與本集團為相同集團的成員公司。

(ii) 一個實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業。

(iii) 該實體與本集團為相同第三方的合營企業。

(iv) 一個實體為第三方實體的合營企業，而另一個實體為該第三方實體的聯營公司。

(v) 該實體為本集團或與本集團有關實體為僱員福利設立的退休福利計劃。

(vi) 該實體受(a)所指個人控制或共同控制。

(vii) (a)(i)所指個人對該實體行使重大影響力或為該實體(或該實體母公司)主要管理層成員中的其中一名成員。

(viii) 屬於向本集團或本集團母公司提供主要管理層成員服務的實體或組別內任何成員的一部分。

一名人士的近親為在與有關實體進行交易時預期將影響或被該人士影響的該等家族成員。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Related parties (continued)

(b) the party is an entity where any of the following conditions applies:

(i) The entity and the Group are members of the same group.

(ii) One entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity).

(iii) The entity and the Group are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

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2 主要會計政策概述(續)

2.25 股息

董事擬派付之末期股息分類為財務狀況表權益部分中保留溢利之單獨分配，直至獲股東於股東大會上批准為止。該等股息於獲股東批准並獲宣派時確認為負債。

因本銀行組織章程大綱及章程細則授權董事宣派中期股息，中期股息於同一時間建議及宣派。因此，中期股息在建議及宣派時即時確認為負債。

2.26 受託人業務

本集團一般擔任受託人及其他受託人身份，導致代表個別人士、信託、退休福利計劃及其他機構持有或配售資產。由此產生之資產及收入因並非屬本集團所有而不計入該等財務報表。

3 關鍵會計估計及假設

本集團就影響下一財政年度所呈報之資產負債金額作出估計及假設。此等估計及判斷乃基於過往經驗及其他因素，包括在有關情況下對未來事件作出合理之預期。本集團將會對此等估計及判斷持續作出評估。

3.1 信用損失

本集團每月審閱其組合，以評估信貸不良的合約期內之預期信用損失。對於應否於收益表內列入信貸不良的合約期內之預期信用損失，本集團會判斷是否有可觀察資料，反映組合之預計未來現金流量有可計量之減值(在找出該組合導致該減值之個別貸款前)。此類證據包括有可觀察資料顯示某一組別之借款人之還款狀況出現逆轉，或出現與借款人組別之資產拖欠相關之國家或地區性經濟狀況。管理層就未來現金流量作出估計時，會基於信用風險特徵及客觀減值證據與有關組合內之資產相若之資產過往虧損經驗作出估計。用以估計未來現金流量之金額及時間的方法及假設定期進行檢討，以減少預期及實際虧損經驗之差別。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained earnings within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Bank's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.26 Fiduciary activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Credit loss

The Group reviews its portfolios to assess lifetime ECL credit impaired on a monthly basis. In determining whether a credit impaired lifetime ECL should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio before the decrease can be identified with an individual in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or in the national or local economic conditions that correlate with defaults on assets in the group of borrowers. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

3 關鍵會計估計及假設(續)

3.2 衍生工具的公平價值

本集團根據金融工具之性質採用多種估值技術釐定非活躍市場的金融工具的公平價值的報價。該等技術包括第三方報價、貼現現金流量法及期權定價模型。該等模型由知名系統供應者建立並廣泛獲市場應用。該等模型經獨立於建立此等模型之領域之合資格人士審閱及調整。此等系統使用相關現時可觀察市場參數得出估值結果，並於用作財務報告目的前先經核實。

3.3 銀行房產及物業之公平價值

租賃樓宇之公平價值根據由獨立專業合資格估值師以公開市場基準作出之估值進行估計。

3.4 估計商譽減值

本集團按會計政策每年測試是否存在任何商譽減值。現金產生單位之可收回金額已按使用價值基準計算。此等計算需要對貼現率及長遠增長率作出估計。

3.5 所得稅

本集團在多個司法權區均須繳納所得稅。釐定世界各地之所得稅撥備時需作出重大估計。於日常業務過程中進行之很多交易及計算之最終稅項無法確定。本集團按是否有應繳之額外稅項之估計，就預期之稅務審計事宜確認負債。如此等事宜之最終稅務結果有別於原先記錄之金額，該等差別將影響於進行釐定期間內的所得稅及遞延稅項撥備。

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

3.2 Fair value of derivatives

The fair values of financial instruments that are not quoted in active markets are determined by using various valuation techniques according to the nature of the financial instruments. These include third party price quotation, a discounted cash flow and option pricing models. These models are built by reputable system suppliers and are widely used in the market. They are reviewed and calibrated by qualified personnel independent of the area that created them. Valuation outputs are generated from these systems using relevant current observable market parameters and are verified before they are used for financial reporting purposes.

3.3 Fair value of bank premises and properties

The fair value of the leasehold building is estimated based on the valuation made by an independent professionally qualified valuer on an open market basis.

3.4 Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on the value-in-use calculations. These calculations require the use of estimates of discount rate and long-term growth rate.

3.5 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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3 關鍵會計估計及假設(續)

3.6 租賃

(i) 持作自用之租賃土地及樓宇權益分類

根據《香港會計準則》第16號「物業及設備」，本集團選擇應用成本模式或重估模式作為持作自用之物業及設備項目之會計政策(按分類基準)。於應用此政策時，本集團之結論為其於租賃物業之登記擁有權權益及租賃協議項下其他租賃物業之使用權為資產之兩個獨立組別，其性質及用途有重大差異。因此，根據以上會計政策，該等資產被本集團視為後續計量政策之獨立資產分類。具體而言，登記擁有權權益按重估模式入賬，而租賃協議項下物業之使用權則以經折舊成本入賬。

於作出該判斷時，本集團已考慮，作為租賃物業登記擁有人，本集團能夠從該等物業估值之任何變動中全面獲益(不論作為持有收益或向其他人士出售物業權益)，並能夠毋須支付市場租金在其營運中使用該等物業。相反，較短租期租賃協議之期間一般不超過10年，並受其他限制所規限，尤其是本集團租賃權利可轉讓予他人。該等較短租期之租賃協議乃為保留營運靈活性及降低本集團面臨之物業市場波動風險而簽立。彼等或包含終止或延期條款，及／或連結本集團使用該等房產產生之銷售水平之可變租金付款條款，並一般須每2至5年進行市場租金檢討。

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

3.6 Leases

(i) Classification of interest in leasehold land and buildings held for own use

In accordance with HKAS 16, Property, plant and equipment, the Group chooses to apply either the cost model or the revaluation model as its accounting policy for items of property, plant and equipment held for own use on a class-by-class basis. In applying this policy, the Group has concluded that its registered ownership interests in leasehold properties and the right to use other properties leased under tenancy agreements are two separate groupings of assets which differ significantly in their nature and use. Accordingly, they are regarded by the Group as separate classes of asset for subsequent measurement policies in accordance with the above accounting policies. Specifically, registered ownership interests are carried under the revaluation model, while rights to use properties under tenancy agreements are carried at depreciated cost.

In making this judgment, the Group has taken into account that, as the registered owner of a leasehold property, the Group is able to benefit fully from any changes in the valuation of these properties whether as holding gains or by selling the property interest to others, as well as being able to use the properties in its operation free of paying market rents. In contrast, the shorter term tenancy agreements are typically for periods of no more than 10 years and are subject to other restrictions, in particular on transferability of the Group's tenancy rights to others. These shorter terms tenancy agreements are executed in order to retain operational flexibility and to reduce the Group's exposure to the property market fluctuation. They may contain termination or extension clauses, and/or variable rental payment clauses linked to the level of sales generated by the Group's use of premises, and are typically subject to market rent reviews every 2 to 5 years.

3 關鍵會計估計及假設(續)

3.6 租賃(續)

(ii) 釐定租期

誠如上述會計政策所解釋，租賃負債初始按租期內應付租賃付款之現值確認。於釐定租賃(包括本集團可行使之續租權)於開始日期之租期時，本集團經考慮會對本集團行使選擇產生經濟激勵之所有相關事實及情況(包括有利條款、所進行租賃物業裝修及相關資產對本集團營運之重要性)後評估行使續租權之可能性。倘出現本集團控制範圍內之重大事件或重大變動，則會重新評估租期。租期之任何增減將影響於未來年度確認之租賃負債及使用權資產金額。

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

3.6 Leases (continued)

(ii) Determining the lease term

As explained in the above accounting policies, the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favorable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

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4 財務風險管理

4.1 整體風險管理

由於新資本協定自二零零七年一月起施行，本集團在與新協定之原則及規定一致方面實施穩健的風險管理。董事會加強對企業管治的關注，負責監管及在本集團之風險管理架構、流程、政策及內部監控採取由上而下的策略。特別是，於建立促進銀行流動性風險概況靈活性之巴塞爾資本協定三框架後，本集團已大大提升其流動性風險管理標準。至於其業務計劃及活動，本集團確定、評估、監察、控制、報告及審閱有關主要風險，以確保資本充足、符合監管指引和董事會之承受風險水平(包括壓力時期)。

風險管理架構及原則
本集團已制定關於識辨、衡量、控制及監察風險因素(包括信用、流動資金、市場、利率、業務操作、聲譽、策略、法律及合規風險)之政策及程序。本集團風險管理的核心為董事會監管，而董事會負責審批所有核心風險管理政策以及日後之修訂。兩個風險管理委員會(一個屬董事會層面，而另一個屬高級管理人員層面)幫助董事會及管理層加強監管風險管理架構、流程及政策。本集團管理層、相關功能委員會及風險管理部門定期檢討和修訂該等政策及程序。本集團之審計部亦會對遵守政策及程序的情況定期進行獨立檢討。

推出新產品及服務
推出新銀行產品及服務須透過開發及批准程序等所需步驟進行，以確保其商業可行性、操守適用性及法定合規。支付及現金管理部門或其他相關業務部門負責就任何新產品或服務向新產品及業務委員會(由本銀行一名副行政總裁擔任主席)提呈建議以供其審議。該流程之主要目的在於確認及評估與產品有關之風險，以及採取措施以消除或控制這些風險。

根據新巴塞爾協定，本集團就於計算其資本充足比率時面臨之信用、市場及業務操作風險採納以下計算法：

信用風險	－標準計算法
市場風險	－標準計算法
業務操作風險	－基本指標計算法

4 FINANCIAL RISK MANAGEMENT

4.1 Overall risk management

Pursuant to the implementation of the New Capital Accord since January 2007, the Group has been practising sound risk management in congruence with the principles and requirements of the New Accord. Increased attention to corporate governance, Board oversight and a top-down approach permeated through the Group's risk management structure, processes, policies and internal control. In particular, following the establishment of the Basel III framework which promotes the resilience of banks' liquidity risk profile, the Group has been sufficiently upgrading its liquidity risk management standards. For its business plan and activities, the Group identifies, assesses, monitors, controls, reports and reviews the major risks to ensure capital adequacy, compliance with regulatory guidelines, and adherence to the Board's risk appetite, including during times of stress.

Risk management structure and principles
The Group has established policies and procedures for the identification, measurement, control and monitoring of risk factors (including credit, liquidity, market, interest rate, operational, reputation, strategic, legal and compliance risks). Central to the Group's risk management is the Board's oversight, which ultimately endorses all core risk management policies and their subsequent amendments. Two Risk Management Committees, one at Board level and the other at senior executive level, reinforce the Board and management's oversight in the risk management structure, process and policies. The management of the Group, the relevant functional committees and the Risk Management Department review and revise these policies and procedures on a regular basis. The Group's Internal Audit Department also performs regular independent review on compliance with policies and procedures.

Launch of new products and services
The launch of new banking products and services has to go through the essential steps of a development and approval process to ensure their commercial viability, ethical suitability and statutory compliance. The Payments and Cash Management Department or other relevant business unit is responsible to prepare a proposal for any new product or service to the New Product & Business Committee (chaired by a Deputy Chief Executive of the Bank) for discussion. The main objective of the process is to identify and assess the risks associated with the product, and to implement steps to mitigate or control these risks.

In accordance with New Basel Accord, the Group adopts the following approaches for its credit, market and operational risk exposure in the calculation of its capital adequacy ratio ("CAR"):

Credit risk	– Standardized approach
Market risk	– Standardized approach
Operational risk	– Basic indicator approach

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4 財務風險管理(續)

4.1 整體風險管理(續)

推出新產品及服務(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.1 Overall risk management (continued)

Launch of new products and services (continued)

將監察所有類別風險,包括流動性風險、法律及合規風險、聲譽風險及利率風險等。

will be monitoring all types of risks, including liquidity risk, legal and compliance risk, reputation risk, interest rate risk, etc.

管理架構	任務
Management Structure	Role
1. 董事會 風險承受能力、風險政策決定、監督有關其完整性、可靠性及合理性之內部監控、企業管治、資本配置、巴塞爾協定監督、盈利預期規範	1. Board of Directors Risk Appetite; Decision of Risk Policies; Oversight of Internal Control for its Integrity, Reliability and Reasonableness; Corporate Governance; Capital Planning; Basel oversight; Earning Expectation Specification
2. 董事會附屬委員會 風險承受能力、風險政策決定和風險監察符合新巴塞爾協定有關之操作	2. Board-level Committee Risk Appetite; Risk Policy Decision and Steering of Basel Compliance
3. 專責委員會 各專責委員會具備不同的專業知識以協助高級管理層履行其職務	3. Specialised Committees Different specialized committees have been formed to assist the senior management to carry out their roles with specialized professional expertise.
4. 支援 風險識別監察、監控及匯報、巴塞爾資本協定方案與合規、包括模型驗證、反向測試及壓力測試;資本規劃;風險政策制定、設計和建議	4. Risk Identification, Monitoring, Control and Reporting; Basel Initiatives and Compliance, including Model Validation, Backtesting and Stress Testing; Capital Planning; Risk Policies Formulation, Design and Proposal
5. 營運、內部監控及前線監管	5. Operation, Internal Control and Front Line Monitoring

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4 財務風險管理(續)

4.2 信用風險

信用風險乃指本集團之借款人或交易對手方未能或不願意履行其還款責任之風險。本集團設有標準、政策及程序，以及指定職能部門控制及監察有關風險。

本集團投入大量資源以維持健全之信用風險管理。管理層編製各項信貸政策及建立系統以識辨、衡量及監控各項信貸業務所潛藏之風險。該過程確保本集團對信貸保持審慎態度，盡量降低信貸事項之業務操作疏漏，以及及早發現潛在問題，進而使業務損失降至最低。

本集團高層次之信貸政策方針，由相關功能部門及委員會負責制定、檢討及定期更新，至於重大問題則由管理層甚至董事會權衡市場變化情況及監管規定，再配合日常慎重審批做法及最新業務部署等因素，加以制定、檢討及定期更新。所有該等信貸政策、程序及慣例(隨著不斷改進、更新、審核及修訂)被列入信貸審批政策及補充借貸產品手冊以供內部控制及合規之用。鑑於本銀行於二零一零年底私有化以及其後與中國工商銀行(「母行」)的政策和風險承受能力更為貼近，本銀行之信用風險管理已愈加考慮母行的信貸程序、政策和信息，期望最終將可有建設地融入母行的統一而整合的信用風險政策。

信貸授權乃授予個別批核人，以維持效率及生產力。除的士／輕型公共巴士貸款以及小額消費貸款外，概無任何前台業務部門可單獨審批任何貸款。至於前台部門可以批核的貸款，須受到信貸部門或信貸委員會所預先制定的審批條件和標準所約束。否則，本集團將要求「雙重」審批程序，據此，貸款建議書須得到前台業務部門及信貸部門之共同審批。本銀行之信貸委員會(審批所有信貸政策及大額貸款)在母行批准的信貸授權內概不會通過任何信貸部門審批人員不同意之貸款建議書。只有已獲信貸委員會審批之大額貸款建議書，才會於有需要時呈交最終審批人員簽出。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk

Credit risk is the risk that a borrower or counterparty of the Group will be unable or unwilling to honour a repayment obligation. The Group has standards, policies and procedures and designated functional departments in place to control and monitor these risks.

The Group devotes considerable resources to maintaining sound credit risk management. Management has set credit policies and systems to identify, measure, monitor and control risks inherent in various lending businesses. This process ensures prudence, minimises operational omissions in credit matters, and aims at early detection of potential problems, thereby minimising business loss.

High-level credit policies of the Group are set, reviewed and constantly updated by the relevant functional departments and committees, and for prominent issues, by the management or even the Board to take balanced account of dynamic market situations, regulatory requirements, the Group's usual prudent lending practices and its latest business strategies. All these credit policies, processes and practices, as they are developed, updated, reviewed and revised, are written from time to time into Credit Manuals and supplementary lending product manuals for internal control and compliance purposes. Given the Bank's privatisation in late 2010 and its subsequently more intimate alignment with the policies and risk appetite of ICBC (the "Parent Bank"), the Bank's credit risk management have been increasingly taking into account the Parent Bank's credit process, policies and information. This is with an ultimate goal to fit constructively into the Parent Bank's unified and consolidated credit risk policy.

Credit authorities are delegated to individual approvers for efficiency and productivity purposes. Except for taxi/public light bus loans, and consumer loans with small amount, no business originating units can singly approve any loan. Loans approved by business originating units are subject to approval criteria pre-set by the Credit Function or Credit Committee. Otherwise, the Group requires a "dual" approval whereby loan proposals shall require joint approval by the Business Line and Credit Function. The Bank's Credit Committee, which deliberates all credit policies and large loans, within its credit authority approved by the Parent Bank, shall not pass any credit-related proposal if its Credit Function approvers disagree. Only the sizable loan proposals deliberated by the Credit Committee would be submitted to final approver for signature if and where it is needed.

4 財務風險管理(續)

4.2 信用風險(續)

信貸審批部及放款管理部乃集中本銀行授權分別執行信貸評估及信貸管理之部門。該等部門亦提供獨立信貸評估、貸後信貸管理及其他信貸監控等功能，務求信貸過程符合管理層制訂之信貸政策及指引。除獨立信貸評估及分層審批過程外，信貸及投資管理部及稽核亦於貸款過程中就特定貸款組合或營運單位進行定期貸後考查。為了保持獨立性，本銀行之信貸審批部、放款管理部，以及信貸及投資管理部直接向非主管業務之副行政總裁作出匯報。相同的控制，輔之以系統支援，並由風險管理部定期按市值訂價，亦適用於所有衍生工具產品的交易對手的信用風險。

本集團採用RAROC技術以確保其貸款資產乃相當於根據巴塞爾內部評級原則按信用風險調整基準所定價。

管理層竭盡所能，致力監控貸款組合之質量及表現。本集團之內部信用風險評級制度由21級組成，乃基於巴塞爾內部評級要求而制定，以區別信用風險。經過多年內部數據累積後，預期本集團將可更進一步利用信貸統計數據，捕捉並剖析信用風險流向，計算拖欠還款之機會率，及實施其他信用風險管理程序(而新信貸評級模型為及將為其主要部分)。

本集團的信用風險承受能力乃於日常信貸決定中詳細闡明、載列及提述，旨在將信貸批准程序中所列之信貸建議範疇限制在本集團基於其以往經驗、董事會之優先評估及風險／回報評估而得出的與本集團之風險承受能力相稱的水平。

本銀行對風險集中非常警覺，因此，對個人客戶實行全額信用風險限制，並按本銀行權益比例，對行業及地區市場實行限制。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

The Credit Approval Department (CAD) and the Loans Administration Department (LAD) are the centralised departments in the Bank mandated to carry out credit assessment and credit administration respectively. They perform independent credit assessment, post-approval credit administration and other credit control functions to ensure that the credit process complies with credit policies and guidelines laid down by the management. Apart from the independent credit assessment and matrix approval process, regular post-approval inspection by the Credit and Investment Management Department (CMD) and audits are conducted on specific loan portfolios or operating units in the credit process. To maintain their independence, the Credit Approval Department, Loans Administration Department and Credit and Investment Management Department of the Bank have direct reporting lines to a Deputy Chief Executive who is independent of business. The same control, supplemented by system support and regular mark-to-market by the Risk Management Department, also applies to the counterparty credit risk of all derivative products.

The Group employs RAROC techniques to help ensure that its loan assets are commensurately priced on a credit risk-adjusted basis according to Basel Internal Rating principles.

Management spares no efforts in monitoring the quality and behavior of the loan portfolio. The Group's internal credit risk grading system consisting of 21 grades built on Basel Internal Rating–Compliant Attributes is adopted for credit risk differentiation purposes. With internal data to be constantly enriched through years of experience, it is expected that the Group can make further use of the credit statistics to profile and track down credit risk migration, to measure loan default probabilities and to practise other credit risk management processes, of which the new credit rating model is and will substantially be an integral part.

The Group's credit risk appetite is spelt out, disseminated and referred to in daily credit decisions. The purpose is to limit the range of credit proposals presented in the credit approval process to those that fit the Group's risk appetite developed out of the Group's past experience, the Board's preference and risk/reward evaluation.

The Bank is vigilant about risk concentration and has therefore been practising credit risk exposure limits to individual customers in absolute amount and as a percentage of the Bank's equity, to industry sectors and to geographical markets.

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4 財務風險管理(續)

4.2 信用風險(續)

本集團多年來一直有實行季度信貸指引及貸款組合檢討。遇上經濟不景氣，該機制會啟動風險防控措施，以幫助穩定本集團貸款資產組合之質素。現在更加上母行的信用風險承受能力、行業及普遍的客戶信貸政策作輔補。母行的信貸資源對本集團的貸款業務有明顯助益，不論是客戶挑選、篩選、信貸審閱及決策亦然。

本集團對貸後風險管理愈加重視。信貸及投資管理部檢閱客戶，抽出潛在風險客戶，也對關注類客戶和處身高風險組別的客戶作出排查。而前。客戶經理和信貸審批部亦會識別及檢視有早期警號的客戶。

(a) 於持有抵押品或其他信貸加強措施前之最大信用風險

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

The Group's quarterly credit guidelines and loan portfolio review have been implemented for years. In economic bad times, it is basic to the mechanism for initiating pre-emptive measures to help stabilise the quality of the Group's loan asset portfolio. These have by now been supplemented by the Parent Bank's credit risk appetites, industry and common customer credit policies. The credit resources of the Parent Bank have been significantly useful to the Group in its loan business, in customer selection, screening, credit review and decision.

The Group attaches increasing importance to post-approval risk monitoring. This is performed by the Credit and Investment Management Department which reviews for potentially problematic borrowing accounts and performs group review of special mention accounts and customers in high risk portfolios. It is also performed by Business Line relationship managers and Credit Approval Department who identify and review Early Warning List customers.

(a) Maximum exposure to credit risk before collateral held or other credit enhancements

		2020 千港元 HK$'000	2019 千港元 HK$'000
有關資產負債表內之信用風險計有：	**Credit risk exposures relating to on-balance sheet assets are as follows:**		
現金及在銀行同業與其他金融機構之結餘	Cash and balances with banks and other financial institutions	**118,727,991**	138,338,758
在銀行同業及其他金融機構之存款及貸款	Placements with and advances to banks and other financial institutions	**103,478,432**	104,951,872
持作交易用途金融資產	Financial assets held for trading	**–**	492,484
以公平價值經損益表入賬金融資產	Financial assets at fair value through profit or loss	**5,093,540**	5,047,582
衍生金融工具	Derivative financial instruments	**16,465,187**	10,190,659
貸款及其他賬項	Advances and other accounts	**479,562,460**	474,986,476
以公平價值經其他全面收益入賬金融投資	Financial investments measured at fair value through other comprehensive income	**140,006,031**	152,374,354
以攤銷成本入賬金融投資	Financial investments measured at amortised cost	**46,960,835**	46,598,631
其他資產	Other assets	**16,622,920**	16,985,407
有關資產負債表以外之信用風險計有：	**Credit risk exposures relating to off-balance sheet items are as follows:**		
貸款承諾及其他信貸相關承諾	Loan commitments and other credit related commitments	**192,046,083**	220,787,301
財務擔保及其他信貸相關或然負債	Financial guarantees and other credit related contingent liabilities	**21,713,910**	12,582,858
於報告期結束時	**At the end of the reporting period**	**1,140,677,389**	1,183,336,382

4 財務風險管理(續)

4.2 信用風險(續)

(b) 信貸質素

貸款及其他賬項總額

於報告期結束時貸款及其他賬項組合之信貸質素可參照本集團所採納之內部評級系統進行評估。

信貸部門與信貸委員會決定個別借款人之信貸評級。信貸評級為定量及管理屬性之函數，該等屬性包括經濟前景、往來記錄及行業風險。本集團就大型公司及中小企業設置不同評級基礎。標準普爾、穆迪及惠譽等外界評級將在可用情況下作為參考。

下表呈列並無逾期亦無減值的貸款及其他賬項組合的內部評級與香港金融管理局採用的貸款分類架構的配對。

正常級別	A至J
關注級別	K至L

A至J級：借款人目前在應付承諾及悉數償還利息及本金方面沒有問題之貸款。執行類別分為A至J共10個級別。

K至L級：貸款逾期期間超過一個月之所有正常級別借款人須調低至關注級別或以下，除非有很強理據才可不按此要求。其餘符合香港金融管理局關注級別或不良貸款級別定義一個或超過一個特徵的借款人或因為一般經濟環境惡化，儘管沒有逾期還款或違約紀錄，都有可能被調降至K及L級。這是較嚴謹的評級做法，在於提高本集團的信用風險警覺。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(b) Credit quality

Gross loans and advances

The credit quality of the portfolio of loans and advances at the end of the reporting periods can be assessed by reference to the internal rating system adopted by the Group.

The Credit Function and Credit Committee decide an individual borrower's credit rating. Credit rating is a function of quantitative and management attributes that include economic outlook, account conduct and industry risk. The Group has a different rating scale for large corporates and SMEs. The external ratings of S&P, Moody's and Fitch will be referenced, if available.

The following table gives a mapping of the internal rating of the portfolio of loans and advances that were neither past due nor impaired to the loan classification framework adopted by the HKMA.

Pass Grades	A to J
Special Mention Grades	K to L

Grades A – J: Loans where borrowers are currently meeting commitment and full repayment of interest and principal is not in doubt. There are 10 grades within the performing category from A to J.

Grades K – L: All pass grade borrowers which have overdue loans for a period exceeding one month are downgraded to special mention rating or below, unless with strong justification irrespective of the internal ratings. Borrowers exhibiting one or more of the characteristics per the HKMA's special mention or non-performing grades definition or as the general economic environment deteriorates, may also be graded K & L, notwithstanding the absence of overdue loan or default record. This is a stringent credit rating approach to raise the Group's credit risk alertness.

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4 財務風險管理(續)

4.2 信用風險(續)

(b) *信貸質素(續)*
貸款及其他賬項總額(續)
個別已減值之貸款及其他賬項
本集團已有制定政策，監督將無抵押貸款已逾期超過90日之客戶調低至不良貸款級別。無抵押貸款已逾期90日以上之借款人仍保留在正常級別，而不是在已減值當中的非常少。已減值借貸賬項一般轉至由信貸及投資管理部管理，以便收回之前景及方式能夠更加獨立地予以評估、決定及實施。信貸及投資管理部下的特殊資產部可能並不即時採取任何收回行動。倘認為有關之客戶能夠重振業務，而又或者該客戶之持續營運是需要這些抵押品輔助，本集團更可能幫助他們。本集團有時會加入其他債權人銀行或尋求與彼等達成協議，以採取一致立場。否則，本集團將採取適當措施，以保護客戶之資產、盡量收回，並且及時快速透過私人出售或公開拍賣以接近外界估值之平均值之價格變現物業抵押品。

本集團採納一項客觀個別減值政策以符合《香港財務報告準則》第9號之規定。減值規定(如有)可一直追溯至合理預期已貼現償還現金流量及／或經評估之抵押品可變現淨值。

本來會變成逾期或減值之重組貸款

重組活動包括已延期之付款安排、經批准之外界管理計劃、修訂及延期付款。於重組後，先前逾期客戶賬項乃重新設定為沒有逾期並連同其他類似經重組債項由信貸及投資管理部下的特殊資產部管理。重組政策及安排乃由管理層根據已定指標判斷，認為還款可以自此持續作出。此等政策持續予以檢討。於二零二零年十二月三十一日，本來會變成逾期或減值之重組貸款共計為1億4千3百萬港元(二零一九年：1億9千萬港元)。該等貸款保留在不良貸款直至本銀行有充足理由相信債務人將可滿足重組貸款之償還條款。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(b) *Credit quality (continued)*
Gross loans and advances (continued)
Loans and advances individually impaired
The Group has a policy to govern customers downgraded to the NPL grades when their unsecured loans are overdue over 90 days. It is very seldom that a borrower with an unsecured loan outstanding due for over 90 days would be retained in performing loan instead of impaired. Impaired borrowing accounts are typically transferred to management by the Credit and Investment Management Department, so that the prospect and means of recovery can be more independently evaluated, decided and implemented. The Special Assets Section under Credit and Investment Management Department may not take any immediate recovery action. It may even help in circumstances where the customer in question is deemed to be able to be rehabilitated and the collateral is important to the customer's continued business operation. The Group may at times join or seek agreement with other creditor banks to stand still in concert. Otherwise, the Group will take appropriate measures to preserve the customer's assets, to maximise recovery and to quickly realise property collateral in a timely manner either by private sale or by public auction at prices that are in acceptable proximity to the average of several external valuations.

The Group adopts an objective individual impairment policy in compliance with the requirement of HKFRS 9. Impairment requirement, if any, can always be traceable back to reasonably expected discounted repayment cash flows and/or the assessed net realisable value of the collateral.

Renegotiated loans that would otherwise be past due or impaired
Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Following restructuring, a previously overdue customer account is reset to a normal status and managed together with other similar restructured debts by the Special Assets Section under Credit and Investment Management Department. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continual review. Renegotiated loans that would otherwise be past due or impaired totalled HK$143 million as at 31 December 2020 (2019: HK$190 million). They are retained in non-performing loans as long as there is no sufficiently good reason to believe that the obligor will be able to sustainably meet the re-scheduled loan repayment terms.

4 財務風險管理(續)

4.2 信用風險(續)

(b) 信貸質素(續)
貸款及其他賬項總額(續)

	信貸評級 Credit rating	內部評級 Internal rating	第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	2020 千港元 HK$'000
正常級別	Pass grade	A-E	**149,698,671**	**12,323,941**	**–**	**162,022,612**
		F-H	**228,712,469**	**2,724,060**	**–**	**231,436,529**
		I-J	**63,942,524**	**2,489,478**	**–**	**66,432,002**
關注級別	Special mention grade	K-L	**3,140,848**	**14,731,707**	**–**	**17,872,555**
次級、可疑、虧損級別	Substandard, Doubtful, Loss grade	M-O	**–**	**–**	**4,421,728**	**4,421,728**
總計	Total		**445,494,512**	**32,269,186**	**4,421,728**	**482,185,426**

	信貸評級 Credit rating	內部評級 Internal rating	第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	2019 千港元 HK$'000
正常級別	Pass grade	A-E	119,265,306	23,327,283	–	142,592,589
		F-H	227,080,077	6,146,531	–	233,226,608
		I-J	85,337,519	1,960,748	–	87,298,267
關注級別	Special mention grade	K-L	1,586,915	5,171,042	–	6,757,957
次級、可疑、虧損級別	Substandard, Doubtful, Loss grade	M-O	–	–	4,983,758	4,983,758
總計	Total		433,269,817	36,605,604	4,983,758	474,859,179

下表載列有關貸款於第一、二及三階段逾期狀態的資料。

The following table sets out information about the overdue status of loans and in Stages 1, 2 and 3.

		第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	2020 千港元 HK$'000
即期	Current	**445,425,500**	**31,222,868**	**253,847**	**476,902,215**
逾期不超過30日	Past due up to 30 days	**68,280**	**244,879**	**250,919**	**564,078**
逾期31-60日	Past due 31-60 days	**732**	**541,458**	**105,398**	**647,588**
逾期61-90日	Past due 61-90 days	**–**	**259,981**	**53,434**	**313,415**
逾期90日以上	Past due over 90 days	**–**	**–**	**3,758,130**	**3,758,130**
總計	Total	**445,494,512**	**32,269,186**	**4,421,728**	**482,185,426**

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4 財務風險管理(續)

4.2 信用風險(續)

(b) 信貸質素(續)
貸款及其他賬項總額(續)

		第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	2019 千港元 HK$'000
即期	Current	433,179,099	35,446,980	637,179	469,263,258
逾期不超過30日	Past due up to 30 days	90,718	274,342	1,903	366,963
逾期31-60日	Past due 31-60 days	–	414,944	15,567	430,511
逾期61-90日	Past due 61-90 days	–	469,338	79,909	549,247
逾期90日以上	Past due over 90 days	–	–	4,249,200	4,249,200
總計	Total	433,269,817	36,605,604	4,983,758	474,859,179

除貸款及其他賬項總額外，於二零二零年及二零一九年之報告期結束時，並無任何金融資產為已逾期但未減值。

債券及權益證券
下表列示於十二月三十一日按評級機構指定劃分之金融投資分析，乃根據標準普爾之評級或彼等相當於各自之金融投資類別進行。在沒有該等發行評級之情況下，則採用有關發行人採納之評級等級。

持作交易用途金融資產

二零二零年	2020	**2020 總計 Total 千港元 HK$'000**	2019 總計 Total 千港元 HK$'000
AAA	**AAA**	–	–
AA-至AA+	**AA- to AA+**	–	148,268
A-至A+	**A- to A+**	–	194,668
低於A-	**Lower than A–**	–	71,659
未評級	**Unrated**	–	77,889
總計	**Total**	–	492,484

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(b) Credit quality (continued)
Gross loans and advances (continued)

Other than gross loans and advances, no financial assets were past due but not impaired at the end of the reporting periods of 2020 & 2019.

Debt and equity securities
The table below presents an analysis of financial investments by rating agency designation at 31 December, based on S&P's ratings or their equivalent to the respective categories of financial investments. In the absence of such issue ratings, the rating scale adopted by the issuers is used.

Financial assets held for trading

4 財務風險管理(續)

4.2 信用風險(續)

(b) 信貸質素(續)
債券及權益證券(續)
以公平價值經損益表入賬金融資產

二零二零年	2020	2020 總計 Total 千港元 HK$'000	2019 總計 Total 千港元 HK$'000
AAA	AAA	–	–
AA-至AA+	AA- to AA+	–	–
A-至A+	A- to A+	–	–
低於A-	Lower than A–	–	–
未評級	Unrated	**5,093,540**	5,047,582
總計	Total	**5,093,540**	5,047,582

以公平價值經其他全面收益入賬金融投資

		2020			
二零二零年	2020	第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	總計 Total 千港元 HK$'000
AAA	AAA	**2,228,224**	-	-	**2,228,224**
AA-至AA+	AA- to AA+	**32,950,762**	-	-	**32,950,762**
A-至A+	A- to A+	**74,575,716**	-	-	**74,575,716**
低於A-	Lower than A–	**18,366,906**	**315,211**	-	**18,682,117**
未評級	Unrated	**11,569,212**	-	-	**11,569,212**
總計	Total	**139,690,820**	**315,211**	-	**140,006,031**

以公平價值經其他全面收益入賬金融投資

		2019			
二零一九年	2019	第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	總計 Total 千港元 HK$'000
AAA	AAA	5,941,467	–	–	5,941,467
AA-至AA+	AA- to AA+	51,811,437	–	–	51,811,437
A-至A+	A- to A+	62,998,479	2,820,900	–	65,819,379
低於A-	Lower than A–	17,374,421	707,832	–	18,082,253
未評級	Unrated	10,719,818	–	–	10,719,818
總計	Total	148,845,622	3,528,732	–	152,374,354

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(b) Credit quality (continued)
Debt and equity securities (continued)
Financial assets at fair value through profit or loss

		2020 Total HK$'000	2019 Total HK$'000
AAA	AAA	–	–
AA- to AA+	AA- to AA+	–	–
A- to A+	A- to A+	–	–
Lower than A–	Lower than A–	–	–
Unrated	Unrated	**5,093,540**	5,047,582
Total	Total	**5,093,540**	5,047,582

Financial investments measured at fair value through other comprehensive income

		2020			
		Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Total HK$'000
AAA	AAA	**2,228,224**	-	-	**2,228,224**
AA- to AA+	AA- to AA+	**32,950,762**	-	-	**32,950,762**
A- to A+	A- to A+	**74,575,716**	-	-	**74,575,716**
Lower than A–	Lower than A–	**18,366,906**	**315,211**	-	**18,682,117**
Unrated	Unrated	**11,569,212**	-	-	**11,569,212**
Total	Total	**139,690,820**	**315,211**	-	**140,006,031**

Financial investments measured at fair value through other comprehensive income

		2019			
		Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Total HK$'000
AAA	AAA	5,941,467	–	–	5,941,467
AA- to AA+	AA- to AA+	51,811,437	–	–	51,811,437
A- to A+	A- to A+	62,998,479	2,820,900	–	65,819,379
Lower than A–	Lower than A–	17,374,421	707,832	–	18,082,253
Unrated	Unrated	10,719,818	–	–	10,719,818
Total	Total	148,845,622	3,528,732	–	152,374,354

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4 財務風險管理(續)

4.2 信用風險(續)

(b) 信貸質素(續)
債券及權益證券(續)
以攤銷成本入賬金融投資

二零二零年	2020	2020 第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	總計 Total 千港元 HK$'000
AAA	AAA	**8,366,179**	**–**	**–**	**8,366,179**
AA-至AA+	AA- to AA+	**2,530,333**	**–**	**–**	**2,530,333**
A-至A+	A- to A+	**18,684,711**	**–**	**–**	**18,684,711**
低於A-	Lower than A–	**2,217,800**	**–**	**–**	**2,217,800**
未評級	Unrated	**14,927,330**	**234,482**	**–**	**15,161,812**
總計	Total	**46,726,353**	**234,482**	**–**	**46,960,835**

以攤銷成本入賬金融投資

二零一九年	2019	2019 第一階段 Stage 1 千港元 HK$'000	第二階段 Stage 2 千港元 HK$'000	第三階段 Stage 3 千港元 HK$'000	總計 Total 千港元 HK$'000
AAA	AAA	8,999,878	–	–	8,999,878
AA-至AA+	AA- to AA+	1,807,123	–	–	1,807,123
A-至A+	A- to A+	23,918,154	60,572	–	23,978,726
低於A-	Lower than A–	3,152,846	–	–	3,152,846
未評級	Unrated	8,318,188	341,870	–	8,660,058
總計	Total	46,196,189	402,442	–	46,598,631

投資組合
於二零二零年十二月三十一日，本集團之債券組合為1,846億港元，較二零一九年十二月三十一日之1,970億港元減少6%，其中446億港元或組合之24%將於二零二一年到期。組合之大部分以美元、港元及人民幣計值，而其餘以澳元及歐元等其他貨幣計值。該組合總額之75%於以公平價值經其他全面收益入賬類別存置。本集團之債券組合根據嚴格及審慎之風險管理框架經營，並符合所有預先釐定之內部投資指引，該等內部投資指引乃經由信貸委員會及資產負債管理委員會每年進行一次審批。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(b) Credit quality (continued)
Debt and equity securities (continued)
Financial investments measured at amortized cost

Financial investments measured at amortized cost

Investment portfolio
As at 31 December 2020, the Group's debt securities portfolio amounted to HK$184.6 billion, a 6% decrease over the HK$197.0 billion as at 31 December 2019. HK$44.6 billion or 24% of the portfolio will mature in 2021. The majority of the portfolio is denominated in USD, HKD and CNY whereas the rest are in other currencies, such as AUD and EUR. 75% of the portfolio is kept in the measured at FVTOCI book category. The Group's debt securities portfolio operates under a strict and prudent risk management framework and is in compliance with all pre-determined internal investment guidelines, which are reviewed and approved annually by the Credit Committee and ALCO.

4 財務風險管理(續)

4.2 信用風險(續)

(c) 衍生工具

本集團對未平倉衍生合約金額之交易對方信用風險限額(其受限於結算前風險及結算風險)嚴格控制。結算前風險採用現行風險承擔方法計量,計及有利本集團之工具(即公平價值為正數之資產)之現行公平價值及潛在未來風險承擔(其視乎有關工具之種類及到期剩餘時間)。控制結算風險及盡量降低有關風險之方法為貨銀對付或透過中央結算所交付,或規定交易對方每日結算限額(有關限額並受日常監控)。交易對方信用風險綜合於該等交易對手按名義金額之整體放貸限額內,一併進行管理。就信用風險所獲得之抵押品或其他抵押乃以保證金形式或按市價計值虧損超過預先釐定限額時獲得。

(d) 總淨額結算安排

本集團與進行大量交易的交易對方訂立總淨額結算安排,藉此進一步減少信用風險。總淨額結算安排不一定會導致財務狀況表上資產及債務的對銷,原因是交易通常按總額結算。然而,有關之信用風險會藉著總淨額結算安排降低,於拖欠發生時,便可以停止與對方交收或按淨額結算。

(e) 信貸相關承諾

該等工具之主要目的是確保客戶有足夠資金應付其債務。擔保及備用信用證乃本集團所作出不能撤回的保證,確認本集團將會在客戶未能向第三方履行責任時作出償付,而該等工具帶有與貸款相同之信用風險。跟單及商業信用證為本集團書面承諾代表客戶授權第三方按訂明之條款及條件向本集團提取某一訂明金額之款項,這些付款承諾乃以相關之付運貨物作為抵押,因此較直接借貸之風險為低。

發出信貸之承諾代表以貸款、擔保書及信用證等形式確認已批核信貸之未動用部分。有關所發出信貸承諾之信用風險,本集團面對之潛在損失風險應相當於未動用承諾之總額。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(c) Derivatives

The Group maintains strict control of counterparty credit risk limits, which subject to pre-settlement risk and settlement risk, on open derivative positions. The pre-settlement risk is measured using Current Exposure Method, which included the current fair value of the instruments that are favorable to the Group (i.e., assets where their fair values are positive) and the potential future exposure depending on the type of the instrument and the remaining maturity. Settlement risk is controlled and minimized through delivery versus payment or such delivery is via central clearing house, and otherwise, a daily settlement limit to the counterparty is required and subjected to daily monitoring. The counterparty credit risk exposure is managed as part of the overall lending limits with counterparties on nominal amounts, Collateral or other security is obtained for credit risk exposures either in the form of margin deposits or when the accrued mark to market loss exceeds a predetermined threshold.

(d) Master netting arrangements

The Group further restricts its exposure to credit risk by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of assets and liabilities in the statement of financial position, as transactions are usually settled on a gross basis. However, the credit risk is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis.

(e) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer to settle his obligations as required. Guarantees and standby letters of credit which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties carry the same credit risk as loans. Documentary and commercial letters of credit which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than direct lending.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments.

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4 財務風險管理(續)

4.2 信用風險(續)

(e) 信貸相關承諾(續)

然而，即使在最壞的情況下，因為客戶大多還是未能滿足一些特定信貸要求，實際需支付之金額往往少於未動用承諾的總金額。本集團會控制信貸承諾之時間長短，因較長年期之承諾一般較短期承諾存在較大程度的信用風險。

(f) 抵押品及其他改善信貸條件

本集團以物業按揭、其他以資產設立的已登記抵押、現金存款及擔保書之形式持有客戶貸款及其他賬項之抵押品。銀行同業貸款及其他賬項通常沒有抵押品，除非證券作為回購及證券借貸活動之一部分持有。至於因應貸款及其他賬項以外的金融資產而持有之抵押品則取決於該工具之性質。

(g) 信用風險壓力測試

根據香港金融管理局監管政策指引，本集團定期在估計輕微、溫和及嚴重危機情況之可能信貸損失方面，進行信用風險壓力測試。本集團根據一九九八年至二零零四年之亞洲金融危機期間(包括二零零三年沙士疫症及二零零八年金融海嘯)及二零一九年至二零二零年經濟衰退期間內蒐集之經驗數據進行信用風險壓力測試。高級管理層風險管理委員會審閱壓力測試、其參數及彼等對本集團監管資本充足比率之影響。如認為有必要，將採取臨時措施以控制可能的不利情況。

根據壓力情景所估計信用風險之階段轉移，有關風險之預期信用損失使用現行《國際財務報告準則》第9號模型計算。就信用風險之風險加權資產而言，信用風險壓力測試考慮預測信用風險評級變動，以估計對風險加權資產之影響。逾期風險受限於150%風險加權。

所有上述信用風險報告每季度由高級管理層風險管理委員會及董事會風險管理委員會進行審閱。警告信號或未能通過壓力測試(如有)將予以調查、討論、調整或處理，及如有必要會於適當時候向董事會風險管理委員會匯報以提供有關資料、獲取指示或批准。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(e) Credit-related commitments (continued)

However, even in the worst scenario, loss is likely to be less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

(f) Collateral and other credit enhancements

The Group holds collateral against loans and advances to customers in the forms of mortgages over property, other registered securities over assets, cash deposits and guarantees. Collateral generally is not held over loans and advances to banks, except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument.

(g) Credit risk stress test

In accordance with the HKMA's supervisory policy guidelines, the Group runs the credit risk stress test periodically in estimation of the probable credit loss in mild, moderate and severe crisis scenarios. The Group performs the credit risk stress test on the basis of the empirical data gathered during the Asian financial crisis spanning 1998 and 2004 (including the 2003 SARS epidemic and the 2008 financial tsunami) and the economic downturn in 2019-2020. The Senior Executive Risk Management Committee reviews the stress test, its parameters and their impact on the Group's regulatory capital adequacy ratio. Contingency measures will be devised to control possible adversities, if deemed necessary.

Based on the stage transition of credit exposures estimated under the stress scenarios, expected credit loss of exposure are calculated leveraging on existing IFRS9 models. For credit risk risk-weighted asset (RWA), credit risk stress test takes into account the projected migration of ratings of credit exposures to estimate the impact to RWA. Past due exposure is subject to 150% risk weight.

All the above credit risk reports are reviewed quarterly by the Senior Executive Risk Management Committee and the Risk Management Committee of the Board of Directors. Warning signals or breach of stress-testing triggers, if any, will be investigated, discussed, rectified or dealt with, and, if necessary, be reported to the Risk Management Committee of the Board of Directors in due course for information, instruction or approval.

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額

信用風險顯著增加

本集團釐定一項金融工具自初始確認的違約風險是否顯著增加時，考慮合理及有理據支持且相關及不涉及不必要的成本或力度的可用資料。此包括定量及定性的資料及分析，乃建基於本集團過往經驗及專家信用評估及包括前瞻性資料。

評估的目的為確定信用風險是否顯著增加，方法為比較以下項目：

- 於報告日期就餘下合約期違約的機率；及
- 於估計初始確認風險時就餘下合約期違約的機率(根據預期預付變動而作出相應調整)。

本集團釐定信用風險是否顯著增加時，使用三項準則：

- 基於違約機率變動的定量測試；
- 定性指標；及
- 逾期30日的基本標準

信用風險級別

本集團將各風險分類作一信用風險級別，基準是被釐定為對違約風險有預測性的多項數據，並應用信貸的經驗判斷。信用風險級別以定性及定量的因素定義，能夠顯示違約風險。該等因素視乎風險的性質及借款人種類而有所不同。信用風險級別的定義及校訂，使一旦信用風險惡化違約風險會呈指數增長，例如信用風險級別1及2之間的違約風險差距比信用風險級別2及3之間的差距為小。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Group uses three criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on movement in PD;
- qualitative indicators; and
- a backstop of 30 days past due

Credit risk grades

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

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4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)
信用風險級別(續)
初始確認時，各風險獲分類作一信用風險級別，基準是有關借款人的可用資訊。風險會持續監察，可能導致其移至不同的信用風險級別。

下表顯示本集團就貸款組合的內部信用風險級別與違約機率的配對。

	信用評級 Credit rating	內部評級 Internal rating	加權平均違約機率 Weighted average PD
正常級別	Pass grade	A-E	0.67%
		F-H	1.72%
		I-J	1.81%
關注級別	Special mention grade	K-L	3.12%
次級、可疑、虧損級別	Substandard, Doubtful, Loss grade	M-O	100%

產生違約機率年期結構
信用風險級別乃釐定風險的違約機率年期結構的主要輸入數據。本集團收集有關其信用風險的表現及違約資料，以司法權區或地區以及產品及借款人種類以及信用風險級別作出分析。就若干組合而言，亦會使用購自外界信用參考機構的資料。本集團使用統計學模型分析收集到的數據及估計風險的餘下合約期的違約機率及隨著時間過去預期會發生甚麼變化。

釐定信用風險是否顯著增加
於各報告日期，本集團評估信用風險自初始確認以來是否顯著增加。釐定信用風險有否顯著增加視乎金融工具及借款人的特徵，以及地理因素。是否被認為顯著因不同種類借貸各異，特別是批發及零售。

信用風險或被認為自初始確認以來顯著增加，乃基於與本集團信用風險管理程序有連繫之定性因素，其未必能獲定量分析及時及全面反映。符合若干已提高風險準則的風險會出現此情況，例如觀察名單上的風險。該等定性因素乃基於專業判斷及相關過往經驗。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)
Credit risk grades (continued)
Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

The table below provides an indicative mapping of how the Group's internal credit risk grades relate to PD and, for the loan portfolio.

Generating the term structure of PD
Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. For some portfolios, information purchased from external credit reference agencies is also used. The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

Determining whether credit risk has increased significantly
The Group assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower, and the geographical region. What is considered significant differs for different types of lending, in particular between wholesale and retail.

The credit risk may be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Group's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as exposure on a watch list. Such qualitative factors are based on its expert judgment and relevant historical experiences.

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)
釐定信用風險是否顯著增加(續)

作為基本標準，本集團認為信用風險顯著增加的發生，應不遲於一項資產逾期超過30日。逾期日數的釐定方法是未收到全數付款的最早逾期日起計之日數。釐定到期日時並不考慮任何可能給予借款人的寬限期。

倘有證據顯示相對於初始確認時信用風險已不再顯著增加，則一項工具的虧損撥備回復以12個月以內預期信用損失計量。若干顯示信用風險增加的定性指標(例如拖欠或延期償付)可能顯示於該指標消除後違約風險的增加依然存在。此等情況下，本集團釐定一試用期，期間有關金融資產需要表現良好，以提供證據證明其信用風險顯著下降。當一筆貸款的合約條款經修訂，顯示其不再符合合約期內之預期信用損失的確認準則的證據包括最新付款表現紀錄並參照經修訂的合約條款。

本集團監察用以確定信用風險顯著增加的準則是否有效，方法是定期檢討以確定：

- 該準則於風險違約前已能夠確定信用風險顯著增加；
- 該準則與一項資產逾期30日的時點不一致；
- 確定信用風險顯著增加與違約之間的平均時間差合理；
- 風險一般並非由12個月以內預期信用損失計量直接轉撥至信貸不良；及
- 並無來自12個月違約機率(第一階段)與合約期違約機率(第二階段)之間轉撥產生的虧損撥備的不合理波動。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)
Determining whether credit risk has increased significantly (continued)

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Group determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit impaired; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

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4 財務風險管理(續)

4.2 信用風險(續)

(h) *產自預期信用損失之金額(續)*
違約的定義
當出現以下情況，則本集團認為一項金融資產出現違約：

- 借款人在本集團不採取變現抵押(如持有)等行動的情況下不大可能向本集團悉數支付其信用債務；
- 借款人就任何重大信用債務拖欠本集團超過90日。當客戶透支超過獲建議的限額或獲告知其限額較目前未償付之金額為小，該透支即被視為逾期；或
- 借款人因無力償付其信用債務導致破產，很可能會重組資產。

本集團於評估借款人是否違約時，考慮以下的指標：

- 定性：例如毀約；
- 定量：例如同一發行人對本集團的另一債務的逾期狀態及不付款；及
- 基於內部產生及從外部來源獲得的數據。

評估金融工具是否違約的輸入數據及其重大性或隨時間變化，以反映情況的變動。此違約的定義大致與本集團用以規管資本者一致。

加入前瞻性資料
本集團將前瞻性資料加入至評估一項工具自初始確認的信用風險是否顯著增加及計量預期信用損失中。

本集團制定三種經濟情況：基準情況(即發生機率50%的中位數情況)及兩個機率較小的情況(一為向上一為向下，發生機率分別為32.5%及17.5%)。

本集團確定各金融工具組合之信用風險及信用損失的關鍵因素，為此訂立文據，並透過分析歷史性數據，估計宏觀經濟變量與信用風險及信用損失之間的關係。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) *Amounts arising from ECL (continued)*
Definition of default
The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Group for regulatory capital purposes.

Incorporation of forward-looking information
The Group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Group formulates three economic scenarios: a base case, which is the median scenario assigned a 50% probability of occurring, and two less likely scenarios, one upside and one downside, assigned a 32.5% and 17.5% probability of occurring respectively.

The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)
加入前瞻性資料(續)

貸款組合信用風險的關鍵因素為：中國失業率、中國經常賬戶餘額、香港商業物業價格指數、香港住宅物業價格指數及香港商品及服務進口量。

於二零二零年十二月三十一日所使用的經濟情況包括以下截至二零二一年至二零二五年十二月三十一日止各年度的關鍵指標。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)
Incorporation of forward-looking information (continued)

The key drivers for credit risk for loan portfolios are: China Unemployment Rates, China Current Account Balance, Hong Kong Commercial Property Price Index, Hong Kong Residential Property Price Index and Hong Kong Volume of Imports of Goods and Service.

The economic scenarios used as at 31 December 2020 included the following key indicators for the years ending 31 December 2021 to 2025.

				2021	2022	2023	2024	2025
中國失業率(百分比)	China Unemployment Rates (Percentage)	基準	Base	4.42%	4.39%	3.54%	3.53%	3.51%
		向上	Upside	4.37%	4.35%	3.54%	3.53%	3.51%
		向下	Downside	4.52%	4.48%	3.54%	3.53%	3.51%
中國經常賬戶餘額(百分比)	China Current Account Balance (Percentage)	基準	Base	-0.94%	-1.01%	0.61%	0.58%	0.53%
		向上	Upside	-0.68%	-0.75%	0.61%	0.58%	0.53%
		向下	Downside	-1.46%	-1.55%	0.61%	0.58%	0.53%
香港商業物業價格指數(變動百分比)	Hong Kong Commercial Property Price Index (Percentage change)	基準	Base	-13.76%	6.95%	4.43%	3.54%	3.20%
		向上	Upside	-10.03%	7.19%	4.59%	3.67%	3.33%
		向下	Downside	-15.28%	6.85%	4.36%	3.48%	3.15%
香港住宅物業價格指數(變動百分比)	Hong Kong Residential Property Price Index (Percentage change)	基準	Base	-2.86%	5.08%	4.51%	4.06%	3.71%
		向上	Upside	-0.68%	5.16%	4.58%	4.12%	3.76%
		向下	Downside	-5.04%	5.00%	4.44%	4.00%	3.65%
香港商品及服務進口量(百分比)	Hong Kong Volume of Imports of Goods and Service (Percentage)	基準	Base	5.04%	4.78%	3.57%	3.64%	3.75%
		向上	Upside	4.88%	4.62%	3.39%	3.46%	3.57%
		向下	Downside	7.31%	7.05%	5.92%	5.98%	6.08%

關鍵指標與金融資產各組合的違約及虧損率之間的預估關係乃基於分析過去20年的歷史性數據而得出。

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 20 years.

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4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)
加入前瞻性資料(續)
計量預期信用損失的關鍵輸入數據為以下變量的年期結構：

— 違約機率；

— 違約虧損；及

— 違約風險。

第一階段風險的預期信用損失的計算方法為12個月違約機率乘以違約虧損及違約風險。合約期內之預期信用損失的計算方法為合約期違約機率乘以違約虧損及違約風險。估計違約機率的方法於上文「產生違約機率年期結構」一段討論。

違約虧損指倘出現違約可能虧損的程度。本集團基於向違約對手方索償收回率的紀錄估計違約虧損參數。違約虧損模型考慮結構、抵押品、索償的順序、對手方的業務界別及內置於有關金融資產之任何抵押品的收回成本。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)
Incorporation of forward-looking information (continued)
The key inputs into the measurement of ECL are the term structure of the following variables:

– probability of default (PD);

– loss given default (LGD); and

– exposure at default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD. The methodology of estimating PDs is discussed above under the heading 'Generating the term structure of PD'.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)
加入前瞻性資料(續)

違約風險指當發生違約事件時之預期風險。本集團以目前就對手方的風險以及目前合約下及攤銷產生的撥備金額之潛在變動計算違約風險。一項金融資產的違約風險乃其於違約時的總賬面值。就借貸承諾而言，違約風險乃合約下可能被動用的潛在未來金額，其估計基於歷史性觀察及前瞻性預測。就金融擔保而言，違約風險指當該金融擔保成為應付時已擔保風險的金額。就若干金融資產而言，違約風險的釐定方法為利用情景及統計學技術模擬不同時點的可能風險結果。

如上所述，及就第一階段金融資產使用最大的12個月違約機率下，本集團計量預期信用損失時考慮有信用風險的最長合約期間(包括任何借款人的延期選項)的違約風險，雖然因信用風險管理關係，本集團考慮較長的期間。最長合約期間延至本集團有權要求償付墊款或終止貸款承諾或保證之日。

然而，就包括貸款及未動用承諾部分的信用卡信用額而言，倘本集團要求還款及取消未動用承諾的合約能力沒有限制本集團於合約通知期的信用損失風險，本集團計量預期信用損失時將計量較最長合約期間更長的期間。該等信用額並無固定年期或還款結構，其以集體基準管理。本集團可以即時取消彼等，惟此合約權利不在正常的日常管理中執行，僅當本集團於融資層面發覺信用風險增加時執行。估計此較長期間時考慮本集團預期將採取及有助減輕預期信用損失的信用風險管理行動。該等行動包括削減限額、取消融資及／或將未償付結餘轉為有固定還款期的貸款。

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)
Incorporation of forward-looking information (continued)

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Group considers a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for credit card facilities that include both a loan and an undrawn commitment component, the Group measures ECL over a period longer than the maximum contractual period if the Group's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group expects to take, and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

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4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

下表顯示按金融工具分類的虧損撥備期初與期末結餘的對賬。

客戶、銀行同業之貸款及其他賬項以及商業票據以攤銷成本入賬

二零二零年	2020	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit-impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit-impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零二零年一月一日	At 1 January 2020	2,280,274	797,972	2,469,280	5,547,526
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	27,301	(27,301)	–	–
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit-impaired	(28,946)	28,946	–	–
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit-impaired	(5,623)	(132,208)	137,831	–
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	449,867	85,866	944,321	1,480,054
源生或購入之新金融資產	New financial assets originated or purchased	2,148,292	45,362	–	2,193,654
已終止確認之金融資產	Financial assets that have been derecognised	(637,023)	(222,001)	(6,439)	(865,463)
核銷	Write off	–	–	(670,985)	(670,985)
收回先前核銷的金額	Recoveries of amount previously written off	–	–	26,006	26,006
於二零二零年十二月三十一日	At 31 December 2020	4,234,142	576,636	2,900,014	7,710,792
扣除自：	Deducted from:				
客戶貸款	Advances to customers	4,195,498	576,634	2,900,014	7,672,146
銀行同業貸款	Advances to banks	31,059	–	–	31,059
商業票據	Trade bills	7,585	2	–	7,587
		4,234,142	576,636	2,900,014	7,710,792

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Loans and advances to customers, banks and trade bills measured at amortised cost

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

客戶、銀行同業之貸款及其他賬項以及商業票據以攤銷成本入賬(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)

Loans and advances to customers, banks and trade bills measured at amortised cost (continued)

二零一九年	2019	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit-impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit-impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零一九年一月一日	At 1 January 2019	2,279,440	667,189	2,129,299	5,075,928
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	215,559	(215,559)	–	–
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit-impaired	(125,021)	125,021	–	–
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit-impaired	(29,071)	(24,430)	53,501	–
虧損撥備的重新計量淨額（包括匯兑調整）	Net remeasurement of loss allowance (including exchange adjustments)	(287,938)	357,733	1,667,393	1,737,188
源生或購入之新金融資產	New financial assets originated or purchased	1,066,695	75,196	–	1,141,891
已終止確認之金融資產	Financial assets that have been derecognised	(839,390)	(187,178)	(46,674)	(1,073,242)
核銷	Write off	–	–	(1,337,075)	(1,337,075)
收回先前核銷的金額	Recoveries of amount previously written off	–	–	2,836	2,836
於二零一九年十二月三十一日	At 31 December 2019	2,280,274	797,972	2,469,280	5,547,526
扣除自：	Deducted from:				
客戶貸款	Advances to customers	2,259,966	797,923	2,469,280	5,527,169
銀行同業貸款	Advances to banks	16,322	–	–	16,322
商業票據	Trade bills	3,986	49	–	4,035
		2,280,274	797,972	2,469,280	5,547,526

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4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

以公平價值經其他全面收益入賬金融資產

二零二零年	2020	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零二零年一月一日	At 1 January 2020	**120,876**	**5,728**	**–**	**126,604**
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	**2,941**	**(2,941)**	**–**	**–**
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	**–**	**–**	**–**	**–**
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	**–**	**–**	**–**	**–**
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	**7,728**	**(263)**	**–**	**7,465**
源生或購入之新金融資產	New financial assets originated or purchased	**44,406**	**-**	**–**	**44,406**
已終止確認之金融資產	Financial assets that have been derecognised	**(40,002)**	**(2,058)**	**–**	**(42,060)**
於二零二零年十二月三十一日	At 31 Dec 2020	**135,949**	**466**	**–**	**136,415**

二零一九年	2019	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零一九年一月一日	At 1 January 2019	83,606	2,539	–	86,145
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	280	(280)	–	–
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	(1,702)	1,702	–	–
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	–	–	–	–
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	(8,316)	1,168	–	(7,148)
源生或購入之新金融資產	New financial assets originated or purchased	66,482	1,067	–	67,549
已終止確認之金融資產	Financial assets that have been derecognised	(19,474)	(468)	–	(19,942)
於二零一九年十二月三十一日	At 31 Dec 2019	120,876	5,728	–	126,604

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)

Financial assets measured at fair value through other comprehensive income

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

以攤銷成本入賬金融投資

二零二零年	2020	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零二零年一月一日	At 1 January 2020	**25,614**	**4,961**	**–**	**30,575**
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	**136**	**(136)**	**–**	**–**
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	**–**	**–**	**–**	**–**
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	**–**	**–**	**–**	**–**
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	**(1,238)**	**(2,534)**	**–**	**(3,772)**
源生或購入之新金融資產	New financial assets originated or purchased	**5,802**	**–**	**–**	**5,802**
已終止確認之金融資產	Financial assets that have been derecognised	**(3,047)**	**–**	**–**	**(3,047)**
於二零二零年十二月三十一日	At 31 Dec 2020	**27,267**	**2,291**	**–**	**29,558**

二零一九年	2019	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零一九年一月一日	At 1 January 2019	34,649	14,498	–	49,147
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	324	(324)	–	–
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	(44)	44	–	–
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	–	–	–	–
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	(8,513)	(9,257)	–	(17,770)
源生或購入之新金融資產	New financial assets originated or purchased	3,865	–	–	3,865
已終止確認之金融資產	Financial assets that have been derecognised	(4,667)	–	–	(4,667)
於二零一九年十二月三十一日	At 31 Dec 2019	25,614	4,961	–	30,575

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)

Financial investment measured at amortised cost

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4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

現金及在銀行同業及其他金融機構之存款

二零二零年	2020	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零二零年一月一日	At 1 January 2020	**34,797**	–	–	**34,797**
虧損撥備的重新計量淨額（包括匯兑調整）	Net remeasurement of loss allowance (including exchange adjustments)	**1,912**	–	–	**1,912**
源生或購入之新金融資產	New financial assets originated or purchased	**33,121**	–	–	**33,121**
已終止確認之金融資產	Financial assets that have been derecognised	**(34,341)**	–	–	**(34,341)**
於二零二零年十二月三十一日	At 31 Dec 2020	**35,489**	–	–	**35,489**

二零一九年	2019	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零一九年一月一日	At 1 January 2019	25,991	–	–	25,991
虧損撥備的重新計量淨額（包括匯兑調整）	Net remeasurement of loss allowance (including exchange adjustments)	(944)	–	–	(944)
源生或購入之新金融資產	New financial assets originated or purchased	33,568	–	–	33,568
已終止確認之金融資產	Financial assets that have been derecognised	(23,818)	–	–	(23,818)
於二零一九年十二月三十一日	At 31 Dec 2019	34,797	–	–	34,797

4 FINANCIAL RISK MANAGEMENT (continued)

4.2 Credit risk (continued)

(h) Amounts arising from ECL (continued)

Cash, placement with banks and other financial institutions

4 財務風險管理(續)

4.2 信用風險(續)

(h) 產自預期信用損失之金額(續)

貸款承諾及金融擔保合約

二零二零年	2020	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零二零年一月一日	At 1 January 2020	**71,675**	**3,512**	**–**	**75,187**
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	**2,459**	**(2,459)**	**–**	**–**
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	**(13)**	**13**	**–**	**–**
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	**–**	**–**	**–**	**–**
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	**32,393**	**130**	**–**	**32,523**
源生或購入之新金融資產	New financial assets originated or purchased	**132,034**	**3,835**	**–**	**135,869**
已終止確認之金融資產	Financial assets that have been derecognised	**(45,870)**	**(978)**	**–**	**(46,848)**
於二零二零年十二月三十一日	At 31 Dec 2020	**192,678**	**4,053**	**–**	**196,731**

二零一九年	2019	12個月以內預期信用損失 12-month ECL HK$'000 千港元	非信貸不良的合約期內之預期信用損失 Lifetime ECL not credit impaired HK$'000 千港元	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired HK$'000 千港元	總計 Total HK$'000 千港元
減值撥備變動：	Movement in impairment allowances:				
於二零一九年一月一日	At 1 January 2019	133,889	2,596	–	136,485
轉撥至12個月以內預期信用損失	Transfer to 12-month ECL	7	(7)	–	–
轉撥至非信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL not credit impaired	(2)	2	–	–
轉撥至信貸不良的合約期內之預期信用損失	Transfer to Lifetime ECL credit impaired	–	–	–	–
虧損撥備的重新計量淨額(包括匯兑調整)	Net remeasurement of loss allowance (including exchange adjustments)	(9,953)	26	–	(9,927)
源生或購入之新金融資產	New financial assets originated or purchased	42,597	3,454	–	46,051
已終止確認之金融資產	Financial assets that have been derecognised	(94,863)	(2,559)	–	(97,422)
於二零一九年十二月三十一日	At 31 Dec 2019	71,675	3,512	–	75,187

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4 財務風險管理(續)

4.3 市場風險管理

市場風險為資產、負債與資產負債表外項目倉盤之市場利率及價格出現變化而引起收益或虧損之風險。一般而言，本集團之市場風險與外匯、貨幣市場、債券及衍生工具的持倉額相關。大部分資產負債表以外之衍生工具持倉額源自執行客戶相關指令及用作對沖之持倉額。基本上，向客戶提供結構性產品在大多數情況下乃按背對背方式提供，以因應本集團之風險承擔能力，並在維持本銀行之市場競爭力之同時，將市場風險盡量降低。

本集團市場風險管理之目標乃按照與本集團提供卓越金融產品及服務之地位以及符合本集團的風險承擔能力之方式，優化回報及管控市場風險。

本集團將市場風險承擔分類為交易或非交易組合。交易組合包括市場莊家產生的該等倉盤及自營交易倉盤。非交易組合主要因對本集團的零售、企業及商業銀行資產及負債的有效外匯和利率管理而產生。

(a) 市場風險管理框架

各類交易之市場風險乃按照董事會風險管理委員會、高級管理層風險管理委員會(「高級管理層風險管理委員會」)及市場風險委員會(「市場風險委員會」)制定之風險限額及指引進行管理。風險按照風險值(「VaR」)、敏感度(FX NOP、IR DV01、CS01、Option Greeks)及止損限額之基準衡量及監察。每日風險管理由風險管理部之市場風險單位獨立地進行，確保所有交易活動以恰當模式在許可之限額內進行。本集團之市場風險乃由董事會風險管理委員會、高級管理層風險管理委員會及市場風險委員會定期進行審核。定期進行壓力測試，以估計極端市況下可能造成之虧損。本集團之審計部亦定期對交易活動進行檢討及測試，以確保符合所有內部指引。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management

Market risk is the risk that market rates and prices on assets, liabilities and off-balance sheet positions change, thus causing profits or losses. Generally, the Group's market risk is associated with its positions in foreign exchange, the money market, debt securities and derivatives. Most off-balance sheet derivative positions arise from the execution of customer-related orders and positions taken for hedging purposes. Structured products are basically offered to customers in most cases on a back-to-back basis to maintain the Bank's market competitiveness at minimal market risk, commensurate with the Group's risk appetite.

The objective of the Group's market risk management is to optimise return and control market risk in ways consistent with the Group's risk appetite and its status as a premier provider of financial products and services.

The Group categorises market risk exposures into either trading or non-trading portfolios. Trading portfolios include those positions arising from market-making and proprietary trading positions. Non-trading portfolios primarily arise from the effective foreign exchange and interest rate management of the Group's retail, corporate and commercial banking assets and liabilities.

(a) Market risk management framework

Market risk exposure for different types of transactions is managed within risk limits and guidelines approved by the Board RMC, the Senior Executive Risk Management Committee (the "SERMC") and Market Risk Committee (the "MRC"). Exposures are measured and monitored against limits on Value-at-Risk ("VaR"), sensitivities (FX NOP, IR DV01, CS01, Option Greeks) and Stop-loss. Daily risk monitoring is carried out independently by Market Risk Section of the Risk Management Department, which ensures all dealing activities are conducted in a proper manner and within approved limits. The Group's market risk exposures are periodically reviewed by the Board RMC, SERMC and MRC. Stress tests are performed regularly to estimate the possible losses under extreme circumstances. The Group's Internal Audit Department also performs regular review and testing on dealing activities to ensure compliance with all internal guidelines.

4 財務風險管理(續)

4.3 市場風險管理(續)

(b) 市場風險計量

為量化因本銀行之交易及非交易活動而產生之市場風險所使用之計量技術包括VaR數值、敏感度分析及壓力測試。敏感度措施、集中及止損限額亦使用作為風險管理工具。限額乃就每個組合、產品及風險類型進行設定。壓力測試乃定期進行(最少每月一次),以評估在極端情況下之潛在虧損。董事會風險管理委員會、高級管理層風險管理委員會及市場風險委員會定期審閱壓力測試結果。

(c) 利率風險

利率風險乃本集團之持倉額可能受到市場利率變動不利影響之風險。利率風險主要因計息資產與負債之重定息年期錯配及收益率曲線變動而產生。利率風險根據資產負債管理委員會批准及監控之風險限額管理。非交易組合的利率風險每日計算,並每月向資產負債管理委員會報告一次及每季度向高級管理層風險管理委員會和董事會風險管理委員會報告一次。

本集團透過訂立資產負債表內或以外之利率風險對沖工具方式管理其利率風險。對沖活動之功效乃定期根據《香港財務報告準則》第9號進行評估。

本集團將採用及依賴止損限額、管理層設定限額、壓力測試及安裝軟件系統的方式管理其利率風險。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(b) Measurement of market risk

Measurement techniques used to quantify the market risk arising from the Bank's trading and non-trading activities include VaR metrics, sensitivity analysis and stress testing. Sensitivity measures, concentration and stop-loss limits are also used as the risk management tools. Limits are set for each portfolio, product and risk type. Stress tests are performed regularly (at least monthly) to assess the potential losses under extreme circumstances. The Board RMC, SERMC and RMC review stress test results on a regular basis.

(c) Interest rate risk

Interest rate risk is the risk that the Group's position may be adversely affected by a change in market interest rates. Interest rate risk arises mainly from the mismatch of repricing tenors of interest-bearing assets and liabilities and yield curve movements. Interest rate risk exposures are managed within risk limits approved and monitored by the ALCO. Interest rate risk exposures in the non-trading portfolio are measured on a daily basis and the results are reported to the ALCO monthly and SERMC and the Board RMC quarterly.

The Group manages its interest rate risk by way of entering into on- or off-balance sheet interest rate risk hedging instruments. The effectiveness of the hedging activities is assessed regularly in accordance with HKFRS 9.

The Group will use and count on stop-loss limits, management trigger limits, stress testing and a software system in installation to manage its interest rate risk.

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4 財務風險管理(續)

4.3 市場風險管理(續)

(c) *利率風險(續)*

交易組合

本集團對利率風險之監控乃根據有關屬於市場風險限額內交易之受限個別營運及一系列董事會風險管理委員會及市場風險委員會(依據授權)授權之可允許工具進行。尤其是,衍生產品之交易受到健全之監控系統支持,而更為複雜之衍生工具基本上是以背靠背基準進行交易。VaR、敏感度措施、集中及止損限額乃作為風險管理工具使用。風險限額乃每日由風險管理部之市場風險單位進行獨立監察。

非交易組合

非交易組合(亦稱為「銀行賬戶」)之利率風險管理之主要目標是優化淨利息收入但不至於承受過多風險,這由金融市場部(「金融市場部」)每日進行,並在資產負債管理委員會監督下管理利率風險。當產品之行為特徵與其合約特徵不同或有關產品並無特定到期日或重新定價特徵時,則對行為特徵進行評估以釐定彼等之實際相關利率風險組合。資產負債管理委員會監察所有該等行為假設及利率風險狀況,以確保彼等符合當時適用的利率風險限額。利率風險限額乃就規管因非交易組合產生之利率風險而設定。該等限額定期進行計量及獨立監察。

本集團就其銀行賬戶面對之利率風險主要包括以下三個形式:缺口風險、基準風險及期權風險。利率風險乃就利率變動對盈利或經濟價值之影響而計量,並假設所有其他因素維持不變,如金融市場部或其他業務部門中並無採取任何行動以減低此利率風險之影響,以及所有年期項目之利率按同一幅度變動。

自二零一九年七月一日起,本集團已與金管局制定之新要求保持一致,其中針對某些產品之可選性和特性等新的假設,已納入風險計量中。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(c) *Interest rate risk (continued)*

Trading portfolio

The Group's control of interest rate risk is based on restricting individual operations to trading within the market risk limits, and a list of permissible instruments authorised by the Board RMC, and MRC where authority delegated. In particular, trading in the derivative products is supported by robust control systems whereas more complicated derivatives are basically undertaken on a back-to-back basis. VaR, sensitivity measures, concentration and stop-loss limits are used as risk management tools. Risk limits are independently monitored by Market Risk Section of Risk Management Department on a daily basis.

Non-trading portfolio

The principal objective of interest rate risk management of non-trading portfolios (also known as "banking book") is to optimise net interest income but without exposure to excessive risk. This is done on a daily basis by the Global Markets and Trading Department ("GMT") taking over the interest rate risk management under the supervision of the ALCO. When the behavioural characteristics of a product differ from its contractual characteristics or for products with no defined maturity or re-pricing characteristics, the behavioural characteristics are assessed to determine their actual underlying interest rate risk profile. The ALCO monitors all such behavioural assumptions and interest rate risk positions to ensure they comply with the prevailing interest rate risk limits which are set for the purpose of governing the interest rate risk arising from the non-trading portfolio. The limits are measured and independently monitored on a regular basis.

There are three primary forms of interest rate risk faced by the Group with regard to its banking book: gap risk, basis risk and option risk. Interest rate risk is measured in relation to the impact of changes in interest rates on earnings or economic values assuming all other factors remained constant, e.g., no action taken by GMT or other business units to mitigate the impact of this interest rate risk and interest rates at all term points move by the same amount.

From 1 July 2019, the Group has aligned with the new requirements set by HKMA, in which new assumptions, such as optionality and behaviour of certain products, are incorporated in the exposures measurement.

4 財務風險管理(續)

4.3 市場風險管理(續)

(c) 利率風險(續)

敏感度分析

(i) 銀行賬戶之利率風險

下表所列之利率風險敏感度數字代表金管局第IR-1章所界定之六種利率情景對股權經濟價值(EVE)變動之影響，以及兩種平行震盪情景對截至二零二零年十二月三十一日及二零一九年十二月三十一日之銀行賬面淨利息收入(NII)之影響。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(c) Interest rate risk (continued)

Sensitivity analysis

(i) Interest rate exposures in banking book

The interest rate risk sensitivity figures presented in the table below represent the effect of six interest rate scenarios defined by HKMA IR-1 on the change in economic value of equity (EVE) as well as the effect of the two parallel shock scenarios on the net interest income (NII) in the banking book as at 31 December 2020 and 31 December 2019.

百萬港元 期間	In HK$ Million Period	對經濟價值的不利影響 Adverse Impact on EVE 31/12/2020	 31/12/2019	對未來12個月淨利息收入的不利影響[1] Adverse Impact on NII[1] Over the next 12 months 31/12/2020	 31/12/2019
平行向上[2]	Parallel up[2]	6,760	6,829	828	698
平行向下[2]	Parallel down[2]	–	992	3,711	2,137
較傾斜[3]	Steepener[3]	3,217	2,183		
較橫向[4]	Flattener[4]	19	132		
短期利率上升[5]	Short rate up[5]	1,820	1,924		
短期利率下跌[6]	Short rate down[6]	1,460	808		
最高[7]	**Maximum[7]**	6,760	6,829	3,711	2,137
期間	**Period**	31/12/2020		31/12/2019	
一級資本	**Tier 1 capital**	134,082		128,930	

附註1 就兩種平行情景而言，只需披露對盈利之影響。

附註2 在所有年期之港元及美元利率震盪移動是±200個基點，在岸／離岸人民幣則是±250個基點。

附註3 短期利率下跌及長期利率上升。

附註4 短期利率上升及長期利率下跌。

附註5 短期利率上升多於長期利率。

附註6 短期利率下跌多於長期利率。

附註7 表中所示之「最高」反映在最不利的利率情景下之數值。

Note 1 Disclosure of the impact on earnings is only required for the two parallel scenarios.

Note 2 Interest rate shock across all tenors move by ±200bps for HK &US dollar and ±250bps for on/off shore Renminbi.

Note 3 Short-term rates decrease and long-term rates increase.

Note 4 Short-term rates increase and long-term rates decrease.

Note 5 Short-term rates increase more than long-term rates.

Note 6 Short-term rates decrease more than long-term rates.

Note 7 "Maximum" indicates the most adverse interest rate scenario as shown in the table.

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4 財務風險管理(續)

4.3 市場風險管理(續)

(c) 利率風險(續)
敏感度分析(續)

(i) 銀行賬戶之利率風險(續)

截至二零二零年十二月三十一日，六種利率情景中對ΔEVE最為不利的是「平行向上」，所導致之股權經濟價值變動為負67.60億港元，相當於一級資本減少5.04%，遠低於監管異常值測試一級資本15%之門檻。二零二零年十二月與二零一九年十二月相比，ΔEVE減少6千9百萬港元。此變動主要受美元與人民幣投資組合之間的資產負債表構成變化所帶動。

截至二零二零年十二月三十一日，兩種平行利率情景中對未來12個月的ΔNII最為不利的是「平行向下」，所導致之淨利息收入潛在變動為負37.11億港元，相當於一級資本減少2.77%。二零二零年十二月與二零一九年十二月相比，ΔNII增加15.74億港元。此變動主要受資產負債表構成變化所帶動。

(ii) 交易賬項之利率風險

下表顯示有關本銀行分別於二零二零年及二零一九年十二月對交易賬項進行最後一次之壓力測試，其載列利率合理可能變動對本銀行收益表之影響。關鍵假設包括管理層並無採取行動以減輕利率風險之影響及所有其他非利率風險變數維持不變：

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(c) Interest rate risk (continued)
Sensitivity analysis (continued)

(i) Interest rate exposures in banking book (continued)

As of 31 December 2020, the most adverse of the six interest rate scenarios with regard to ΔEVE was the "Parallel up" scenario, resulting in a change of the economic value of equity of negative HKD6,760 million, representing a reduction of 5.04% of tier 1 capital, which is well below the regulatory outlier test of 15% of tier 1 capital. The ΔEVE decreased by HK$69 millions by comparing December 2020 with December 2019. The changes were mainly driven by changes in balance sheet composition between USD and Reminbi portfolios.

As of 31 December 2020, the most adverse of the two parallel interest rate scenarios with regard to ΔNII over the next 12 months was the "Parallel down" scenario, resulting in a potential change of the net interest income of negative HKD3,711 million, representing a reduction of 2.77% of tier 1 capital. The ΔNII increased by HK$1,574 millions, comparing December 2020 with December 2019. The changes were mainly driven by changes in balance sheet composition.

(ii) Interest rate exposures in trading book

The tables below show the last stress test on the Bank's trading portfolios conducted in December 2020 and 2019 respectively, which sets out the effect on Bank's income statement of a reasonable possible change in interest rates. Key assumptions include no management actions taken to mitigate the impact of interest rate risk and all other non-interest rate risk variables remain constant:

4 財務風險管理(續)

4.3 市場風險管理(續)

(c) 利率風險(續)

利率交易之利率壓力測試

(千港元) (HK$'000)		情景 Scenario					
		輕微 Light		溫和 Moderate		嚴重 Extreme	
收益率曲線變動	Yield curve shift	-100個基點 -100 bps	+100個基點 +100 bps	-200個基點 -200 bps	+200個基點 +200 bps	-300個基點 -300 bps	+300個基點 +300 bps
二零二零年十二月	December 2020	(8,405)	8,405	(11,978)	11,978	(15,551)	15,551

利率交易之利率壓力測試

(千港元) (HK$'000)		情景 Scenario					
		輕微 Light		溫和 Moderate		嚴重 Extreme	
收益率曲線變動	Yield curve shift	-100個基點 -100 bps	+100個基點 +100 bps	-200個基點 -200 bps	+200個基點 +200 bps	-300個基點 -300 bps	+300個基點 +300 bps
二零一九年十二月	December 2019	(8,732)	8,732	(17,941)	17,941	(27,149)	27,149

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(c) Interest rate risk (continued)

Interest rate stress test for interest rate trading

(HK$'000)		Scenario					
		Light		Moderate		Extreme	
	Yield curve shift	-100 bps	+100 bps	-200 bps	+200 bps	-300 bps	+300 bps
December 2020		(8,405)	8,405	(11,978)	11,978	(15,551)	15,551

Interest rate stress test for interest rate trading

(HK$'000)		Scenario					
		Light		Moderate		Extreme	
	Yield curve shift	-100 bps	+100 bps	-200 bps	+200 bps	-300 bps	+300 bps
December 2019		(8,732)	8,732	(17,941)	17,941	(27,149)	27,149

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4 財務風險管理(續)

4.3 市場風險管理(續)

(d) 貨幣風險

貨幣風險乃金融工具之價值因外匯變化而將出現波動之風險。

本集團之外匯風險主要包括金融市場部進行之外匯交易及源自於本集團銀行業務之貨幣風險。因非交易業務產生之貨幣風險乃轉至金融市場部，以按市場風險委員會所批准之外匯倉盤限額進行集中化管理。管理層按貨幣對倉盤設定限額。風險管理部依據經批准限額對倉盤進行逐日獨立監察。

下表概述本集團面對之外匯風險。該等表格包括本集團按賬面值列賬之資產及負債(衍生金融工具除外)，按貨幣進行分類。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group's foreign exchange exposures mainly comprise foreign exchange dealing by GMT, and currency exposures originated from the Group's banking business. Currency exposures arising from non-trading businesses are transferred to GMT for centralised management within foreign exchange position limits approved by the MRC. Management has set limits on positions by currency. Positions are independently monitored by Risk Management Department against the approved limits on a daily basis.

The tables below summarise the Group's exposure to foreign currency exchange risk. Included in the tables are the Group's assets and liabilities at carrying amounts, excluding derivative financial instruments, categorised by currency.

4 財務風險管理(續) / 4 FINANCIAL RISK MANAGEMENT (continued)

4.3 市場風險管理(續) / 4.3 Market risk management (continued)

(d) 貨幣風險(續) / (d) Currency risk (continued)

二零二零年十二月三十一日	31 December 2020	港元 HK$ 千港元 HK$'000	美元 US$ 千港元 HK$'000	人民幣 CNY 千港元 HK$'000	其他 Other 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**					
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	39,524,632	55,002,720	14,551,655	9,648,984	118,727,991
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	6,003,874	82,480,216	14,742,488	251,854	103,478,432
持作交易用途金融資產	Financial assets held for trading	–	–	–	–	–
以公平價值經損益表入賬金融資產	Financial assets at fair value through profit or loss	4,551,843	541,697	–	–	5,093,540
貸款及其他賬項	Advances and other accounts	247,930,690	90,714,597	109,012,392	31,904,781	479,562,460
以公平價值經其他全面收益入賬金融投資	Financial investments measured at FVTOCI	23,187,367	73,503,073	34,039,612	9,275,979	140,006,031
以攤銷成本入賬金融投資	Financial investments measured at amortised cost	1,195,378	22,536,799	22,250,467	978,191	46,960,835
於聯營公司之投資	Investments in associates	90,191	–	–	110,318	200,509
商譽及其他無形資產	Goodwill and other intangible assets	1,011,770	–	9,755	–	1,021,525
投資物業	Investment properties	93,100	–	38,829	–	131,929
物業及設備	Property, plant and equipment	1,917,898	–	245,904	–	2,163,802
其他資產，包括現行及遞延稅項資產	Other assets, including current and deferred tax assets	2,755,245	11,182,075	2,919,183	423,794	17,280,297
資產總額(不包括衍生金融工具)	**Total assets (excluding derivative financial instruments)**	328,261,988	335,961,177	197,810,285	52,593,901	914,627,351
負債	**Liabilities**					
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	21,082,742	104,907,025	49,403,030	30,605,650	205,998,447
客戶存款	Deposits from customers	228,896,450	183,428,937	84,400,055	25,758,572	522,484,014
已發行存款證	Certificates of deposit issued	–	7,045,548	–	–	7,045,548
指定以公平價值經損益表入賬之已發行債券	Debt securities in issue designated at fair value through profit or loss	–	7,373,240	–	–	7,373,240
以攤銷成本入賬之已發行債券	Debt securities in issue at amortised cost	14,662,923	3,100,760	–	–	17,763,683
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	–	–	–	–	–
其他負債，包括現行及遞延稅項負債	Other liabilities, including current and deferred tax liabilities	7,796,235	6,263,786	1,850,077	1,126,236	17,036,334
負債總額(不包括衍生金融工具)	**Total liabilities (excluding derivative financial instruments)**	272,438,350	312,119,296	135,653,162	57,490,458	777,701,266
資產負債表內倉盤淨額	**Net on-balance sheet position**	55,823,638	23,841,881	62,157,123	(4,896,557)	136,926,085
信貸承諾	**Credit commitments**	81,425,720	83,043,000	41,930,996	7,360,277	213,759,993

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4 財務風險管理(續)

4.3 市場風險管理(續)

(d) 貨幣風險(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(d) Currency risk (continued)

二零一九年十二月三十一日	31 December 2019	港元 HK$ 千港元 HK$'000	美元 US$ 千港元 HK$'000	人民幣 CNY 千港元 HK$'000	其他 Other 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**					
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	39,967,989	55,852,823	23,217,886	19,300,060	138,338,758
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	6,959,274	81,236,516	16,756,082	–	104,951,872
持作交易用途金融資產	Financial assets held for trading	130	492,354	–	–	492,484
以公平價值經損益表入賬金融資產	Financial assets at fair value through profit or loss	4,430,914	453,604	163,064	–	5,047,582
貸款及其他賬項	Advances and other accounts	234,072,498	116,494,548	100,522,748	23,896,682	474,986,476
以公平價值經其他全面收益入賬金融投資	Financial investments measured at FVTOCI	28,502,540	88,147,587	27,537,998	8,186,229	152,374,354
以攤銷成本入賬金融投資	Financial investments measured at amortised cost	3,070,789	17,427,027	25,257,693	843,122	46,598,631
於聯營公司之投資	Investments in associates	63,010	–	–	107,234	170,244
商譽及其他無形資產	Goodwill and other intangible assets	1,012,391	–	4,090	–	1,016,481
投資物業	Investment properties	98,600	–	36,634	–	135,234
物業及設備	Property, plant and equipment	1,657,053	–	239,014	–	1,896,067
其他資產,包括現行及遞延稅項資產	Other assets, including current and deferred tax assets	3,773,223	11,347,657	1,936,280	307,754	17,364,914
資產總額(不包括衍生金融工具)	**Total assets (excluding derivative financial instruments)**	323,608,411	371,452,116	195,671,489	52,641,081	943,373,097
負債	**Liabilities**					
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	39,623,705	85,437,473	67,228,204	14,785,423	207,074,805
客戶存款	Deposits from customers	237,108,738	188,343,694	79,077,478	30,747,187	535,277,097
已發行存款證	Certificates of deposit issued	–	8,368,974	276,544	–	8,645,518
指定以公平價值經損益表入賬之已發行債券	Debt securities in issue designated at fair value through profit or loss	–	7,015,178	1,410,123	–	8,425,301
以攤銷成本入賬之已發行債券	Debt securities in issue at amortised cost	3,543,680	5,059,939	13,407,743	436,106	22,447,468
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	–	3,889,974	–	–	3,889,974
其他負債,包括現行及遞延稅項負債	Other liabilities, including current and deferred tax liabilities	12,995,923	6,477,926	2,292,951	4,413,625	26,180,425
負債總額(不包括衍生金融工具)	**Total liabilities (excluding derivative financial instruments)**	293,272,046	304,593,158	163,693,043	50,382,341	811,940,588
資產負債表內倉盤淨額	**Net on-balance sheet position**	30,336,365	66,858,958	31,978,446	2,258,740	131,432,509
信貸承諾	**Credit commitments**	104,137,557	93,533,829	27,742,082	7,956,691	233,370,159

4 財務風險管理(續)

4.3 市場風險管理(續)

(d) 貨幣風險(續)

壓力測試

下表為十二月進行最後一次之壓力測試計算在所有其他變量維持不變的情況下，即期匯率及外匯波動於二零二零年及二零一九年之合理可能變動所產生之按元計量之變化。

二零二零年
外匯倉盤風險壓力測試

(千港元) **(HK$'000)**		**情景** **Scenario** **輕微** **Light** **即期(10%)** **Spot (10%)** **波幅(4%)** **Volatility (4%)**	**溫和** **Moderate** **即期(12%)** **Spot (12%)** **波幅(6%)** **Volatility (6%)**	**嚴重** **Extreme** **即期(15%)** **Spot (15%)** **波幅(10%)** **Volatility (10%)**
最低即期及波幅變動(人民幣除外)	Worst of spot and volatility change (excluding CNY)	**(197,722)**	**(1,099,271)**	**(2,717,842)**

(千港元) **(HK$'000)**		**情景** **Scenario** **輕微** **Light** **即期(3%)** **Spot (3%)** **波幅(3%)** **Volatility (3%)**	**溫和** **Moderate** **即期(5%)** **Spot (5%)** **波幅(4%)** **Volatility (4%)**	**嚴重** **Extreme** **即期(7%)** **Spot (7%)** **波幅(6%)** **Volatility (6%)**
最低即期及波幅變動(人民幣)	Worst of spot and volatility change (CNY)	**(417,453)**	**(697,875)**	**(980,287)**

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(d) Currency risk (continued)

Stress test

The tables below show the last stress tests conducted in December which calculated the change in dollar term of a reasonably possible movement of spot rates and foreign exchange volatility for 2020 and 2019, with all other variables held constant.

2020
Risk stress testing for foreign exchange position

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4 財務風險管理(續)

4.3 市場風險管理(續)

(d) 貨幣風險(續)
壓力測試(續)

二零一九年
外匯倉盤風險壓力測試

(千港元)
(HK$'000)

		情景 Scenario		
		輕微 Light	溫和 Moderate	嚴重 Extreme
		即期(10%) Spot (10%) 波幅(4%) Volatility (4%)	即期(12%) Spot (12%) 波幅(6%) Volatility (6%)	即期(15%) Spot (15%) 波幅(10%) Volatility (10%)
最低即期及波幅變動(人民幣除外)	Worst of spot and volatility change (excluding CNY)	(42,497)	(150,390)	(486,534)

(千港元)
(HK$'000)

		情景 Scenario		
		輕微 Light	溫和 Moderate	嚴重 Extreme
		即期(3%) Spot (3%) 波幅(3%) Volatility (3%)	即期(5%) Spot (5%) 波幅(4%) Volatility (4%)	即期(7%) Spot (7%) 波幅(6%) Volatility (6%)
最低即期及波幅變動(人民幣)	Worst of spot and volatility change (CNY)	(363,263)	(608,852)	(839,178)

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(d) Currency risk (continued)
Stress test (continued)

2019
Risk stress testing for foreign exchange position

4 財務風險管理(續)

4.3 市場風險管理(續)

(e) 股票價格風險

股票價格風險乃股票組合之公平價值因股市指數水平及個別股票價值變化而下降之風險。持倉股票之市場風險於目前階段相對並不大。

本集團於二零二零年及二零一九年的股票風險主要為長期策略性股票投資，並在附註27所載之「以公平價值經其他全面收益入賬金融投資」列報。持作交易用途股票計入附註23所載之「持作交易用途金融資產」。彼等並受風險管理監控措施所規管。

為計算資本充足比率，本集團已考慮其股票風險作為風險加權資產的一部分。

有關股票投資所應用之估值及技術方法於財務報表附註2詳述。

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Market risk management (continued)

(e) Equity price risk

Equity price risk is the risk that the fair values of the equity portfolio decrease as the result of changes in the levels of equity indices and the value of individual stocks. Market risk positions on equity are relatively not sizeable at this stage.

The Group's equity exposures in 2020 and 2019 are mainly long-term strategic equity investments which are reported as "measured at FVTOCI financial investments" set out in Note 27. Equities held for trading purposes are included under "Financial assets held for trading" set out in Note 23. These are subject to risk management control procedures.

The Group takes into account its equity exposure as part of risk-weighted assets for the purpose of calculating the capital adequacy ratios.

Valuation and technique methodologies applied on equity investments are detailed in Note 2 of the financial statements.

		2020 **千港元** **HK$'000**	2019 千港元 HK$'000
來自出售及兑現持有股權的累積實現收益	Cumulative realized gains arising from sales and liquidations of equity exposure	–	–
在本集團的儲備內確認，但沒有經收益表入賬的未實現收益的總計	Total unrealized gains recognised in the Group's reserve but not through the income statement	**(714,067)**	(22,752)
為計算資本充足比率而包括在本集團的附加資本內的未實現收益	Unrealised gains included in the Group's supplementary capital for capital adequacy ratio purpose	**(714,067)**	(22,752)

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4 財務風險管理(續)

4.4 流動資金風險

流動資金風險乃指本集團於財務責任到期時未能償債之風險。因此，穩健的流動資金風險管理框架，對確保在正常及緊急情況下有足夠現金流量以具成本效益的方式應付所有財務責任，包括到期借貸、提取活期或合約期滿的到期存款等十分重要。本集團必須符合法定的流動資金覆蓋比率、穩定資金淨額比率及監管規定的流動性相關的比率。為了確保達到上述目標，本集團維持一個以零售及企業客戶存款構成的穩定而多元化的資金基礎以及一個以高流動性資產組成的強大組合。

為管理流動資金風險，本集團已制定流動資金風險管理政策，並經由資產負債管理委員會、高級管理層風險管理委員會及董事會風險管理委員會審閱和審批。本集團每日均緊密管理及預測流動資金流向，以讓資產負債管理委員會及相關部門因應不斷變化之市況迅速行動，及時實行應變計劃。此外，本集團會編製，並每月向資產負債管理委員會以及每季向高級管理層風險管理委員會和董事會風險管理委員會呈交流動資金風險管理報告，以促進有效之流動資金風險管理和監督。本銀行就內部監控及監管目的定期履行涵蓋銀行指定、一般市場及結合二者的各種危機情景的壓力測試，以評估本集團在嚴峻情況下是否有足夠流動資金應付任何緊急的資金需要。資產負債管理委員會就該等壓力測試結果進行審閱及討論，以考慮是否有需要制定預防性的減低風險措施，包括但不限於為本銀行的風險設限、建立更多的流動資金緩衝，及／或調整本銀行資產及負債的結構性到期組合。此等壓力測試就所有貨幣合計以及就重大貨幣倉盤(如港元、美元和人民幣)分別進行。

已建立資訊管理系統，每日從各個來源擷取數據及編製必要的管理資料報告，包括法定流動資金覆蓋比率、穩定資金淨額比率、其他監管規定的流動性相關的比率及現金流量水平，以讓相關方可以及時進行監察和及時向管理層作出匯報。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial obligations as and when they fall due. A sound liquidity risk management framework is therefore essential to ensure there is adequate cash flow to meet all financial obligations, including matured borrowings, deposits withdrawal either on demand or at contractual maturity, etc under both normal and contingency circumstances in a cost-effective manner. The Group must comply with the statutory LCR, net stable funding ratio (NSFR) and regulatory liquidity-related ratio. To ensure this, the Group maintains a stable and diversified funding base of retail and corporate customer deposits and a strong portfolio of highly liquid assets.

To manage liquidity risk, the Group has established liquidity risk management policies that are reviewed and approved by ALCO, SERMC and Board RMC. Liquidity is managed and forecasted on a daily basis to enable ALCO and relevant departments to act proactively in view of changing market conditions and to implement contingency plans on a timely basis. Also, liquidity risk management reports are prepared and reported to ALCO on a monthly basis; to SERMC and Board RMC on a quarterly basis for effective liquidity risk management oversight. Stress tests, with various crisis scenarios covering bank-specific, general market and a combination of both, are regularly conducted for both internal and regulatory purposes in order to assess the adequacy of the Group's liquidity to meet any contingent funding needs under severe conditions. ALCO examines and discusses the stress test results to consider the need for preventive and mitigating actions. These actions include but are not limited to limit the Bank's exposures, build up more liquidity cushion, and/or adjust the structural maturity profile of the Bank's assets and liabilities. Stress tests are conducted for all currencies in aggregate and separately for positions in significant currencies (e.g. HKD, USD, RMB).

Management information systems are in place to extract data from various sources and produce the essential management information reports, including statutory LCR, NSFR, other regulatory liquidity-related ratios and cash flow positions on a daily basis for timely monitoring by relevant parties and reporting to management.

4 財務風險管理(續)

4.4 流動資金風險(續)

本銀行維持分散之流動資金緩衝組合，當中大部分為流動性高及可隨時變現之可銷資產(「一級資產」)，例如現金、外匯基金債務證券及其他優質政府債券或類似工具，此等資產任何時候均可容易或即時轉換為現金而只會涉及低額或甚至沒有價值損失或折讓。本銀行亦透過持有其他流動性高及可銷性高的資產(「二級資產」)，擴闊流動資金緩衝組合之組成成分，此等資產可用以應對壓力期間年期較長之部分，而不會導致過多之虧損或折讓。本銀行計算所需的流動資金緩衝，所用方法為參考本銀行持有的流動資金緩衝，以確保任何情況下後者都處於足夠水平。

由行政總裁授權下設立的資產負債管理委員會，獲行政總裁及高級管理層風險管理委員會委託管理流動資金風險。這包括但不限於：

資產及負債管理

- 監察及管理本銀行的資產與負債
- 審閱資產與負債組合及制定合適的資產與負債管理政策及策略
- 審閱及討論對資產與負債以及資本有著重大影響的項目或事宜

流動資金管理

- 識別、評估、監察及控制流動資金風險
- 制定、審閱及更新流動資金風險管理政策
- 加強本銀行的流動資金，以及監察流動資金風險指標、現金流量及即日流動資金
- 定期審閱流動資金壓力測試
- 制定緊急流動資金計劃，包括但不限於招攬客戶存款、發行存款證、出售債券等

資金管理

- 審閱資金需要，並增加資金來源和確保有效使用資金
- 審閱內部FTP政策及計劃

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

The Bank maintains a diversified portfolio of liquidity cushion that is largely made up of the most liquid and readily marketable assets ("tier 1 assets"), such as cash, EF debt securities and other high quality government debt securities or similar instruments, that can be easily or immediately monetized with little or no loss or discount at all times. The Bank also widens the composition of the liquidity cushion by holding other liquid and marketable assets ("tier 2 assets") which can be used to cater for the longer end of the stress period without resulting in excessive losses or discounts. The Bank calculates the required liquidity cushion, which is compared to the liquidity cushion held by the Bank to ensure that the latter is sufficient in all circumstances.

The ALCO, authorized to set up by CEO, is appointed by CEO and by SERMC to manage liquidity risk. This includes but is not limited to:

Asset and Liability Management

- monitor and manage the Bank's assets and liabilities
- review the assets and liabilities mix and formulate appropriate assets and liabilities management policies and strategies
- review and discuss items or matters that have significant impact on assets and liabilities as well as capital

Liquidity Management

- identify, assess, monitor and control the liquidity risk
- formulate, review and update the liquidity risk management policy
- strengthen the Bank's liquidity and monitor the liquidity risk indicators, cash flow and intraday liquidity
- review the liquidity stress testing on a regular basis
- build up contingency plan on liquidity, including but is not limited to solicit customer deposits, issue CDs, sell bonds, etc.

Funding Management

- review the funding needs and enhance the sources and uses of funds
- review the internal FTP policy and plan

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4 財務風險管理(續)

4.4 流動資金風險(續)

為確保有效之流動資金風險管理，前線業務部門須：

- 及時匯報客戶資金流入／流出情況，並監察提取存款之趨勢
- 以合理利率吸引相對穩定之存款(如較長年期、較大存戶基礎等)
- 達致高層管理人員所設定之存款增長目標
- 在發展需要大量流動資金之資產業務的同時，積極達致存款增長目標
- 當流動資金相對緊拙時，執行資產負債管理委員會或行政總裁同意之流動資金管理計劃
- 考慮本銀行之流動資金成本和供應等因素，妥善為借貸定價
- 於流動資金出現壓力時，放慢或停止承造新貸款，及／或延遲或規管貸款之提取，及／或協調出售貸款事宜

銀行業(流動性)規則(「銀行業(流動性)規則」)列明於香港執行流動資金覆蓋比率及穩定資金淨額比率的詳情。銀行業(流動性)規則訂明所有第一類認可機構(「認可機構」)均須遵守的最低流動資金覆蓋比率及穩定資金淨額比率。此外，金管局發出的最新版本監管政策手冊LM–1及LM–2為認可機構應用銀行業(流動性)規則以及建立穩健的流動資金風險管理框架的要素分別提供指引。

本集團繼續尋求分散資金渠道，以控制過度集中的資金來源。母行中國工商銀行提供的資金支持亦足證本集團有效增強資金實力。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

To ensure an effective liquidity risk management, frontline business units:

- report the customer fund in/out flow in time and monitor the trend of deposits withdrawal
- attract relatively stable deposits at reasonable rate (e.g. longer tenor, larger depositor base, etc.)
- fulfill the deposit growth targets set by senior management
- simultaneously comply with the deposit growth target when developing assets business which consumes liquidity
- implement liquidity management plans as agreed in ALCO or CEO when the liquidity is relatively tight
- price lending properly, taking into account the Bank's liquidity cost and availability
- slow down or cease committing to new loans, and/or defer or regulate loan drawdown, and/or work together on loan sale during times of liquidity stress

The Banking (Liquidity) Rules ("BLR") detail the implementation of the LCR and NSFR in Hong Kong. The BLR stipulates the minimum LCR and NSFR with which all Category 1 authorised institutions ("AIs") need to comply. Also, the latest versions of Supervisory Policy Manual LM-1 and LM-2 issued by the HKMA provide guidance to the AIs on the application of the BLR and the key elements of a sound liquidity risk management framework respectively.

The Group continues to seek to diversify its funding channels to control excessive concentration on funding sources. Funding support from the Parent Bank, ICBC, has also proven to be efficient in strengthening the Group's liquidity capability.

4 財務風險管理(續)

4.4 流動資金風險(續)

資產及負債的相配和受控之錯配對本集團流動性管理而言至關重要。由於交易經常期限不定，且類型也經常不同，因此銀行做到資產與負債的年期完全相配的情況並不普遍。一方面，不相配的情況可能提高實體溢利能力，但也會增加實體的流動性風險(以及利率風險)。

本集團的資產大多來自客戶存款。於所有客戶存款中，8%為活期存款及往來戶口，32%為儲蓄存款，60%為定期及通知存款(二零一九年：7%為活期存款及往來戶口，21%為儲蓄存款，72%為定期及通知存款)。上述客戶存款的種類及到期日分佈甚為廣泛，屬於穩定的資金來源。本集團極為重視維持此等存款之穩定性，並透過旗下零售銀行業務及維持存戶對本集團雄厚資本之信心以維持此情況。雖然很多客戶賬項已訂約須通知時即時或在給予短期通知後償還，但事實上，由於流入及流出額大致相符，故短期存款結餘穩定。

由於持作交易用途金融投資及以公平價值經其他全面收益入賬金融投資可於到期前出售，或客戶存款可能在未成為全面收益前已到期或於到期前出售，或客戶存款可能在未成為現金流量前已到期。

應付擔保和備用信用證項下所需款項的流動資金需求遠少於承諾的金額，因為本集團一般不預期第三方會同一時間根據協議要求兌現。由於很多信貸承諾毋須動用資金即告屆滿或終止，因此提供信貸承諾的尚未償付合約總金額未必等同日後的現金需求。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

The matching and controlled mismatching of assets and liabilities are fundamental to the liquidity management of the Group. It is unusual for bank's assets and liabilities to be completely matched in tenors, as transactions often entail uncertain terms and are frequently of different types. While an unmatched position potentially enhances profitability, it increases the liquidity risk (as well as the interest rate risk) of an entity.

A substantial portion of our assets is funded by customer deposits. Of total customer deposits, 8% consist of demand and current account deposits, 32% of savings deposits, and 60% of time, call and notice deposits (2019: demand and current account 7%, savings 21%, time, call and notice 72%). These customer deposits, which are widely diversified by type and maturity, represent a stable source of funds. The Group places great emphasis on the stability of these deposits, which are sustained through the Group's retail banking activities and by maintaining depositor confidence in the Group's capital strength. Although many customer accounts are contractually due for repayment on demand or at short notice, in practice inflows and outflows are broadly matched, keeping short-term deposit balances stable.

As the financial investments held for trading and financial investment measured at fair value through other comprehensive income may be sold before maturity, or deposits from customers may mature without being comprehensive income or sold before maturity, or deposits from customers may mature without being cash flows.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitments because the Group does not generally expect its third parties to draw funds concurrently under the agreements. The total outstanding contractual amount of commitments to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or be terminated without being funded.

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4 財務風險管理(續)

4.4 流動資金風險(續)

本銀行的資產負債管理部根據既定的政策管理流動資金風險，並透過執行監察和控制流動資金風險的措施，為資產負債管理委員會提供支持。本集團時刻保持非常嚴謹之流動資金風險管理，並更加倚重客戶存款而非銀行間資金，尤其是在動盪時期。本集團將繼續採取必要措施按其營運規模和複雜性加強其流動資金實力，包括符合各種壓力情景和任何新的流動性風險要求。

應急融資計劃(「應急融資計劃」)由資產負債管理委員會、高級管理層風險管理委員會及董事會風險管理委員會最少每年檢討及批核，其目的為確保本集團有實際及可行的計劃以應付流動資金危機。應急融資計劃是一個能夠於危機事件中管理流動資金的實用工具。其載列本集團為取得流動性及資金的可行方案及當不可預測的危機來臨時協定採取的行動。應急融資計劃包括仔細的行動步驟，以及列明各相關方的角色與職責。作為危機處理小組及其支援小組用以評估流動資金危機以於任何危機發生時執行步驟之實際指引，應急融資計劃亦包括一個完善的資產負債表分析及列明所有已考慮其可靠性、優先次序及需時的潛在資金來源。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

The Bank's Asset and Liability Management Department manages the liquidity risk according to established policies and supports ALCO by implementing liquidity risk monitoring and control. The Group has always maintained high vigilance with regard to liquidity risk management, relying much more significantly on customer deposits than on inter-bank funding, particularly at volatile times. The Group will continue to take the necessary measures commensurate with its scale and complexity of operation to strengthen its liquidity capability, including meeting various stress scenarios and any new liquidity risk requirements.

The contingency funding plan ("CFP") is reviewed and approved by ALCO, SERMC and the Board RMC at least annually with the objective of ensuring that the Group has practical and operational plans in place to enable it to cope with a liquidity crisis. The CFP is a practical tool for managing liquidity during a crisis event. It sets out the options available to the Group for garnering liquidity and funding, and an agreed course of action in the event of an unexpected crisis. The CFP includes detailed action steps as well as roles and responsibilities of relevant parties. As a practical set of guidelines for the crisis management team and its support team to evaluate the liquidity crisis situation and execute action steps during any crisis, the CFP also consists of a sound balance sheet analysis, and spells out all potential funding sources giving due consideration to their reliability, priority and the lead time during a crisis.

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4 財務風險管理(續)

4.4 流動資金風險(續)

下表基於報告期結束時至合約到期日之剩餘期間分析本集團及本銀行於十二月三十一日之資產及負債到期分組情況。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

The tables below analysis assets and liabilities of the Group and the Bank as at 31 December into relevant maturing groupings based on the remaining period at the end of reporting period to the contractual maturity date.

二零二零年十二月三十一日	31 December 2020	要求時須即時償還 Repayable on demand 千港元 HK$'000	一個月內 Up to one month 千港元 HK$'000	一至三個月 1-3 months 千港元 HK$'000	三至十二個月 3-12 months 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	無註明日期 Undated 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**								
現金及在銀行同業與其他金融機構之結餘	Cash and balances with banks and other financial institutions	62,226,815	56,501,176	-	-	-	-	-	118,727,991
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	-	-	67,970,983	35,507,449		-	-	103,478,432
持作交易用途金融資產	Financial assets held for trading								
－其他債券	- other debt securities	-	-	-	-	-	-	-	-
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss								
－投資基金	- investment funds	-	-	-	-	-	-	4,597,800	4,597,800
－其他	- other	-	-	-	-	-	470,123	25,617	495,740
衍生金融工具	Derivative financial instruments	111,050	1,486,405	2,091,969	4,115,435	5,743,422	2,916,906	-	16,465,187
貸款及其他賬項	Advances and other accounts	5,723,786	27,986,010	36,996,617	118,739,519	189,462,361	99,380,469	1,273,698	479,562,460
以公平價值經其他全面收益入賬金融投資	Financial investments measured at FVTOCI								
－庫務票據	- treasury bills	-	4,369,938	17,828,403	298,568	2,932,447	3,190,310	-	28,619,666
－股票證券	- equity securities	-	-	-	-	-	-	2,423,269	2,423,269
－所持有之存款證	- certificates of deposit held	-	587,074	-	154,162	-	-	-	741,236
－其他債券	- other debt securities	-	667,893	1,056,582	6,595,649	50,543,530	49,358,206	-	108,221,860
以攤銷成本入賬金融投資	Financial investments measured at amortised cost								
－庫務票據	- treasury bills	-	-	-	6,934,064	6,424,919	7,639,582	-	20,998,565
－所持有之存款證	- certificates of deposit held	-	-	-	385,477	-	-	-	385,477
－其他債券	- other debt securities	-	1,631,811	403,509	3,646,713	16,390,347	3,504,413	-	25,576,793
於聯營公司之投資	Investments in associates	-	-	-	-	-	-	200,509	200,509
商譽及其他無形資產	Goodwill and other intangible assets	-	-	-	-	-	-	1,021,525	1,021,525
投資物業	Investment properties	-	-	-	-	-	-	131,929	131,929
物業及設備	Property, plant and equipment	-	-	-	-	-	-	2,163,802	2,163,802
其他資產，包括現行及遞延所得稅資產	Other assets, including current and deferred income tax assets	117,329	2,923,439	1,347,372	3,151,436	3,048,472	436,790	6,255,459	17,280,297
資產總額	**Total assets**	68,178,980	96,153,746	127,695,435	179,528,472	274,545,498	166,896,799	18,093,608	931,092,538
負債	**Liabilities**								
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	48,577,256	40,204,166	22,346,575	59,241,452	35,628,998	-	-	205,998,447
衍生金融工具	Derivative financial instruments	-	1,338,059	1,848,071	4,374,239	4,165,172	3,898,656	-	15,624,197
客戶存款	Deposits from customers	210,578,626	84,098,706	95,493,442	119,172,221	13,141,019	-	-	522,484,014
已發行存款證	Certificates of deposit issued	-	-	7,045,548	-	-	-	-	7,045,548
已發行債券	Debt securities in issue								
－指定以公平價值經損益表入賬	- Designated at fair value through profit or loss	-	-	-		7,373,240	-	-	7,373,240
－以攤銷成本入賬	- At amortised cost	-	-	-	1,998,756	15,764,927	-	-	17,763,683
以攤銷成本入賬之後償債項	Subordinated debt measured at amortised cost	-	-	-	-	-	-	-	-
其他負債，包括現行及遞延所得稅負債	Other liabilities, including current and deferred income tax liabilities	3,137,975	6,421,041	1,179,474	4,819,790	192,209	-	1,285,845	17,036,334
負債總額	**Total liabilities**	262,293,857	132,061,972	127,913,110	189,606,458	76,265,565	3,898,656	1,285,845	793,325,463
流動資金缺口淨額	**Net liquidity gap**	(194,114,877)	(35,908,226)	(217,675)	(10,077,986)	198,279,933	162,998,143	16,807,763	137,767,075

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4 財務風險管理(續)

4.4 流動資金風險(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

二零一九年十二月三十一日	31 December 2019	要求時須即時償還 Repayable on demand 千港元 HK$'000	一個月內 Up to one month 千港元 HK$'000	一至三個月 1-3 months 千港元 HK$'000	三至十二個月 3-12 months 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	無註明日期 Undated 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**								
現金及在銀行同業與其他金融機構之結餘	Cash and balances with banks and other financial institutions	59,775,935	78,562,823	–	–	–	–	–	138,338,758
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	–	–	50,444,537	54,507,335	–	–	–	104,951,872
持作交易用途金融資產	Financial assets held for trading								
–其他債券	– other debt securities	–	–	1,550	46,758	444,176	–	–	492,484
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss								
–投資資金	– investment funds	–	–	–	–	–	–	4,575,365	4,575,365
–其他	– other	–	–	–	–	–	453,604	18,613	472,217
衍生金融工具	Derivative financial instruments	306,449	965,049	896,137	2,059,089	4,516,179	1,447,756	–	10,190,659
貸款及其他賬項	Advances and other accounts	7,838,569	33,846,445	37,546,994	91,261,990	210,843,220	91,770,006	1,879,252	474,986,476
以公平價值經其他全面收益入賬金融投資	Financial investments measured at FVTOCI								
–庫務票據	– treasury bills	–	12,491,337	12,937,178	2,983,890	2,639,320	3,022,425	–	34,074,150
–股票證券	– equity securities	–	–	–	–	–	–	2,470,611	2,470,611
–所持有之存款證	– certificates of deposit held	–	–	–	147,606	–	–	–	147,606
–其他債券	– other debt securities	–	1,873,389	5,359,199	10,232,895	41,823,355	56,393,149	–	115,681,987
以攤銷成本入賬金融投資	Financial investments measured at amortised cost								
–庫務票據	– treasury bills	–	–	–	–	10,075,753	4,819,383	–	14,895,136
–所持有之存款證	– certificates of deposit held	–	998,422	499,675	–	–	–	–	1,498,097
–其他債券	– other debt securities	–	578,875	1,940,561	8,132,905	12,263,201	7,289,856	–	30,205,398
於聯營公司之投資	Investments in associates	–	–	–	–	–	–	170,244	170,244
商譽及其他無形資產	Goodwill and other intangible assets	–	–	–	–	–	–	1,016,481	1,016,481
投資物業	Investment properties	–	–	–	–	–	–	135,234	135,234
物業及設備	Property, plant and equipment	–	–	–	–	–	–	1,896,067	1,896,067
其他資產,包括現行及遞延所得稅資產	Other assets, including current and deferred income tax assets	33,578	2,539,947	1,164,858	6,914,306	2,382,400	436,839	3,892,986	17,364,914
資產總額	**Total assets**	67,954,531	131,856,287	110,790,689	176,286,774	284,987,604	165,633,018	16,054,853	953,563,756
負債	**Liabilities**								
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	80,864,208	44,408,346	32,279,205	23,547,657	25,975,389	–	–	207,074,805
衍生金融工具	Derivative financial instruments	68,329	875,276	826,112	1,512,898	2,727,763	1,757,696	–	7,768,074
客戶存款	Deposits from customers	163,001,298	118,816,541	142,406,974	97,516,392	13,535,892	–	–	535,277,097
已發行存款證	Certificates of deposit issued	–	2,332,596	6,036,378	276,544	–	–	–	8,645,518
已發行債券	Debt securities in issue								
–指定以公平價值經損益表入賬	– Designated at fair value through profit or loss	–	–	–	1,410,123	7,015,178	–	–	8,425,301
–以攤銷成本入賬	– At amortised cost	–	–	–	5,482,335	16,965,133	–	–	22,447,468
以攤銷成本入賬之後償債項	Subordinated debt measured at amortised cost	–	–	–	3,889,974	–	–	–	3,889,974
其他負債,包括現行及遞延所得稅負債	Other liabilities, including current and deferred income tax liabilities	1,987,229	13,435,402	1,935,502	7,194,240	574,753	–	1,053,299	26,180,425
負債總額	**Total liabilities**	245,921,064	179,868,161	183,484,171	140,830,163	66,794,108	1,757,696	1,053,299	819,708,662
流動資金缺口淨額	**Net liquidity gap**	(177,966,533)	(48,011,874)	(72,693,482)	35,456,611	218,193,496	163,875,322	15,001,554	133,855,094

4 財務風險管理(續)

4.4 流動資金風險(續)

下表呈列於結算日至合約到期日非衍生金融負債、將以淨額基準結算的衍生金融負債及將以總額基準結算的衍生金融工具項下本集團應付現金流量。鑑於本集團乃根據預期的未經貼現現金流入來管理內在流動資金風險，在表內所披露之金額為合約未經貼現的現金流量。

將以淨額結算的本集團衍生工具包括：

- 外匯衍生工具：場外交易貨幣期權；及
- 利率衍生工具：利率掉期、遠期利率協議及場外交易利率期權。

將以總額結算的本集團衍生工具包括：

- 外匯衍生工具：貨幣遠期買賣、貨幣掉期；及
- 利率衍生工具：交叉貨幣利率掉期。

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

The table below presents the cash flows payable by the Group under non-derivative financial liabilities, derivative financial liabilities that will be settled on a net basis and derivative financial instruments that will be settled on gross basis by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Group manages the inherent liquidity risk based on expected undiscounted cash inflows.

The Group's derivatives that will be settled on a net basis include:

- Foreign exchange derivatives: over-the-counter currency options; and
- Interest rate derivatives: interest rate swaps, forward rate agreements and OTC interest rate options

The Group's derivatives that will be settled on a gross basis include:

- Foreign exchange derivatives: currency forward, currency swaps; and
- Interest rate derivatives: cross currency interest rate swaps.

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4 財務風險管理(續)

4.4 流動資金風險(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.4 Liquidity risk (continued)

於二零二零年十二月三十一日	As at 31 December 2020	要求時須即時償還 Repayable on demand 千港元 HK$'000	三個月或以下 3 months or less 千港元 HK$'000	三至十二個月 3-12 months 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	無註明日期 Undated 千港元 HK$'000	總計 Total 千港元 HK$'000
金融負債	**Financial liabilities**							
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	48,577,256	62,657,300	59,836,588	37,181,020	–	–	208,252,164
客戶存款	Deposits from customers	210,595,848	180,475,824	120,124,890	15,418,186	–	–	526,614,748
已發行存款證	Certificates of deposit issued	–	7,048,152	–	–	–	–	7,048,152
以公平價值經損益表入賬之已發行債券	Debt securities in issue at fair value through profit or loss	–	–	–	7,383,595	–	–	7,383,595
以攤銷成本入賬之已發行債券	Debt securities in issue at amortised cost	–	–	2,221,540	16,376,311	–	–	18,597,851
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	–	–	–	–	–	–	–
其他金融負債	Other financial liabilities	3,016,929	5,705,051	3,751,447	–	–	1,285,845	13,759,272
金融負債總額	**Total financial liabilities**	262,190,033	255,886,327	185,934,465	76,359,112	–	1,285,845	781,655,782
衍生現金流量	**Derivative cash flow**							
以淨額結算衍生金融工具	Derivative financial instruments settled on net basis	(6)	109,716	(614,085)	(1,255,693)	(1,394,686)	–	(3,154,754)
流入總額	Total inflows	15	27,729,490	54,666,038	133,942,097	89,724,333	–	306,061,973
流出總額	Total outflows	(21)	(27,619,774)	(55,280,123)	(135,197,790)	(91,119,019)	–	(309,216,727)
以總額結算衍生金融工具	Derivative financial instruments settled on gross basis							
流入總額	Total inflows	23	399,899,777	176,097,372	28,745,297	–	–	604,742,469
流出總額	Total outflows	(29)	(399,455,786)	(176,328,769)	(28,656,630)	–	–	(604,441,214)

資產負債表外項目 **Off-balance sheet items**

於二零二零年十二月三十一日	At 31 December 2020	一年或以下 No later than 1 year 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	總計 Total 千港元 HK$'000
貸款承諾	Loan commitments	145,714,654	17,094,616	27,754,256	190,563,526
擔保書、授信證及其他財務融通	Guarantees, acceptances and other financial facilities	21,713,910	–	–	21,713,910
遠期有期存款	Forward forward deposit placed	1,482,557	–	–	1,482,557
合計	**Total**	168,911,121	17,094,616	27,754,256	213,759,993

4 財務風險管理(續) 4 FINANCIAL RISK MANAGEMENT (continued)

4.4 流動資金風險(續) 4.4 Liquidity risk (continued)

於二零一九年十二月三十一日	As at 31 December 2019	要求時須即時償還 Repayable on demand 千港元 HK$'000	三個月或以下 3 months or less 千港元 HK$'000	三至十二個月 3-12 months 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	無註明日期 Undated 千港元 HK$'000	總計 Total 千港元 HK$'000
金融負債	**Financial liabilities**							
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	85,354,194	81,723,961	24,344,405	22,923,152	–	–	214,345,712
客戶存款	Deposits from customers	152,859,729	272,714,757	107,676,767	15,952,852	–	–	549,204,105
已發行存款證	Certificates of deposit issued	–	8,368,974	299,617	–	–	–	8,668,591
以公平價值經損益表入賬之已發行債券	Debt securities in issue at fair value through profit or loss	–	–	1,071,686	7,384,017	–	–	8,455,703
以攤銷成本入賬之已發行債券	Debt securities in issue at amortised cost	–	–	5,576,235	17,208,542	–	–	22,784,777
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	–	–	4,092,809	–	–	–	4,092,809
其他金融負債	Other financial liabilities	1,975,287	12,659,596	5,009,542	–	–	1,053,299	20,697,724
金融負債總額	**Total financial liabilities**	240,189,210	375,467,288	148,071,061	63,468,563	–	1,053,299	828,249,421
衍生現金流量	**Derivative cash flow**							
以淨額結算衍生金融工具	Derivative financial instruments settled on net basis	(1,985)	240,900	(38,185)	(497,123)	(68,575)	–	(364,968)
流入總額	Total inflows	606,873	91,623,326	109,443,483	139,097,433	81,801,490	–	422,572,605
流出總額	Total outflows	(608,858)	(91,382,426)	(109,481,668)	(139,594,556)	(81,870,065)	–	(422,937,573)
以總額結算衍生金融工具	Derivative financial instruments settled on gross basis							
流入總額	Total inflows	43,889,921	403,256,527	218,389,905	48,115,124	47,396	–	713,698,873
流出總額	Total outflows	(43,843,420)	(403,073,087)	(218,286,144)	(48,143,465)	(45,132)	–	(713,391,248)

資產負債表外項目	**Off-balance sheet items**				
於二零一九年十二月三十一日	**At 31 December 2019**	一年或以下 No later than 1 year 千港元 HK$'000	一至五年 1-5 years 千港元 HK$'000	五年以上 Over 5 years 千港元 HK$'000	總計 Total 千港元 HK$'000
貸款承諾	Loan commitments	157,913,997	19,882,036	38,991,268	216,787,301
擔保書、授信證及其他財務融通	Guarantees, acceptances and other financial facilities	12,582,858	–	–	12,582,858
遠期有期存款	Forward forward deposit placed	4,000,000	–	–	4,000,000
合計	**Total**	174,496,855	19,882,036	38,991,268	233,370,159

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4 財務風險管理(續)

4.5 採用金融工具策略

本集團之業務性質主要與使用金融工具(包括衍生工具)有關。本集團按定息或浮息及不同年期接受客戶存款，以及透過將資金投資於高質素之資產優化息差收入。本集團尋求透過整合短期資金及按較高利率借出年期較長之款項增加此等息差收入，同時在過程中維持足夠流動資金應付到期負債的需要。

本集團亦透過向多家不同信貸級別之商業及零售借款人貸款，以獲取減除撥備後較高之息差，藉此提高息差收入。此等活動風險不只牽涉資產負債表內之貸款及其他賬項，亦包括擔保及其他承諾，例如信用證及保函及其他債券。

本集團亦通過持有場外工具之倉盤，藉貨幣、利率及證券價格之短期波動以賺取利潤，據此管理金融工具的風險。管理層就金融產品之風險水平設定交易限額。

(a) *公平價值對沖*
本集團透過利率掉期，對沖其定息資產之部分現有港元及外幣利率風險。此等掉期於二零二零年十二月三十一日之公平淨值為負19億4千萬港元(二零一九年：負7億7千7百萬港元)。

(b) *現金流對沖*
本集團使用利率掉期保障按可變利率計息的非交易資產及負債免受未來現金流量波動的風險。於二零二零年十二月三十一日，此等掉期之公平淨值為負3億7千6百萬港元(二零一九年：負1億1千萬港元)。

4 FINANCIAL RISK MANAGEMENT (continued)

4.5 Strategy in using financial instruments

By their nature, the Group's activities are principally related to the use of financial instruments including derivatives. The Group accepts deposits from customers at both fixed and floating rates, and for various periods, and seeks to optimise the interest margins by investing these funds in high-quality assets. The Group seeks to increase these margins generally by consolidating short-term funds and lending for longer periods at higher rates, while maintaining sufficient liquidity in the process to meet all claims that might fall due.

The Group also seeks to raise its interest margins, net of allowances, through lending to commercial and retail borrowers with a range of credit standings. Such exposures involve not just on-balance sheet loans and advances but also guarantees and other commitments such as letters of credit and performance and other bonds.

The Group also manages the risk of financial instruments by taking positions in OTC instruments to take advantage of short-term market movements in currencies, interest rates and securities prices. The management places risk limits on the level of exposure to financial products.

(a) *Fair value hedges*
The Group hedges part of the existing Hong Kong dollar and foreign currency interest rate risk in its fixed rate assets by means of interest rate swaps. The net fair value of these swaps as at 31 December 2020 was HK$1,940 million negative (2019: HK$777 million negative).

(b) *Cash flow hedges*
The Group uses interest rate swaps to protect against exposures to variability in future cash flows on non-trading assets and liabilities which bear interest at variable rates. The net fair value of these swaps as at 31 December 2020 was HK$376 million negative (2019: HK$110 million negative).

4 財務風險管理(續)

4.6 金融資產及負債之公平價值

使用估值方法以公平價值計量之金融工具

在活躍市場上買賣之標準化金融資產及金融負債之公平價值根據市場報價釐定。至於所有其他金融工具，本集團使用估值法釐定公平價值。一般而言，如有提供活躍市場報價，將採用此一價格。如沒有提供活躍市場報價，則將採用合適的估值法。

估值法包括淨現值及貼現現金流量模型、類似工具之比較(如市場上有可觀察之價格)、柏力克–舒爾斯及多項式期權定價模型，以及其他估值法。估值法下使用之假設和輸入值包括無風險及指標利率、信貸息差及估計貼現率時所用之其他溢價、債券及股票價格、外幣匯率、股票及股票指數價格，以及預期價格波幅和相互關係。估值法之目標為達致能反映於報告日期市場參與者之間在有秩序交易下出售資產時所收取或轉讓負債時所支付之金融工具價格之公平價值計量。

本集團使用廣被認可之估值模型釐定普通金融工具之公平價值。市場數據輸入值為獨立及可在市場上觀察得出，避免任何對公平價值之操控。本集團亦已設立估值委員會，以制定計量公平價值之控制框架。估值委員會負責檢討對金融工具進行估值時所採用之全部市場價格及利率來源，以及利率曲線、估值方法和模型。

本集團之場外衍生工具持倉已加入一個信貸估值調整(CVA)因子，以於計量衍生工具之公平價值時計入交易對手違約風險。CVA是對公平價值作出按市價計值調整，以反映本集團場外衍生工具組合之交易對手潛在信用風險。CVA乃透過於將預期虧損率乘以買賣層面工具之風險價值計算。

本集團參考具有相若外部信貸級別之交易對手之市場隱含違約虧損率，估計預期之虧損率。本集團已採用一個債務估值調整(DVA)因子，以於衍生工具之公平價值內計入本集團本身之信用風險，而估值之方法與CVA相同。

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities

Financial instruments measured at fair value using a valuation technique

Fair values of standardized financial assets and financial liabilities that are traded in active market are based on quoted market prices. For all other financial instruments, the Group determines fair values using valuation techniques. In general, quoted prices in active market will be used if available. When quoted prices in active markets are not available, an appropriate valuation technique will be employed.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price of the financial instrument that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the reporting date.

The Group uses widely recognised valuation models for determining the fair value of the common financial instruments. The market data inputs are independent and observable in the market which avoids any manipulation of the fair values. The Group has also an established Valuation Committee to set up control framework with respect to the measurement of fair values. Valuation Committee is responsible for review of all market prices and rate sources used as well as curves, methodology and models for valuation of financial instruments.

A Credit Valuation Adjustment (CVA) is applied to the Group's over-the-counter derivative exposures to take into account the counterparty's risk of default when measuring the fair value of the derivatives. CVA is the mark-to-market adjustment to the fair value to reflect potential credit risk from counterparties in the Group's over-the-counter derivative portfolio. CVA is calculated by multiplying the expected loss rates and the exposure value of the instruments at deal level.

The Group estimates the expected loss rates by referencing the market implied default loss rates of the counterparties at similar external credit grading level. A Debit Valuation Adjustment (DVA) is applied to incorporate the Group's own credit risk in the fair value of derivatives, using same methodology as for CVA.

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

釐定公平價值等級
根據《香港財務報告準則》第13號「公平價值計量」三級公平價值分級之分類定義，下表列示本集團於報告期結束時按重覆發生基準以釐定金融工具之公平價值。公平價值計量之等級乃參考以下估值技巧所用之輸入數據之可觀察性和重要性而分類：

等級一估值： 計量公平價值只採用第一級輸入值，即於計量日在活躍市場相同資產或負債的報價(未調整)。

等級二估值： 計量公平價值採用第二級輸入值，即不符合等級一的可觀察輸入值，及不使用主要的不可觀察輸入值。不可觀察輸入值為無提供市場數據的輸入值。

等級三估值： 計量公平價值使用主要不可觀察輸入值。為此級別估值的工具，其估值模型所輸入之輸入值為不可觀察，惟該等不可觀察的輸入值可以對估值產生重大影響。為此級別估值的工具，也包括在活躍市場取得相若金融工具的市場報價，惟當中需要作出不可觀察之調整或假設，以反映不同金融工具之間的差別。

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy
The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

釐定公平價值等級(續)

於活躍市場買賣的金融資產及金融負債，是根據市場報價或對手方報價以釐定其公平價值。而對於所有其他金融工具，本集團則利用一些估值法以釐定公平價值。估值法包括淨現值及貼現現金流量模型、以及各種市場認可的期權估值模型。用於估值模型之假設及輸入值包括無風險利率、基準利率、股票價格、匯率、指數價格、過往或預期波幅和相互關係。估值法之目標為達致能反映於報告日期市場參與者之間在有秩序交易下出售資產時所收取或轉讓負債時所支付之金融工具價格之公平價值計量。

本集團使用獲廣泛認可之估值模型，以釐定普通及簡單的金融工具之公平價值，例如僅使用可觀察市場價格及毋須管理層耗時判斷及估計之利率及貨幣掉期。可觀察價格或模型的輸入值，通常可從市場上的上市債務及股票證券、在交易所買賣的衍生工具和簡單的場外交易衍生工具如利率掉期獲取。獲取可觀察市場價格及模型的輸入值，可以減省管理層需時判斷及估計，也可減少有關釐定公平價值的不確定因素。能否取得可觀察市場價格及輸入值，視乎產品及市場性質，並會因金融市場的個別事件和一般情況而有不同變化。

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy (continued)

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or counterparty quotations. For all other financial instruments the Group determines fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models and various market recognised option pricing models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, equity prices, foreign currency exchange rates, index prices, historical or implied volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price of the financial instrument that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the reporting date.

The Group uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

釐定公平價值等級(續)

至於較複雜的金融工具，本集團會使用一些通常由獲認可的估值方法形成之估值模型。部分甚或所有須予輸入模型中的重要輸入值或未能從市場中觀察得出，而必須從市場價格或利率計算、或基於假設而估計而得出。該等須利用重要而不可觀察之輸入值的估值模型，需要管理層投入較多時間於判斷及估計，始能釐定金融工具的公平價值；而揀選適當的估值模型、為估值之金融工具決定其預期的未來現金流、決定對手方違約和提早還款的或然率，以及挑選適用的貼現率等，一般皆需要管理層的判斷和估計。

從估值模型得出的公平價值估計會就任何其他因素(如流動性風險或不確定因素)作出調整，直至本集團相信會有第三方市場參與者在釐定交易價格時考慮該等因素。公平價值反映工具的信用風險，並計及各項為反映集團實體及對手方的信用風險(如適用)而作出之調整。對於可能由資產轉為負債分類或由負債轉為資產分類的衍生工具—如利率掉期—公平價值會同時考慮信用估值調整(CVA)及債務估值調整(DVA)，就此，市場參與者在釐定衍生工具價格時會考慮這一因素。

模型的輸入值及價值乃按照歷史性數據及已公佈的預測進行校正，並在可行情況下，按照不同工具的當前或近期觀察所知之交易以及經紀人的報價進行校正。這校正過程本身具有主觀性，其可能校正出的輸入值以及公平價值估計均為範圍值。管理層須從範圍值內判斷出最合適的點。

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy (continued)

For more complex instruments, the Group uses valuation models, which usually are developed from recognised valuation methodologies. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate. For measuring derivatives that might change classification from being an asset to a liability or vice versa – e.g. interest rate swaps – fair values take into account both credit valuation adjustment (CVA) and debit valuation adjustment (DVA) when market participants would take this into consideration in pricing the derivatives.

Model inputs and values are calibrated against historical data and published forecasts and, where possible, against current or recent observed transactions in different instruments and against broker quotes. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value. Management uses judgement to select the most appropriate point in the range.

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

釐定公平價值等級(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy (continued)

二零二零年十二月三十一日	31 December 2020	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000	總額 Total 千港元 HK$'000
經常性公平價值計量	**Recurring fair value measurements**				
金融資產	**Financial assets**				
衍生金融工具	Derivative financial instruments				
遠期外匯合約	Forward foreign exchange contracts	–	6,312,598	–	6,312,598
結構性外匯合約	Structured foreign exchange contracts	–	3,418	–	3,418
貨幣掉期	Currency swaps	–	1,845,693	–	1,845,693
外匯期權	FX options	–	182,513	–	182,513
利率掉期	Interest rate swaps	–	5,055,515	–	5,055,515
商品遠期	Commodity forward	–	–	–	–
利率期貨	Interest rate futures	–	2,339	–	2,339
股票掉期	Equity swaps	–	3,063,111	–	3,063,111
股票期權	Equity options	–	–	–	–
		–	16,465,187	–	16,465,187
以公平價值經其他全面收益入賬客戶、銀行同業之貸款及其他賬項以及商業票據	Loans and advances to customers, banks and trade bills measured at fair value through other comprehensive income				
客戶貸款	Advances to customers	–	1,180,511	–	1,180,511
商業票據	Trade bills	–	2,284,108	–	2,284,108
		–	3,464,619	–	3,464,619
以公平價值經損益表入賬客戶之貸款及其他賬項以及存款	Loans and advances to customers and placement measured at fair value through profit and loss				
客戶貸款	Advances to customers	–	4,250,429	–	4,250,429
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	–	–	–	–
		–	4,250,429	–	4,250,429
持作交易用途金融資產	Financial assets held for trading				
債券	Debts securities	–	–	–	–
股票	Equities	–	–	–	–
		–	–	–	–
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss				
投資基金	Investment funds	4,248,354	349,446	–	4,597,800
其他	Others	–	495,740	–	495,740
		4,248,354	845,186	–	5,093,540

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

釐定公平價值等級(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy (continued)

二零二零年十二月三十一日	31 December 2020	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000	總額 Total 千港元 HK$'000
以公平價值經其他全面收益入賬之金融資產	Financial assets measured at fair value through other comprehensive income				
債券	Debt securities	119,729	137,463,033	–	137,582,762
股票證券	Equity securities	–	230,187	2,193,082	2,423,269
		119,729	137,693,220	2,193,082	140,006,031
金融資產總額	Total financial assets	4,368,083	162,718,641	2,193,082	169,279,806
金融負債	**Financial liabilities**				
衍生金融工具	Derivative financial instruments				
遠期外匯合約	Forward foreign exchange contracts	–	6,487,683	–	6,487,683
結構性外匯合約	Structured foreign exchange contracts	–	3,414	–	3,414
貨幣掉期	Currency swaps	–	1,222,462	–	1,222,462
外匯期權	FX options	–	193,412	–	193,412
利率掉期	Interest rate swaps	–	7,307,358	–	7,307,358
商品遠期	Commodity forward	–	–	–	-
利率期貨	Interest rate futures	–	1,032	–	1,032
股票掉期	Equity swaps	–	408,836	–	408,836
股票期權	Equity options	–	–	–	–
		–	15,624,197	–	15,624,197
指定以公平價值經損益表入賬之金融負債	Financial liabilities designated at fair value through profit or loss				
已發行債券	Debt securities in issue	–	7,373,240	–	7,373,240
		–	7,373,240	–	7,373,240
金融負債總額	Total financial liabilities	–	22,997,437	–	22,997,437

4 財務風險管理(續) / 4 FINANCIAL RISK MANAGEMENT (continued)

4.6 金融資產及負債之公平價值(續) / 4.6 Fair values of financial assets and liabilities (continued)

釐定公平價值等級(續) / *Determination of fair value hierarchy (continued)*

二零一九年十二月三十一日	31 December 2019	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000	總額 Total 千港元 HK$'000
經常性公平價值計量	**Recurring fair value measurements**				
金融資產	**Financial assets**				
衍生金融工具	Derivative financial instruments				
遠期外匯合約	Forward foreign exchange contracts	–	3,173,094	–	3,173,094
結構性外匯合約	Structured foreign exchange contracts	–	667	–	667
貨幣掉期	Currency swaps	–	1,317,977	–	1,317,977
外匯期權	FX options	–	92,000	–	92,000
利率掉期	Interest rate swaps	–	2,363,090	–	2,363,090
商品遠期	Commodity forward	–	–	–	–
利率期貨	Interest rate futures	–	932	–	932
股票掉期	Equity swaps	–	3,242,673	–	3,242,673
股票期權	Equity options	–	226	–	226
		–	10,190,659	–	10,190,659
以公平價值經其他全面收益入賬客戶、銀行同業之貸款及其他賬項以及商業票據	Loans and advances to customers, banks and trade bills measured at fair value through other comprehensive income				
客戶貸款	Advances to customers	–	1,091,074	–	1,091,074
商業票據	Trade bills	–	7,450,101	–	7,450,101
		–	8,541,175	–	8,541,175
以公平價值經損益表入賬客戶之貸款及其他賬項以及存款	Loans and advances to customers and placement measured at fair value through profit and loss				
客戶貸款	Advances to customers	–	4,258,209	–	4,258,209
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	–	1,117,999	–	1,117,999
		–	5,376,208	–	5,376,208
持作交易用途金融資產	Financial assets held for trading				
債券	Debts securities	492,484	–	–	492,484
股票	Equities	–	–	–	–
		492,484	–	–	492,484
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss				
投資基金	Investment funds	3,535,667	1,039,698	–	4,575,365
其他	Others	–	472,217	–	472,217
		3,535,667	1,511,915	–	5,047,582

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4.6 金融資產及負債之公平價值(續)

釐定公平價值等級(續)

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Determination of fair value hierarchy (continued)

二零一九年十二月三十一日	31 December 2019	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000	總額 Total 千港元 HK$'000
以公平價值經其他全面收益入賬之金融資產	Financial assets measured at fair value through other comprehensive income				
債券	Debt securities	103,604,177	46,299,566	–	149,903,743
股票證券	Equity securities	–	232,626	2,237,985	2,470,611
		103,604,177	46,532,192	2,237,985	152,374,354
金融資產總額	Total financial assets	107,632,328	72,152,149	2,237,985	182,022,462
金融負債	**Financial liabilities**				
衍生金融工具	Derivative financial instruments				
遠期外匯合約	Forward foreign exchange contracts	–	2,654,006	–	2,654,006
結構性外匯合約	Structured foreign exchange contracts	–	668	–	668
貨幣掉期	Currency swaps	–	1,205,981	–	1,205,981
外匯期權	FX options	–	87,531	–	87,531
利率掉期	Interest rate swaps	–	3,170,048	–	3,170,048
商品遠期	Commodity forward	–	–	–	–
利率期貨	Interest rate futures	–	577	–	577
股票掉期	Equity swaps	–	649,036	–	649,036
股票期權	Equity options	–	227	–	227
		–	7,768,074	–	7,768,074
指定以公平價值經損益表入賬之金融負債	Financial liabilities designated at fair value through profit or loss				
已發行債券	Debt securities in issue	–	8,425,301	–	8,425,301
		–	8,425,301	–	8,425,301
金融負債總額	Total financial liabilities	–	16,193,375	–	16,193,375

4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

有關第三級估值的重要非可觀察參數資料

	估值模式 Valuation technique	重要非可觀察參數 Significant unobservable input(s)	幅度 Range
非上市股份證券及投資基金 Unlisted equity securities and investment funds	資產淨值 Net asset value	不適用 N/A	不適用 N/A
	股息貼現模型 Dividend valuation method	折扣率 Discount rate	10% (2019: 10%)

以公平價值經其他全面收益入賬的非上市股份證券及投資基金的公平價值,是採用股息貼現模型或根據受投資公司的財務狀況估算。

按公平價值計量之等級三金融工具之變動
下表載列按公平價值列賬之等級三金融資產及負債之年初餘額與年終餘額之對賬:

		於二零二零年一月一日 At 1 January 2020 千港元 HK$'000	增添 Addition 千港元 HK$'000	於權益內列賬之虧損總額 Total losses recorded in equity 千港元 HK$'000	於二零二零年十二月三十一日 At 31 December 2020 千港元 HK$'000
金融資產	**Financial assets**				
以公平價值經其他全面收益入賬之金融投資	Financial investments measured at fair value through other comprehensive income				
股票	Equities	**2,237,985**	**750,770**	**(795,673)**	**2,193,082**
等級三金融資產總額	Total level 3 financial assets	**2,237,985**	**750,770**	**(795,673)**	**2,193,082**

		於二零一九年一月一日 At 1 January 2019 千港元 HK$'000	出售 Disposal 千港元 HK$'000	於權益內列賬之收益總額 Total gains recorded in equity 千港元 HK$'000	於二零一九年十二月三十一日 At 31 December 2019 千港元 HK$'000
金融資產	**Financial assets**				
以公平價值經其他全面收益入賬之金融投資	Financial investments measured at fair value through other comprehensive income				
股票	Equities	2,862,173	(1,046,938)	422,750	2,237,985
等級三金融資產總額	Total level 3 financial assets	2,862,173	(1,046,938)	422,750	2,237,985

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Information about significant unobservable inputs in Level 3 valuations

	Valuation technique	Significant unobservable input(s)	Range
Unlisted equity securities and investment funds	Net asset value	N/A	N/A
	Dividend valuation method	Discount rate	10% (2019: 10%)

The fair values of unlisted equity securities and investment funds measured at FVTOCI are estimated using the dividend valuation method or on the basis of an analysis of the investee's financial position and results.

Movements in level 3 financial instruments measured at fair value
The following table shows a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

按公平價值計量之等級三金融工具之變動(續)

計入本年度收益表之等級三金融工具之收益／虧損包括：

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Movements in level 3 financial instruments measured at fair value (continued)

Gains/losses on Level 3 financial instruments included in the income statement for the year comprise:

二零二零年	**2020**	**未變現虧損 Unrealised losses 千港元 HK$'000**	**未變現收益 Unrealised gains 千港元 HK$'000**	**總額 Total 千港元 HK$'000**
計入本年度收益表之收益／(虧損)總額	Total gains/(losses) included in income statement for the year	–	–	–

二零一九年	2019	未變現虧損 Unrealised losses 千港元 HK$'000	未變現收益 Unrealised gains 千港元 HK$'000	總額 Total 千港元 HK$'000
計入本年度收益表之收益／(虧損)總額	Total gains/(losses) included in income statement for the year	–	–	–

4 財務風險管理(續) / 4 FINANCIAL RISK MANAGEMENT (continued)

4.6 金融資產及負債之公平價值(續) / 4.6 Fair values of financial assets and liabilities (continued)

等級一與等級二之間的重大轉移 / *Significant transfers between Level 1 and 2*

		由等級一轉移至等級二 Transfers from Level 1 to Level 2	
		二零二零年十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年十二月三十一日 31 December 2019 千港元 HK$'000
以公平價值經其他全面收益入賬之金融投資	Financial investments measured at fair value through other comprehensive income		
債券	Debt securities	**55,370,680**	–
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss		
投資基金	Investment funds	**52,638**	–

		由等級二轉移至等級一 Transfers from Level 2 to Level 1	
		二零二零年十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年十二月三十一日 31 December 2019 千港元 HK$'000
以公平價值經其他全面收益入賬之金融投資	Financial investments measured at fair value through other comprehensive income		
債券	Debt securities	–	–
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss		
投資基金	Investment funds	**157,662**	–

上列金融資產由等級二轉移至等級一，是因為該等資產於本年度有活躍交易，相關公平價值已經不再運用可觀察的市場輸入數據以估值方法取得。

The above financial assets were transferred from Level 2 to Level 1 as they have been actively traded during the year and fair values were no longer obtained using valuation techniques using observable market inputs.

在公平價值等級之間的轉移被視為於報告期結束時發生。

Transfers between levels of the fair value hierarchy are deemed to occur at the end of the reporting period.

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4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

並非以公平價值計量之金融工具
金融資產及負債之公平價值估計如下：

(a) *在銀行同業及其他金融機構之結餘及存款*
浮息存款和隔夜存款的公平價值即其賬面值，固定利率存款(存款期少於一年)的估計公平價值，是基於貼現現金流量按現行貨幣市場利率及剩餘年期計算。因此，其公平價值約等於其賬面值。

(b) *貸款及其他賬目*
貸款及其他賬目在扣除減值撥備後列賬。除小部分客戶貸款及其他賬項外，其餘額均以浮動利率計息。本集團評估客戶及銀行同業之貸款及其他賬項之公平價值時已考慮相關之市場利率及扣除減值撥備，並注意到公平價值總額與賬面總值並無重大差異。

(c) *以攤銷成本入賬投資*
以攤銷成本入賬投資的公平價值乃參照可用市值釐定。如市場報價並不可用，則公平價值根據定價模式或其他估值方法估計。

(d) *來自客戶、銀行同業及其他金融機構之存款及結餘*
未註明到期日的存款及結餘的估計公平價值為要求時需償還的金額，該等浮息結餘的公平價值即為其賬面值。

定息同業存款及客戶存款而無市場報價，其估計公平價值是基於貼現現金流量採用同類剩餘到期日的新債務利率計算，由於該等結餘期限自報告期結束時起計通常少於一年，其公平價值約等於其賬面值。

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Financial instruments not measured at fair value
The fair values of financial assets and liabilities are estimated as follows:

(a) *Balances and placements with banks and other financial institutions*
The fair values of floating rate placements and overnight deposits are their carrying amounts. The estimated fair value of fixed interest-bearing deposits, all of which are less than one year, is based on the discounted cash flows using prevailing money-market interest rates and the remaining maturity. Therefore, the fair value is approximately equal to the carrying value.

(b) *Advances and other accounts*
Advances and other accounts are net of allowances for impairment. All items, except a very insignificant portion of loans and advances to customers, bear interest at a floating rate. The Group has assessed the fair values of loans and advances to customers and banks, after taking into account the relevant market interest rates and net of allowances for impairment. It is noted that the total fair value is not materially different from the total carrying value.

(c) *Investment measured at amortised cost*
The fair value of investment measured at amortised cost determined with reference to the available market value. If quoted market prices are not available, then the fair value is estimated on the basis of pricing models or using other valuation techniques.

(d) *Deposits and balances from customers, banks and other financial institutions*
The estimated fair value of deposits and balances with no stated maturity is the amount repayable on demand. The fair value of those balances having an interest at a floating rate is their carrying value.

The estimated fair values of the fixed interest-bearing deposits of banks and deposits from customers without quoted market prices is based on discounted cash flows using interest rates for new debts with similar remaining maturity. As their maturity is normally less than one year from the end of the reporting period, their fair values are approximately equal to their carrying values.

4 財務風險管理(續)

4.6 金融資產及負債之公平價值(續)

並非以公平價值計量之金融工具(續)

(e) 已發行存款證

本集團評估已發行存款證之公平價值時已考慮相關之收益率曲線，並注意到公平價值總額與賬面值總額並無重大差異。

(f) 其他資產及其他負債

其他資產及其他負債一般不帶有利息，其估計公平價值為其賬面值。

本集團以成本或攤銷成本入賬之金融工具賬面值，與其於二零二零年及二零一九年十二月三十一日之公平價值並無重大差距，惟以下金融工具除外。該等金融工具之賬面值及公平價值以及所屬之公平價值等級披露如下：

4 FINANCIAL RISK MANAGEMENT (continued)

4.6 Fair values of financial assets and liabilities (continued)

Financial instruments not measured at fair value (continued)

(e) Certificates of deposit issued

The Group has assessed the fair value of certificates of deposit issued after taking into account the relevant yield curve and noted that the total fair value is not materially different from the total carrying value.

(f) Other assets and other liabilities

The estimated fair value of the other assets and other liabilities, which are normally non-interest-bearing, is their carrying values.

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2020 and 2019 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

二零二零年	**2020**	**賬面值 Carrying amount 千港元 HK$'000**	**公平價值 Fair value 千港元 HK$'000**	**等級一 Level 1 千港元 HK$'000**	**等級二 Level 2 千港元 HK$'000**	**等級三 Level 3 千港元 HK$'000**
金融負債 以攤銷成本入賬後償債項	Financial liabilities Subordinated debts measured at amortised cost	–	–	–	–	–

二零一九年	**2019**	賬面值 Carrying amount 千港元 HK$'000	公平價值 Fair value 千港元 HK$'000	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000
金融負債 以攤銷成本入賬後償債項	Financial liabilities Subordinated debts measured at amortised cost	3,889,974	3,977,856	3,977,856	–	–

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4 財務風險管理(續)

4.7 非金融資產及負債之公平價值

公平價值等級

下表呈列於報告期結束時按經常性基準計量本集團之銀行房產和物業以及投資物業之公平價值，並按《香港財務報告準則》第13號「公平價值計量」界定之三個公平價值等級進行分類。公平價值計量之等級乃參考以下估值技巧所用之輸入數據之可觀察性和重要性而分類：

等級一估值：計量公平價值只採用第一級輸入值，即於計量日在活躍市場相同資產或負債的報價(未調整)。

等級二估值：計量公平價值採用第二級輸入值，即不符合等級一的可觀察輸入值，及不使用主要的不可觀察輸入值。不可觀察輸入值為無提供市場數據的輸入值。

等級三估值：計量公平價值使用主要不可觀察輸入值。

於二零二零年十二月三十一日之公平價值

		千港元 HK$'000	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000
經常性公平價值計量	**Recurring fair value measurement**				
銀行房產及物業	Bank premises and properties	**615,992**	**–**	**–**	**615,992**
投資物業	Investment properties	**131,929**	**–**	**–**	**131,929**

於二零一九年十二月三十一日之公平價值

		千港元 HK$'000	等級一 Level 1 千港元 HK$'000	等級二 Level 2 千港元 HK$'000	等級三 Level 3 千港元 HK$'000
經常性公平價值計量	Recurring fair value measurement				
銀行房產及物業	Bank premises and properties	607,192	–	–	607,192
投資物業	Investment properties	135,234	–	–	135,234

截至二零二零年十二月三十一日止年度，等級一及等級二之間並無轉移，亦無轉入或轉出等級三之項目。本集團之政策為於轉移發生之報告期間結束時確認公平價值等級之間之轉移。

4 FINANCIAL RISK MANAGEMENT (continued)

4.7 Fair values of non-financial assets and liabilities

Fair value hierarchy

The following table presents the fair value of the Group's bank premises and properties and investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

Level 3 valuations: Fair value measured using significant unobservable inputs

Fair value at 31 December 2020

During the year ended 31 December 2020, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

4 財務風險管理(續)

4.7 非金融資產及負債之公平價值(續)

公平價值等級(續)

本集團所有投資物業以及銀行房產及物業於二零二零年十二月三十一日重新估值。本銀行投資物業以及銀行房產及物業之估值由獨立專業合資格估值師韋堅信測量師行有限公司進行。本銀行附屬公司投資物業以及銀行房產及物業之估值由中國內地之獨立專業合資格估值師國眾聯資產評估土地房地產估價有限公司進行。此等估值師均具備所估值物業所在地點和物業類別之近期估值經驗。本集團之管理層已與測量師就於各中期及年度報告日期進行估值時所用之估值假設及估值結果進行討論。

關於等級三公平價值計量之資料

4 FINANCIAL RISK MANAGEMENT (continued)

4.7 Fair values of non-financial assets and liabilities (continued)

Fair value hierarchy (continued)

All of the Group's investment properties and bank premises and properties were revalued as at 31 December 2020. The valuations on the Banks's investment properties and bank premises and properties were carried out by an independent professionally qualified valuer, A.G. Wilkinson & Associates. The investment properties and bank premises and properties of the Bank's subsidiary were carried out by an independent professionally qualified valuer in the Mainland China, GuoZhongLian Appraisals Co., Ltd. The valuers are with recent experience in the location and category of property being valued. The Group's management has discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

Information about Level 3 fair value measurements

	估值方法 Valuation techniques	**不可觀察輸入值 Unobservable input**	**範圍 Range**
投資物業			
－香港	投資法	市場收益率	
－中國內地	貼現現金流量	風險調整貼現率	
		預期市場租金增長	
		預期出租率	
Investment properties			
– Hong Kong	Investment method	Market yield	2.55% – 2.85%
– Mainland China	Discount cash flow	Risk adjusted discount rate	4.7%
		Expected market rental growth	3% – 5%
		Expected occupancy rate	95%
銀行房產及物業			
－香港	直接比較法	物業特點之折讓	
－中國內地方法1	貼現現金流量	風險調整貼現率	
		預期市場租金增長	
		預期出租率	
－中國內地方法2	直接比較法	市場價貼現率	
Bank premises and properties	Direct comparison approach	Discount on characteristic of the properties	(3.34%) to (21.75%)
– Hong Kong			
– Mainland China method 1	Discount cash flow	Risk adjusted discount rate	4.5%
		Expected market rental growth	5%
		Expected occupancy rate	97%
– Mainland China method 2	Direct comparison approach	Market value discount rate	6%

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4 財務風險管理(續)

4.7 非金融資產及負債之公平價值(續)

關於等級三公平價值計量之資料(續)
就分類為等級三之投資物業而言，公平價值以下列方法估值：

i) 以投資法進行估值，並評估了合約租金收入和預期未來市值租金收入(於按實際市場之預期適用市場收益率就支出和維修保養需要作出撥備後)；及

ii) 使用風險調整貼現率，將與該等物業有關之預測現金流量貼現。估值計及各物業之預期市值租金增長率和出租率。所用之貼現率已就樓宇之質素和所在地點以及租戶之信貸質素作出調整。公平價值計量與預期市值租金增長率及出租率成正比關係，並與風險調整貼現率成反比關係。

就分類為等級三之銀行房產及物業而言，公平價值乃按以下方式釐定：

i) 使用風險調整貼現率，將與該等物業有關之預測現金流量貼現。估值計及各物業之預期市值租金增長率和出租率。所用之貼現率已就樓宇之質素和所在地點以及租戶之信貸質素作出調整。公平價值計量與預期市值租金增長率及出租率成正比關係，並與風險調整貼現率成反比關係；及

ii) 使用直接比較法按各物業之現行狀況和用途，假設可即時交吉出售及參考可比較之銷售，以市場基準進行估值。估值已計及物業之特點，包括地點、面積、形狀、景觀、樓層、落成年份和其他因素，從整體上考慮。因有較佳特點而獲評較高溢價之物業將有較高之公平價值計量。

4 FINANCIAL RISK MANAGEMENT (continued)

4.7 Fair values of non-financial assets and liabilities (continued)

Information about Level 3 fair value measurements (continued)
For investment properties classified under level 3, the fair values are valued by:

i) investment method of valuation and have assessed the contractual rental income and the expected future market rental income after allowing for outgoings and maintenance requirements at appropriate market yields as perceived in the actual market; and

ii) discounting a projected cash flow series associated with the properties using risk adjusted discount rates. The valuation takes into account expected market rental growth and occupancy rate of the respective properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement is positively correlated to the expected market rental growth and the occupancy rate, and negatively correlated to the risk adjusted discount rates.

For bank premises and properties classified under level 3, the fair values are determined by:

i) discounting a projected cash flow series associated with the properties using risk adjusted discount rates. The valuation takes into account expected market rental growth and occupancy rate of the respective properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement is positively correlated to the expected market rental growth and the occupancy rate, and negatively correlated to the risk-adjusted discount rates; and

ii) using direct comparison approach to value properties in their respective existing states and uses on the market basis assuming sale with immediate vacant possession and by making reference to comparable sales evidence. The valuations take into account the characteristic of the properties which included the location, size, shape, view, floor level, year of completion and others factors collectively. Higher premium for properties with higher characteristic will result in a higher fair value measurement.

4 財務風險管理(續)

4.7 非金融資產及負債之公平價值(續)

關於等級三公平價值計量之資料(續)
等級三公平價值計量結餘之期間內之變動如下：

銀行房產及物業：	**Bank premises and properties:**	**千港元 HK$'000**
於二零二零年一月一日	At 1 January 2020	**607,192**
匯率調整	Exchange adjustment	**24,715**
年內折舊支出	Depreciation charge for the year	**(16,760)**
重估盈餘	Surplus on revaluation	**845**
於二零二零年十二月三十一日	At 31 December 2020	**615,992**

銀行房產及物業：	Bank premises and properties:	千港元 HK$'000
於二零一九年一月一日	At 1 January 2019	627,090
匯率調整	Exchange adjustment	(1,184)
年內折舊支出	Depreciation charge for the year	(17,240)
重估虧損	Loss on revaluation	(1,474)
於二零一九年十二月三十一日	At 31 December 2019	607,192

投資物業：	**Investment properties:**	**千港元 HK$'000**
於二零二零年一月一日	At 1 January 2020	**135,234**
公平價值調整	Fair value adjustment	**(5,500)**
匯率調整	Exchange adjustment	**2,195**
於二零二零年十二月三十一日	At 31 December 2020	**131,929**

投資物業：	Investment properties:	千港元 HK$'000
於二零一九年一月一日	At 1 January 2019	140,135
公平價值調整	Fair value adjustment	(4,200)
匯率調整	Exchange adjustment	(701)
於二零一九年十二月三十一日	At 31 December 2019	135,234

4 FINANCIAL RISK MANAGEMENT (continued)

4.7 Fair values of non-financial assets and liabilities (continued)

Information about Level 3 fair value measurements (continued)
The movements during the period in the balance of these Level 3 fair value measurements are as follows

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4 財務風險管理(續)

4.8 資本管理

本集團之資本管理目標是以有效及風險為本之方法調撥資本，以優化給予股東之經風險調整回報。本集團定期審閱其資本架構及維持堅實之資本基礎以支持其業務長遠發展。自本銀行於二零一零年私有化後，本集團對獲母行注資的需求得到比以前更重視的反應，而母行於其後的多項注資即為明證。

本集團透過管理其資本，有效地執行其策略性業務計劃，以及支持其增長和投資。本集團不時調整其業務策略及放貸方針，以優化其風險回報組合。為確保遵守監管規定，本銀行已編製詳盡的資本管理和資本充足比率管理政策。

香港金融管理局要求本銀行維持規定的監管資本總額與加權風險資產之比例(資本充足比率)。本集團之若干附屬公司亦須符合其他監管機構如香港證券及期貨事務監察委員會所制定之法定資本規定。資本充足狀況及監管資本之運用由本銀行管理層以資本規則所訂定之方法執行緊密之監察。所需資料按季度提交予香港金融管理局。資本充足狀況及資本基礎之披露載於附加財務資料附註1。

於截至二零二零年及二零一九年十二月三十一日止兩個年度內，本集團遵守了香港金融管理局對外頒布之所有資本規定。

4 FINANCIAL RISK MANAGEMENT (continued)

4.8 Capital management

The Group's objective for managing capital is to allocate capital in an efficient and risk-based approach to optimise risk-adjusted return to the shareholders. The Group periodically reviews its capital structure and maintains a strong capital base to support the development of its business. The privatisation of the Bank in 2010 facilitates greater responsiveness than before to the Group's need for capital injection from the Parent Bank as and when it arises. This was evidenced by the various capital injections from the Parent Bank thereafter.

The Group manages its capital to execute its strategic business plans and support its growth and investments in an efficient way. The Group adjusts its business and lending strategy from time to time to optimise its risk-return profile. To ensure compliance with regulatory requirements, detailed capital management and capital adequacy ratio management policies have been drawn up by the Bank.

The HKMA requires the Bank to maintain a prescribed ratio of total regulatory capital to risk-weighted assets (the CAR). Certain subsidiaries of the Group are also subject to statutory capital requirements from other regulatory authorities, such as the Hong Kong Securities and Futures Commission. Capital adequacy and the use of regulatory capital are closely monitored by the Management, employing techniques based on the Capital Rules. The required information is filed with the HKMA on a quarterly basis. The disclosure of capital adequacy and capital base are shown in Note 1 of the Supplementary Financial Information.

During the two years ended 31 December 2020 and 2019, the Group complied with all of the capital requirements externally imposed by the HKMA.

4 財務風險管理(續)

4.9 業務操作風險管理

業務操作風險指因內部程式、人員、系統的不足之處或缺陷或因外部事件而引致未能預計之財務虧損的風險。本集團跟隨巴塞爾資本協定委員會作出之定義,包括法律風險,惟不包括策略及聲譽風險。業務操作風險存在於機構的日常業務運作中,分佈於各個不同層面,及由多個不同的根本原因造成。本集團採用「三道防線」管理操作風險。操作風險委員會提供足夠的監督,確保透過足夠的監控措施和程式以識別、評估、減緩及報告業務操作風險(包括科技風險)。本銀行亦透過應用各種管理工具,包括關鍵風險評估、關鍵風險指標、操作風險損失數據收集及事件報告、內部控制檢查等,監察業務操作風險。本集團將根據巴塞爾資本協定委員會及香港金融管理局分別發出的相關指引和原則,主動積極地推進有效的業務操作風險管理。

4.10 法律及合規風險管理

法律風險為本銀行因無法依法強制執行合約、法律訴訟或不利的判決而產生的風險,可能會干擾或對本銀行的業務操作或財政狀況造成負面影響。合規風險為本集團因違反或不符合與經營業務有關之適用法律及規例而可能遭受之合規制裁、財務虧損或名譽損失的潛在風險。

法律及合規職員就法律及法規發展給予管理層意見及協助其建立政策、程序及監控系統以確保符合相關之法律及法規要求。合規職員會執行定期合規檢查,以使本銀行能識別潛在違規事項並及時採取補救措施。法律及合規職員亦定期安排培訓以更新職員對相關法律及法規規定之知識,並就相關法律及合規事宜,包括違規事項以及法律和法規發展等向行政委員會作出定期報告。

4 FINANCIAL RISK MANAGEMENT (continued)

4.9 Operational risk management

Operational risk is the risk of unexpected financial losses resulting from inadequate or failed internal processes, people, systems or from external events. The Group follows the definition by BASEL Committee which includes legal risk, but excludes strategic and reputation risks. Operational Risk is inherent to every aspect of daily business operations within an organization, which covers a wide spectrum of issues and root causes. The Group adopts the "Three Lines of Defence" approach to manage operational risk. The Operational Risk Committee is established to provide adequate oversight to ensure operational risks (including technology risk) are identified, assessed, mitigated, and reported with adequate control measures and procedures. Operational risk is also monitored through the implementation of various management tools, including key risk assessment, key risk indicators, operational loss data collection and incident reporting, internal control checking, etc. The Group will keep on pursuing proactively the effective operational risk management practice in accordance with the relevant guidelines and principles issued by the BASEL Committee and the HKMA respectively.

4.10 Legal and compliance risk management

Legal risk is the risk arising from the potential claims that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Bank. Compliance risk is the potential risk of compliance sanctions, financial loss, or reputational loss that the Group may suffer as a result of violations of, or non-compliance with, applicable laws and regulations with respect to the conduct of business.

Legal and compliance staff members advise the management on legal and regulatory developments and assist the management in establishing policies, procedures and monitoring programmes to ensure compliance with relevant legal and regulatory requirements. Compliance staff conducts regular compliance checking so that the Bank can identify potential non-compliance issues and take remedial actions on a timely basis. Legal and compliance staff also arranges regular training sessions to update staff members with relevant legal and regulatory requirements. Regular reports on related legal and compliance issues including non-compliance issues and legal and regulatory developments are presented to various Board-level Committees.

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5 分部報告

5.1 業務種類

本集團包括七個經營分部。亞太業務主要包括亞太地區銀行業務。企業及投資銀行業務主要包括企業銀行、債務資本市場及投資銀行業務。商業銀行業務指商業借貸及貿易融資。零售銀行業務指零售銀行、租購和信用卡業務。金融市場業務指外匯、貨幣市場及資本市場業務。機構銀行業務主要包括金融機構業務。華商銀行主要包括本銀行於內地附屬公司之業務。未分類項目主要包括中央管理部、銀行房產、分部間抵銷項目及不能合理地分配至特定經營分部的任何項目。

5 SEGMENT REPORTING

5.1 Class of business

The Group comprises seven operating segments. Asia Pacific Business represents the banking business in Asia Pacific Region. Corporate and investment banking mainly comprises corporate banking, the provision of debt capital market and investment banking. Commercial banking represents commercial lending and trade financing. Retail banking represents retail banking, hire purchase and leasing, and credit card business. Global markets and trading represents foreign exchange, money market and capital market activities. Institutional banking represents financial institution business. Chinese Mercantile Bank represents the business of the Bank's subsidiary in Mainland China. Unallocated items mainly comprise the central management unit, bank premises, inter-segment elimination entries and any items which cannot be reasonably allocated to specific operating segments.

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5 分部報告(續)

5.1 業務種類(續)

5 SEGMENT REPORTING (continued)

5.1 Class of business (continued)

二零二零年十二月三十一日	31 December 2020	亞太區業務 Asia-Pacific Business 千港元 HK$'000	企業與投資銀行 Corporate and investment banking 千港元 HK$'000	商業銀行 Commercial banking 千港元 HK$'000	零售銀行 Retail banking 千港元 HK$'000	金融市場部 Global markets and trading 千港元 HK$'000	機構銀行 Institutional banking 千港元 HK$'000	華商銀行 Chinese Mercantile Bank 千港元 HK$'000	未分類 Unallocated 千港元 HK$'000	總計 Total 千港元 HK$'000
淨利息收入	Net interest income	364,957	1,222,469	1,248,672	1,523,121	1,337,875	631,126	2,343,286	1,164,658	9,836,164
收費及佣金收入	Fee and commission income	84,694	499,195	246,970	789,708	1	254,414	184,721	143,101	2,202,804
收費及佣金支出	Fee and commission expense	-	(13,281)	(845)	(156,123)	-	(453)	(21,911)	(31,313)	(223,926)
收費及佣金收入淨額	Net fee and commission income	84,694	485,914	246,125	633,585	1	253,961	162,810	111,788	1,978,878
淨交易收入／(支出)	Net trading income/(expense)	14,839	130,584	160,979	191,060	201,628	29,066	(440,635)	(122,969)	164,552
以公平價值經損益表入賬金融資產及負債(虧損)／收益淨額	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	-	-	-	-	(47,618)	74,291	5,872	192,281	224,826
來自金融投資之股息收入	Dividend income from financial investments	-	-	-	-	-	-	-	35,582	35,582
其他營業收入	Other operating income	-	7,137	66	13,400	-	7,300	54,878	242,239	325,020
營業收入	Operating income	464,490	1,846,104	1,655,842	2,361,166	1,491,886	995,744	2,126,211	1,623,579	12,565,022
營業支出	Operating expenses	(97,914)	(262,327)	(654,632)	(1,466,404)	(324,298)	(273,662)	(450,708)	(147,302)	(3,677,247)
未扣除減值損失之營業溢利	Operating profit before impairment losses	366,576	1,583,777	1,001,210	894,762	1,167,588	722,082	1,675,503	1,476,277	8,887,775
金融資產減值損失淨額	Net impairment losses on financial asset	(62,853)	30,026	(770,163)	(119,314)	(11,871)	28,744	(777,235)	(1,240,308)	(2,922,974)
扣除減值損失之營業溢利	Operating profit after impairment losses	303,723	1,613,803	231,047	775,448	1,155,717	750,826	898,268	235,969	5,964,801
重估投資物業虧損	Revaluation loss on investment properties	-	-	-	-	-	-	-	(5,500)	(5,500)
物業及設備之虧損淨額	Net loss from property, plant and equipment	-	-	(1)	(1,707)	(6)	-	(11)	(183)	(1,908)
出售以公平價值經其他全面收益入賬金融資產之收益淨額	Net gain on disposal financial assets at fair value through other comprehensive income	-	-	-	-	433,954	-	113,243	-	547,197
營業溢利	Operating profit	303,723	1,613,803	231,046	773,741	1,589,665	750,826	1,011,500	230,286	6,504,590
應佔聯營公司虧損	Share of loss of associates	-	-	-	-	-	-	-	(44,735)	(44,735)
除稅前溢利	Profit before tax	303,723	1,613,803	231,046	773,741	1,589,665	750,826	1,011,500	185,551	6,459,855
分部資產	Segment assets	31,489,397	124,990,301	99,865,328	91,796,472	175,990,381	20,576,425	146,828,598	239,355,127	930,892,029
於聯營公司之權益	Interest in associates	-	-	-	-	-	-	-	200,509	200,509
總資產	Total assets	31,489,397	124,990,301	99,865,328	91,796,472	175,990,381	20,576,425	146,828,598	239,555,636	931,092,538
總負債	Total liabilities	17,772,063	107,624,329	85,920,654	198,406,711	18,601,409	144,388,592	130,699,975	89,911,730	793,325,463
資本性支出	Capital expenditure	13	481	535	284,097	349	443	53,716	573,473	913,107
折舊及攤銷費用	Depreciation and amortisation charge	6,523	9,429	30,967	317,869	14,937	7,462	53,942	194,227	635,356

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5 分部報告(續)

5.1 業務種類(續)

5 SEGMENT REPORTING (continued)

5.1 Class of business (continued)

二零一九年十二月三十一日	31 December 2019	亞太區業務 Asia-Pacific Business 千港元 HK$'000	企業與投資銀行 Corporate and investment banking 千港元 HK$'000	商業銀行 Commercial banking 千港元 HK$'000	零售銀行 Retail banking 千港元 HK$'000	金融市場部 Global markets and trading 千港元 HK$'000	機構銀行 Institutional banking 千港元 HK$'000	華商銀行 Chinese Mercantile Bank 千港元 HK$'000	未分類 Unallocated 千港元 HK$'000	總計 Total 千港元 HK$'000
淨利息收入	Net interest income	395,566	1,539,275	2,091,505	1,638,132	926,605	975,151	2,198,893	2,390,207	12,155,334
收費及佣金收入	Fee and commission income	96,221	571,474	497,958	863,240	6	234,316	137,504	134,974	2,535,693
收費及佣金支出	Fee and commission expense	(1,588)	(16,541)	(2,170)	(291,889)	–	(710)	(18,619)	(1)	(331,518)
收費及佣金收入淨額	Net fee and commission income	94,633	554,933	495,788	571,351	6	233,606	118,885	134,973	2,204,175
淨交易收入/(支出)	Net trading income/(expense)	27,489	82,262	179,238	145,746	901,974	16,977	(164,883)	(491,975)	696,828
以公平價值經損益表入賬金融資產及負債(虧損)/收益淨額	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	–	–	–	–	(735,982)	126,817	4,846	98,121	(506,198)
來自金融投資之股息收入	Dividend income from financial investments	–	–	–	–	–	–	–	35,566	35,566
其他營業收入	Other operating income	–	123,395	30	255	–	6,113	37,457	226,687	393,937
營業收入	Operating income	517,688	2,299,865	2,766,561	2,355,484	1,092,603	1,358,664	2,195,198	2,393,579	14,979,642
營業支出	Operating expenses	(108,503)	(259,089)	(709,423)	(1,510,932)	(357,838)	(280,817)	(446,345)	(34,927)	(3,707,874)
未扣除減值損失之營業溢利	Operating profit before impairment losses	409,185	2,040,776	2,057,138	844,552	734,765	1,077,847	1,748,853	2,358,652	11,271,768
金融資產減值損失淨額	Net impairment losses on financial asset	(14,096)	(521,424)	(952,941)	(61,342)	(36,737)	137,890	(47,414)	(335,410)	(1,831,474)
扣除減值損失之營業溢利	Operating profit after impairment losses	395,089	1,519,352	1,104,197	783,210	698,028	1,215,737	1,701,439	2,023,242	9,440,294
重估投資物業收益	Revaluation loss on investment properties	–	–	–	–	–	–	–	(4,200)	(4,200)
物業及設備之虧損淨額	Net loss from property, plant and equipment	–	(6)	(18)	(643)	(11)	(5)	–	(269)	(952)
出售以公平價值經其他全面收益入賬金融資產之收益淨額	Net gain on disposal financial assets at fair value through other comprehensive income	–	–	–	–	518,443	–	31,376	–	549,819
營業溢利	Operating profit	395,089	1,519,346	1,104,179	782,567	1,216,460	1,215,732	1,732,815	2,018,773	9,984,961
應佔聯營公司虧損	Share of loss of associates	–	–	–	–	–	–	–	(4,696)	(4,696)
除稅前溢利	Profit before tax	395,089	1,519,346	1,104,179	782,567	1,216,460	1,215,732	1,732,815	2,014,077	9,980,265
分部資產	Segment assets	31,814,397	99,630,126	119,089,674	89,288,575	183,342,102	27,289,779	141,854,879	261,083,980	953,393,512
於聯營公司之權益	Interest in associates	–	–	–	–	–	–	–	170,244	170,244
總資產	Total assets	31,814,397	99,630,126	119,089,674	89,288,575	183,342,102	27,289,779	141,854,879	261,254,224	953,563,756
總負債	Total liabilities	36,095,604	86,055,864	122,300,969	213,347,369	10,866,138	140,364,369	127,085,930	83,592,419	819,708,662
資本性支出	Capital expenditure	56	107	255	134,544	6,415	194	18,861	142,138	302,570
折舊及攤銷費用	Depreciation and amortisation charge	5,505	7,297	27,069	307,412	12,942	6,180	54,653	186,217	607,275

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5 分部報告(續)

5.2 按地域劃分

本集團主要在香港經營業務。按主要營業地點劃分之地域分析如下：

5 SEGMENT REPORTING (continued)

5.2 Geographical area

The Group operates predominantly in Hong Kong. The geographical analysis, which has been classified by the location of the principal operations, is as follows:

二零二零年	2020	香港 Hong Kong 千港元 HK$'000	香港以外之亞太地區 Asia Pacific (excluding Hong Kong) 千港元 HK$'000	綜合 Consolidated 千港元 HK$'000
營業收入	Operating income	**10,437,296**	**2,127,726**	**12,565,022**
除稅前溢利	Profit before tax	**5,443,526**	**1,016,329**	**6,459,855**
資產總額	Total assets	**784,269,771**	**146,822,767**	**931,092,538**
負債總額	Total liabilities	**662,632,313**	**130,693,150**	**793,325,463**
或然負債及承擔	Contingent liabilities and commitments	**168,970,356**	**44,789,637**	**213,759,993**
年內資本性支出	Capital expenditure during the year	**859,391**	**53,716**	**913,107**

二零一九年	2019	香港 Hong Kong 千港元 HK$'000	香港以外之亞太地區 Asia Pacific (excluding Hong Kong) 千港元 HK$'000	綜合 Consolidated 千港元 HK$'000
營業收入	Operating income	12,780,473	2,199,169	14,979,642
除稅前溢利	Profit before tax	8,240,004	1,740,261	9,980,265
資產總額	Total assets	811,717,287	141,846,469	953,563,756
負債總額	Total liabilities	692,627,830	127,080,832	819,708,662
或然負債及承擔	Contingent liabilities and commitments	201,585,614	31,784,545	233,370,159
年內資本性支出	Capital expenditure during the year	283,709	18,861	302,570

於二零二零年或二零一九年，概無與單一外部客戶或對手交易之收入佔本集團總收入10%或以上。

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2020 or 2019.

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6 淨利息收入 6 NET INTEREST INCOME

		2020 千港元 HK$'000	2019 千港元 HK$'000
以下項目之利息收入：	Interest income on:		
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	**2,558,526**	4,126,460
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	**779,436**	894,231
貸款及其他賬項	Advances and other accounts	**12,482,729**	17,158,787
以公平價值經其他全面收益入賬投資證券	Investment securities measured at fair value through other comprehensive income	**3,596,159**	3,835,625
以攤銷成本入賬投資證券	Investment securities measured at amortised cost	**1,323,713**	1,686,605
		20,740,563	27,701,708
以下項目之利息支出：	Interest expense on:		
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	**2,526,155**	4,002,620
客戶存款	Deposits from customers	**6,957,912**	10,296,424
已發行存款證	Certificates of deposit issued	**85,405**	393,157
已發行債券	Debt securities in issue	**669,875**	538,161
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	**184,534**	290,459
其他	Others	**480,518**	25,553
		10,904,399	15,546,374
淨利息收入	Net interest income	**9,836,164**	12,155,334

附註：租賃負債之利息支出為29,303,000港元(二零一九年：39,851,000港元)。

Note: Interest expense on lease liabilities is HK$29,303,000 (2019: HK$39,851,000).

7 收費及佣金收入淨額 / 7 NET FEE AND COMMISSION INCOME

		2020 千港元 HK$'000	2019 千港元 HK$'000
貸款、透支及擔保	Loans, overdrafts and guarantees	**1,002,450**	1,252,279
證券及經紀	Securities and brokerage	**467,154**	358,897
貿易融資	Trade finance	**96,776**	149,721
信用卡	Credit card	**217,894**	355,917
匯款	Remittance	**118,673**	116,674
保險	Insurance	**126,887**	118,662
其他零售及商業銀行服務	Other retail and commercial banking services	**22,409**	21,760
證券安排費	Securities arrangement fee	**31,761**	41,220
其他	Others	**118,800**	120,563
收費及佣金收入	Fee and commission income	**2,202,804**	2,535,693
收費及佣金支出	Fee and commission expense	**(223,926)**	(331,518)
收費及佣金收入淨額	Net fee and commission income	**1,978,878**	2,204,175
其中：	Of which:		
由非持作交易用途或以公平價值經損益表入賬金融資產或金融負債所產生之淨收費收入（不包含計算實際利率之金額）	Net fee income, other than amounts included in determining the effective interest rate, arising from financial assets or financial liabilities that are not held for trading nor at fair value through profit or loss	**1,099,226**	1,402,000
因本集團代表其客戶持有資產或投資之信託及其他受託人業務而產生之淨收費收入	Net fee income on trust and other fiduciary activities where the Group holds or invests on behalf of its customers	**44,033**	42,666

		2020 千港元 HK$'000	2019 千港元 HK$'000
其中：	Of which:		
按產品組成之收費及佣金收入不少於收費及佣金收入總額百分之十，如下：	Fee and commission income by product line constitutes not less than 10% of the total amount of fee and commission income, as follows:		
－銀團貸款	– syndication loan	**501,075**	729,349
－證券及經紀	– securities and brokerage	**467,154**	358,897
－信用卡	– credit card	**217,894**	355,917
－有期貸款	– term loan	**278,802**	248,273

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8 淨交易收入

8 NET TRADING INCOME

		2020 千港元 HK$'000	2019 千港元 HK$'000
債券	Debt securities		
– 持作交易用途金融資產	– financial assets held for trading	**20,420**	76,541
– 以公平價值經其他全面收益入賬投資證券	– investment securities at FVTOCI	**(76,572)**	(54,304)
衍生工具	Derivatives	**(435,533)**	542,180
外匯	Foreign exchange	**655,968**	129,067
		164,283	693,484
對沖活動之收益／(虧損)	Gain/(loss) from hedging activities		
公平價值對沖	Fair value hedges		
–對沖風險導致之對沖項目收益淨額	– Net gain on hedged items attributable to the hedged risk	**1,119,477**	834,986
– 對沖工具虧損淨額	– Net loss on hedging instruments	**(1,119,208)**	(831,642)
		269	3,344
淨交易收入總額	Total net trading income	**164,552**	696,828

二零二零年之淨交易收入總額中並無以攤銷成本入賬之金融負債的收益或虧損(二零一九年：無)。

There is no gain or loss on financial liabilities measured at amortised cost which is included in total net trading income in 2020 (2019: Nil).

9 以公平價值經損益表入賬金融資產及負債之淨收益／(虧損)

9 NET GAIN/(LOSS) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

		2020 千港元 HK$'000	2019 千港元 HK$'000
以公平價值經損益表入賬之金融資產	Financial assets at fair value through profit or loss	**290,897**	299,441
以公平價值經損益表入賬之金融負債	Financial liabilities at fair value through profit or loss	**(66,071)**	(805,639)
以公平價值經損益表入賬之金融資產及負債淨收益／(虧損)總額	Total net gain/(loss) on financial assets and liabilities at fair value through profit or loss	**224,826**	(506,198)

10 金融投資之股息收入

10 DIVIDEND INCOME FROM FINANCIAL INVESTMENTS

		2020 千港元 HK$'000	2019 千港元 HK$'000
來自以公平價值經其他全面收益入賬非上市權益證券之股息收入	Dividend income from unlisted equity securities at fair value through other comprehensive income	**8,200**	13,375
來自以公平價值經損益表入賬上市金融資產之股息收入	Dividend income from listed financial assets at fair value through profit or loss	**27,382**	22,191
來自金融投資之股息收入總額	Total dividend income from financial investments	**35,582**	35,566

11 其他營業收入

11 OTHER OPERATING INCOME

		2020 千港元 HK$'000	2019 千港元 HK$'000
管理費收入	Management fee income	**258,534**	247,698
租金收入	Rental income	**22,603**	13,873
投資物業之租金收入	Rental income from investment properties	**4,015**	3,922
減：年內產生租金收入之投資物業之直接營業支出	Less: Direct operating expenses arising from investment properties that generated rental income during the year	**(288)**	(104)
其他	Others	**40,156**	128,548
其他營業收入總額	Total other operating income	**325,020**	393,937

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12 營業支出 / 12 OPERATING EXPENSES

		2020 千港元 HK$'000	2019 千港元 HK$'000
員工支出：	Staff costs:		
－薪金及其他支出	– Salaries and other costs	**1,928,948**	1,974,404
－退休金支出	– Retirement benefit costs	**100,352**	104,549
		2,029,300	2,078,953
房產及設備支出(不包括折舊及攤銷)：	Premises and equipment expenses, excluding depreciation and amortisation:		
－房產租金	– Rental of premises	**40,869**	52,930
－其他	– Others	**260,394**	198,301
		301,263	251,231
折舊及攤銷支出	Depreciation and amortisation expenses		
－使用權資產折舊	– Depreciation of Right-of-use assets	**515,391**	499,313
－其他固定資產折舊	– Depreciation of other fixed assets	**112,643**	98,190
－電腦軟件攤銷	– Amortisation of computer software	**7,322**	9,772
		635,356	607,275
審計師酬金	Auditors' remuneration	**6,360**	6,365
行政費用	General administration expenses	**94,384**	102,080
推廣費用	Business promotion expenses	**135,765**	184,188
通訊費用	Communication expenses	**123,878**	105,616
其他營業支出	Other operating expenses	**350,941**	372,166
營業支出總額	Total operating expenses	**3,677,247**	3,707,874

13 退休金支出

自收益表扣除之退休金計劃支出指本集團根據職業退休金計劃及強積金計劃(「該等計劃」)須作出之供款。

根據該等計劃，本集團之員工在符合資格全數取得僱主供款前退出該等計劃，彼等將喪失有關供款而本集團之供款將相應扣減。年內已因此扣減合共6,000,000港元(二零一九年：4,500,000港元)已喪失供款，於年結日尚餘2,683,000港元(二零一九年：4,396,000港元)留作日後扣減供款之用。

於年結日並無應付予該等計劃之供款(二零一九年：無)。該等計劃之資產由基金獨立持有與本集團之資產分開管理。

13 RETIREMENT BENEFIT COSTS

The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the ORSO Scheme and the MPF Scheme (the "Schemes").

Under the Schemes, the Group's contributions are reduced by contributions forfeited by those employees who leave the Schemes prior to the contributions vesting fully. Forfeited contributions totaling HK$6,000,000 (2019: HK$4,500,000) were utilised during the year leaving HK$2,683,000 (2019: HK$4,396,000) available at the year-end to reduce future contributions.

No contributions were payable to the Schemes at the year-end (2019: Nil). The assets of the Schemes are held separately from those of the Group in independently administered funds.

14 金融資產減值損失淨額

14 NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

		2020 千港元 HK$'000	2019 千港元 HK$'000
貸款及其他賬項減值損失支銷	Charge for impairment losses on loans and advances	**2,684,471**	1,861,245
其他金融資產減值損失支銷／(回撥)	Charge for/(Write-back-of) impairment losses on other financial assets	**238,503**	(29,771)
金融資產減值損失淨額	Net impairment losses on financial assets	**2,922,974**	1,831,474

15 出售物業及設備之虧損淨額

15 NET LOSS ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

		2020 千港元 HK$'000	2019 千港元 HK$'000
出售物業及設備之虧損淨額	Net loss on disposal of property, plant and equipment	**(1,912)**	(979)
銀行房產重估虧絀回撥	Write-back-of revaluation deficits of bank premises	**4**	27
		(1,908)	(952)

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16 稅項

香港利得稅乃根據本年度來自香港之估計應課稅溢利按稅率16.5%(二零一九年:16.5%)準備。有關海外分行及附屬公司應課稅溢利的稅項按本集團營運所在國家的現行稅率計算。

於綜合收益表支銷的稅項金額為:

16 TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable for overseas branches and subsidiaries have been calculated at the rates of tax prevailing in the countries in which the Group operates.

The amount of tax charged to the consolidated income statement represents:

		2020 千港元 HK$'000	2019 千港元 HK$'000
本年稅項	Current tax		
一年內香港利得稅撥備	– Provision for Hong Kong profits tax for the year	**1,029,727**	1,247,893
一年內海外稅項撥備	– Provision for overseas tax for the year	**395,903**	546,104
往年超額撥備	Over provision in respect of prior years	**(101,698)**	(95,050)
遞延稅額	Deferred taxation	**(389,229)**	(21,280)
		934,703	1,677,667

本集團有關除稅前溢利之稅項支出與假若按現行稅率而計算之理論稅額之差額如下:

The difference between the tax expense for the Group's profit before tax and the theoretical amount that would arise using the current tax rate is as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
除稅前溢利	Profit before tax	**6,459,855**	9,980,265
按稅率16.5%(二零一九年:16.5%)計算	Calculated at a tax rate of 16.5% (2019: 16.5%)	**1,065,876**	1,646,744
其他國家不同稅率之影響	Effect of different tax rates in other countries	**127,188**	211,102
無須課稅之收入	Income not subject to tax	**(223,915)**	(256,199)
就稅務而言不可扣減之支出	Expenses not deductible for tax purposes	**59,871**	170,295
過往期間稅項調整	Adjustments in respect of current tax of previous periods	**(101,698)**	(95,050)
分佔聯營公司稅項	Share of tax of an associate	**7,381**	775
稅項支出	Tax charge	**934,703**	1,677,667

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17 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部分披露的董事酬金如下：

17 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of Hong Kong Companies Ordinance and part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		2020 **千港元** **HK$'000**	2019 千港元 HK$'000
袍金	Fees	**3,950**	3,950
其他酬金：	Other emoluments:		
薪金及津貼	Salaries and allowances	**3,682**	3,687
酌情花紅	Discretionary bonuses	**7,786**	5,576
該等計劃供款(定義見附註13)	Contribution to the Schemes (as defined in Note 13)	**567**	559
		15,985	13,772

薪酬制度

本銀行的政策是根據本銀行的表現和行業慣例維持公允公平並且在市場具競爭力的薪酬組合。

向非執行董事支付的袍金水平是參照多項因素釐定，譬如其他機構所支付的袍金以及非執行董事的工作範圍及其付出。

釐定執行董事的薪酬組合時已考慮以下因素：

- 業務需要
- 業務表現
- 經濟及市場情況
- 以往和將來對本銀行業務的個人貢獻
- 本銀行的整體風險及其他非財務因素

為免產生利益衝突，董事將不會參與釐定本身的薪酬。

Remuneration system

It is the Bank's policy to maintain a fair, equitable and market competitive remuneration packages based on the Bank's performance and industry practice.

The level of fees paid to Non-executive Directors is determined by factors such as fees paid by other institutions, and the Non- executive Directors' scope of work and efforts.

In determining the remuneration packages of Executive Directors, the following factors are considered:

- Business needs
- Business performance
- Economic and market situation
- Individual contributions to the Bank's business in the past and future
- Overall risk and non-financial factors of the Bank

To avoid conflict of interest, the Directors will not be involved in the determination of his own remuneration.

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18 股息

董事會建議不派付截至二零二零年十二月三十一日止年度的股息(二零一九年：無)。

18 DIVIDENDS

The Board has not recommended the payment of dividend for the year ended 31 December 2020 (2019: Nil).

19 每股盈利

本年度每股基本盈利數額乃按本銀行股東應佔年內溢利除以年內已發行普通股之加權平均數計算。

19 EARNINGS PER SHARE

Basic earnings per share amount is calculated by dividing the profit for the year attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year.

		2020	2019
股東應佔溢利(千港元)	Profit attributable to shareholders (HK$'000)	**5,525,152**	8,302,598
已發行普通股之加權平均數(千股)	Weighted average number of ordinary shares in issue (thousands)	**2,749,000**	2,665,121
每股基本盈利(港元)	Basic earnings per share (HK$)	**2.01**	3.12

由於本集團於截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度並無已發行潛在攤薄普通股，故該等年度之每股攤薄盈利金額與每股基本盈利相同。

Diluted earnings per share amount for the year ended 31 December 2020 and 31 December 2019 were the same as basic earnings per share, as the Group had no potentially dilutive ordinary shares in issue during those years.

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20 會計分類

20 ACCOUNTING CLASSIFICATIONS

於二零二零年十二月三十一日	At 31 December 2020	持作交易用途 Held for Trading 千港元 HK$'000	持作對沖用途 Held for hedging 千港元 HK$'000	以公平價值經損益表入賬 Measured at fair value through profit or loss 千港元 HK$'000	以公平價值經其他全面收益入賬 Measured at FVTOCI 千港元 HK$'000	以攤銷成本入賬 Measured at amortized cost 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**						
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	-	-	-	-	118,727,991	118,727,991
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	-	-	-	-	103,478,432	103,478,432
衍生金融工具	Derivative financial instruments	15,418,465	1,046,722	-	-	-	16,465,187
貸款及其他賬項	Advances and other accounts	-	-	4,250,429	3,464,619	471,847,412	479,562,460
金融投資	Financial investments	-	-	5,093,540	140,006,031	46,960,835	192,060,406
其他資產	Other assets	-	-	-	-	16,622,920	16,622,920
金融資產總值	Total financial assets	15,418,465	1,046,722	9,343,969	143,470,650	757,637,590	926,917,396
非金融資產	Non-financial assets						4,175,142
資產總額	**Total assets**						931,092,538
負債	**Liabilities**						
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	-	-	-	-	205,998,447	205,998,447
衍生金融工具	Derivative financial instruments	12,752,708	2,871,489	-	-	-	15,624,197
客戶存款	Deposits from customers	-	-	-	-	522,484,014	522,484,014
已發行存款證	Certificates of deposit issued	-	-	-	-	7,045,548	7,045,548
已發行債券	Debt securities in issue	-	-	7,373,240	-	17,763,683	25,136,923
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	-	-	-	-	-	-
其他負債	Other liabilities	-	-	-	-	15,999,056	15,999,056
金融負債總額	Total financial liabilities	12,752,708	2,871,489	7,373,240	-	769,290,748	792,288,185
非金融負債	Non-financial liabilities						1,037,278
負債總額	**Total liabilities**						793,325,463

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20 會計分類(續)

20 ACCOUNTING CLASSIFICATIONS (continued)

於二零一九年十二月三十一日	At 31 December 2019	持作交易用途 Held for Trading 千港元 HK$'000	持作對沖用途 Held for hedging 千港元 HK$'000	以公平價值經損益表入賬 Measured at fair value through profit or loss 千港元 HK$'000	以公平價值經其他全面收益入賬 Measured at FVTOCI 千港元 HK$'000	以攤銷成本入賬 Measured at amortized cost 千港元 HK$'000	總計 Total 千港元 HK$'000
資產	**Assets**						
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	–	–	–	–	138,338,758	138,338,758
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	–	–	1,117,999	–	103,833,873	104,951,872
衍生金融工具	Derivative financial instruments	10,034,718	155,941	–	–	–	10,190,659
貸款及其他賬項	Advances and other accounts	–	–	4,258,209	8,541,175	462,187,092	474,986,476
金融投資	Financial investments	492,484	–	5,047,582	152,374,354	46,598,631	204,513,051
其他資產	Other assets	–	–	–	–	16,985,407	16,985,407
金融資產總值	Total financial assets	10,527,202	155,941	10,423,790	160,915,529	767,943,761	949,966,223
非金融資產	Non-financial assets						3,597,533
資產總額	**Total assets**						953,563,756
負債	**Liabilities**						
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	–	–	–	–	207,074,805	207,074,805
衍生金融工具	Derivative financial instruments	6,759,521	1,008,553	–	–	–	7,768,074
客戶存款	Deposits from customers	–	–	–	–	535,277,097	535,277,097
已發行存款證	Certificates of deposit issued	–	–	–	–	8,645,518	8,645,518
已發行債券	Debt securities in issue	–	–	8,425,301	–	22,447,468	30,872,769
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	–	–	–	–	3,889,974	3,889,974
其他負債	Other liabilities	–	–	–	–	24,483,421	24,483,421
金融負債總額	Total financial liabilities	6,759,521	1,008,553	8,425,301	–	801,818,283	818,011,658
非金融負債	Non-financial liabilities						1,697,004
負債總額	**Total liabilities**						819,708,662

21 現金及在銀行同業及其他金融機構之結餘

21 CASH AND BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

		2020 千港元 HK$'000	2019 千港元 HK$'000
現金	Cash on hand	**417,885**	538,255
中央銀行之結餘	Balances with central banks	**23,912,678**	12,779,157
其他銀行及金融機構之結餘	Balances with other banks and financial institutions	**37,897,693**	46,460,271
於一個月以內到期之銀行同業及其他金融機構存款	Placements with banks and other financial institutions maturing within one month	**56,501,176**	78,562,823
減：減值撥備－12個月以內預期信用損失	Less: impairment allowance 12-month ECL	**(1,441)**	(1,748)
		118,727,991	138,338,758

源自融資活動產生的負債之對賬

下表列載本集團由融資活動產生的負債之變動，包括現金及非現金之變動。源自融資活動產生的負債指在本集團的綜合現金流量表內分類為由融資活動產生的現金流或未來現金流產生的負債。

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

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21 現金及在銀行同業及其他金融機構之結餘(續)

21 CASH AND BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (continued)

		以攤銷成本入賬之已發行債券 Debt securities in issue at amortised cost 千港元 HK$'000	指定以公平價值經損益表入賬之已發行債券 Debt securities in issue designated at fair value through profit or loss 千港元 HK$'000	以攤銷成本入賬之後償債項 Subordinated debts measured at amortised cost 千港元 HK$'000	已發行債券之應付利息 Interest payable on debt securities in issue 千港元 HK$'000	以攤銷成本入賬之後償債項應付利息 Interest payable on Subordinated debts measured at amortised cost 千港元 HK$'000	額外權益工具 Additional equity instruments 千港元 HK$'000	租賃負債 Lease liabilities 千港元 HK$'000	股本 Share Capital 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零二零年一月一日	**At 1 January 2020**	22,447,468	8,425,301	3,889,974	81,171	22,465	27,635,707	1,049,922	44,187,631	107,739,639
融資活動之現金流量變動:	**Changes from financing cash flows:**									
發行指定以公平價值經損益表入賬之債券	Issuance of debt securities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-
發行以攤銷成本入賬之債券	Issuance of debt securities measured at amortized cost	-	-	-	-	-	-	-	-	-
以攤銷成本入賬之債券到期	Mature of debt securities measured at amortized cost	(5,482,336)	-	-	-	-	-	-	-	(5,482,336)
以公平價值經損益表入賬債券到期	Mature of debt securities measured at fair value through profit or loss	-	(985,990)	-	-	-	-	-	-	(985,990)
贖回以攤銷成本入賬之後償債項	Redemption of subordinated debt measured at amortized cost	-	-	(3,889,974)	-	-	-	-	-	(3,889,974)
發行額外權益工具	Issuance of additional equity instruments	-	-	-	-	-	-	-	-	-
已發行債券之已支付利息	Interest paid on debt securities in issue	-	-	-	(679,683)	-	-	-	-	(679,683)
以攤銷成本入賬之後償債項已支付利息	Interest paid on subordinated debts measured at amortized cost	-	-	-	-	(201,714)	-	-		(201,714)
發行股本	Issuance of share capital	-	-	-	-	-	-	-	-	-
額外權益工具之分派付款	Distribution paid on additional equity instruments	-	-	-	-	-	(1,293,226)	-	-	(1,293,226)
支付租賃負債	Payment of lease liabilities	-	-	-	-	-	-	(546,097)	-	(546,097)
		(5,482,336)	(985,990)	(3,889,974)	(679,683)	(201,714)	(1,293,226)	(546,097)	-	(13,079,020)
匯兌調整	**Exchange adjustments**	803,428	-	-	(20,320)	(5,285)	-	-	-	777,823
其他變動:	**Other changes:**									
以攤銷成本入賬之已發行債券攤銷	Amortization of debt securities in issue measured at amortized cost	(4,877)	-	-	-	-	-	-	-	(4,877)
已發行債券之利息支出	Interest expense on debt securities in issue	-	-	-	669,875	-	-	-	-	669,875
以攤銷成本入賬之後償債項利息支出	Interest expenses on subordinated debts measured at amortized cost	-	-	-	-	184,534	-	-	-	184,534
以公平價值經損益表入賬金融資產及負債淨虧損	Net loss on financial assets and liabilities at fair value through profit or loss	-	(66,071)	-	-	-	-	-	-	(66,071)
租賃負債淨增加	Net increase in lease liabilities	-	-	-	-	-	-	746,814	-	746,814
額外權益工具之分派	Distribution on additional equity instruments	-	-	-	-	-	1,293,226	-	-	1,293,226
租賃負債之利息支出	Interest expense on lease liabilities	-	-	-	-	-	-	29,303	-	29,303
其他變動總額	Total other changes	(4,877)	(66,071)	-	669,875	184,534	1,293,226	776,117	-	2,852,804
於二零二零年十二月三十一日	**At 31 December 2020**	17,763,683	7,373,240	-	51,043	-	27,635,707	1,279,942	44,187,631	98,291,246

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21 現金及在銀行同業及其他金融機構之結餘(續)

21 CASH AND BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (continued)

		以攤銷成本入賬之已發行債券 Debt securities in issue at amortised cost 千港元 HK$'000	指定以公平價值經損益表入賬之已發行債券 Debt securities in issue designated at fair value through profit or loss 千港元 HK$'000	以攤銷成本入賬之後償債項 Subordinated debts measured at amortised cost 千港元 HK$'000	已發行債券之應付利息 Interest payable on debt securities in issue 千港元 HK$'000	以攤銷成本入賬之後償債項應付利息 Interest payable on Subordinated debts measured at amortised cost 千港元 HK$'000	額外權益工具 Additional equity instruments 千港元 HK$'000	租賃負債 Lease liabilities 千港元 HK$'000	股本 Share Capital 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零一八年十二月三十一日	**At 31 December 2018**	20,266,180	2,642,190	7,825,543	55,145	23,056	27,635,707	1,040,071	36,379,331	95,867,223
初始應用《香港財務報告準則》第16號之影響	Impact on initial application of HKFRS 16	-	-	-	-	-	-	251,053	-	251,053
於二零一九年一月一日	**At 1 January 2019**	20,266,180	2,642,190	7,825,543	55,145	23,056	27,635,707	1,291,124	36,379,331	96,118,276
融資活動之現金流量變動：	**Changes from financing cash flows:**									
發行指定以公平價值經損益表入賬之債券	Issuance of debt securities designated at fair value through profit or loss	-	5,489,470	-	-	-	-	-	-	5,489,470
發行以攤銷成本入賬之債券	Issuance of debt securities measured at amortized cost	7,721,705	-	-	-	-	-	-	-	7,721,705
以攤銷成本入賬之債券到期	Mature of debt securities measured at amortized cost	(5,489,470)	-	-	-	-	-	-	-	(5,489,470)
以公平價值經損益表入賬債券到期	Mature of debt securities measured at fair value through profit or loss	-	(251,283)	-	-	-	-	-	-	(251,283)
贖回以攤銷成本入賬之後償債項	Redemption of subordinated debt measured at amortized cost	-	-	(3,892,875)	-	-	-	-	-	(3,892,875)
發行額外權益工具	Issuance of additional equity instruments	-	-	-	-	-	-	-	-	-
已發行債券之已支付利息	Interest paid on debt securities in issue	-	-	-	(512,135)	-	-	-	-	(512,135)
以攤銷成本入賬之後償債項已支付利息	Interest paid on subordinated debts measured at amortized cost	-	-	3,136	-	(291,050)	-	-	-	(287,914)
發行股本	Issuance of share capital	-	-	-	-	-	-	-	7,808,300	7,808,300
額外權益工具之分派付款	Distribution paid on additional equity instruments	-	-	-	-	-	(1,307,313)	-	-	(1,307,313)
支付租賃負債	Payment of lease liabilities	-	-	-	-	-	-	(480,758)	-	(480,758)
		2,232,235	5,238,187	(3,889,739)	(512,135)	(291,050)	(1,307,313)	(480,758)	7,808,300	8,797,727
匯兌調整	**Exchange adjustments**	-	-	(45,830)	-	-	-	-	-	(45,830)
其他變動：	**Other changes:**									
以攤銷成本入賬之已發行債券攤銷	Amortization of debt securities in issue measured at amortized cost	(50,947)	-	-	-	-	-	-	-	(50,947)
已發行之債券利息支出	Interest expense on debt securities in issue	-	-	-	538,161	-	-	-	-	538,161
以攤銷成本入賬之後償債項利息支出	Interest expenses on subordinated debts measured at amortized cost	-	-	-	-	290,459	-	-	-	290,459
以公平價值經損益表入賬金融資產及負債淨虧損	Net loss on financial assets and liabilities at fair value through profit or loss	-	544,924	-	-	-	-	-	-	544,924
租賃負債淨增加	Net increase in lease liabilities	-	-	-	-	-	-	199,705	-	199,705
額外權益工具之分派	Distribution on additional equity instruments	-	-	-	-	-	1,307,313	-	-	1,307,313
租賃負債之利息支出	Interest expense on lease liabilities	-	-	-	-	-	-	39,851	-	39,851
其他變動總額	Total other changes	(50,947)	544,924	-	538,161	290,459	1,307,313	239,556	-	2,869,466
於二零一九年十二月三十一日	**At 31 December 2019**	22,447,468	8,425,301	3,889,974	81,171	22,465	27,635,707	1,049,922	44,187,631	107,739,639

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22 在銀行同業及其他金融機構之存款

22 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

		2020 千港元 HK$'000	2019 千港元 HK$'000
於一到十二個月到期之銀行同業及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	**103,512,480**	104,984,921
減：減值撥備	Less: impairment allowance		
－12個月以內預期信用損失	– 12-month ECL	**(34,048)**	(33,049)
		103,478,432	104,951,872

23 持作交易用途金融資產

23 FINANCIAL ASSETS HELD FOR TRADING

		2020 千港元 HK$'000	2019 千港元 HK$'000
金融投資	Financial investments		
債券：	Debt securities:		
－於香港上市	– Listed in Hong Kong	–	210,124
－於香港以外地區上市	– Listed outside Hong Kong	–	282,230
－非上市	– Unlisted	–	130
		–	492,484
上市證券市值	Market value of listed securities	–	492,354
債券包含以下項目：	Debt securities are comprised of the following items		
－庫券	– Treasury bills	–	–
－所持有之存款證	– Certificates of deposit held	–	–
－其他債券	– Other debt securities	–	492,484
		–	492,484
金融投資按發行人類別分析如下：	Financial investments are analysed by category of issuer as follows		
－中央政府及中央銀行	– Central governments and central banks	–	130
－公營機構	– Public sector entities	–	–
－銀行同業及其他金融機構	– Banks and other financial institutions	–	296,204
－企業實體	– Corporate entities	–	196,150
－其他	– Others	–	–
		–	492,484

24 以公平價值經損益表入賬金融資產

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2020 千港元 HK$'000	2019 千港元 HK$'000
強制以公平價值經損益表入賬金融資產： 投資基金 其他	Financial assets mandatorily measured at fair value through profit or loss: Investments funds Others	**4,597,800** **495,740**	4,575,365 472,217
		5,093,540	5,047,582
以公平價值經損益表入賬金融資產按發行人類別分析如下： －銀行同業及其他金融機構 －企業實體	Financial assets at fair value through profit or loss are analysed by category of issuer as follows: – Banks and other financial institutions – Corporate entities	**4,623,417** **470,123**	4,430,914 616,668
		5,093,540	5,047,582

25 衍生金融工具

本集團訂立下列股份權益、匯率及利率相關的衍生金融工具合約用作買賣及風險管理之用：

遠期外匯合約是指於未來某一日期買賣外幣的承諾。

貨幣及利率掉期是指交換不同現金流量的承諾。掉期的結果是交易不同貨幣、利率(如固定利率或浮動利率)或以上所有的組合(即交叉貨幣利率掉期)。除某些貨幣掉期合約外，該等交易無需交換本金。

外匯、利率及股份權益合約期權是指期權的賣方(出讓方)為買方(持有方)提供在未來某一特定日期或之前或未來一定時期內按約定的價格買進(認購期權)或賣出(認沽期權)一定數量的金融工具的權利(而非承諾)的一種合約協議。作為承擔外匯和利率風險的代價，期權的賣方從買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成協定的或透過交易所進行(如於交易所進行買賣之期權)。

25 DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into the following equity, foreign exchange and interest rate related derivative financial instruments for trading and risk management purposes:

Currency forwards represent commitments to purchase and sell foreign currency on a future date.

Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or a combination of all these (i.e., cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

Foreign currency, interest rate and equity options are contractual agreements under which the seller (writer) grants the purchaser (holder) the rights, but not an obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated OTC between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

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25 衍生金融工具(續)

本集團所持有之衍生金融工具合約／名義金額及其公平價值詳列於下表。該等工具的合約／名義金額顯示於報告期結束時之未完成交易量，而若干金額提供一個與綜合財務狀況表內所確認的以公平價值入賬之金融工具的對比基礎。但是，彼等不一定顯示所涉及的未來現金流量金額或該等工具當前的公平價值，因而也不能反映本集團所面臨的信用或市場風險。隨著與衍生金融工具合約條款相關的市場利率、匯率和股份權益的波動，衍生金融工具的估值可能產生對銀行有利(資產)或不利(負債)的影響。衍生金融工具之公平價值總額(資產及負債)可能不時大幅波動。

本集團進行場內或場外衍生產品交易的主要目的是開展客戶業務。本集團對客戶及對同業市場的衍生產品交易均需嚴格遵從本集團的各相關風險管理政策。

衍生工具亦應用於管理銀行賬的利率風險，只有獲批准之產品名單上載有的衍生工具方可進行交易。由衍生產品交易產生的風險承擔名義數額以設限控制，並制訂交易的最長期限及其損益之管理預警限額。每宗衍生產品交易必須記錄於相應的系統，以進行結算、市價重估、報告及監控。

25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The contractual/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contractual/notional amounts of these instruments indicate the volume of transactions outstanding at the end of reporting periods and certain of them provide a basis for comparison with fair value instruments recognised on the consolidated statement of financial position. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates, foreign exchange rates and equity relative to their terms. The aggregate fair values of derivative financial instruments (assets and liabilities) can fluctuate significantly from time to time.

The Group trades derivative products (both exchange-traded or OTC) mainly for customer business. The Group strictly follows risk management policies in providing derivative products to the customers and in trading derivative products in the interbank market.

Derivatives are also used to manage the interest rate risk of the banking book. A derivative instrument must be included in the approved product list before any transactions for that instrument can be made. There are limits to control the notional amount of exposure arising from derivative transactions and the maximum tenor of the deal and management alert limit in profit or loss is set. Every derivative transaction must be input into the relevant system for settlement, mark to market revaluation, reporting and control.

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25 衍生金融工具(續)

下表為衍生金融工具中每項重要類別於十二月三十一日之合約／名義數額之概要：

25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The following tables summaries the contractual/notional amounts of each significant type of derivative financial instruments as at 31 December:

二零二零年	2020	本集團合約／名義金額 Group contractual/ notional amount 千港元 HK$'000	公平價值資產 Fair value assets 千港元 HK$'000	公平價值負債 Fair value liabilities 千港元 HK$'000
1) 持作交易用途之衍生工具	1) Derivatives held for trading			
a) 外匯衍生工具	a) Foreign exchange derivatives			
－貨幣遠期及貨幣掉期	– Currency forwards and currency swaps	620,574,952	7,286,677	(7,329,645)
－場外貨幣期權買入	– OTC currency options purchased	51,709,228	182,511	(1)
－場外貨幣期權賣出	– OTC currency options written	57,545,368	2	(193,411)
－結構性外匯工具	– Structured foreign exchange instruments	337,995	3,418	(3,414)
外匯衍生工具總額	Total foreign exchange derivatives		7,472,608	(7,526,471)
b) 利率衍生工具	b) Interest rate derivatives			
－ 利率掉期	– Interest rate swaps	240,475,999	4,880,407	(4,816,369)
－ 利率期貨	– Interest rate futures	4,790,674	2,339	(1,032)
利率衍生工具總額	Total interest rate derivatives		4,882,746	(4,817,401)
c) 股本衍生工具	c) Equity derivatives			
－股票期權	– Equity options	–	–	–
－股票掉期	– Equity swaps	6,852,251	3,063,111	(408,836)
股本衍生工具總額	Total equity derivatives		3,063,111	(408,836)
持作交易用途衍生工具資產／(負債)總額	Total derivative assets/(liabilities) held for trading		15,418,465	(12,752,708)
2) 持作對沖用途衍生工具	2) Derivatives held for hedging			
a) 指定為公平價值對沖之衍生工具	a) Derivatives designated as fair value hedges			
－ 利率掉期	– Interest rate swaps	37,240,164	175,108	(2,115,079)
b) 指定為現金流量對沖之衍生工具	b) Derivatives designated as cash flow hedges			
－ 利率掉期	– Interest rate swaps	7,041,064	–	(375,910)
－ 貨幣掉期	– Currency swaps	24,019,534	871,614	(380,500)
			871,614	(756,410)
持作對沖用途之衍生工具資產／(負債)總額	Total derivative assets/(liabilities) held for hedging		1,046,722	(2,871,489)
已確認衍生工具資產／(負債)總額	Total recognised derivative assets/(liabilities)		16,465,187	(15,624,197)

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25 衍生金融工具(續) 25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

二零一九年	2019	本集團合約／名義金額 Group contractual/ notional amount 千港元 HK$'000	公平價值資產 Fair value assets 千港元 HK$'000	公平價值負債 Fair value liabilities 千港元 HK$'000
1) 持作交易用途之衍生工具	1) Derivatives held for trading			
a) 外匯衍生工具	a) Foreign exchange derivatives			
－貨幣遠期	– Currency forwards	720,472,310	4,456,466	(3,859,987)
－場外貨幣期權買入	– OTC currency options purchased	50,140,941	92,000	–
－場外貨幣期權賣出	– OTC currency options written	53,646,349	–	(87,531)
－結構性外匯工具	– Structured foreign exchange instruments	344,668	667	(668)
外匯衍生工具總額	Total foreign exchange derivatives		4,549,133	(3,948,186)
b) 利率衍生工具	b) Interest rate derivatives			
－利率掉期	– Interest rate swaps	351,999,300	2,241,754	(2,161,495)
－利率期貨	– Interest rate futures	11,787,626	932	(577)
利率衍生工具總額	Total interest rate derivatives		2,242,686	(2,162,072)
c) 股本衍生工具	c) Equity derivatives			
－股票期權	– Equity options	12,036	226	(227)
－股票掉期	– Equity swaps	7,993,151	3,242,673	(649,036)
股本衍生工具總額	Total equity derivatives		3,242,899	(649,263)
持作交易用途衍生工具資產／(負債)總額	Total derivative assets/(liabilities) held for trading		10,034,718	(6,759,521)
2) 持作對沖用途衍生工具	2) Derivatives held for hedging			
a) 指定為公平價值對沖之衍生工具	a) Derivatives designated as fair value hedges			
－ 利率掉期	– Interest rate swaps	26,538,871	78,024	(855,250)
b) 指定為現金流量對沖之衍生工具	b) Derivatives designated as cash flow hedges			
－ 利率掉期	– Interest rate swaps	13,911,480	43,312	(153,303)
－ 貨幣掉期	– Currency swaps	3,282,743	34,605	–
			77,917	(153,303)
持作對沖用途之衍生工具資產／(負債)總額	Total derivative assets/(liabilities) held for hedging		155,941	(1,008,553)
已確認衍生工具資產／(負債)總額	Total recognised derivative assets/(liabilities)		10,190,659	(7,768,074)

25 衍生金融工具(續)

或然負債及承諾以及衍生金融工具的合約或名義金額僅表示於報告期結束時的未完成業務量，與風險承擔的相關風險則無甚關連。

上述衍生金融工具當中之若干項目被指定用作對沖工具。

本集團採用公平價值對沖以保障其免受市場利率變動導致的金融資產公平價值變動產生的影響。就利率風險予以對沖的金融工具主要包括以公平價值經其他全面收益入賬債券。本銀行採用利率掉期對沖利率風險。

根據因年內已於收益表確認的衍生工具及獲對沖風險的相關獲對沖項目公平價值變動作出的對沖有效性分析列示如下：

25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The contractual or notional amounts of contingent liabilities and commitments and derivative financial instruments provide only an indication of the volume of business outstanding at the end of the reporting period and bear little relation to the underlying risks of the exposures.

Among the above derivative financial instruments, certain of them were designated as hedging instruments.

Fair value hedges are used by the Group to protect it against changes in the fair value of financial assets due to movements in market interest rates. The financial instruments hedged for interest rate risk mainly include debt securities measured at fair value through other comprehensive income. The Bank uses interest rate swaps to hedge interest rate risk.

The effectiveness of the hedge based on changes in fair value of the derivatives and the hedged items attributable to the hedged risk recognised in the income statement during the year is presented as follows:

		2020 **千港元** **HK$'000**	2019 千港元 HK$'000
公平價值對沖收益／(虧損)，扣減以下項目：	Gain/(loss) arising from fair value hedge, net:		
－對沖工具	– Hedging instruments	**(1,119,208)**	(831,642)
－獲對沖風險之相關獲對沖項目	– Hedged items attributable to the hedged risk	**1,119,477**	834,986
		269	3,344

現金流量對沖包括已訂立之利率掉期及貨幣掉期，用於保護本集團免受浮動利率資產及負債波動所帶來的風險。掉期有效部分產生之收益及虧損初始直接於權益內之現金流量對沖儲備確認，並當預測現金流量會影響收益表時撥至收益表。該等衍生工具無效部分產生之收益及虧損乃即時於收益表確認。年內，並無於收益表內確認因現金流量對沖產生之無效部分(二零一九年：無)。

Cash flow hedge consists of interest rate swaps and currency swaps entered into that are used to protect the Group against exposures to variability of floating-rate assets and liabilities. Gains and losses on the effective portion of the swaps are initially recognised directly in equity, in the cash flow hedge reserve, and are transferred to the income statement when the forecast cash flows affect the income statement. The gains and losses on ineffective portions of such derivatives are recognised immediately in the income statement. During the year, there was no ineffectiveness recognised in the income statement that arose from cash flow hedges (2019: Nil.)

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25 衍生金融工具(續)

下表列出於二零二零年十二月三十一日及二零一九年十二月三十一日，預期出現被對沖的現金流量之期間以及預期該等被對沖的現金流量將會影響損益的期間：

二零二零年	2020	一年內 Within 1 year 百萬港元 HK$ million	一至三年 1-3 years 百萬港元 HK$ million	三至八年 3-8 years 百萬港元 HK$ million	八年以上 Over 8 years 百萬港元 HK$ million
現金流入(資產)	Cash inflows (assets)	–	–	–	–
現金流出(負債)	Cash outflows (liabilities)	**(105)**	**(30)**	**(5)**	–
現金流量淨額	Net cash flow	**(105)**	**(30)**	**(5)**	–

二零一九年	2019	一年內 Within 1 year 百萬港元 HK$ million	一至三年 1-3 years 百萬港元 HK$ million	三至八年 3-8 years 百萬港元 HK$ million	八年以上 Over 8 years 百萬港元 HK$ million
現金流入(資產)	Cash inflows (assets)	69	–	–	–
現金流出(負債)	Cash outflows (liabilities)	(181)	(269)	(104)	–
現金流量淨額	Net cash flow	(112)	(269)	(104)	–

年內，先前於權益中的現金流量對沖儲備內確認之206,732,000港元已變現收益已撥至收益表，並計入淨利息收入(二零一九年：24,046,000港元)。

並無交易之現金流量對沖會計因為預期不會出現原先極有可能取得之現金流量而需於二零二零年終止。

25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Below is a schedule indicating as at 31 December 2020 and 31 December 2019, the periods when the hedged cash flows are expected to occur and when they are expected to affect profit or loss:

During the year, realised gain amounted to HK$206,732,000 previously recognised in equity under the cash flow hedge reserve was transferred to the income statement and included in the net interest income (2019: HK$24,046,000)

There were no transactions for which cash flow hedge accounting had to be ceased in 2020 as a result of the highly probable cash flows no longer being expected to occur.

25 衍生金融工具(續)

或然負債及承諾以及衍生金融工具的總重置成本及信用風險加權金額為：

25 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The aggregate replacement costs and credit risk weighted amounts of the contingent liabilities and commitments and derivative financial instruments are:

		2020		2019	
		重置成本 Replacement cost 千港元 HK$'000	**信用風險加權金額 Credit risk weighted amount 千港元 HK$'000**	重置成本 Replacement cost 千港元 HK$'000	信用風險加權金額 Credit risk weighted amount 千港元 HK$'000
或然負債及承諾	Contingent liabilities and commitments	–	**30,242,464**	–	34,845,644
外匯合約	Exchange rate contracts				
－遠期	– Forwards	**3,533,421**	**2,329,573**	942,305	820,963
－掉期	– Swaps	**291,037**	**480,240**	674,601	875,197
－購買期權	– Option purchased	**15,445**	**76,726**	17,712	26,424
－沽售期權	– Option written	**33,392**	**150,023**	15,431	195,759
－結構性外匯	– Structure FX	**3,418**	**19,945**	667	515,927
		3,876,713	**3,056,507**	1,650,716	2,434,270
利率合約	Interest rate contracts				
－歐元期貨產品	– Eurodollar Futures Product	**2,343**	**2,653**	955	12,828
－掉期	– Swaps	**1,859,747**	**1,539,447**	1,204,322	1,138,795
		1,862,090	**1,542,100**	1,205,277	1,151,623
股本合約	Equity contracts				
－沽售期權	– Option written	–	–	226	117
－掉期	– Swaps	**3,533,234**	**4,118,623**	3,696,277	4,350,882
		3,533,234	**4,118,623**	3,696,503	4,350,999
貴金屬，黃金除外	Precious metal except Gold				
－遠期	– Forward	**2**	**10**	–	20
		2	**10**	–	20
債券或其他商品	Debt securities or other commodities				
－遠期	– Forward	–	–	–	–
－美國庫券期貨產品	– US Treasury Futures Product	–	**2,326**	–	1,557
		–	**2,326**	–	1,557
淨額結算場外交易	OTC with netting				
－遠期	– Forwards	**1,801,884**	**664,681**	463,467	612,934
－購買期權	– Option purchased	**8,057**	**24,732**	26,774	36,762
－沽售期權	– Option written	**74,465**	**35,726**	8,540	12,796
－結構性外匯	– Structure FX	–	–	–	50,553
－掉期	– Swaps	**(69,044)**	**(236,695)**	146,972	217,905
		1,815,362	**488,444**	645,753	930,950
總計	Total	**11,087,401**	**39,450,474**	7,198,249	43,715,063

上述風險項目之重置成本及信用風險加權金額並沒有雙邊淨額結算安排之影響。

The replacement costs and credit risk weighted amounts of the exposures do not have the effects of bilateral netting arrangements.

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26 貸款及其他賬項

26.1 客戶、銀行同業之貸款及其他賬項

26 ADVANCES AND OTHER ACCOUNTS

26.1 Loans and advances to customers, banks and other accounts

		2020 千港元 HK$'000	2019 千港元 HK$'000
以攤銷成本入賬客戶、銀行同業之貸款及其他賬項	Loans and advances to customers, banks and other accounts measured at amortised cost		
－客戶貸款	– Advances to customers	**457,975,806**	437,910,469
－銀行同業貸款	– Advances to banks	**16,436,770**	23,576,265
－商業票據	– Trade bills	**4,308,231**	4,831,270
以攤銷成本入賬客戶、銀行同業之貸款及其他賬項總額	Gross loans and advances to customers, banks and other accounts measured at amortised cost	**478,720,807**	466,318,004
應計利息	Accrued interest	**837,397**	1,416,614
		479,558,204	467,734,618
減：減值撥備	Less: Impairment allowances		
－12個月以內預期信用損失	– 12-month ECL	**(4,234,142)**	(2,280,274)
－非信貸不良的合約期內之預期信用損失	– Lifetime ECL not credit-impaired	**(576,636)**	(797,972)
－信貸不良的合約期內之預期信用損失	– Lifetime ECL credit-impaired	**(2,900,014)**	(2,469,280)
		471,847,412	462,187,092
以公平價值經其他全面收益入賬客戶、銀行同業之貸款及其他賬項	Loans and advances to customers, banks and other accounts measured at fair value through other comprehensive income		
－客戶貸款	– Advances to customers	**1,180,511**	1,091,074
－商業票據	– Trade bills	**2,284,108**	7,450,101
		475,312,031	470,728,267
以公平價值經損益表入賬客戶、銀行同業之貸款及其他賬項	Loans and advances to customers, banks and other accounts measured at fair value through profit or loss		
－客戶貸款	– Advances to customers	**4,250,429**	4,258,209
		479,562,460	474,986,476

26 貸款及其他賬項(續)

26.1 客戶、銀行同業之貸款及其他賬項(續)

26 ADVANCES AND OTHER ACCOUNTS (continued)

26.1 Loans and advances to customers, banks and other accounts (continued)

		2020 千港元 HK$'000	2019 千港元 HK$'000
減值貸款及其他賬項總額	Gross impaired loans and advances	**4,421,728**	4,983,758
上述貸款之減值撥備	Impairment allowances made in respect of such loans	**2,900,014**	2,469,280
減值貸款及其他賬項總額佔貸款及其他賬項總額之百分比	Gross impaired loans and advances as a percentage of total gross loans and advances	**0.91%**	1.04%
抵押品市值	Market value of collateral	**11,924,896**	8,097,933

減值貸款及其他賬項定義為個別確定存在客觀減值證據的貸款，其原因是發生一項或多項對該等貸款之估計未來現金流量有不利影響的事件。

Impaired loans and advances are defined as those loans which are individually determined to have objective evidence of impairment as a result of one or more events that have a detrimental impact on the estimated future cash flows of the loans have occurred.

於二零二零年十二月三十一日，客戶貸款中的已減值貸款比率為0.95%(二零一九年：1.12%)。

The impaired loan ratio of advances to customers was 0.95 % as at 31 December 2020 (2019: 1.12%).

於二零二零年十二月三十一日，本集團貸予銀行同業的款項及商業票據並沒有減值。於二零二零年十二月三十一日，本集團亦沒有任何銀行同業貸款及商業票據分類為第三階段。

There were no impaired advances to banks and trade bills as at 31 December 2020; nor were there any advances to banks and trade bills as at 31 December 2020 classified as stage 3.

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26 貸款及其他賬項(續)

26.2 逾期客戶及銀行同業貸款(不包括商業票據及應收款項)

本集團於二零二零年及二零一九年十二月三十一日之已逾期客戶及銀行同業貸款總額(不包括商業票據及應收款項)分析如下:

26 ADVANCES AND OTHER ACCOUNTS (continued)

26.2 Overdue advances to customers and banks (excluding trade bills and receivables)

The gross amount of the Group's advances to customers and banks (excluding trade bills and receivables) overdue as at 31 December 2020 and 2019 is analysed as follows:

		貸款總額 Gross advances 千港元 HK$'000	佔客戶及銀行同業貸款百分比 % of advances to customers and banks	抵押品市值 Market value of collateral 千港元 HK$'000	有抵押結餘金額 Amount of secured balance 千港元 HK$'000	無抵押結餘金額 Amount of unsecured balance 千港元 HK$'000	信貸不良的合約期內之預期信用損失 Lifetime ECL credit-impaired 千港元 HK$'000
二零二零年	**2020**						
逾期:	Overdue for:						
六個月或以下但超過三個月	Six months or less but over three months	**178,342**	**0.0**	**231,613**	**174,006**	**4,336**	**39,379**
一年或以下但超過六個月	One year or less but over six months	**84,014**	**0.0**	**32,267**	**23,112**	**60,902**	**66,501**
超過一年	Over one year	**3,495,774**	**0.8**	**5,074,917**	**2,898,523**	**597,251**	**2,576,813**
		3,758,130	**0.8**	**5,338,797**	**3,095,641**	**662,489**	**2,682,693**

		貸款總額 Gross advances 千港元 HK$'000	佔客戶及銀行同業貸款百分比 % of advances to customers and banks	抵押品市值 Market value of collateral 千港元 HK$'000	有抵押結餘金額 Amount of secured balance 千港元 HK$'000	無抵押結餘金額 Amount of unsecured balance 千港元 HK$'000	信貸不良的合約期內之預期信用損失 Lifetime ECL credit-impaired 千港元 HK$'000
二零一九年	2019						
逾期:	Overdue for:						
六個月或以下但超過三個月	Six months or less but over three months	903,940	0.2	2,264,179	385,712	518,228	228,632
一年或以下但超過六個月	One year or less but over six months	2,347,641	0.5	3,653,073	1,824,961	522,680	819,365
超過一年	Over one year	997,619	0.2	772,430	479,272	518,347	771,973
		4,249,200	0.9	6,689,682	2,689,945	1,559,255	1,819,970

26 貸款及其他賬項(續)

26.2 逾期客戶及銀行同業貸款(不包括商業票據及應收款項)(續)

合資格抵押品標準如下：

- 抵押品市值易於釐定或可合理地確定及驗證；
- 抵押品可予銷售，且易於覓得二手市場出售抵押品；
- 本銀行收回抵押品的權利可依法強制執行且概無任何阻礙；及
- 倘抵押品為可移動資產，則其應由本銀行保管，或本銀行可確定其所處位置。

合資格抵押品主要為物業、存款及股票。

於二零二零年十二月三十一日及二零一九年十二月三十一日，並無借予銀行同業已逾期超過三個月的貸款(不包括商業票據及應收款項)。

26.3 其他逾期資產

26 ADVANCES AND OTHER ACCOUNTS (continued)

26.2 Overdue advances to customers and banks (excluding trade bills and receivables) (continued)

The criteria for eligible collateral are as follows:

- The market value of the collateral is readily determinable or can be reasonably established and verified;
- The collateral is marketable and there exists a readily available secondary market for disposing of the collateral;
- The Bank's rights to repossess the collateral is legally enforceable and without impediment; and
- If the collateral is a movable asset, it should be under the Bank's custody, or its whereabouts can be located by the Bank.

The eligible collateral is mainly properties, deposits and shares.

There were no advances to banks (excluding trade bills and receivables) which were overdue for over 3 months as at 31 December 2020 and 31 December 2019.

26.3 Other overdue assets

		2020 **應計利息** **Accrued interest** **千港元** **HK$'000**	2020 **其他資產** **Other assets** **千港元** **HK$'000**	2019 應計利息 Accrued interest 千港元 HK$'000	2019 其他資產 Other assets 千港元 HK$'000
逾期： 六個月或以下但超過三個月	Overdue for: Six months or less but over three months	**1,931**	**–**	5,930	–
一年或以下但超過六個月	One year or less but over six months	**916**	**–**	18,061	–
超過一年	Over one year	**152,073**	**–**	72,145	–
		154,920	**–**	96,136	–

其他資產指商業票據及應收款項。

Other assets refer to trade bills and receivables.

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26 貸款及其他賬項(續)

26.4 重組貸款

		2020 千港元 HK$'000	2019 千港元 HK$'000
重組貸款(不包括逾期超過三個月之貸款)	Rescheduled advances (excluding overdue loans over three months)	**143,008**	190,476
客戶及銀行同業貸款所佔百分比	As % of advances to customers and banks	**0.03**	0.04

根據經修訂償還條款已逾期超過三個月的重組貸款屬上文附註26.2對逾期貸款的分析範圍。

於二零二零年十二月三十一日及二零一九年十二月三十一日，並無任何銀行同業的重組貸款。

26.5 收回資產

於二零二零年十二月三十一日，本集團持有的一項(二零一九年十二月三十一日：一項)收回資產的現行市值為52,670,000港元(二零一九年十二月三十一日：21,670,000港元)。收回資產僅包括本集團就全面或部分解除借款人責任而取得(如透過法律行動或相關借款人自願下)取用或控制權之物業。

26.6 證券借入及轉售協議的現金抵押品

就轉售交易而言，於二零二零年十二月三十一日，並無由本集團持有並獲准出售或抵押的抵押品(二零一九年十二月三十一日：無)。於年結日，本集團實際上並無將抵押品出售或抵押。進行交易的條款屬於標準借貸活動的一般及慣常條款。

26 ADVANCES AND OTHER ACCOUNTS (continued)

26.4 Rescheduled advances

Rescheduled advances which have been overdue for more than three months under the revised repayment terms are included in the analysis of overdue advances in Note 26.2 above.

There were no rescheduled advances to banks as at 31 December 2020 and 31 December 2019.

26.5 Repossessed assets

There is one repossessed assets of the Group as at 31 December 2020 (31 December 2019: one) with total current market value of HK$52,670,000 (31 December 2019: HK$21,670,000). Repossessed assets only comprise properties which the Group has acquired access or control (e.g. through legal actions or voluntary actions by the borrowers concerned) for releasing in full or in part on the obligations of the borrowers.

26.6 Cash collateral on securities borrowed and reverse repurchase agreements

In respect of reverse repurchase transactions, there were no collateral held by the Group which were permitted to be sold or pledged as at 31 December 2020 (31 December 2019: Nil). No collateral has been actually sold or pledged by the Group as at the year end. The transactions are conducted on terms that are usual and customary to standard lending activities.

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27 投資證券 27 INVESTMENT SECURITIES

		31 Dec 2020 二零二零年十二月三十一日		
		Measured at FVTOCI 以公平價值經其他全面收益入賬 千港元 HK$'000	Measured at amortised cost 以攤銷成本入賬 千港元 HK$'000	Total 總額 千港元 HK$'000
金融投資	Financial investments			
債券：	Debt securities:			
－於香港上市	– Listed in Hong Kong	**49,609,705**	**10,792,332**	**60,402,037**
－於香港以外地區上市	– Listed outside Hong Kong	**46,766,050**	**27,174,685**	**73,940,735**
－非上市	– Unlisted	**41,207,007**	**8,993,818**	**50,200,825**
		137,582,762	**46,960,835**	**184,543,597**
權益證券	Equity securities			
－非上市	– Unlisted	**2,423,269**	**–**	**2,423,269**
金融投資總額	Total financial investments	**140,006,031**	**46,960,835**	**186,966,866**
上市證券市值	Market value of listed securities	**96,375,755**	**38,683,086**	**135,058,841**
債券包括以下項目：	Debt securities are comprised of the following items			
－庫券	– Treasury bills	**28,619,666**	**20,998,565**	**49,618,231**
－所持有之存款證	– Certificates of deposit held	**741,236**	**385,477**	**1,126,713**
－其他債券	– Other debt securities	**108,221,860**	**25,576,793**	**133,798,653**
		137,582,762	**46,960,835**	**184,543,597**
金融投資按發行人類別分析如下：	Financial investments are analysed by category of issuer as follows			
－中央政府及中央銀行	– Central governments and central banks	**34,866,592**	**24,236,599**	**59,103,191**
－公營機構	– Public sector entities	**565,375**	**895,840**	**1,461,215**
－銀行同業及其他金融機構	– Banks and other financial institutions	**44,471,219**	**10,488,496**	**54,959,715**
－企業實體	– Corporate entities	**60,102,845**	**11,339,900**	**71,442,745**
		140,006,031	**46,960,835**	**186,966,866**

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27 投資證券(續) 27 INVESTMENT SECURITIES (continued)

		31 Dec 2019 二零一九年十二月三十一日		
		Measured at FVTOCI 以公平價值經其他全面收益入賬 千港元 HK$'000	Measured at amortised cost 以攤銷成本入賬 千港元 HK$'000	Total 總額 千港元 HK$'000
金融投資	Financial investments			
債券：	Debt securities:			
－於香港上市	– Listed in Hong Kong	45,785,877	9,203,464	54,989,341
－於香港以外地區上市	– Listed outside Hong Kong	44,107,006	21,682,573	65,789,579
－非上市	– Unlisted	60,010,860	15,712,594	75,723,454
		149,903,743	46,598,631	196,502,374
權益證券	Equity securities			
－非上市	– Unlisted	2,470,611	–	2,470,611
金融投資總額	Total financial investments	152,374,354	46,598,631	198,972,985
上市證券市值	Market value of listed securities	89,892,883	31,300,021	121,192,904
債券包括以下項目：	Debt securities are comprised of the following items			
－庫券	– Treasury bills	34,074,150	14,895,136	48,969,286
－所持有之存款證	– Certificates of deposit held	147,606	1,498,097	1,645,703
－其他債券	– Other debt securities	115,681,987	30,205,398	145,887,385
		149,903,743	46,598,631	196,502,374
金融投資按發行人類別分析如下：	Financial investments are analysed by category of issuer as follows			
－中央政府及中央銀行	– Central governments and central banks	41,365,302	21,698,003	63,063,305
－公營機構	– Public sector entities	780,149	947,049	1,727,198
－銀行同業及其他金融機構	– Banks and other financial institutions	44,140,045	15,855,325	59,995,370
－企業實體	– Corporate entities	66,088,858	8,098,254	74,187,112
		152,374,354	46,598,631	198,972,985

28 於聯營公司之投資

28 INVESTMENTS IN ASSOCIATES

		2020 千港元 HK$'000	2019 千港元 HK$'000
應佔淨資產	Share of net assets	**200,509**	170,244
收購時產生之商譽	Goodwill on acquisition	**–**	–
		200,509	170,244

以下僅列載本身為非上市企業實體的聯營公司之詳情，其並無市場報價。彼等無一個別地被視為對本集團有重大性：

The following list contains only the particulars of the associates which are unlisted corporate entities whose quoted market prices are not available. None are considered individually material to the Group:

	業務架構形式 Form of business structure	註冊成立及營業地點 Place of incorporation and business	已發行股份 Issued shares	本集團之實際權益 Group's effective interest	主要業務 Principal activity
IEC Investments Limited IEC Investments Limited	註冊成立 Incorporated	香港 Hong Kong	100,000股之普通股 100,000 ordinary shares	**40%**	投資控股 Investment holding
世福資本管理有限公司 SINO-CEEF Capital Management Company Limited	註冊成立 Incorporated	香港 Hong Kong	10,000,000股之普通股 10,000,000 ordinary shares	**37%**	提供資產管理服務 Provision of asset management services
Infinium Holdings Limited Infinium Holdings Limited	註冊成立 Incorporated	開曼群島 Cayman Islands	1,000股之普通股 1,000 ordinary shares	**15%**	投資控股 Investment Holding

IEC Investments Limited(「IEC」)在香港從事投資控股。本集團於二零零七年收購IEC之40%股權，作為策略性投資。本集團於年內擁有40,000股IEC普通股。二零一八年十月，IEC向工銀亞洲派發項目持有期間應收紅利(288,928,000港元)，並償還剩餘股東貸款(31,200,000港元)。IEC將在18個月責任期之後(二零二零年九月)開始自動清盤，預計在二零二一年完成清盤手續。世福資本管理有限公司(「世福」)在香港從事資產管理服務。於二零一六年的重組計劃中，本集團對世福的持股量由100%減少至37%。年內，本集團持有世福3,700,000股普通股。Infinium Holdings Limited為一間在開曼群島註冊成立的公司，作為投資控股公司持有富融銀行有限公司以在香港開展虛擬銀行業務。本集團於二零二零年十二月三十一日持有Infinium Holdings Limited 15%股權。上述聯營公司使用權益法在綜合財務報表內列值。

IEC Investments Limited ("IEC") engages in investment holding in Hong Kong. The Group acquired 40% stake of IEC in 2007 as a strategic investment. The Group held 40,000 ordinary shares of IEC during the year. In October 2018, IEC paid dividends (HKD288,928,000) to ICBC (Asia) during the project holding period, and repaid the remaining shareholders' loan (HKD31,200,000). After 18 months liability period, the company commenced the relevant voluntary liquidation in September 2020 and is expected to be completed in 2021. SINO-CEEF Capital Management Company Limited ("SCM") engages in asset management services in Hong Kong. The Group decreased its shareholding in SCM from 100% to 37% as part of the Group's restructuring plan in 2016. The Group held 3,700,000 ordinary shares of SCM during the year. Infinium Holdings Limited is a company incorporated in the Cayman Islands and as the investment holding company which held through Fusion Bank Limited to carry out virtual banking operations in Hong Kong. The Group held 15% of Infinium Holdings Limited as at 31 Dec 2020 The above associates are accounted for using equity method in the consolidated financial statements.

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28 於聯營公司之投資(續) 28 INVESTMENTS IN ASSOCIATES (continued)

		2020 千港元 HK$'000	2019 千港元 HK$'000
個別不重大聯營公司之總和資料	Aggregate information of associates that are not individually material		
個別不重大聯營公司在綜合財務報表之總和賬面值	Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	**200,509**	170,244
本集團佔該等聯營公司之總和金額	Aggregate amounts of the Group's share of those associates		
源自持續營運虧損	Loss from continuing operations	**(44,735)**	(4,696)
全面收益總額	Total comprehensive income	**(44,735)**	(4,696)
賬面值與本集團於聯營公司的總權益對賬	Reconciliation of carrying amounts to the Group's total interest in the associates		
重大聯營公司之賬面值	Carrying amount of material associates	**–**	–
個別不重大聯營公司之賬面值	Carrying amount of individually immaterial associates	**200,509**	170,244
在綜合財務報表中聯營公司權益	Interest in associates in the consolidated financial statements	**200,509**	170,244

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29 商譽及其他無形資產

29 GOODWILL AND OTHER INTANGIBLE ASSETS

		商譽 Goodwill 千港元 HK$'000	電腦軟件 Computer software 千港元 HK$'000	交易權 Trading rights 千港元 HK$'000	合計 Total 千港元 HK$'000
成本值	Cost				
於二零二零年一月一日	At 1 January 2020	**999,715**	**286,233**	**1,895**	**1,287,843**
添置	Additions	**–**	**12,202**	**–**	**12,202**
出售	Disposals	**–**	**(194,273)**	**–**	**(194,273)**
其他調整	Other adjustments	**–**	**1,025**	**–**	**1,025**
於二零二零年十二月三十一日	At 31 December 2020	**999,715**	**105,187**	**1,895**	**1,106,797**
累計攤銷	Accumulated amortisation				
於二零二零年一月一日	At 1 January 2020	**–**	**271,361**	**–**	**271,361**
年內支銷	Charge for the year	**–**	**7,322**	**–**	**7,322**
出售	Disposals	**–**	**(194,273)**	**–**	**(194,273)**
其他調整	Other adjustments	**–**	**862**	**–**	**862**
於二零二零年十二月三十一日	At 31 December 2020	**–**	**85,272**	**–**	**85,272**
於二零二零年十二月三十一日	Net book value				
賬面淨值	At 31 December 2020	**999,715**	**19,915**	**1,895**	**1,021,525**

		商譽 Goodwill 千港元 HK$'000	電腦軟件 Computer software 千港元 HK$'000	交易權 Trading rights 千港元 HK$'000	合計 Total 千港元 HK$'000
成本值	Cost				
於二零一九年一月一日	At 1 January 2019	999,715	278,572	1,895	1,280,182
添置	Additions	–	7,858	–	7,858
出售	Disposals	–	(872)	–	(872)
其他調整	Other adjustments	–	675	–	675
於二零一九年十二月三十一日	At 31 December 2019	999,715	286,233	1,895	1,287,843
累計攤銷	Accumulated amortisation				
於二零一九年一月一日	At 1 January 2019	–	262,385	–	262,385
年內支銷	Charge for the year	–	9,772	–	9,772
出售	Disposals	–	(817)	–	(817)
其他調整	Other adjustments	–	22	–	22
於二零一九年十二月三十一日	At 31 December 2019	–	271,362	–	271,362
於二零一九年十二月三十一日	Net book value				
賬面淨值	At 31 December 2019	999,715	14,871	1,895	1,016,481

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29 商譽及其他無形資產(續)

附註：

(i) 於二零零四年，本銀行向富通銀行收購ICBC Asia Wa Pei Limited集團之全部已發行股本。此項收購之商譽為322,317,000港元。

(ii) 包含商譽的現金生產單位已進行減值測試。

本集團按業務分部分配商譽予可辨別的現金生產單位如下：

29 GOODWILL AND OTHER INTANGIBLE ASSETS (continued)

Notes:

(i) In 2004, the Bank acquired all the issued share capital of ICBC Asia Wa Pei Limited group from Fortis Bank. The goodwill of the acquisition amounted to HK$322,317,000.

(ii) Impairment tests are performed for cash-generating units containing goodwill.

Goodwill is allocated to the Group's cash-generating units (CGU) identified according to business segment as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
企業與投資銀行	Corporate and Investment Banking	**585,715**	585,715
商業銀行	Commercial Banking	**230,450**	230,450
零售銀行	Retail Banking	**142,386**	142,386
其他	Others	**41,164**	41,164
		999,715	999,715

現金生產單位的可收回金額根據使用價值計算。計算方法按照管理層已核准而涵蓋五年期間的財務預算的現金流量估計。一年期間以後的現金流量按下述的估計利率作推斷。按一年期應用於現金流量估計之增長率不超過該現金生產單位所經營業務的長期平均增長率。

The recoverable amount of a CGU is determined based on value-in-use calculations. Such calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the one-year period are extrapolated using the estimate rates stated below. The growth rate which applies to the cashflow projections over the one-year period does not exceed the long term average growth rate for the business of which the CGU operates.

用於計算使用價值的貼現率為8%至12%。

The discount rates used for value-in-use calculations are ranging from 8% to 12%.

管理層根據過往表現及預計市場發展釐定預算財務表現。加權平均增長率與行業報告內所作預測是一致的。

Management determined the budgeted financial performance based on the past performance and its expectation for market development. The weighted average growth rates used are consistent with the forecasts included in industry reports.

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30 投資物業 / 30 INVESTMENT PROPERTIES

		2020 千港元 HK$'000	2019 千港元 HK$'000
於一月一日之賬面值	Carrying amount at 1 January	**135,234**	140,135
由銀行房產及物業轉入	Transferred from bank premises and properties	**–**	–
重估虧損淨額	Net revaluation loss	**(5,500)**	(4,200)
匯兑差額	Exchange difference	**2,195**	(701)
於十二月三十一日之賬面值	Carrying amount at 31 December	**131,929**	135,234

本集團於位於香港及中國內地之投資物業之租期如下：

The Group's investment properties are situated in Hong Kong and Mainland China under the following lease terms:

		2020 千港元 HK$'000	2019 千港元 HK$'000
在香港持有	Held in Hong Kong		
中期租賃(10至50年)	Medium term leases (10-50 years)	**61,300**	65,700
長期租賃(50年以上)	Long term leases (over 50 years)	**31,800**	32,900
在香港以外地區持有	Held outside Hong Kong		
中期租賃(10至50年)	Medium term leases (10-50 years)	**38,829**	36,634
		131,929	135,234

本銀行的投資物業於二零二零年十二月三十一日由獨立專業合資格估值師韋堅信測量師行按公開市場及當前用途基準重新估值為93,100,000港元(二零一九年：98,600,000港元)。本銀行附屬公司的投資物業於二零二零年十二月三十一日由獨立專業合資格估值師深圳市國眾聯資產評估土地房地產估價諮詢有限公司按公開市場及當前用途基準重新估值為38,829,000港元(二零一九年：36,634,000港元)。

The Bank's investment properties were revalued on 31 December 2020 by A.G. Wilkinson & Associates, an independent professionally qualified valuer, at HK$93,100,000 (2019: HK$98,600,000) on an open market, existing use basis. The investment properties of the Bank's subsidiary were revalued on 31 December 2020 by Shenzhen GuoZhongLian Asset and Real Estate Appraisal Consulting Co., Ltd., an independent professionally qualified valuer, at HK$38,829,000 (2019: HK$36,634,000) on an open market, existing use basis.

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30 投資物業(續)

投資物業資料
二零二零年十二月三十一日

30 INVESTMENT PROPERTIES (continued)

Particulars of investment properties
31 December 2020

地點 **Location**	**用途** **Use**	**剩餘租期** **Remaining lease term**	**本集團之歸屬利益** **Attributable interest of the Group**
香港銅鑼灣高士威道8號地下B號舖 Shop B on the Ground Floor No. 8 Causeway Road Hong Kong	商業用途 Office building	長期租賃(50年以上) Long term lease (over 50 years)	100%
九龍觀塘康寧道58號地下及閣樓 Ground Floor and cockloft No. 58 Hong Ning Road Kwun Tong Kowloon	商業用途 Office building	中期租賃(10至50年) Medium term lease (10-50 years)	100%
香港筲箕灣筲箕灣道195、197、199及201號都會大廈地下A號舖 Shop A on Ground Floor Capital Mansion Nos. 195, 197, 199 and 201 Shau Kei Wan Road Shau Kei Wan, Hong Kong	商業用途 Office building	長期租賃(50年以上) Long term lease (over 50 years)	100%
深圳市福田區振興路賽格科技工業園四棟二樓A、B座 Unit A&B, 2/F, 4 Blocks, SEG Technology Park, Zhenxing Road, Futian District, Shenzhen	商業用途 Office building	中期租賃(10至50年) Medium term lease (10-50 years)	100%

31 物業及設備

(a) 賬面值之對賬

31 PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount

		銀行房產及物業 Bank premises and properties 千港元 HK$'000	租賃物業裝修 Leasehold improvements 千港元 HK$'000	傢俬及設備 Furniture and equipment 千港元 HK$'000	使用權資產 Right-of-use asset 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零一九年十二月三十一日及二零二零年一月一日：	At 31 December 2019 and 1 January 2020:					
成本或估值	Cost or valuation	870,872	420,743	470,926	1,521,014	3,283,555
累計折舊及減值	Accumulated depreciation and impairment	(263,680)	(283,555)	(341,260)	(498,993)	(1,387,488)
於二零二零年一月一日	At 1 January 2020	607,192	137,188	129,666	1,022,021	1,896,067
添置	Additions	–	43,346	82,469	776,843	902,658
轉入／(出)	Transfer in/(out)	–	–	–	–	–
出售	Disposals	–	(1,369)	(4,213)	(18,429)	(24,011)
重估(附註(i))	Revaluation (Note(i))	845	–	–	–	845
年內計提折舊	Depreciation provided during the year	(16,760)	(49,156)	(46,727)	(515,391)	(628,034)
匯兑及其他調整	Exchange rate and other adjustments	24,715	3	3,808	(12,249)	16,277
於二零二零年十二月三十一日之賬面淨值	Net book value at 31 December 2020	615,992	130,012	165,003	1,252,795	2,163,802
於二零二零年十二月三十一日：	At 31 December 2020:					
成本或估值	Cost or valuation	922,640	452,813	524,071	2,254,563	4,154,087
累計折舊及減值	Accumulated depreciation and impairment	(306,648)	(322,801)	(359,068)	(1,001,768)	(1,990,285)
於二零二零年十二月三十一日之賬面淨值	Net book value at 31 December 2020	615,992	130,012	165,003	1,252,795	2,163,802
上述資產之成本或估值分析如下：	The analysis of cost or valuation of the above assets is as follows:					
於二零二零年十二月三十一日：	At 31 December 2020:					
按成本	At cost	–	452,813	524,071	2,254,563	3,231,447
按估值	At valuation	615,992	–	–	–	615,992
		615,992	452,813	524,071	2,254,563	3,847,439

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31 物業及設備(續)

(a) 賬面值之對賬(續)

31 PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Reconciliation of carrying amount (continued)

		銀行房產及物業 Bank premises and properties 千港元 HK$'000	租賃物業裝修 Leasehold improvements 千港元 HK$'000	傢俬及設備 Furniture and equipment 千港元 HK$'000	使用權資產 Right-of-use asset 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零一八年十二月三十一日及二零一九年一月一日：	At 31 December 2018 and 1 January 2019:					
成本或估值	Cost or valuation	818,178	446,927	457,419	–	1,722,524
累計折舊及減值	Accumulated depreciation and impairment	(191,088)	(292,077)	(338,108)	–	(821,273)
於二零一八年十二月三十一日及二零一九年一月一日之賬面淨值	Net book value at 31 December 2018	627,090	154,850	119,311	–	901,251
初始應用《香港財務報告準則》第16號之影響	Impact on initial application of HKFRS 16	–	–	–	1,309,616	1,309,616
於二零一九年一月一日	At 1 January 2019	627,090	154,850	119,311	1,309,616	2,210,867
添置	Additions	–	28,900	54,183	211,633	294,716
轉入／(出)	Transfer in/(out)	–	77	(77)	–	–
出售	Disposals	–	(7,286)	(9,240)	(188)	(16,714)
重估(附註(i))	Revaluation (Note(i))	(1,474)	–	–	–	(1,474)
年內計提折舊	Depreciation provided during the year	(17,240)	(39,353)	(41,597)	(499,313)	(597,503)
匯兑及其他調整	Exchange rate and other adjustments	(1,184)	–	7,086	273	6,175
於二零一九年十二月三十一日之賬面淨值	Net book value at 31 December 2019	607,192	137,188	129,666	1,022,021	1,896,067
於二零一九年十二月三十一日	At 31 December 2019:					
成本或估值	Cost or valuation	870,872	420,743	470,926	1,521,014	3,283,555
累計折舊及減值	Accumulated depreciation and impairment	(263,680)	(283,555)	(341,260)	(498,993)	(1,387,488)
於二零一九年十二月三十一日之賬面淨值	Net book value at 31 December 2019	607,192	137,188	129,666	1,022,021	1,896,067
上述資產之成本或估值分析如下：	The analysis of cost or valuation of the above assets is as follows:					
於二零一九年十二月三十一日	At 31 December 2019:					
按成本	At cost	–	420,743	470,926	1,521,014	2,412,683
按估值	At valuation	607,192	–	–	–	607,192
		607,192	420,743	470,926	1,521,014	3,019,875

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31 物業及設備(續)

(a) 賬面值之對賬(續)

附註：

(i) 銀行房產於二零二零年十二月三十一日根據由獨立專業合資格估值師韋堅信測量師行所作出之公開市場估值進行重估。附屬公司之房產已於二零二零年十二月三十一日根據由中國內地獨立專業合資格估值師深圳市國眾聯資產評估土地房地產估價諮詢有限公司所作出之公開市場估值進行重估。重估盈餘(扣除適用遞延所得稅)乃計入股東權益中之銀行房產重估儲備內。如本集團之銀行房產及物業按成本減累計折舊列賬，則彼等之賬面值將為32,208,000港元(二零一九年：33,840,000港元)。

本集團之物業位於香港及中國內地按以下租期持有：

31 PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Reconciliation of carrying amount (continued)

Note:

(i) The bank premises were revalued at 31 December 2020 based on the open market value by A.G. Wilkinson & Associates, an independent professionally qualified valuer. The subsidiary's premises were revalued at 31 December 2020 based on the open market value by Shenzhen GuoZhongLian Asset and Real Estate Appraisal Consulting Co., Ltd, an independent professionally qualified valuer in the Mainland China. The revaluation surplus net of applicable deferred income taxes was credited to bank premises revaluation reserve in shareholders' equity. The carrying amount of the bank premises and properties of the Group would have been HK$32,208,000 (2019: HK$33,840,000)) had they been stated at cost less accumulated depreciation.

The Group's properties are situated in Hong Kong and Mainland China under the following lease terms:

		2020 千港元 HK$'000	2019 千港元 HK$'000
在香港持有	Held in Hong Kong		
長期租賃(50年以上)	Long term leases (over 50 years)	**331,850**	337,862
中期租賃(10至50年)	Medium term leases (10-50 years)	**122,260**	123,768
在香港以外地區持有	Held outside Hong Kong		
中期租賃(10至50年)	Medium term leases (10-50 years)	**161,882**	145,562
		615,992	607,192

(b) 使用權資產

使用權資產賬面淨值按相關資產分類分析如下：

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

		於二零二零年十二月三十一日 At 31 December 2020 千港元 HK$'000	於二零一九年十二月三十一日 At 31 December 2019 千港元 HK$'000
計入「物業及設備」：	Included in "Property, plant and equipment":		
使用權資產－房產，剩餘租賃期為：	Right-of-use assets – Premises, with remaining lease term of:		
－ 不遲於1年	– Not later than 1 year	**40,677**	68,397
－ 遲於1年及不遲於2年	– Later than 1 year and not later than 2 years	**94,649**	198,206
－ 遲於2年及不遲於5年	– Later than 2 years and not later than 5 years	**265,430**	741,274
－ 5年以上	– More than 5 years	**844,575**	–
		1,245,331	1,007,877
使用權資產－其他設備	Right-of-use assets – Other equipment	**74**	420
使用權資產－其他	Right-of-use assets – Others	**7,390**	13,724
		1,252,795	1,022,021

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32 其他資產 32 OTHER ASSETS

		2020 千港元 HK$'000	2019 千港元 HK$'000
應收利息	Interest receivable	**3,842,299**	5,046,169
預付款項	Prepayments	**276,139**	204,261
結算賬戶	Settlement accounts	**2,091,706**	4,052,529
已付保證金	Margin deposit paid	**8,598,136**	5,361,635
保理	Factoring	**1,237,252**	1,879,622
其他	Others	**652,660**	473,010
		16,698,192	17,017,226
其他資產之減值撥備	Impairment allowances for other assets		
－12個月以內預期信用損失	– 12-month ECL	**(64,955)**	(28,639)
－信貸不良的合約期內之預期信用損失	– Lifetime ECL credit-impaired	**(10,317)**	(3,180)
		16,622,920	16,985,407

33 於附屬公司之投資

以下僅列出本集團主要附屬公司的詳情：

33 INVESTMENT IN SUBSIDIARIES

The following list contains only the particulars of principal subsidiaries of the Group:

公司名稱 Name	註冊地點 Place of incorporation	主要業務 Principal activities	已發行及已繳足股本 Issued and paid-up capital	持有之權益 Interest held	
				2020	2019
華商銀行 Chinese Mercantile Bank	中華人民共和國 People's Republic of China	銀行業務 Banking business	人民幣4,150,000,000元 RMB4,150,000,000	**100%**	100%
工銀亞洲金業有限公司 ICBC (Asia) Bullion Company Limited	香港 Hong Kong	提供黃金業務 Provision of bullion business	6,000,000港元 HK$6,000,000	**100%**	100%
工銀亞洲期貨有限公司 ICBC (Asia) Futures Company Limited	香港 Hong Kong	無營業 Inactive	26,000,000港元 HK$26,000,000	**100%**	100%
工銀資管(全球)有限公司 ICBC Asset Management (Global) Company Limited	香港 Hong Kong	提供資產管理服務 Provision of asset management services	258,828,870港元 HK$258,828,870	**100%**	100%
工銀亞洲代理人有限公司 ICBC (Asia) Nominee Limited	香港 Hong Kong	提供代理人服務 Provision of nominee services	10,000港元 HK$10,000	**100%**	100%
工銀亞洲証券有限公司 ICBC (Asia) Securities Limited	香港 Hong Kong	提供證券經紀服務 Provision of securities brokerage services	100,000,000港元 HK$100,000,000	**100%**	100%
工銀亞洲信託有限公司 ICBC (Asia) Trustee Company Limited	香港 Hong Kong	提供信託服務 Provision of trustee services	3,000,000港元 HK$3,000,000	**100%**	100%
工銀亞洲金融服務有限公司 ICBC (Asia) Financial Services Company Limited	香港 Hong Kong	提供信託及公司服務 Provision of trustee and company services	100港元 HK$100	**100%**	100%
ICBCA (C.I.) Limited (於二零二零年八月十九日解散) ICBCA (C.I.) Limited (Dissolved on 19 August 2020)	開曼群島 Cayman Islands	發行債券之特設公司 Being a special-purpose vehicle for bond issuance	1美元 US$1	**100%**	100%
工銀亞投股權投資管理(深圳)有限公司 工銀亞投股權投資管理(深圳)有限公司	中華人民共和國 People's Republic of China	私募股權投資 Provision of equity investment	4,000,000美元 US$4,000,000	**100%**	100%
中國－中東歐金融控股有限公司 SINO-CEEF Holding Company Limited	香港 Hong Kong	投資控股公司 Investment holding company	290,978,183歐元 EUR290,978,183	**100%**	100%

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34 銀行同業及其他金融機構之存款

34 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

		2020 千港元 HK$'000	2019 千港元 HK$'000
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	**205,998,447**	207,074,805

就回購交易而言，於二零二零年十二月三十一日，本集團獲准出售或轉押的抵押品的公平價值為6,563,388,000港元(二零一九年：17,337,047,000港元)。

In respect of repurchase transactions, the fair value of collateral which were permitted to be sold or repledged from the Group was HK$6,563,388,000 as at 31 December 2020 (2019: HK$17,337,047,000).

進行交易的條款屬於標準借貸活動的一般及慣常條款。

The transactions are conducted on terms that are usual and customary to standard lending activities.

35 客戶存款

35 DEPOSITS FROM CUSTOMERS

		2020 千港元 HK$'000	2019 千港元 HK$'000
活期存款及往來戶口	Demand deposits and current accounts	**43,609,293**	37,037,350
儲蓄存款	Savings deposits	**164,292,903**	114,496,475
定期及通知存款	Time, call and notice deposits	**314,581,818**	383,743,272
		522,484,014	535,277,097

就回購交易而言，於二零二零年十二月三十一日，本集團並無獲准出售或轉押的抵押品(二零一九年：無)。進行交易的條款屬於標準借貸活動的一般及慣常條款。

In respect of repurchase transactions, there was no collateral which were permitted to be sold or repledged from the Group as at 31 December 2020 (2019: Nil). The transactions are conducted on terms that are usual and customary to standard lending activities.

36 遞延所得稅

遞延稅項資產／(負債)賬目之變動如下：

36 DEFERRED INCOME TAX

The movement on the deferred tax assets/(liabilities) account is as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
於一月一日	At 1 January	**379,507**	749,768
在收益表記賬	Credited to income statement	**389,229**	21,280
在權益支賬	Debited to equity	**(129,872)**	(387,495)
匯兑及其他調整	Exchange and other adjustments	**18,513**	(4,046)
於十二月三十一日	At 31 December	**657,377**	379,507

就財務報告而言，本集團之遞延稅項結餘分析如下：

The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2020 千港元 HK$'000	2019 千港元 HK$'000
於綜合財務狀況表確認之遞延所得稅資產淨額	Net deferred income tax assets recognised in the consolidated statement of financial position	**657,377**	379,507
於綜合財務狀況表確認之遞延所得稅負債淨額	Net deferred income tax liabilities recognised in the consolidated statement of financial position	**–**	–
於十二月三十一日	At 31 December	**657,377**	379,507

年內權益(支賬)／記賬之遞延所得稅如下：

The deferred income tax (debited)/credited to equity during the year is as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
股東權益之公平價值儲備	Fair value reserves in shareholder's equity		
銀行房產	Bank premises	**(2,128)**	1,240
貸款、以公平價值經其他全面收益入賬投資及指定為現金流量對沖的衍生金融工具	Loans, FVTOCI investments and derivative financial instruments designated as cash flow hedge	**(127,744)**	(388,735)
		(129,872)	(387,495)

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36 遞延所得稅(續)

年內遞延所得稅資產及負債(與同一稅務機關之結餘抵銷前)之變動如下：

遞延所得稅資產

		非信貸不良預期信用損失		公平價值儲備(可轉回)		公平價值儲備(不可轉回)		其他		加速稅項折舊		總額	
		Not credit-impaired ECL		Fair value reserves (recycling)		Fair value reserves (non-recycling)		Others		Accelerated tax depreciation		Total	
		2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000
於一月一日	At 1 January	**507,178**	493,960	**64,192**	370,595	**-**	50,290	**-**	-	**579**	398	**571,949**	915,243
在收益表記賬／(支賬)	Credited/(charged) to income statement	**379,731**	16,203	**-**	-	**-**	-	**13**	-	**10,519**	191	**390,263**	16,394
在權益記賬／(支賬)	Credited/(debited) to equity	**-**	-	**82,613**	(305,330)	**-**	(50,290)	**-**	-	**-**	-	**82,613**	(355,620)
匯兌差額	Exchange difference	**19,048**	(2,985)	**(1,049)**	(1,073)	**-**	-	**1**	-	**608**	(10)	**18,608**	(4,068)
於十二月三十一日	At 31 December	**905,957**	507,178	**145,756**	64,192	**-**	-	**14**	-	**11,706**	579	**1,063,433**	571,949

遞延所得稅負債

		房產重估儲備		公平價值儲備(可轉回)		公平價值儲備(不可轉回)		加速稅項折舊		總額	
		Premises revaluation reserves		Fair value reserves (recycling)		Fair value reserves (non-recycling)		Accelerated tax depreciation		Total	
		2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000
於一月一日	At 1 January	**127,120**	128,360	**48,728**	15,613	**-**	-	**16,594**	21,502	**192,442**	165,475
在收益表記賬／(支賬)	Credited/(charged) to income statement	**-**	-	**-**	-	**-**	-	**1,034**	(4,886)	**1,034**	(4,886)
在權益支賬／(記賬)	Debited/(credited) to equity	**2,128**	(1,240)	**210,357**	33,115	**-**	-	**-**	-	**212,485**	31,875
匯兌差額	Exchange difference	**-**	-	**-**	-	**-**	-	**95**	(22)	**95**	(22)
於十二月三十一日	At 31 December	**129,248**	127,120	**259,085**	48,728	**-**	-	**17,723**	16,594	**406,056**	192,442

本集團在香港產生之稅項虧損3,020,115港元(二零一九年：1,442,676港元)，可無限期用以抵銷產生該等虧損之公司之未來應課稅溢利。由於該等虧損乃來自部分長期虧蝕之附屬公司，不大可能有應課稅溢利可供動用抵銷該等稅項虧損，故並無就此等虧損確認遞延稅項資產。

於二零二零年十二月三十一日，由於本集團若干附屬公司之未來盈利已收到，本集團亦無額外應付之稅項負債，故本集團並無應付之重大未確認遞延稅項負債(二零一九年：無)。

本銀行向其股東支付之股息並不附帶任何所得稅後果。

36 DEFERRED INCOME TAX (continued)

The movements in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred income tax assets

Deferred income tax liabilities

The Group has tax losses arising in Hong Kong of HK$3,020,115 (2019 HK$1,442,676) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for sometime and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At 31 December 2020, there was no significant unrecognised deferred tax liability (2019: Nil) for taxes that would be payable on the future earnings of certain of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be received.

There are no income tax consequences attaching to the payment of dividends by the Bank to its shareholders.

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37 以攤銷成本入賬之後償債項

37 SUBORDINATED DEBTS MEASURED AT AMORTISED COST

		2020		2019	
		千港元	**利率**	千港元	利率
		HK$'000	**Interest rate %**	HK$'000	Interest rate %
後償定息票據	Subordinated fixed rate notes				
－最終於二零二零年十一月三十日到期	– with a final maturity on 30 November 2020	–	–	3,889,974	5.125%
		–		3,889,974	

後償債項乃由本銀行籌集作業務拓展用途。定息債券已獲最終控股公司悉數認購。該等票據合資格並已按資本規則列入本銀行之附加資本。

Subordinated debts were raised by the Bank for the development and expansion of business. Fixed rate debts have been fully subscribed by the ultimate holding company. These notes have been qualified and included as the Bank's supplementary capital in accordance with the Capital Rules.

本銀行於二零二零年十一月三十日全數贖回面額500,000,000美元之後償票據，其定息年利率為5.125%。

The Bank has fully redeemed the subordinated notes with nominal amount of US$500,000,000 at a fixed rate of 5.125% per annum on 30 November 2020.

本銀行於本年度無拖欠本金、利息或其他與後償債項有關的違約情況(二零一九年：無)。

The Bank has not had any default of principal or interest or other breaches with respect to the subordinated debts during the year (2019: Nil).

38 其他負債

38 OTHER LIABILITIES

		2020	2019
		千港元	千港元
		HK$'000	HK$'000
應付利息	Interest payable	**3,173,237**	5,478,744
應付薪金及福利	Salaries and welfare payable	**619,401**	687,629
結算賬戶	Settlement accounts	**5,662,497**	12,608,374
已收保證金	Margin deposit received	**2,346,944**	1,449,786
保理	Factoring	**1,237,252**	1,879,622
租賃負債(附註38.1)	Lease liabilities (Note 38.1)	**1,279,942**	1,049,922
其他	Others	**1,483,052**	1,254,157
		15,802,325	24,408,234
貸款承諾及金融擔保之減值撥備	Impairment allowances for loan commitment and financial guarantees		
－12個月以內預期信用損失	– 12-month ECL	**192,678**	71,675
－非信貸不良的合約期內之預期信用損失	– Lifetime ECL not credit-impaired	**4,053**	3,512
		15,999,056	24,483,421

本集團及本銀行於年內就其負債並無任何拖欠本金、利息或其他違約(二零一九年：無)。

The Group and the Bank have not had any defaults of principal, interest or other breaches with respect to their liabilities during the year (2019: nil).

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38 其他負債

38.1 租賃負債

與租賃房產及設備資產有關之租賃負債之到期情況如下：

38 OTHER LIABILITIES (continued)

38.1 Lease Liabilities

The maturity profile for lease liabilities associated with leased premises and equipment assets is as follows:

		一年或以下 One year or less 千港元 HKD'000	一年至兩年 Between one year and two years 千港元 HKD'000	兩年至五年 Between two years and five years 千港元 HKD'000	五年以上 More than five years 千港元 HKD'000	總計 Total 千港元 HKD'000
於二零二零年十二月三十一日	**As at 31 December 2020**					
其他負債—租賃負債	Other liabilities – lease liabilities	**41,605**	**107,386**	**271,422**	**859,529**	**1,279,942**
於二零一九年十二月三十一日	**As at 31 December 2019**					
其他負債—租賃負債	Other liabilities – lease liabilities	74,962	185,455	789,505	–	1,049,922

39 股本

39 SHARE CAPITAL

		股份數目 Number of shares 千股 in thousands	普通股 Ordinary shares 千港元 HK$'000
於二零二零年一月一日及二零二零年十二月三十一日	At 1 January 2020 & 31 December 2020	**2,749,000**	**44,187,631**

		股份數目 Number of shares 千股 in thousands	普通股 Ordinary shares 千港元 HK$'000
於二零一九年一月一日	At 1 January 2019	2,577,000	36,379,331
配發新股份	Allotment of new shares	172,000	7,808,300
於二零一九年十二月三十一日	At 31 December 2019	2,749,000	44,187,631

根據香港公司條例第135條，本銀行的普通股並無面值。

普通股的持有人有權收取不時宣派的股息，並有權就每股股份於本銀行的股東大會上享有一票投票權。所有普通股在享有本銀行的剩餘資產方面地位相等。

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Bank do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank. All ordinary shares rank equally with regard to the Bank's residual assets.

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40 額外權益工具

40 ADDITIONAL EQUITY INSTRUMENTS

		2020 千港元 HK$'000	2019 千港元 HK$'000
10億美元無期限非累積後償額外一級資本證券	US$1 billion undated non-cumulative subordinated additional tier 1 capital securities	**7,738,332**	7,738,332
25.36億美元無期限非累積後償額外一級資本證券	US$2.536 billion undated non-cumulative subordinated additional tier 1 capital securities	**19,897,375**	19,897,375
		27,635,707	27,635,707

於二零一六年七月二十一日，本銀行發行符合巴塞爾資本協定三之非累積後償額外一級資本證券(「10億美元額外一級資本證券」)，總額為10億美元(相等於約77.38億港元，已扣除相關之發行成本)。額外一級資本證券附帶息率4.250厘的分派，分派直至二零二一年七月二十一日之首個贖回日期。如額外一級資本證券沒有被贖回，該等分派將每五年根據當時五年期美國國庫券之息率加一個固定之初步息差(3.135厘年息率)予以重訂。

On 21 July 2016, the Bank issued Basel III-compliant Non-Cumulative Subordinated Additional Tier 1 Capital Securities (the "US$1 billion Additional Tier 1 Capital Securities") in the aggregate amount of US$1 billion (equivalent to approximately HK$7,738 million net of related issuance costs). The Additional Tier 1 Capital Securities bear a 4.250% distribution until the first call date on 21 July 2021. If the Additional Tier 1 Capital Securities are not called, the distribution will be reset based on the then-prevailing 5-year US Treasury yield plus a fixed initial spread (3.135% per annum) every 5 years.

分派將每半年支付一次，首個分派日期為二零一七年一月二十一日。本銀行有權取消分派付款(受10億美元額外一級資本證券之條款及細則所載之規定限制)，被取消之分派將不予累積。此外，如果：(a)該分派與本銀行當時財政年度內，其他享有同等權益義務的分派一起支付時會導致本銀行超越其可分配儲備額，或(b)金管局指令本銀行取消該分派付款，或相關香港銀行監管條例或金管局的其他法規阻止本銀行在任何其他同等權益義務分派到期時作出全額股息支付(或其他分配)，本銀行必須取消分派付款(受10億美元額外一級資本證券之條款及細則所載之規定限制)。

The distribution shall be payable semi-annually, with the first distribution payment date being 21 January 2017. The Bank has the right to cancel distribution payment (subject to the requirement as set out in the terms and conditions of the US$1 billion Additional Tier 1 Capital Securities) and the distribution cancelled shall not be cumulative. In addition, the Bank must cancel distribution payment (subject to the requirements set out in the terms and conditions of the US$1 billion Additional Tier 1 Capital Securities) if (a) the distribution scheduled to be paid together with other distributions scheduled to be paid on any parity obligations during the Bank's then current fiscal year would cause the Bank to exceed its distributable reserves; or (b) the HKMA directs the Bank to cancel such distribution, or an applicable Hong Kong banking regulation or other requirement of the HKMA prevents the payment in full of dividends or other distributions when due on any other parity obligation.

本銀行享有一項贖回權，可由二零二一年七月二十一日或任何其後之分派支付日期起贖回全部未贖回之10億美元額外一級資本證券。

The Bank has a call option to redeem all the outstanding US$1 billion Additional Tier 1 Capital Securities from 21 July 2021 or any subsequent distribution payment date thereafter.

於二零一八年三月二十一日，本銀行發行符合巴塞爾資本協定三之非累積後償額外一級資本證券(「25.36億美元額外一級資本證券」)，總額為25.36億美元(相等於約198.97億港元，已扣除相關之發行成本)。25.36億美元額外一級資本證券附帶息率4.90厘的分派，分派直至二零二三年三月二十一日之首個贖回日期。如額外一級資本證券沒有被贖回，該等分派將每五年根據當時五年期美國國庫券之息率加一個固定之初步息差(2.25厘年息率)予以重訂。

On 21 March 2018, the Bank issued Basel III-compliant Non-Cumulative Subordinated Additional Tier 1 Capital Securities (the "US$2.536 billion Additional Tier 1 Capital Securities") in the aggregate amount of US$2.536 billion (equivalent to approximately HK$19,897 million net of related issuance costs). The US$2.536 billion Additional Tier 1 Capital Securities bear a 4.90% distribution until the first call date on 21 March 2023. If the Additional Tier 1 Capital Securities are not called, the distribution will be reset based on the then-prevailing 5-year US Treasury yield plus a fixed initial spread (2.25% per annum) every 5 years.

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40 額外權益工具(續)

分派將每半年支付一次，首個分派日期為二零一八年九月二十一日。本銀行有權取消分派付款(受25.36億美元額外一級資本證券之條款及細則所載之規定限制)，被取消之分派將不予累積。此外，如果：(a)該分派與本銀行當時財政年度內，其他享有同等權益義務的分派一起支付時會導致本銀行超越其可分配儲備額，或(b)金管局指令本銀行取消該分派付款，或相關香港銀行監管條例或金管局的其他法規阻止本銀行在任何其他同等權益義務分派到期時作出全額股息支付(或其他分配)，本銀行必須取消分派付款(受25.36億美元額外一級資本證券之條款及細則所載之規定限制)。

本銀行享有一項贖回權，可由二零二三年三月二十一日或任何其後之分派支付日期起贖回全部未贖回之25.36億美元額外一級資本證券。

如金管局通知本銀行，金管局或相關政府部門認為，如本銀行不撇銷額外一級資本證券之本金，本銀行將無法繼續營運，則本銀行將按金管局之指示撇銷額外一級資本證券之本金額。額外一級資本證券亦附帶一項權力(Hong Kong Bail-in Power)。每名額外一級資本證券之持有人將受限於香港監管部門行使以下任何一項或多項權力：

(a) 削減或註銷額外一級資本證券之全部或部分本金及／或分派；

(b) 將額外一級資本證券之全部或部分本金及／或分派轉換為本銀行或另一名人士之股份；及／或

(c) 修改額外一級資本證券之到期日、分派付款日及／或分派金額。

40 ADDITIONAL EQUITY INSTRUMENTS (continued)

The distribution shall be payable semi-annually, with the first distribution payment date being 21 September 2018. The Bank has the right to cancel distribution payment (subject to the requirements set out in the terms and conditions of the US$2.536 billion Additional Tier 1 Capital Securities) and the distribution cancelled shall not be cumulative. In addition, the Bank must cancel distribution payment (subject to the requirements set out in the terms and conditions of the US$2.536 billion Additional Tier 1 Capital Securities) if (a) the distribution scheduled to be paid together with other distributions scheduled to be paid on any parity obligations during the Bank's then current fiscal year would cause the Bank to exceed its distributable reserves; or (b) the HKMA directs the Bank to cancel such distribution, or an applicable Hong Kong banking regulation or other requirement of the HKMA prevents the payment in full of dividends or other distributions when due on any other parity obligation.

The Bank has a call option to redeem all the outstanding US$2.536 billion Additional Tier 1 Capital Securities from 21 March 2023 or any subsequent distribution payment date thereafter.

The principal of the Additional Tier 1 Capital Securities will be written off up to the amount as directed by the HKMA if the HKMA notifies the Bank that in the opinion of the HKMA or a relevant government body, the Bank would become non-viable if there is no written off of the principal. The Additional Tier 1 Capital Securities also contain Hong Kong Bailin Power. Each holder of the Additional Tier 1 Capital Securities shall be subject to the exercise by the Hong Kong Resolution Authority to any or a combination of the following:

(a) reduction or cancellation of all or a part of the principal and/or distribution of the Additional Tier 1 Capital Securities;

(b) the conversion of all or a part of the principal and/or distribution of the Additional Tier 1 Capital Securities into shares of the Bank or another person; and/or

(c) the amendment of the maturity, distribution payment date and/or the distribution amount of the Additional Tier 1 Capital Securities.

41 儲備

41.1 本集團

(i) 銀行房產儲備
已設立物業重估儲備，並按附註2.13所載就土地及樓宇所採納之會計政策處理。

(ii) 公平價值儲備
公平價值儲備包括以公平價值經其他全面收益入賬之債券與貸款累計直至該等金融資產終止確認為止之累計公平價值變動淨額，並按附註2.7(b)所載之會計政策處理。

(iii) 現金流量對沖儲備
現金流量對沖儲備包括按附註2.7(b)所載就現金流量對沖所採納之會計政策，於有待已對沖現金流量其後確認之期間用於現金流量對沖之對沖工具累計公平價值變動淨額之有效部分。

(iv) 匯兑儲備
匯兑儲備包括因換算外國業務的財務報表而產生之所有匯兑差額。此等儲備按附註2.12(c)所述之會計政策處理。

(v) 一般儲備
本集團之一般儲備包括：

- 轉撥可供分派予本集團股東之保留溢利；及
- 附屬公司之法定盈餘儲備(相當於按中國法律及規例所規定之除稅後溢利撥款之10%及風險資產賬面值之1%)。此儲備用於沖銷累計虧損或增加資本。

於二零二零年十二月三十一日，本集團不須提取(二零一九年：1,332,243,000港元)「法定儲備」。法定儲備是為應付香港銀行業條例中訂明之審慎監察目的而設。該儲備之變動在向香港金融管理局作出徵詢後，直接透過保留溢利作出。

本集團股東應佔之綜合溢利中包括已於本銀行賬目處理之溢利3,822,269,000港元(二零一九年：6,734,430,000港元)。

41 RESERVES

41.1 Group

(i) Bank premises reserve
The property revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for land and buildings in note 2.13.

(ii) Fair value reserve
The fair value reserve comprises the cumulative net change in the fair value of debt securities and loan measured at FVTOCI until the financial assets are derecognized and is dealt with in accordance with the accounting policies in note 2.7(b).

(iii) Cash flow hedge reserve
The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges in note 2.7(b).

(iv) Exchange reserve
The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.12(c).

(v) General reserve
The general reserve of the Group is comprised of:

- the transfer of retained earnings which is distributable to the shareholders of the Group; and
- a statutory surplus reserve of a subsidiary represents 10% of the profit after tax appropriation and 1% of the book value of risk assets as required by law and regulation in the PRC. This reserve is used to offset accumulated losses or increase in capital.

As at 31 December 2020, the Group is not required to make "Regulatory Reserve" (2019: HK$1,332,243,000). The regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purpose. Movements in the reserve are made directly through retained earnings and in consultation with the Hong Kong Monetary Authority.

The consolidated profit attributable to shareholders of the Group includes a profit of HK$3,822,269,000 (2019: HK$6,734,430,000) which has been dealt with in the accounts of the Bank.

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41 儲備(續) 41 RESERVES (continued)

41.2 本銀行 41.2 Bank

		銀行房產重估儲備 Bank premises revaluation reserve 千港元 HK$'000	公平價值儲備(可轉回) Fair value reserve (recycling) 千港元 HK$'000	公平價值儲備(不可轉回) Fair value reserve (non-recycling) 千港元 HK$'000	匯兌儲備 Exchange reserve 千港元 HK$'000	現金流量對沖儲備 Cash flow hedge reserve 千港元 HK$'000	一般儲備 General reserve 千港元 HK$'000	保留溢利 Retained earnings 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零二零年一月一日	At 1 January 2020	469,876	365,263	(19,936)	183,410	(91,975)	219,200	49,312,831	50,438,669
以公平價值經其他全面收益入賬金融資產之公平價值變動	Change in fair value of financial assets measured at fair value through other comprehensive income	-	593,068	5,062	-	-	-	-	598,130
出售以公平價值經其他全面收益入賬投資證券之已變現儲備	Reserve realized on disposal of investment securities measured at fair value through other comprehensive income	-	32,445	-	-	-	-	-	32,445
現金流量對沖之公平價值變動	Change in fair value of cash flow hedge	-	-	-	-	(266,737)	-	-	(266,737)
銀行房產重估盈餘	Revaluation surplus on bank premises	786	-	-	-	-	-	-	786
年內溢利	Profit for the year	-	-	-	-	-	-	3,822,269	3,822,269
海外投資對沖儲備	Foreign investment hedging reserve	-	-	-	(375,221)	-	-	-	(375,221)
遞延稅項變動	Change in deferred tax	(130)	(103,209)	-	-	44,012	-	-	(59,327)
預期信用損失撥備之變動	Change in provision for ECL	-	9,535	-	-	-	-	-	9,535
其他調整項目	Other adjustments	-	-	-	-	-	-	(1,293,226)	(1,293,226)
於二零二零年十二月三十一日	At 31 December 2020	470,532	897,102	(14,874)	(191,811)	(314,700)	219,200	51,841,874	52,907,323

		銀行房產重估儲備 Bank premises revaluation reserve 千港元 HK$'000	公平價值儲備(可轉回) Fair value reserve (recycling) 千港元 HK$'000	公平價值儲備(不可轉回) Fair value reserve (non-recycling) 千港元 HK$'000	匯兌儲備 Exchange reserve 千港元 HK$'000	現金流量對沖儲備 Cash flow hedge reserve 千港元 HK$'000	一般儲備 General reserve 千港元 HK$'000	保留溢利 Retained earnings 千港元 HK$'000	總計 Total 千港元 HK$'000
於二零一九年一月一日	At 1 January 2019	473,428	(1,354,657)	(26,844)	85,836	79,009	219,200	43,885,714	43,361,686
以公平價值經其他全面收益入賬金融資產之公平價值變動	Change in fair value of financial assets measured at fair value through other comprehensive income	-	1,686,832	6,908	-	-	-	-	1,693,740
出售以公平價值經其他全面收益入賬投資證券之已變現儲備	Reserve realized on disposal of investment securities measured at fair value through other comprehensive income	-	326,092	-	-	-	-	-	326,092
現金流量對沖之公平價值變動	Change in fair value of cash flow hedge	-	-	-	-	(204,770)	-	-	(204,770)
銀行房產重估盈餘	Revaluation surplus on bank premises	(4,254)	-	-	-	-	-	-	(4,254)
年內溢利	Profit for the year	-	-	-	-	-	-	6,734,430	6,734,430
海外投資對沖儲備	Foreign investment hedging reserve	-	-	-	97,574	-	-	-	97,574
遞延稅項變動	Change in deferred tax	702	(332,133)	-	-	33,786	-	-	(297,645)
預期信用損失撥備之變動	Change in provision for ECL	-	39,129	-	-	-	-	-	39,129
其他調整項目	Other adjustments	-	-	-	-	-	-	(1,307,313)	(1,307,313)
於二零一九年十二月三十一日	At 31 December 2019	469,876	365,263	(19,936)	183,410	(91,975)	219,200	49,312,831	50,438,669

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42 關連交易

以下為於一般業務過程中與最終控股公司以及同系附屬公司和聯營公司訂立之結餘及交易概要，包括接納銀行同業之存款、相關之銀行交易及資產負債表外交易。該等活動乃於交易時間按有關市場利率定價。

42.1 最終控股公司

42 RELATED PARTY TRANSACTIONS

Listed out below is a summary of the balances and transactions entered into during the ordinary course of business with the ultimate holding company and fellow subsidiaries and associate, including the acceptance of placement of interbank deposits, corresponding banking transactions and off-balance sheet transactions. The activities were priced at the relevant market rates at the time of transactions.

42.1 Ultimate holding company

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**1,926,426**	2,724,447
利息支出	Interest expense	**611,134**	1,464,150
營業收入[1,2]	Operating income[1,2]	**1,067,154**	1,302,704
營業支出[3,4]	Operating expense[3,4]	**423,561**	645,724
應收金額	Amounts due from	**135,475,232**	127,137,580
應付金額	Amounts due to	**148,181,819**	105,111,323

1. 根據二零一七年六月二十日與二零一八年十二月十七日的協議，本銀行就提供會計與預算、內部稽核、市場推廣及後台清算及結算等服務而向中國工商銀行香港分行(「分行」)收取管理費收入。

2. 根據二零零七年九月四日訂立之託管代理協議以及二零零八年五月十六日、二零零九年十二月三十一日及二零一五年一月十九日訂立之補充託管代理協議，本銀行為最終控股公司之客戶就有關中國合資格境內機構投資者計劃於中國境外投資之若干投資產品提供託管、結算及交收服務而向最終控股公司收取服務費。

3. 根據本銀行於二零一九年八月二十八日訂立(經補充協議所修訂及補充)之服務協議以及本銀行一間附屬公司於二零一九年一月二十一日訂立之服務協議，本銀行及其附屬公司就最終控股公司所提供之數據處理服務支付服務費。

4. 根據日期為二零一九年二月二十日之租賃協議，已就租賃位於香港之物業向最終控股公司支付租金支出。

1. In accordance with the agreements dated 20 June 2017 and 17 December 2018, management fee income was received from the Hong Kong Branch of ICBC (the "Branch") for the provision of services such as accounting and budgeting, internal audit, marketing and back office settlement and clearing.

2. In accordance with the custodian and trustee services agreement dated 4 September 2007 and the supplemental custodian and trustee services agreements dated 16 May 2008, 31 December 2009 and 19 January 2015, services fees were paid by the ultimate holding company to the Bank for providing custodian, settlement and clearing services in relation to the investments outside the PRC in certain investment products by the customers of the ultimate holding company in connection with the Qualified Domestic Institutional Investor Scheme of the PRC.

3. In accordance with the service level agreements with the Bank dated 28 August 2019 (as amended and supplemented by supplemental agreements), and the service levels agreement with a subsidiary of the Bank dated 21 January 2019, service fee expense was paid to the ultimate holding company for the provision of data processing services to the Bank and its subsidiary.

4. In accordance with the tenancy agreement dated 20 February 2019, rental expense was paid to the ultimate holding company for the leasing of property located in Hong Kong.

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42 關連交易(續)

42.1 最終控股公司(續)

(i) 發行存款證

與最終控股公司之交易包括發行浮息存款證及後償浮息票據，兩者均由最終控股公司及其分行全數認購。於二零二零年十二月三十一日，發行予最終控股公司的分行所有存款證已獲償付(二零一九年：無)。

(ii) 承諾融資

於二零二零年十二月三十一日，本銀行已承諾向最終控股公司授出融資為數人民幣700,000,000元(二零一九年：人民幣700,000,000元)。本銀行亦收到最終控股公司就貸款作出之合計擔保為數6,237,457,000港元(二零一九年：9,254,815,000港元)。

(iii) 最終控股公司作出之承諾

為表示對本銀行之支持，最終控股公司於二零零一年七月三日簽署安慰函，據此，最終控股公司將向本銀行提供所需資金，以確保本銀行維持充足資本及流動資金水平。

於二零零一年七月三日，最終控股公司及本銀行訂立一份擔保協議，據此，最終控股公司同意就因根據業務轉讓協議轉讓予本銀行之若干「大額風險」客戶的付款責任作出高達9,000,000,000港元之擔保，及就該等客戶的任何責任未能依法執行而產生之任何損失對本銀行作出賠償保證。於二零二零年十二月三十一日，並無本銀行就該項擔保大額風險所保障之資產負債表項目(二零一九年：無)。

(iv) 從屬參與貸款

本銀行與分行訂立各類資本市場交易，其中包括安排參與／從屬參與貸款、買賣銀團或個別貸款的權益、認購及／或發行債券及節稅型融資。該等交易包括最終控股公司及／或分行從屬參與本銀行之貸款共計3,527,298,000港元(二零一九年：5,530,925,000港元)。於二零二零年，本銀行並無從屬參與分行的貸款(二零一九年：無)。於二零二零年，本銀行就上述交易向分行支付費用共約6,938,000港元(二零一九年：10,942,000港元)。該等交易乃按相關貸款協議之條款(如適用)或按可比較之現行市場價格，或以不遜於給予其他獨立銀團貸款成員之條款定價。

42 RELATED PARTY TRANSACTIONS (continued)

42.1 Ultimate holding company (continued)

(i) Certificate of deposit issued

Transactions with ultimate holding company included the issuance of floating rate certificates of deposit and subordinated floating rate notes, which were both fully subscribed by the ultimate holding company and its branches. As at 31 December 2020, all certificates of deposit issued to the Branch of ultimate holding company had been repaid (2019: Nil).

(ii) Committed facilities

As at 31 December 2020, the Bank has committed facilities to the ultimate holding company in the amount of RMB700,000,000 (2019: RMB700,000,000). The Bank also received conglomerate guarantee on loan from the ultimate holding company in the amount of HK$6,237,457,000 (2019: HK$9,254,815,000).

(iii) Undertaking from the ultimate holding company

To demonstrate its support to the Bank, a letter of comfort dated 3 July 2001 was executed by the ultimate holding company, pursuant to which it will provide the Bank with such funding as may be required by the Bank to ensure that it will maintain sufficient capital and liquidity levels.

Simultaneously on 3 July 2001, the ultimate holding company and the Bank entered into a guarantee agreement whereby the ultimate holding company agreed to guarantee to the extent of HK$9,000,000,000 the payment obligations of certain customers whose "large exposures" were transferred to the Bank pursuant to a business transfer agreement and to indemnify the Bank in respect of any losses incurred if any obligation of such customers becomes unenforceable. There was no such on-balance sheet large exposures of the Bank covered by this guarantee as at 31 December 2020 (2019: Nil).

(iv) Sub-participation of loans

The Bank entered into various capital markets transactions with the Branch, which include arranging participation/sub-participation in loans, acquiring and disposing of interests in syndicated or individual loans, subscribing to and/or issuing of debt securities and tax efficient financing. These transactions included sub-participation in loans of the Bank by the ultimate holding company and/or the Branch for a total of HK$3,527,298,000 (2019: HK$5,530,925,000). There was no sub-participation in loans of the Branch by the Bank in 2020 (2019: Nil). The total fee attributable to the above transactions of approximately HK$6,938,000 was paid by the Bank to the Branch in 2020 (2019: HK$10,942,000). These transactions were priced based either on the terms of the underlying loan agreement, if applicable, or prevailing market rates if such comparable rates were available, or on terms that were no less favorable than those available to other independent loan members.

42 關連交易(續) / 42 RELATED PARTY TRANSACTIONS (continued)

42.2 同系附屬公司 / 42.2 Fellow subsidiaries

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**128,865**	333,148
利息支出	Interest expense	**51,092**	38,195
營業收入	Operating income	**404,943**	614,517
營業支出	Operating expense	**208,785**	388,468
應收金額	Amounts due from	**5,409,937**	9,261,923
應付金額	Amounts due to	**2,274,156**	13,536,780

42.3 聯營公司 / 42.3 Associates

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**–**	212
利息支出	Interest expense	**7**	512
應收金額	Amounts due from	**–**	–
應付金額	Amounts due to	**947**	1,118

42.4 與其他國家控制實體及政府機關之交易 / 42.4 Transactions with other state controlled entities and government authority

與以下國家控制實體及政府機關的交易被視為對本集團來說屬個別地重要的交易或共同地重要的交易：

- 中國財政部
- 中央滙金投資有限責任公司(「滙金」)
- 滙金擁有股本權益之受中國政府指示之其他銀行及金融機構

Transactions with the following state-controlled entities and government authority are considered as individually significant or collectively significant to the Group:

- The Ministry of Finance of the PRC
- Central Huijin Investment Limited ("Huijin")
- Other banks and financial institutions under the direction of the PRC government in which Huijin has equity interests

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**1,475,400**	2,232,104
利息支出	Interest expense	**82,394**	100,864
營業收入	Operating income	**133,979**	69,306
營業支出	Operating expense	**19,894**	62,568
應收金額	Amounts due from	**53,134,036**	63,999,857
應付金額	Amounts due to	**3,469,928**	6,084,639

此外，本集團亦可能與其他國家控制實體及政府機關進行交易，包括但不限於存貸和提供金融產品或服務。管理層認為，與此等國家控制實體及政府機關進行的交易是於日常業務範圍內根據正常條款及條件以及按市場費率進行。因此，概無有關交易被視為屬個別地重要的交易。

In addition, the Group may also enter into transactions with other state-controlled entities and government authority, including but not limited to lending, deposit taking and the provision of financial products or services. In the opinion of management, transactions with these state-controlled entities and government authority were conducted in the ordinary course of business under normal terms and conditions and at market rates. As a result, none of these transactions are considered individually significant.

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42 關連交易(續)

42.5 主要行政人員酬金

主要行政人員酬金，包括本銀行董事酬金，如下：

		2020 千港元 HK$'000	2019 千港元 HK$'000
僱員福利	Employee benefits	**26,697**	24,838

42.6 與主要行政人員之重大交易

年內，本集團與關連人士在正常商業活動下進行之銀行交易，包括貸款及其他賬項、存款及其他金融相關交易。關連人士包括本銀行之主要行政人員、其家庭成員及受其控制或重大影響之公司。

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**918**	178
利息支出	Interest expense	**2,140**	2,600
貸款及其他賬項	Loans and advances	**36,818**	18,386
存款	Deposits	**87,949**	163,904

42.7 給予董事及與董事有關連之實體之貸款

根據香港公司條例第383(1)(d)條及公司(披露董事利益資料)規例第3部分披露向本銀行的董事作出貸款，包括向董事控制的法團貸款如下：

		於十二月三十一日之未償還餘額 Balance outstanding at 31 December		年內最高結餘 Maximum balance during the year	
		2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000
未償還本金及利息總額	Aggregate amount outstanding in respect of principal and interest	**136**	200	**699**	447

42 RELATED PARTY TRANSACTIONS (continued)

42.5 Key management personnel remuneration

Remuneration for key management personnel, including the Bank's directors' emoluments, is as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
僱員福利	Employee benefits	**26,697**	24,838

42.6 Material transactions with key management personnel

During the year, the Group entered into certain banking transactions consisting of loans and advances, deposits and other financial related transactions with related parties in the normal course of business. The related parties include key management personnel of the Bank, their close family members and companies controlled or significantly influenced by them.

		2020 千港元 HK$'000	2019 千港元 HK$'000
利息收入	Interest income	**918**	178
利息支出	Interest expense	**2,140**	2,600
貸款及其他賬項	Loans and advances	**36,818**	18,386
存款	Deposits	**87,949**	163,904

42.7 Loans to directors and entities connected with directors

Loans to directors of the Bank, including loans to bodies corporate controlled by them, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		於十二月三十一日之未償還餘額 Balance outstanding at 31 December		年內最高結餘 Maximum balance during the year	
		2020 千港元 HK$'000	2019 千港元 HK$'000	2020 千港元 HK$'000	2019 千港元 HK$'000
未償還本金及利息總額	Aggregate amount outstanding in respect of principal and interest	**136**	200	**699**	447

43 金融資產的轉讓

在日常業務中，本集團進行的某些交易會將已確認的金融資產轉讓給第三方。在某些情況，這些轉讓可能令到終止確認全部或部分相關金融資產。在其他情況下，本集團保留了已轉讓資產的絕大部分風險與回報，故該等資產不符合終止確認的條件，本集團繼續確認已轉讓資產。

回購交易及借出證券交易

不符合終止確認準則的已轉讓金融資產主要為回購協議中作為抵押品由對手方持有的債券以及根據借出證券協議借予對手方的債券。對手方在本集團無任何違約的情況下，可以將協議下售予彼等的證券出售或再次用於擔保以作回購，但同時需承擔在合約到期時歸還該等證券的義務。在某些情況下，若相關證券價值上升或下降，本集團可以要求或被要求支付額外的現金抵押品。本集團認為本集團保留了相關證券的大部分風險和回報，故未對其終止確認。同時，本集團將收到的現金抵押品確認為一項金融負債。

下表為上述已轉讓給第三方而不符合終止確認條件的金融資產及相關金融負債的賬面值分析：

43 TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the normal course of business by which it transfers recognised financial assets to third parties. In some cases these transfers may give rise to full or partial derecognition of the financial assets concerned. In other cases where the transferred assets do not qualify for derecognition as the Group has retained substantially all the risks and rewards of these assets, the Group continued to recognize the transferred assets.

Repurchase transactions and securities lending transactions

Transferred financial assets that do not qualify for derecognition mainly include debt securities held by counterparties as collateral under repurchase agreements and debt securities lent to counterparties under securities lending agreements. The counterparties are allowed to sell or repledge those securities sold under agreements to repurchase in the absence of default by the Group, but has an obligation to return the securities at the maturity of the contract. If the securities increase or decrease in value, the Group may in certain circumstances require or be required to pay additional cash collateral. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognised them. In addition, it recognises a financial liability for cash received as collateral.

The following table analyses the carrying amount of the above mentioned financial assets transferred to third parties that did not qualify for derecognition and their associated financial liabilities:

		二零二零年十二月三十一日 31 December 2020	
		轉讓資產的賬面值 Carrying amount of transferred Assets 千港元 HK$'000	**相關負債的賬面值 Carrying amount of associated liabilities 千港元 HK$'000**
回購協議	Repurchase agreements	**2,282,694**	**–**
借出證券協議	Securities lending agreements	**6,563,310**	**5,792,175**

		二零一九年十二月三十一日 31 December 2019	
		轉讓資產的賬面值 Carrying amount of transferred assets 千港元 HK$'000	相關負債的賬面值 Carrying amount of associated liabilities 千港元 HK$'000
回購協議	Repurchase agreements	7,899,200	4,800,100
借出證券協議	Securities lending agreements	12,569,282	11,451,058

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43 金融資產的轉讓(續)

貼現票據交易

在日常業務中，本集團進行的貼現票據交易會將附有追溯權條款的貼現票據轉讓給位於中國的第三方，令本集團繼續參與已轉讓的資產。於二零二零年十二月三十一日，本集團並無保留這些已轉讓但未到期的中國貼現票據的責任(二零一九年：1,232,108港元)。

43 TRANSFERRED FINANCIAL ASSETS (continued)

Discounted bills transactions

The Group enters into discounted bills transactions in the normal course of business by which it transfers discounted bills to third parties in the PRC with recourse term which would give rise to the Group's continuing involvement in the transferred assets. As at 31 December 2020, the Group did not retain obligation on those PRC discounted bills transferred but not matured (2019: HK$1,232,108).

44 資產負債表外風險

44.1 或然負債及承擔

以下為每個主要類別的或然負債及承擔的合約金額概要：

44 OFF-BALANCE SHEET EXPOSURES

44.1 Contingent liabilities and commitments

The following are summaries of the contractual amounts of each significant class of contingent liabilities and commitments:

		2020 合約金額 Contractual amount 千港元 HK$'000	**2020 信用風險加權額 Credit risk weighted 千港元 HK$'000**	2019 合約金額 Contractual amount 千港元 HK$'000	2019 信用風險加權額 Credit risk weighted 千港元 HK$'000
直接信貸代替品	Direct credit substitutes	**6,761,051**	**5,584,145**	4,723,364	3,474,610
與交易有關之或然事項	Transaction-related contingencies	**102,310**	**38,066**	99,907	46,397
與貿易有關之或然事項	Trade-related contingencies	**14,850,549**	**2,901,242**	7,759,587	1,513,245
遠期有期存款	Forward forward deposits placed	**1,482,557**	**596,511**	4,000,000	800,000
原到期日如下之其他承擔：	Other commitments with an original maturity of:				
可無條件撤銷	Unconditionally cancellable	**145,714,654**	**–**	157,913,997	–
原到期日少於一年	With original maturity of less than one year	**–**	**–**	–	–
原到期日在一年以上	With original maturity of over one year	**44,848,872**	**21,122,500**	58,873,304	29,011,392
		213,759,993	**30,242,464**	233,370,159	34,845,644

或然負債及承擔來自遠期資產購置、只繳付部分股款之股份及證券欠付之金額、遠期有期存款、附追溯權之資產銷售或其他交易，以及信貸相關工具，包括信用證、擔保和批授信貸之承擔。此等信貸相關工具所涉及之風險大致上與向客戶授出貸款融資所涉及之信用風險相同。合約金額為倘合約金額被全數提取及客戶拖欠還款而承擔風險之額。由於融資有可能在未經提取下屆滿，合約金額不等於預期未來現金流量。

Contingent liabilities and commitments arise from forward asset purchases, amounts owing on partly paid-up shares and securities, forward forward deposits placed, asset sales or other transactions with recourse, as well as credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

計算信用風險加權金額所用之風險比重介乎0%至100%。

The risk weights used in the computation of credit risk weighted amounts range from 0% to 100%.

44 資產負債表外風險(續)

44.2 資本承擔

於二零二零年十二月三十一日之未於財務報表內撥備的物業及設備資本承擔餘額如下：

44 OFF-BALANCE SHEET EXPOSURES (continued)

44.2 Capital commitments

Capital commitments for property, plant and equipment outstanding as at 31 December 2020 not provided for in the financial statements were as follows:

		本集團 Group	
		2020 千港元 HK$'000	2019 千港元 HK$'000
已訂約惟未撥備之支出	Expenditure contracted but not provided for	**11,526**	4,718
已授權惟未訂約之支出	Expenditure authorised but not contracted for	**3,924**	9,336
		15,450	14,054

44.3 經營租約承擔

於二零二零年十二月三十一日，本集團及本銀行根據不可撤銷的經營租約於未來應付的最低租金總額如下：

44.3 Operating lease commitments

At 31 December 2020, the Group and the Bank had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
土地及樓宇	Land and buildings		
一一年或以內	– Not later than one year	**11,343**	8,664
一一年以上及五年或以內	– Later than one year and not later than five years	**19,694**	41
一五年以上	– More than five years	**–**	8
		31,037	8,713

本集團為先前根據香港會計準則第17號分類為經營租賃之租賃項下持有的若干物業以及廠房及機器及辦公室設備項目之承租人。自二零一九年一月一日起，未來租賃付款根據載於附註2.21之政策於財務狀況表中確認為租賃負債。有關本集團未來租賃付款之詳情於附註38.1披露。

The Group is the lessee in respect of a number of properties and items of plant and machinery and office equipment held under leases which were previously classified as operating leases under HKAS 17. From 1 January 2019 onward, future lease payments are recognized as lease liabilities in the statement of financial position in accordance with the policies set out in note 2.21, and the details regarding the Group's future lease payments are disclosed in note 38.1.

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44 資產負債表外風險(續)

44.4 經營租約安排

本集團根據經營租約安排按商定年期為兩至八年之租約出租其投資物業(見財務報表附註30)。租約條款一般亦規定承租人須支付抵押按金,並訂明定期根據當時市況對租金作出調整。

於二零二零年十二月三十一日,本集團按以下到期期限根據不可撤銷的經營租約於未來應收其承租人的最低租金總額如下:

44 OFF-BALANCE SHEET EXPOSURES (continued)

44.4 Operating lease arrangements

The Group leases its investment properties (Note 30 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to eight years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At as 31 December 2020, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2020 **千港元** **HK$'000**	2019 千港元 HK$'000
一年內	Within one year	**4,432**	4,939
第二至五年(包括首尾兩年)	In the second to fifth years, inclusive	**10,207**	12,291
		14,639	17,230

年內,本集團概無未確認應收或然租金(二零一九年:無)。

During the year, the Group had no unrecognized contingent rentals receivable (2019: Nil).

45 金融資產及金融負債之抵銷

金融資產受限於抵銷、可強制執行的總淨額結算安排及類似協議

45 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

					並無於資產負債表內抵銷之金額 Amounts not offset in the balance sheet		
於二零二零年十二月三十一日	At 31 December 2020	已確認金融資產之總額 Gross amounts of recognised financial assets 千港元 HK$'000	於資產負債表內抵銷之總額 Gross amounts offset in the balance sheet 千港元 HK$'000	於資產負債表呈列之淨額 Net amounts presented in the balance sheet 千港元 HK$'000	金融工具 Financial instruments 千港元 HK$'000	已收現金抵押品 Cash collateral received 千港元 HK$'000	淨額 Net amount 千港元 HK$'000
衍生金融資產	Derivative financial assets	8,572,833	–	8,572,833	(1,825,555)	(1,902,084)	4,845,194
其他資產	Other assets	279,231	–	279,231	(150,401)	–	128,830
		8,852,064	–	8,852,064	(1,975,956)	(1,902,084)	4,974,024

					並無於資產負債表內抵銷之金額 Amounts not offset in the balance sheet		
於二零二零年十二月三十一日	At 31 December 2020	已確認金融負債之總額 Gross amounts of recognised financial liabilities 千港元 HK$'000	於資產負債表內抵銷之總額 Gross amounts offset in the balance sheet 千港元 HK$'000	於資產負債表呈列之淨額 Net amounts presented in the balance sheet 千港元 HK$'000	金融工具 Financial instruments 千港元 HK$'000	已抵押現金抵押品 Cash collateral pledged 千港元 HK$'000	淨額 Net amount 千港元 HK$'000
衍生金融負債	Derivative financial liabilities	2,673,790	–	2,673,790	(1,825,555)	(1,189,486)	(341,251)
其他負債	Other liabilities	249,023	–	249,023	(150,401)	–	98,622
		2,922,813	–	2,922,813	(1,975,956)	(1,189,486)	(242,629)

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45 金融資產及金融負債之抵銷(續)

45 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

					並無於資產負債表內抵銷之金額 Amounts not offset in the balance sheet		
		已確認金融資產之總額 Gross amounts of recognized financial assets	於資產負債表內抵銷之總額 Gross amounts offset in the balance sheet	於資產負債表呈列之淨額 Net amounts presented in the balance sheet	金融工具 Financial instruments	已收現金抵押品 Cash collateral received	淨額 Net amount
於二零一九年十二月三十一日	At 31 December 2019	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000
衍生金融資產	Derivative financial assets	8,853,510	–	8,853,510	(2,024,400)	(869,435)	5,959,675
其他資產	Other assets	452,683	–	452,683	(344,528)	–	108,155
		9,306,193	–	9,306,193	(2,368,928)	(869,435)	6,067,830

					並無於資產負債表內抵銷之金額 Amounts not offset in the balance sheet		
		已確認金融負債之總額 Gross amounts of recognized financial liabilities	於資產負債表內抵銷之總額 Gross amounts offset in the balance sheet	於資產負債表呈列之淨額 Net amounts presented in the balance sheet	金融工具 Financial instruments	已抵押現金抵押品 Cash collateral pledged	淨額 Net amount
於二零一九年十二月三十一日	At 31 December 2019	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000	千港元 HK$'000
衍生金融負債	Derivative financial liabilities	3,521,168	–	3,521,168	(2,024,400)	(785,223)	711,545
其他負債	Other liabilities	520,574	–	520,574	(344,528)	–	176,046
		4,041,742	–	4,041,742	(2,368,928)	(785,223)	887,591

如有合法可強制執行權利抵銷已確認金額，並有意按淨額基準進行結算或同時變現資產及償還負債，金融資產及金融負債將進行抵銷並於資產負債表內按淨額呈列。

列入並無於資產負債表進行抵銷之金額內之衍生工具和轉售／回購協議與以下交易有關：

- 對手方與本集團之間有可抵銷持倉並且已制定總淨額結算或類似安排，但附帶只在發生違約事件、資不抵債或破產情況下方可進行抵銷之權利，否則抵銷條件未能達成；及
- 就上述交易已收／已抵押之現金抵押品。

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

Derivatives and reverse repurchase/repurchase agreements included in amounts not offset in the balance sheet relate to transactions where:

- the counterparty has an offsetting exposure with the Group and a master netting or similar arrangement is in place with a right of set off only in the event of default, insolvency or bankruptcy, or the offset criteria are otherwise not satisfied; and
- cash collateral received/pledged in respect of the transactions described above.

45 金融資產及金融負債之抵銷(續)

下表為上文所載「於綜合財務狀況表呈列之金融資產及金融負債淨額」與於綜合財務狀況表呈列之衍生工具資產、其他資產、衍生工具負債及其他負債之對賬。

45 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The tables below reconcile the "net amounts of financial assets and financial liabilities presented in the consolidated statement of financial position", as set out above, to the derivative assets, other assets, derivative liabilities and other liabilities presented in the consolidated statement of financial position.

		二零二零年十二月三十一日 31 Dec 2020		二零一九年十二月三十一日 31 Dec 2019	
		衍生工具資產 Derivative assets 千港元 HK$'000	**其他資產 Other assets 千港元 HK$'000**	衍生工具資產 Derivative assets 千港元 HK$'000	其他資產 Other assets 千港元 HK$'000
上述抵銷後之金融資產淨額	Net amount of financial assets after offsetting as stated above	**8,572,833**	**279,231**	8,853,510	452,683
不在抵銷披露範圍內之金融資產	Financial assets not in scope of offsetting disclosure	**7,892,354**	**16,343,689**	1,337,149	16,532,724
		16,465,187	**16,622,920**	10,190,659	16,985,407

		二零二零年十二月三十一日 31 Dec 2020		二零一九年十二月三十一日 31 Dec 2019	
		衍生工具負債 Derivative liabilities 千港元 HK$'000	**其他負債 Other liabilities 千港元 HK$'000**	衍生工具負債 Derivative liabilities 千港元 HK$'000	其他負債 Other liabilities 千港元 HK$'000
上述抵銷後之金融負債淨額	Net amount of financial liabilities after offsetting as stated above	**2,673,790**	**249,023**	3,521,168	520,574
不在抵銷披露範圍內之金融負債	Financial liabilities not in scope of offsetting disclosure	**12,950,407**	**15,750,033**	4,246,906	23,962,847
		15,624,197	**15,999,056**	7,768,074	24,483,421

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46 本銀行層面的財務狀況表 / 46 BANK LEVEL STATEMENT OF FINANCIAL POSITION

		二零二零年十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年十二月三十一日 31 December 2019 千港元 HK$'000
資產	**Assets**		
現金及在銀行同業及其他金融機構之結餘	Cash and balances with banks and other financial institutions	**107,507,731**	125,804,576
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	**106,455,509**	116,457,034
持作交易用途金融資產	Financial assets held for trading	**–**	492,484
以公平價值經損益表入賬金融資產	Financial assets at fair value through profit or loss	**470,123**	453,604
衍生金融工具	Derivative financial instruments	**15,593,573**	10,156,054
貸款及其他賬項	Advances and other accounts	**394,949,925**	381,145,564
金融投資：	Financial investments:	**150,662,314**	165,390,314
－以公平價值經其他全面收益入賬	– Measured at fair value through other comprehensive income	**123,445,477**	138,090,971
－以攤銷成本入賬	– Measured at amortised cost	**27,216,837**	27,299,343
於聯營公司之投資	Investments in associates	**151,955**	76,955
於附屬公司之投資	Investments in subsidiaries	**12,281,535**	12,048,873
商譽及其他無形資產	Goodwill and other intangible assets	**948,130**	948,767
投資物業	Investment properties	**93,100**	98,600
物業及設備	Property, plant and equipment	**1,888,358**	1,654,414
遞延所得稅資產	Deferred income tax assets	**358,207**	215,625
其他資產	Other assets	**15,978,778**	16,912,254
資產總額	**Total assets**	**807,339,238**	831,855,118
負債	**Liabilities**		
銀行同業及其他金融機構之存款	Deposits from banks and other financial institutions	**162,043,088**	158,752,110
衍生金融工具	Derivative financial instruments	**15,236,825**	7,761,619
客戶存款	Deposits from customers	**471,478,918**	488,288,271
已發行存款證	Certificates of deposit issued	**7,045,548**	8,368,974
已發行債券	Debt securities in issue	**10,920,365**	17,465,027
－指定以公平價值經損益表入賬	– Designated at fair value through profit or loss	**7,373,240**	8,425,301
－以攤銷成本入賬	– Measured at amortised cost	**3,547,125**	9,039,726
現行所得稅負債	Current income tax liabilities	**862,295**	1,562,075
以攤銷成本入賬之後償債項	Subordinated debts measured at amortised cost	**–**	3,889,974
其他負債	Other liabilities	**15,021,538**	23,505,061
負債總額	**Total liabilities**	**682,608,577**	709,593,111
權益	**Equity**		
股本	Share capital	**44,187,631**	44,187,631
保留溢利	Retained earnings	**51,841,874**	49,312,831
其他儲備	Other reserves	**1,065,449**	1,125,838
歸屬於本銀行股東權益總額	Total equity attributable to shareholders of the Bank	**97,094,954**	94,626,300
額外權益工具	Additional equity instruments	**27,635,707**	27,635,707
權益總額	**Total equity**	**124,730,661**	122,262,007
權益及負債總額	**Total equity and liabilities**	**807,339,238**	831,855,118

高明 *主席兼執行董事*　**武龍** *副主席、執行董事兼行政總裁*

Gao Ming *Chairman & Executive Director*　**Wu Long** *Vice Chairman, Executive Director & Chief Executive Officer*

財務報表附註
Notes to the Financial Statements

截至二零二零年十二月三十一日止年度
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47 最終控股公司

董事認為，於中國註冊成立之中國工商銀行股份有限公司乃本銀行之最終控股公司。該公司將刊發財務報表供公眾使用。

47 THE ULTIMATE HOLDING COMPANY

In the opinion of the directors, the ultimate holding company of the Bank is Industrial and Commercial Bank of China Limited, which is established in the PRC and produces financial statements available for public use.

48 未納入綜合財務報表範圍的結構化主體中的權益

本集團通過投資第三方機構發起設立的若干結構化主體發行的票據，持有該等結構化主體的權益。這些結構化主體未納入本集團的綜合財務報表範圍，包括投資基金及專項資產管理計劃。這些結構化主體的性質和目的是代為管理投資者的資產以賺取費用，其融資方式是向投資者發行票據。

下表載列本集團於第三方機構發起設立的結構化主體中持有的權益，按賬面值分析：

48 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

The Group holds an interest in some structured entities sponsored by third party institutions through investments in the notes issued by these structured entities. Such structured entities include investment funds and segregated asset management plans and the Group does not consolidate these structured entities. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors and are financed through the issue of notes to investors.

The following table sets out an analysis of the carrying amounts of interests held by the Group in the structured entities sponsored by third party institutions:

		二零二零年十二月三十一日 31 December 2020	
		賬面值 Carrying amount 千港元 HK$'000	**最大損失敞口 Maximum exposure 千港元 HK$'000**
投資基金	Investment funds	**7,783,663**	**7,783,663**
專項資產管理計劃	Segregated asset management plans	**–**	**–**
		7,783,663	**7,783,663**

		二零一九年十二月三十一日 31 December 2019	
		賬面值 Carrying amount 千港元 HK$'000	最大損失敞口 Maximum exposure 千港元 HK$'000
投資基金	Investment funds	7,954,486	7,954,486
專項資產管理計劃	Segregated asset management plans	163,064	163,064
		8,117,550	8,117,550

財務報表附註
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For the year ended 31 December 2020

48 未納入綜合財務報表範圍的結構化主體中的權益(續)

下表載列與本集團於第三方發起設立的結構化主體中的權益有關的已確認資產，其於財務狀況表中單項的分析：

48 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES (continued)

The following table sets out an analysis of the line items in the statement of financial position as in which assets were recognised relating to the Group's interests in structured entities sponsored by third parties:

		二零二零年十二月三十一日 31 December 2020		
		貸款 Loans 千港元 HK$'000	**以公平價值經損益表入賬金融資產 Financial assets at FVTPL 千港元 HK$'000**	**衍生金融資產 Derivative financial assets 千港元 HK$'000**
投資基金	Investment funds	**4,250,429**	**470,123**	**3,063,111**
專項資產管理計劃	Segregated asset management plans	–	–	–
		4,250,429	**470,123**	**3,063,111**

		二零一九年十二月三十一日 31 December 2019		
		貸款 Loans 千港元 HK$'000	以公平價值經損益表入賬金融資產 Financial assets at FVTPL 千港元 HK$'000	衍生金融資產 Derivative financial assets 千港元 HK$'000
投資基金	Investment funds	4,258,209	453,604	3,242,673
專項資產管理計劃	Segregated asset management plans	–	163,064	–
		4,258,209	616,668	3,242,673

財務報表附註
Notes to the Financial Statements

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

49 綜合現金流量表附註

與綜合財務狀況表之對賬：

49 NOTES ON CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation with the consolidated statement of financial position:

		二零二零年十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年十二月三十一日 31 December 2019 千港元 HK$'000
現金及在銀行同業及其他金融機構之結存	Cash and balances with banks and other financial institutions	**118,727,991**	138,338,758
在銀行同業及其他金融機構之存款	Placements with banks and other financial institutions	**103,478,432**	104,951,872
綜合財務狀況表內顯示之金額	Amounts shown in the consolidated statement of financial position	**222,206,423**	243,290,630
減：原到期日為三個月以上之金額	Less: amounts with original maturity of beyond three months	**94,438,876**	102,524,561
簡明綜合現金流量表內之現金及等同現金項目	Cash and cash equivalents in the condensed consolidated cash flow statement	**127,767,547**	140,766,069

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

下列資料僅披露為財務報表附加資料之部分，並不構成經審核財務報表任何部分。

1 資本充足及資本基礎

資本充足比率乃根據香港金融管理局所頒布的銀行業(資本)規則(「資本規則」)編制。該等比率乃根據因應實施巴塞爾資本協定三而經修訂並於二零一三年一月一日生效的資本規則編製。本集團因資本規則而採納「標準(信用風險)計算法」計算信用風險之風險加權資產、採納「基本指標計算法」計算業務運作風險及採納「標準(市場風險)計算法」計算市場風險。

正如財務報表附註2所述，用於財務會計的綜合基準乃按照《香港財務報告準則》(「《香港財務報告準則》」)而編制。根據資本規則第3C(1)條，就監管而言被綜合的附屬公司，均會列在由香港金融管理局發出的通知。

根據資本規則，計算資本比率之綜合基準乃跟隨財務報告之綜合基準，但撇除資本規則定義為「受規管金融實體」(如保險及證券公司)之附屬公司。因此，該等未綜合之附屬公司之投資成本會從資本基礎中扣除。該等未綜合附屬公司概無任何資金短缺。

The following information is disclosed as part of the accompanying information to the financial statements and does not form part of the audited financial statements.

1 CAPITAL ADEQUACY AND CAPITAL BASE

Capital adequacy ratios were compiled in accordance with the Banking (Capital) Rules (the "Capital Rules") issued by the HKMA. The ratios were compiled in accordance with the amended Capital Rules effective from 1st January 2013 for the implementation of the "Basel III" capital accord. In view of the Capital Rules, the Group has adopted the "standarised (credit risk) approach" for the calculation of the risk-weighted assets for credit risk, "basic indicator approach" for the calculation of the operational risk and the "standarised (market risk) approach" for the calculation of market risk.

The basis of consolidation for financial accounting purposes is in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), as described in Note 2 on the notes to the financial statements. Subsidiaries included in the consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with section 3C(1) of the Capital Rules.

Under the Capital Rules, the basis of consolidation in calculating the capital ratios follows that of the financial reporting with the exclusion of subsidiaries which are "regulated financial entities" (e.g., Insurance and securities companies) as defined by the Capital Rules. Accordingly, the investment costs of these unconsolidated subsidiaries are deducted from the capital base. There is no capital shortfall of these unconsolidated subsidiaries.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

1 資本充足及資本基礎(續)

下表列示此等未綜合附屬公司：

1 CAPITAL ADEQUACY AND CAPITAL BASE (continued)

A list of these unconsolidated subsidiaries is shown below:

主要活動	Principal activities	於二零二零年十二月三十一日 At 31 December 2020 總資產 Total assets 千港元 HK$'000	總權益 Total equity 千港元 HK$'000
工銀亞洲金業有限公司 ICBC (Asia) Bullion Company Limited	提供黃金業務 Provision of bullion business	**7,251**	**7,240**
工銀亞洲期貨有限公司 ICBC (Asia) Futures Company Limited	無營業 Inactive	**103,126**	**103,086**
工銀資管（全球）有限公司* ICBC Asset Management (Global) Company Limited*	提供資產管理服務 Provision of asset management services	**467,979**	**423,598**
工銀亞洲証券有限公司 ICBC (Asia) Securities Limited	提供證券經紀服務 Provision of securities brokerage services	**3,118,571**	**1,149,277**
工銀亞洲信託有限公司 ICBC (Asia) Trustee Company Limited	提供信託服務 Provision of trustee services	**108,761**	**107,587**
工銀亞洲金融服務有限公司 ICBC (Asia) Financial Services Company Limited	提供信託及公司服務 Provision of trustee and company services	–	–
大中華基金 Greater China Fund	信託基金 Trust fund	**5,414,849**	**5,403,104**

* 包括名為工銀亞投股權投資管理(深圳)有限公司的綜合附屬公司

* Included a consolidated subsidiary in the name of ICBC (Asia) Investment Management (Shenzhen) Co., Ltd.

於二零二零年十二月三十一日，概無在會計及監管而言均被包含在綜合範圍內、但綜合方法有別之附屬公司。亦概無任何附屬公司僅包含在就監管而言的綜合範圍內，而不包含在就會計而言的綜合範圍內。

As at 31 December 2020, there are no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation but the method of consolidation differs. There are also no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

1 資本充足及資本基礎(續)

本集團於不同國家及地區營運之附屬公司，其資本受當地條例所規管而可能限制法定資本及資金在集團成員公司之間調撥。

1 CAPITAL ADEQUACY AND CAPITAL BASE (continued)

The Group operates a subsidiary in other countries and territories where capital is governed by local rules and there may be restrictions on the transfer of regulatory capital and funds between members of the Group.

		二零二零年 十二月三十一日 31 December 2020 千港元 HK$'000	二零一九年 十二月三十一日 31 December 2019 千港元 HK$'000
普通股權一級資本	Common Equity Tier 1 ("CET1") Capital		
普通股權一級資本工具	CET1 capital instruments	**44,187,631**	44,187,631
普通股權一級資本工具產生的股份溢價	Share premium arising from CET1 capital instruments	**–**	–
保留溢利	Retained earnings	**60,700,240**	56,716,165
其中：本財政年度未經審核的損益與待審計完成的上一財政年度損益	of which: unaudited profit or loss of the current financial year and profit or loss of the immediately preceding financial year pending audit completion	**5,277,301**	8,030,034
披露儲備	Disclosed reserves	**3,402,337**	3,735,870
其中：以公平價值經其他全面收益入賬－金融資產	of which: fair value through other comprehensive income – financial assets	**(223,258)**	129,234
普通股權一級資本(扣減前)	CET1 Capital before deductions	**108,290,208**	104,639,666
扣減：	Deduct:		
與金融工具對沖有關並且在資產負債表中並非以公平價值入賬的累計現金流量對沖儲備	Cumulative cash flow hedge reserves that relate to the hedging of financial instruments that are not fair valued on the balance sheet	**696,583**	137,771
以公平價值入賬及因本身之信用風險變動而產生之機構負債累計公平價值損益	Cumulative fair value gains or losses on liabilities of the institution that are fair-valued and result from changes in the own credit risk	**–**	–
土地及樓宇重估所產生的累計公平價值收益	Cumulative fair value gains arising from the revaluation of land and buildings	**(618,302)**	(654,494)
一般銀行風險的監管儲備	Regulatory reserve for general banking risk	**–**	(1,332,243)
商譽(扣除相關遞延稅項負債)	Goodwill (net of related deferred tax liability)	**(980,154)**	(980,154)
其他無形資產(扣除相關遞延稅項負債)	Other intangible assets (net of related deferred tax liability)	**(19,898)**	(14,872)
超出遞延稅項負債的遞延稅項資產	Deferred tax assets in excess of deferred tax liabilities	**(656,552)**	(379,507)
機構持有土地及樓宇產生的低於已折舊成本的累計虧損	Cumulative losses below depreciated cost arising from the Institution's holdings of land and building	**(282)**	(286)
有關衍生工具合約之負債估值調整	Debit valuation adjustments in respect of derivative contracts	**(27,968)**	(4,078)
普通股權一級資本(扣減後)	CET1 Capital after deductions	**106,683,635**	101,411,803
增加：	Add:		
額外一級資本(扣減後)	Additional Tier 1 Capital after deductions	**27,398,509**	27,518,149
一級資本(扣減後)	Tier 1 Capital after deductions	**134,082,144**	128,929,952
普通股權二級資本	Common Equity Tier 2 ("CET2") Capital		
已發行二級資本工具及股份溢價	Tier 2 capital instruments issued and share premium	**–**	774,581
其中：需除去金額	of which: amount that is subject to phase out	**–**	774,581
持有的土地及樓宇重估公平價值收益貢獻的儲備	Reserve attributable to fair value gains on revaluation of holdings of land and buildings	**278,236**	294,522
一般銀行風險之監管儲備及列入二級資本的組合撥備(限於1.25%的風險加權金額)	Regulatory reserve for general banking risks and collective provisions included in Tier 2 Capital (limited to 1.25% of risk-weighted amount)	**5,263,127**	4,705,055
二級資本(扣減前)	Tier 2 Capital before deductions	**5,541,363**	5,774,158
扣減	Deductions	**–**	–
二級資本(扣減後)	Tier 2 Capital after deductions	**5,541,363**	5,774,158
扣減後資本基礎總額	Total capital base after deductions	**139,623,507**	134,704,110

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

1 資本充足及資本基礎(續) / 1 CAPITAL ADEQUACY AND CAPITAL BASE (continued)

			二零二零年 十二月三十一日 31 December 2020 千港元 HK$'000	重列 二零一九年 十二月三十一日 Restated 31 December 2019 千港元 HK$'000
風險加權資產	Risk-weighted assets			
信用風險	Credit risk		**613,307,703**	606,055,177
市場風險	Market risk		**22,196,000**	22,935,450
運作風險	Operational risk		**26,332,163**	26,478,438
扣除：一般銀行業風險之監管儲備部分及並無包括在二級資本內的組合撥備	Deduct:	Portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 capital	–	–
不包括在二級資本內的由土地及樓宇重估所產生的累計公平價值收益部分		Portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 capital	**(340,066)**	(359,972)
風險加權資產總值	Total risk-weighted assets		**661,495,800**	655,059,093

		二零二零年 十二月三十一日 31 Dec 2020	重列 二零一九年 十二月三十一日 Restated 31 Dec 2019
普通股權一級資本比率	CET1 capital ratio	**16.13%**	15.48%
一級資本比率	Tier 1 capital ratio	**20.27%**	19.68%
總資本比率	Total capital ratio	**21.11%**	20.56%
防護緩衝資本比率	Capital conservation buffer ratio	**2.50%**	2.50%

為符合銀行業(披露)規則，本集團已在本銀行網站內增設「監管資本披露」一節，披露一切關於監管資本工具，以及就本集團已公佈之年度財務披露報表而作出之全部對賬的資料。

To comply with the Banking (Disclosure) Rules, the Group has established a new section "Regulatory Capital Disclosure" on its website to house all the information relating to the disclosure of regulatory capital instruments and the reconciliation to the Group's published annual financial disclosure statements.

有關披露包括下列資料已於本集團之網站(www.icbcasia.com)按銀行業(披露)規則公佈：

The disclosure has been published on its website (www.icbcasia.com) according to the Banking (Disclosure) Rules and included the following information:

- 本集團之普通股權一級資本、額外一級資本及二級資本之主要特點及全部條款及條件。
- A description of the main features and the full terms and conditions of the Group's CET1 capital, Additional Tier 1 capital, Tier 2 capital.
- 本集團採用金管局要求之標準範本披露本集團之普通股權一級資本、額外一級資本、二級資本，以及監管扣減之詳情。
- A detailed breakdown of the Group's CET1 capital, Additional Tier 1 capital, Tier 2 capital and regulatory deductions, using the standard template as specified by the HKMA.
- 本集團採用金管局要求之標準範本披露本集團就財務及監管資產負債表作出之全部對賬。
- A full reconciliation between the Group's accounting and regulatory balance sheets, using the standard template as specified by the HKMA.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

2 流動資金覆蓋比率

本集團每日遵守根據香港金融管理局發出的銀行業(流動性)規則規定的最低流動資金覆蓋比率(「流動資金覆蓋比率」)100%的要求。

2 LIQUIDITY COVERAGE RATIO

The Group complies with the minimum requirement of 100% of Liquidity Coverage Ratio ("LCR") on a daily basis, in accordance with the Banking (Liquidity) Rules issued by the HKMA.

		2020	2019
平均流動資金覆蓋比率	Average liquidity coverage ratio		
一第一季	– First quarter	**239.91%**	184.02%
一第二季	– Second quarter	**186.61%**	210.62%
一第三季	– Third quarter	**194.37%**	182.72%
一第四季	– Fourth quarter	**207.41%**	191.29%

銀行業(披露)規則第30及30A條規定的流動性披露要求,可瀏覽本銀行網站www.icbcasia.com「監管披露」一節。

Liquidity disclosures as required by section 30 and 30A of the Banking (Disclosure) Rules are available in the section of Regulatory Disclosures of our website www.icbcasia.com.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

3 信用風險、業務操作風險及市場風險之資本性支出

3.1 信用風險

(i) 本集團使用下列外部信貸評級機構(「外部信貸評級機構」)根據資本規則規定的標準(信用風險)計算法計算其資本充足要求:

- 穆迪投資者服務
- 標準普爾評級服務
- 惠譽評級

每一類風險於報告期結束時根據標準(信用風險)計算法計算的資本要求概要如下:

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS

3.1 Credit risk

(i) The Group uses the following external credit assessment institutions ("ECAIs") to calculate its capital adequacy requirements under the standardized (credit risk) approach prescribed in the Capital Rules:

- Moody's Investors Service
- S&P's Ratings Services
- Fitch Ratings

The capital requirements on each class of exposures under the standardized (credit risk) approach as at the end of reporting period is summarised as follows:

		2020 千港元 HK$'000	2019 千港元 HK$'000
資產負債表項目	**On-balance sheet**		
主權風險	Sovereign exposures	**37,261**	22,934
公營機構風險	Public sector entity exposures	**325,130**	154,134
銀行風險	Bank exposures	**8,384,884**	9,648,753
證券公司風險	Securities firm exposures	**59,705**	–
企業風險	Corporate exposures	**29,661,138**	28,319,152
組合投資計劃風險	Collective investment scheme exposures	**561,085**	549,877
現金項目	Cash items	**31,316**	48,754
規管性零售業風險	Regulatory retail exposures	**1,480,019**	1,292,237
住宅按揭貸款	Residential mortgage loans	**2,815,010**	2,081,228
其他並非逾期之風險	Other exposures which are not past due exposures	**1,945,655**	1,953,670
逾期風險	Past due exposures	**115,193**	220,198
資本負債表風險項目之資本性支出總額	Total capital charge for on-balance sheet exposures	**45,416,396**	44,290,937
資產負債表外項目	**Off-balance sheet**		
直接信貸代替品	Direct credit substitutes	**446,732**	277,969
與交易有關之或然事項	Transaction-related contingencies	**3,045**	3,712
與貿易有關之或然事項	Trade-related contingencies	**232,099**	121,060
遠期有期存款	Forward forward deposits placed	**47,721**	64,000
其他承擔	Other commitments	**1,689,799**	2,320,911
外匯合約	Exchange rate contracts	**244,521**	194,742
利率合約	Interest rate contracts	**123,368**	92,130
貴金屬合約	Precious metal contracts	**1**	2
受限於有效雙邊淨額結算安排的衍生工具合約	Derivatives contracts subject to valid bilateral netting agreements	**39,076**	74,476
股本權益合約	Equity contracts	**329,490**	348,080
債券合約或其他商品合約	Debt Security contracts or other commodity contracts	**186**	125
證券融資交易	Securities financing transaction	**53,471**	134,019
資產負債表外風險之資本性支出總額	Total capital charge for off-balance sheet exposures	**3,209,509**	3,631,226
信用風險之資本性支出總額	Total capital charge for credit risk	**48,625,905**	47,922,163

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

3 信用風險、業務操作風險及市場風險之資本性支出(續)

3.1 信用風險(續)

(i) 資本要求乃以本集團由相關計算法得出之風險加權額乘以8%計算，並不反映本集團的實際監管資本。

(ii) 由上述外部信貸評級機構評估的風險按下列風險類別分類：

- 主權風險
- 公營機構風險
- 多邊發展銀行風險
- 銀行風險
- 證券公司風險
- 企業風險
- 組合投資計劃風險

(iii) 本集團銀行簿冊內用以列示外部信貸評級機構發行人評級或外部信貸評級機構發行特定評級的程序與資本規則內之規定一致。

3.2 業務操作風險

香港金融管理局已根據資本規則第24(1)(a)條批准本集團使用經更新之巴塞爾資本協定基本指標計算法以計算其業務操作風險。因此，本集團於管理業務操作風險方面應用此方法，但同時採納香港金融管理局之有關監管指引。於二零二零年十二月三十一日，業務操作風險之資本性支出為2,106,573,000港元(二零一九年：2,118,275,000港元)。

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS (continued)

3.1 Credit risk (continued)

(i) The capital requirement is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%. It does not reflect the Group's actual regulatory capital.

(ii) Where exposures have been rated by the above-mentioned ECAIs, they are categorised under the following class of exposures:

- Sovereign exposures
- Public sector entity exposures
- Multilateral development bank exposures
- Bank exposures
- Securities firm exposures
- Corporate exposures
- Collective investment scheme exposures

(iii) The process used to map ECAIs issuer ratings or ECAIs issue specific ratings in the Group's banking book is consistent with those prescribed in the Capital Rules.

3.2 Operational risk

HKMA has granted approval under section 24(1)(a) of the Capital Rules for the Group to use the updated Basel Basic Indicator Approach to calculate its operational risk. The Group thus applies this approach in managing operational risk, but is simultaneously adopting the relevant supervising guidelines of the HKMA. As at 31 December 2020, the capital charge for operational risk amounted to HK$2,106,573,000 (2019: HK$2,118,275,000).

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

3 信用風險、業務操作風險及市場風險之資本性支出(續)

3.3 市場風險

目前由本銀行進行之市場風險活動基本上可劃分為「交易賬項」及「非交易賬項」。

交易賬項:

交易賬項包括於備供再銷售或交易意向為自實際及/或預期短期價格或利率變動中獲益而認購之金融工具及衍生工具之自有倉盤。

本集團於資本規則中為其市場風險採用「標準計算法」。於二零二零年十二月三十一日之資本性支出為1,775,680,000港元(二零一九年:1,834,836,000港元)。於二零二零年及二零一九年十二月三十一日有關市場風險資本規定如下:

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS (continued)

3.3 Market risk

Market risk activities currently undertaken by the Bank can basically be divided into "Trading Book" and "Non-Trading Book".

Trading Book:

It consists of proprietary positions in financial instruments and derivatives which are held for re-sale or which are taken on with the trading intention of benefiting from actual and/or expected short-term price or interest rate movements.

The Group applies the "standardised approach" for its market risk in the Capital Rules. The capital charge as at 31 December 2020 is HK$1,775,680,000 (2019: HK$1,834,836,000). The market risk capital requirement as at 31 December 2020 and 2019 are:

		市場風險資本性支出 Market risk capital charge	
		2020	2019
		千港元	千港元
風險類型	**Risk type**	**HK$'000**	HK$'000
利率風險——一般市場風險	Interest rate exposure – general market risk	**271,557**	402,790
外匯風險	Foreign exchange exposures	**1,148,170**	1,055,208
商品風險	Commodity exposures	**8,739**	6,026
認股權風險	Option exposures	**7,180**	6,473
總計	Total	**1,435,646**	1,470,497

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

3 信用風險、業務操作風險及市場風險之資本性支出(續)

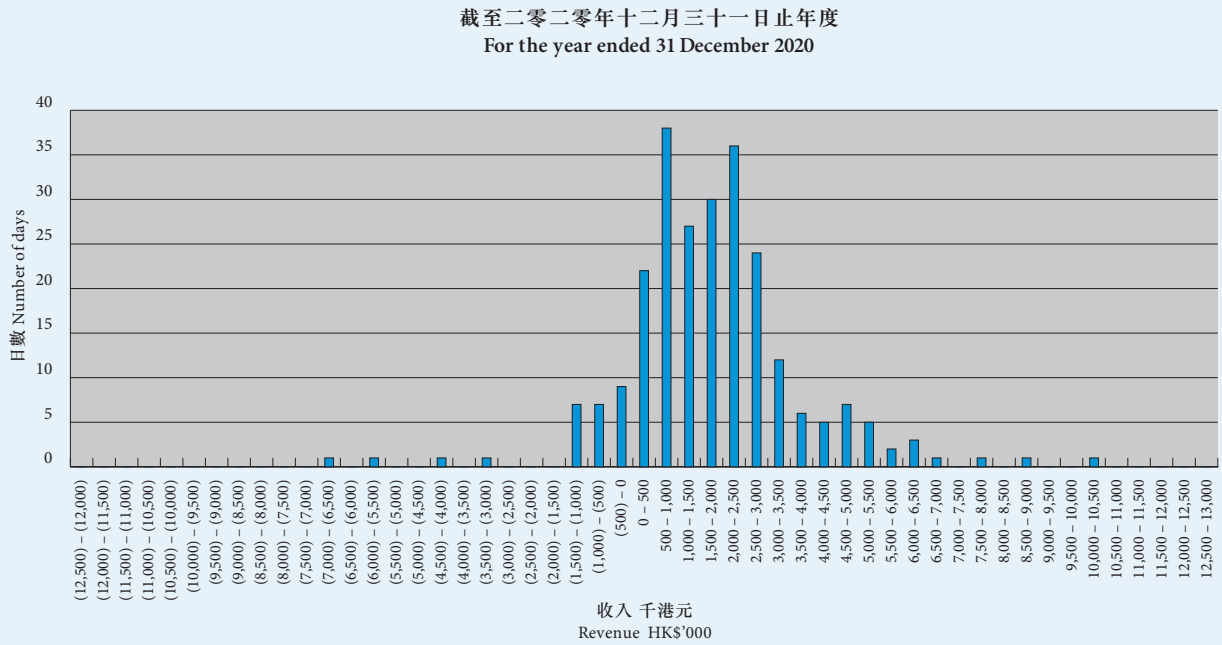
3.3 市場風險(續)

以下柱狀圖顯示截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度本集團之市場風險活動有關之每日收入頻率分佈。

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS (continued)

3.3 Market risk (continued)

The following histograms show the frequency distribution of daily revenues related to market risk activities of the Group for years ended 31 December 2020 and 31 December 2019.



附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

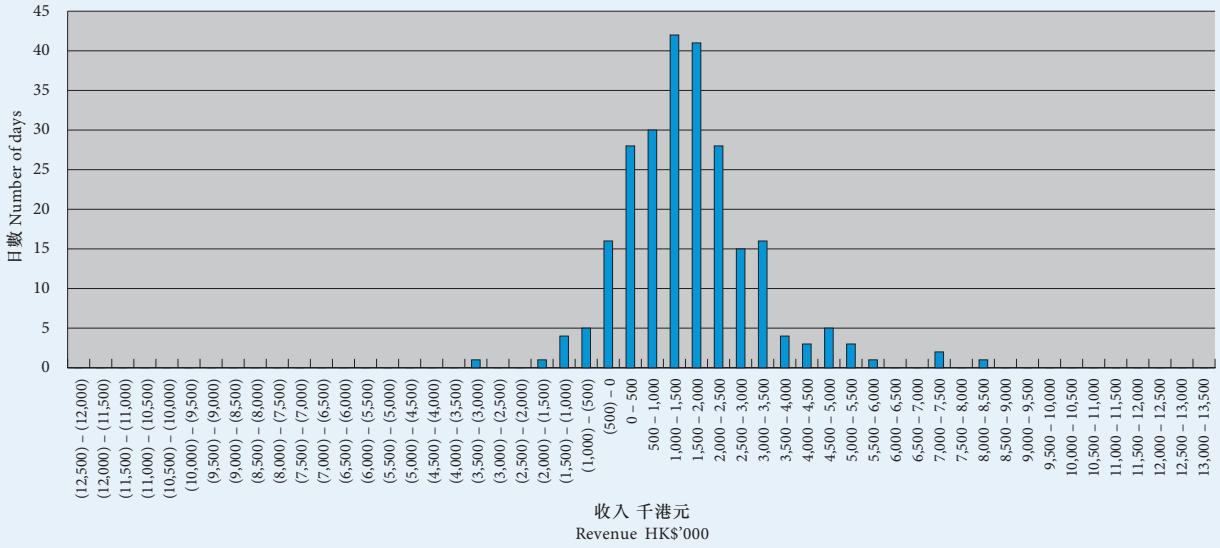
3 信用風險、業務操作風險及市場風險之資本性支出(續)

3.3 市場風險(續)

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS (continued)

3.3 Market risk (continued)

截至二零一九年十二月三十一日止年度
For the year ended 31 December 2019



附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

3 信用風險、業務操作風險及市場風險之資本性支出(續)

3.3 市場風險(續)

截至二零二零年十二月三十一日止年度，本集團源自市場風險相關業務之平均每日收入為1,773,000港元(二零一九年：1,567,000港元)，而此每日收入之標準偏差為1,925,000港元(二零一九年：1,506,000港元)。經分析每日收入之頻率分佈情況，在二零二零年之248個交易日中，有27日錄得虧損(二零一九年：246個交易日中的27日)，而最高之一日虧損為6,618,000港元(二零一九年：3,208,000港元)。最高之一日收入則為10,110,000港元(二零一九年：8,352,000港元)。就自有買賣及客戶之預期而言，本集團將逐步增加其庫務產品及服務範圍，以輔補一直以來依賴貸款資產帶來之收入。於該過程中，本集團將密切關注就此產生之市場風險、對手方信用風險、流動資金及資本影響。

非交易賬項：

非交易賬項包括因融資、流動資金管理、投資及自非庫務相關業務之資產負債表活動所產生的結構性外匯及利率風險敞口。由金融市場部進行之債券活動大部分作投資及流動資金管理用途。

3 CAPITAL CHARGE FOR CREDIT, OPERATIONAL AND MARKET RISKS (continued)

3.3 Market risk (continued)

The average daily revenue earned from the Group's market risk related activities during the year ended 31 December 2020 was HK$1,773,000 (2019: HK$1,567,000) and the standard deviation for such daily revenue was HK$1,925,000 (2019: HK$1,506,000). An analysis of the frequency distribution of daily revenue showed that losses were recorded on 27 days out of 248 trading days for the year 2020 (2019: 27 days out of 246 trading days). The maximum daily loss was HK$6,618,000 (2019: HK$3,208,000). The highest daily revenue was HK$10,110,000 (2019: HK$8,352,000). In respect of proprietary trading and customers' expectation, the Group will gradually expand the scope of treasury products and services to complement its conventional reliance on loan assets for revenue. In the process, the Group will watch out for the resulting market risk, and counterparty credit risk, liquidity and capital implications.

Non-Trading Book:

It consists of structured foreign exchange and interest rate risk positions arising from funding and liquidity management as well as investment and balance sheet activities from non-treasury related business. Debt securities activities undertaken by Global Markets & Trading Department are largely for investment and liquidity management purpose.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

4 資產證券化

年內，本集團於有關證券化風險中僅作為投資者。穆迪投資服務、標準普爾及惠譽評級的評級方法獲採納用於評定證券化風險。由於本集團所持證券化風險均由資本規則指定的認可外部信貸評級機構進行評估，本集團採用標準(證券化)計算法計算加權信用風險。本銀行密切監控相關風險。

下表列示於二零二零年及二零一九年十二月三十一日之證券化風險承擔：

二零二零年 證券化風險承擔	2020 Securitisation exposures	餘額 Outstanding amounts 千港元 HK$'000	風險加權金額 Risk-weighted amounts 千港元 HK$'000	資本規定 Capital requirements 千港元 HK$'000	核心資本 Core capital 千港元 HK$'000	從普通股權一級資本扣減之風險承擔 Exposures deducted from CET1 Capital 千港元 HK$'000
傳統證券化債券	Traditional securitisations debt securities	–	–	–	–	–

二零一九年 證券化風險承擔	2019 Securitisation exposures	餘額 Outstanding amounts 千港元 HK$'000	風險加權金額 Risk-weighted amounts 千港元 HK$'000	資本規定 Capital requirements 千港元 HK$'000	核心資本 Core capital 千港元 HK$'000	從普通股權一級資本扣減之風險承擔 Exposures deducted from CET1 Capital 千港元 HK$'000
傳統證券化債券	Traditional securitisations debt securities	–	–	–	–	–

於二零二零年十二月三十一日，根據標準(證券化)計算法計算的證券化風險資本要求為零(二零一九年：零)。於二零二零年十二月三十一日，資產證券化下沒有可從普通股權一級資本扣減之項目(二零一九年：無)。

於二零二零年十二月三十一日之交易賬項中並無證券化風險入賬(二零一九年：無)。

4 ASSET SECURITISATION

During the year, the Group only acted as an investor in related securitisation exposure. Ratings from Moody's Investors Service, S&P's and Fitch Ratings are adopted in assessing securitisation exposures. Since the securitisation exposures held by the Group are all rated by recognised ECAIs designated by the Capital Rules, the Group uses the standardized (securitisation) approach to calculate the weighted credit risk for these exposures. The Bank closely monitors the risk arising from these exposures.

The following table indicates the securitisation exposures as at 31 December 2020 and 2019:

Capital requirement of securitisation exposures under the standardized (securitisation) approach at 31 December 2020 was nil (2019: Nil). The deductible items from CET1 capital under asset securitisation at 31 December 2020 was nil (2019: Nil).

There are no securitisation exposures booked in trading book as at 31 December 2020 (2019: Nil).

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

5 與對手方信用風險有關之風險承擔

本集團已採納現行風險承擔法(「現行風險承擔法」)釐定銀行及交易簿冊內的場外衍生工具交易產生之銀行同業間對手方信用風險的風險承擔額。於二零二零年十二月三十一日，本銀行概無信貸衍生工具合約(二零一九年：無)。於二零二零年十二月三十一日，亦無持有任何包括已確認信貸衍生工具合約的已確認抵押品作為與對手方信用風險有關的風險承擔的信貸保障(二零一九年：無)。

根據吾等於衍生工具合約下之現有抵押品責任之條款，吾等基於二零二零年十二月三十一日之持倉估計，如本銀行之信貸評級被降一至兩級，本銀行將毋須提供額外之抵押品(二零一九年：一至兩級)。

錯向風險為高於一般之集中度風險，乃於對手方違約機率與相關交易按市價計算之價值之間有著強大相互關係時產生。本集團使用一系列之程序監察和控制錯向風險，包括要求前線部門在預先協定的指引以外進行錯向風險交易前，必須先取得批准。

下表列示按標準計算法計算的與對手方信用風險有關的風險承擔相關資料：

5 COUNTERPARTY CREDIT RISK-RELATED EXPOSURE

The Group has adopted the current exposure method (the "CEM") to determine the exposure amount for inter bank counterparty credit risk which arises from OTC derivative transactions in banking and trading books. As at 31 December 2020, there are no credit derivative contracts in the Bank (2019: Nil). No recognised collateral including recognised credit derivative contracts is held as credit protection for counterparty credit risk-related exposure as at 31 December 2020 (2019: Nil).

Under the terms of our current collateral obligations under derivative contracts, we estimate based on the positions as at 31 December 2020 that the Bank would not be required to post additional collateral in the event of one or two notch downgrade in the Bank's credit ratings (2019: one or two).

Wrong-way risk is an aggravated form of concentration risk and arises when there is a strong correlation between the counterparty's PD and the mark-to-market value of the underlying transaction. The Group uses a range of procedures to monitor and control wrong-way risk, including requiring front offices to obtain prior approval before undertaking wrong way risk transactions outside pre-agreed guidelines.

The following table indicates the information of counterparty credit risk-related exposures under the standardized approach:

		總正數公平價值 Gross total Positive Fair value 千港元 HK$'000	信貸等值 Credit equivalent 千港元 HK$'000	風險加權額 Risk-weighted amount 千港元 HK$'000
二零二零年 交易場外衍生工具交易：	**2020 OTC derivative transactions:**			
銀行	Bank	**6,223,839**	**12,287,932**	**2,998,049**
其他	Others	**4,863,562**	**6,556,558**	**6,209,961**
		11,087,401	**18,844,490**	**9,208,010**
二零一九年 交易場外衍生工具交易：	2019 OTC derivative transactions:			
銀行	Bank	**2,672,547**	**8,425,122**	**2,278,357**
其他	Others	**4,525,702**	**6,884,752**	**6,591,062**
		7,198,249	**15,309,874**	**8,869,419**

雙邊淨額結算安排對衍生工具交易信貸等值數額並沒有影響。

There is no effect of bilateral netting agreement on the credit equivalent amounts of the derivative transactions.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

6 減低信用風險

6.1 管理及確認減低信用風險之程序

本集團已就按標準計算法計算的所有類別信用風險承擔(包括交易場外衍生工具交易產生的與對手方信用風險的承擔)制定經信貸委員會批准之管理及確認減低信用風險的政策。本集團審慎評估抵押品是否符合資格及其質素。可接納的減低信用風險方法由信貸委員會及／或監管機構所界定。本集團亦就抵押品指定穩健的託管人，並定期重新評估及密切監控。有價證券每日按市價調整，如未能進行每日重新評估／按市價調整，最少每月一次進行重估，而物業亦定期作出重估。

就監管資本的計算而言，只有資本規則界定的獲確認抵押品及擔保方可視為獲確認信用風險減低措施。本銀行於確定信用風險減低時應用資本規則規定的簡單標準。

獲認可抵押品包括合資格擔保、現金存款、黃金、股份、債券及可轉讓證券的彙集投資，商業不動產、住宅不動產、汽車及設備。減低後的風險承擔額以抵押品採用資本規則規定的標準監督扣減率的現值釐定。獲認可擔保人為風險權重低於借方的任何主權機構、公營機構、銀行及受規管證券公司或其內部評定級別等同於外部評級A－或以上的公司。

6 CREDIT RISK MITIGATION

6.1 Process of managing and recognising credit risk mitigation

The Group has established policies on managing and recognizing credit risk mitigation, which are approved by the Credit Committee, for all types of credit exposure under the standardized approach including counterparty credit risk-related exposure which arises from OTC derivative transactions. The Group applies prudent assessments of eligibility and quality of collateral. Acceptable credit risk mitigation are as defined by the Credit Committee and/or regulatory authorities. The Group also adheres to safe custodian of collateral, regular revaluation and close monitoring. Marketable securities are marked to market on a daily basis or, if daily revaluation/marked to market is unavailable, a minimum of once a month, whilst properties are revalued periodically.

For regulatory capital calculation, only recognised collateral and guarantee defined in the Capital Rules are considered as recognised credit risk mitigation. The Bank applies the simple approach criteria as stipulated in the Capital Rules in ascertaining credit risk mitigation.

Recognised collateral includes eligible guarantees, cash deposits, gold, shares, debt securities and collective investments in transferable securities, commercial real estate, residential real estate, vehicles and equipment. The exposure amount after mitigation is determined by applying the standard supervisory haircut laid down by the Capital Rules to the current collateral value. Recognised guarantor is any sovereign entity, public sector entity, bank and regulated securities firm with a lower risk weight than the borrower, or company that is internally rated with a rating equivalent to external rating of A- or better.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

6 減低信用風險(續)

6.1 管理及確認減低信用風險之程序(續)

於二零二零年及二零一九年十二月三十一日，擔保人主要類型及其外部評級分析如下：

擔保人類別 Class of guarantors	標準普爾的對等級別 S&P' s equivalent	擔保金額 Guaranteed amount 2020 千港元 HK$'000	2019 千港元 HK$'000
Bank 銀行	AAA/AA–	–	9,358
	A+/A–	**12,690,469**	22,077,585
Sovereign 主權機構	AAA/AA–	**7,834,553**	21,017,672
PSE 公營機構	A+	**2,647,653**	2,303,284
Corporate 企業	A+/A–	**710,601**	492,396
		23,883,276	45,900,295

本集團使用的信用風險減低措施(獲確認抵押品及擔保)有限地應用於信用及市場風險集中，惟房產除外，其風險減低措施廣泛依賴借款予非銀行企業及非企業客戶。

6 CREDIT RISK MITIGATION (continued)

6.1 Process of managing and recognising credit risk mitigation (continued)

The main types of guarantors and their external ratings as at 31 December 2020 and 2019 are analysed as follows:

There are limited credit and market risk concentrations within the credit risk mitigants (recognised collateral and guarantees) used by the Group, except for real estate which is extensively relied on for risk mitigation in lending to non-bank corporate and non-corporate customers.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

6 減低信用風險(續)

6.2 信用風險承擔

標準普爾評級服務、穆迪投資者服務及惠譽評級為本集團就以下各類及所有類別風險承擔使用的外部信貸評級機構。其用以配對外部信貸評級機構發行人評級與其銀行簿冊內所載風險承擔的程序為資本規則第4部分所規定的程序。

6 CREDIT RISK MITIGATION (continued)

6.2 Credit risk exposures

S&P's Ratings Services, Moody's Investors Service and Fitch Ratings are the ECAIs that the Group uses in relation to each and all classes of exposures below. The process it used to map ECAI issuer ratings to exposures booked in its banking book is a process as prescribed in Part 4 of the Capital Rules.

二零二零年	2020		經獲確認信用風險減低措施調整後的風險承擔 Exposures after recognized credit risk mitigation		風險加權額 Risk-weighted amounts				
風險承擔類別	Class of exposures	風險承擔總額* Total exposures* 千港元 HK$'000	已評級# Rated# 千港元 HK$'000	未評級@ Unrated@ 千港元 HK$'000	已評級# Rated# 千港元 HK$'000	未評級@ Unrated@ 千港元 HK$'000	風險加權總額 Total risk-weighted Amounts 千港元 HK$'000	抵押品可涵蓋的風險承擔 Exposure covered by Collateral 千港元 HK$'000	擔保可涵蓋的風險承擔 Exposure covered by Guarantees 千港元 HK$'000
資產負債表項目	**On-balance sheet**								
主權	Sovereign	72,148,501	64,910,383	15,065,332	226,652	239,105	465,757	-	-
公營機構	Public sector entity	17,824,656	14,787,769	5,684,540	2,927,218	1,136,908	4,064,126	-	-
多邊發展銀行	Multilateral development bank	753,087	753,087	-	-	-	-	-	-
銀行	Bank	267,757,145	64,597,062	215,850,552	25,242,159	79,568,894	104,811,053	-	-
證券公司	Securities firm	1,492,619	1,492,619	-	746,310	-	746,310	-	-
企業	Corporate	424,003,830	82,892,458	312,738,904	58,506,714	312,257,500	370,764,214	7,896,106	21,188,945
組合投資計劃	Collective investment scheme	7,013,564	-	7,013,564	-	7,013,564	7,013,564	-	-
現金項目	Cash items	417,902	-	8,525,436	-	391,449	391,449	-	-
受規管零售業務	Regulatory retail	24,805,092	-	24,666,985	-	18,500,239	18,500,239	91,565	46,542
住宅按揭貸款	Residential mortgage loans	68,857,489	-	66,214,971	-	35,187,626	35,187,626	2,068	2,640,450
其他並非逾期的風險承擔	Other exposures which are not past due exposures	23,542,118	3,933,443	19,488,898	3,933,443	20,387,250	24,320,693	119,777	-
逾期風險承擔	Past due exposures	1,349,407	-	1,349,407	-	1,439,916	1,439,916	1,149,901	6,163
資產負債表外項目	**Off-balance Sheet**								
除場外衍生工具交易或信貸衍生工具合約以外的資產負債表外風險承擔	Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts	33,689,309	4,130,166	29,559,143	2,477,260	27,765,204	30,242,464	1,082,439	1,176
場外衍生工具交易	OTC derivative transactions	26,066,862	1,533,996	24,532,866	695,395	9,181,000	9,876,395	5,946,364	-
信貸衍生工具合約	Credit derivative contracts	-	-	-	-	-	-	-	-
本報告其他部分未予列出的其他資產負債表外風險承擔	Other off-balance sheet exposures not elsewhere specified	-	-	-	-	-	-	-	-
自資本基礎扣除的風險承擔	**Exposures deducted from capital base**	-							

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

6 減低信用風險(續)

6.2 信用風險承擔(續)

6 CREDIT RISK MITIGATION (continued)

6.2 Credit risk exposures (continued)

二零一九年	2019		經獲確認信用風險減低措施調整後的風險承擔 Exposures after recognized credit risk mitigation		風險加權額 Risk-weighted amounts				
風險承擔類別	Class of exposures	風險承擔總額* Total exposures* 千港元 HK$'000	已評級# Rated# 千港元 HK$'000	未評級@ Unrated@ 千港元 HK$'000	已評級# Rated# 千港元 HK$'000	未評級@ Unrated@ 千港元 HK$'000	風險加權總額 Total risk-weighted Amounts 千港元 HK$'000	抵押品可涵蓋的風險承擔 Exposure covered by Collateral 千港元 HK$'000	擔保可涵蓋的風險承擔 Exposure covered by Guarantees 千港元 HK$'000
資產負債表項目	**On-balance sheet**								
主權	Sovereign	70,632,165	59,333,794	32,308,007	104,563	182,108-	286,671	–	–
公營機構	Public sector entity	7,330,095	7,330,095	2,303,284	1,466,019	460,657	1, 926,676	–	–
多邊發展銀行	Multilateral development bank	2,613,923	2,418,923	195,000	–	–	–	–	–
銀行	Bank	313,998,797	81,455,113	254,630,347	32,757,685	87,851,728	120,609,413	–	–
證券公司	Securities firm	–	–	–	–	–	–	–	–
企業	Corporate	430,385,713	71,483,859	303,475,028	50,705,271	303,284,127	353,989,398	12,384,862	43,423,353
組合投資計劃	Collective investment scheme	6,873,463	–	6,873,463	–	6,873,463	6,873,463	–	–
現金項目	Cash items	539,552	941,773	12,249,854	24,480	584,947	609,427	–	–
受規管零售業務	Regulatory retail	21,700,486	–	21,537,277	–	16,152,958	16,152,958	98,205	65,004
住宅按揭貸款	Residential mortgage loans	57,169,946	–	54,873,759	–	26,015,958	26,015,346	3,571	2,292,616
其他並非逾期的風險承擔	Other exposures which are not past due exposures	23,733,152	3,800,054	19,767,862	3,800,054	20,620,816	24,420,870	165,436	–
逾期風險承擔	Past due exposures	2,650,359	–	2,650,359	–	2,752,475	2,752,475	2, 315,492	117,570
資產負債表外項目	**Off-balance Sheet**								
除場外衍生工具交易或信貸衍生工具合約以外的資產負債表外風險承擔	Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts	39,761,887	6,878,743	32,883,144	4,613,545	30,232,099	34,845,644	1,374,104	1,752
場外衍生工具交易	OTC derivative transactions	29,499,282	4,529,647	24,969,635	910,142	9,634,517	10,544,659	4,319,317	–
信貸衍生工具合約	Credit derivative contracts	–	–	–	–	–	–	–	–
本報告其他部分未予列出的其他資產負債表外風險承擔	Other off-balance sheet exposures not elsewhere specified	–	–	–	–	–	–	–	–
自資本基礎扣除的風險承擔	**Exposures deducted from capital base**	–							

* 代表扣除個別減值後的本金額或信貸等值數額(如適用)

\# 包括具有外部信貸評級機構發行特定評級的風險承擔及具有推定評級的風險承擔(即並無發行特定評級,但其風險加權值已根據資本規則釐定的風險承擔,參考外部信貸評級機構就風險承擔給予債務人的發行人評級或外部信貸評級機構就債務人的任何其他風險承擔作出的發行評級)

@ 代表既無外部信貸評級機構發行特定評級亦無推定評級的風險承擔

* Representing principal amount or credit equivalent amount, as applicable, net of individual impairments

\# including exposures with ECAI issue specific rating and exposures which have an inferred rating (i.e. exposures which do not have an issue-specific rating but whose risk-weights are determined under the Capital Rules by reference to an ECAI issuer rating assigned to the obligor of the exposure or to an ECAI issue rating of any other exposures of the obligor)

@ Representing exposures which do not have the ECAI issue specific rating nor inferred rating

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料

7.1 客戶貸款及其他賬項

(i) 客戶之貸款－按地域劃分

本集團經計及任何風險轉移因素後按國家或地區劃分的客戶貸款總額如下：

二零二零年十二月三十一日	31 December 2020	客戶貸款總額 Gross advances to customers 千港元 HK$'000	逾期三個月以上貸款 Overdue advances for over three months 千港元 HK$'000	減值貸款及其他賬項 Impaired loans and advances 千港元 HK$'000	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired 千港元 HK$'000	非信貸不良之預期信用損失 Non-credit impaired ECL 千港元 HK$'000
香港	Hong Kong	**271,719,993**	**2,225,450**	**2,589,244**	**1,672,742**	**1,615,195**
內地	Mainland China	**164,452,343**	**1,531,173**	**1,830,512**	**1,225,267**	**2,457,975**
澳門	Macau	**951,946**	-	-	-	**37,736**
亞太區(不包括香港、內地及澳門)	Asia Pacific Region (excluding Hong Kong, Mainland China and Macau)	**10,048,931**	**1,242**	**1,972**	**2,005**	**318,434**
其他	Others	**16,233,533**	**265**	-	-	**342,792**
總額	Total	**463,406,746**	**3,758,130**	**4,421,728**	**2,900,014**	**4,772,132**

二零一九年十二月三十一日	31 December 2019	客戶貸款總額 Gross advances to customers 千港元 HK$'000	逾期三個月以上貸款 Overdue advances for over three months 千港元 HK$'000	減值貸款及其他賬項 Impaired loans and advances 千港元 HK$'000	信貸不良的合約期內之預期信用損失 Lifetime ECL credit impaired 千港元 HK$'000	非信貸不良之預期信用損失 Non-credit impaired ECL 千港元 HK$'000
香港	Hong Kong	267,462,868	2,665,856	3,385,343	1,823,017	1,353,348
內地	Mainland China	147,962,934	1,582,957	1,598,415	646,263	1,412,156
澳門	Macau	2,372,812	-	-	-	22,539
亞太區(不包括香港、內地及澳門)	Asia Pacific Region (excluding Hong Kong, Mainland China and Macau)	12,983,184	-	-	-	175,218
其他	Others	12,477,954	387	-	-	94,628
總額	Total	443,259,752	4,249,200	4,983,758	2,469,280	3,057,889

僅於申索獲其所在國家不同於對手方的人士擔保，或申索乃向其總部位於另一國家的銀行的海外分行作出的情況下，方會轉移風險。

7 SEGMENTAL INFORMATION

7.1 Loans and advances to customers

(i) Advances to customers – by geographical areas

The Group's gross advances to customers by country or geographical area after taking into account any risk transfers are as follows:

Risk transfers are only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料(續)

7.1 客戶貸款及其他賬項(續)

(ii) 客戶之貸款及其他賬項總額－按業務範圍

7 SEGMENTAL INFORMATION (continued)

7.1 Loans and advances to customers (continued)

(ii) Gross loans and advances to customers – by industry sectors

		二零二零年十二月三十一日 31 Dec 2020 貸款總額 Gross advances 千港元 HK$'000	二零二零年十二月三十一日 31 Dec 2020 有抵押貸款百分比 % of secured advances	二零一九年十二月三十一日 31 Dec 2019 貸款及其他賬項總額 Gross loans and advances 千港元 HK$'000	二零一九年十二月三十一日 31 Dec 2019 有抵押貸款百分比 % of secured advances
在香港使用之貸款	Loans for use in Hong Kong				
工商及金融	Industrial, commercial and financial				
－物業發展	– Property development	**45,642,315**	**51.66%**	43,147,921	35.32%
－物業投資	– Property investment	**31,286,257**	**59.63%**	30,942,860	47.88%
－金融企業	– Financial concerns	**29,664,994**	**6.31%**	29,131,995	3.34%
－證券經紀商	– Stockbrokers	**3,535,122**	**0.00%**	3,425,817	0.00%
－批發及零售業	– Wholesale and retail trade	**7,838,725**	**58.61%**	10,944,231	60.24%
－土木工程	– Civil engineering works	**1,308,375**	**50.00%**	1,476,834	52.72%
－製造業	– Manufacturing	**5,772,572**	**23.58%**	9,256,494	19.01%
－運輸及運輸設備	– Transport and transport equipment	**25,615,562**	**53.17%**	21,649,344	77.03%
－電力及燃氣	– Electricity and gas	**1,893,123**	**0.00%**	1,474,176	0.00%
－資訊科技	– Information technology	**8,602,904**	**0.77%**	4,998,704	1.54%
－酒店、公寓及飲食	– Hotels, boarding houses and catering	**1,842,626**	**72.44%**	2,178,796	55.41%
－康樂活動	– Recreational activities	**578,373**	**5.19%**	550,073	5.89%
－其他	– Others	**18,953,325**	**25.75%**	26,597,425	20.35%
個別人士	Individuals				
－購買「居者有其屋」、「私人參建居屋計劃」及「租者置其屋」單位之貸款	– Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	**315,535**	**98.38%**	345,337	97.82%
－購買其他住宅物業之貸款	– Loans for the purchase of other residential properties	**49,475,464**	**99.58%**	46,832,765	98.62%
－信用卡貸款	– Credit card advances	**481,576**	**0.00%**	477,515	0.00%
－其他	– Others	**21,931,837**	**29.43%**	18,997,634	35.24%
貿易融資	Trade finance	**11,117,776**	**33.80%**	11,936,557	42.34%
在香港境外使用之貸款	Loans for use outside Hong Kong	**197,550,285**	**29.89%**	178,895,274	32.02%
		463,406,746	**40.89%**	443,259,752	40.41%

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料(續)

7.1 客戶貸款及其他賬項(續)

(ii) 客戶之貸款及其他賬項總額－按業務範圍(續)

佔客戶之貸款總額10%或以上的業務範圍的個別減值貸款、三個月以上之逾期貸款及其他賬項、減值撥備及核銷減值貸款及其他賬項如下：

7 SEGMENTAL INFORMATION (continued)

7.1 Loans and advances to customers (continued)

(ii) Gross loans and advances to customers – by industry sectors (continued)

Individually impaired loans, overdue loans and advances over three months, impairment allowances and impaired loans and advances written off in respect of industry sectors that constitute 10% or more of the total advances to customers are as follows:

		二零二零年 十二月三十一日 31 Dec 2020 千港元 HK$'000	二零一九年 十二月三十一日 31 Dec 2019 千港元 HK$'000
在香港以外使用之貸款	Loans for use outside Hong Kong		
個別減值貸款	Individually impaired loans	**2,843,635**	3,093,776
逾期三個月以上之貸款及其他賬項	Overdue loans and advances over three months	**2,704,446**	2,832,439
信貸不良的合約期內之預期信用損失	Lifetime ECL credit-impaired	**2,093,700**	1,397,065
非信貸不良的合約期內之預期信用損失	Lifetime ECL not credit-impaired	**167,119**	330,583
12個月以內預期信用損失	12-month ECL	**3,078,730**	1,288,699
於收益表支銷之新減值撥備	New impairment allowances charged to income statement	**2,323,200**	(375,760)
年內核銷減值貸款及其他賬項	Impaired loans and advances written off during the year	**196,544**	1,138,452

7.2 國際申索

國際申索資料披露對海外交易對手風險額最終風險的所在地，按交易對手所在地得出，並已顧及任何認可風險轉移因素。一般而言，有關風險轉移發生的前提是該等申索獲得並非交易對手所在地的國家的一方擔保，或該等申索的履行對象是某銀行的海外分行，而該銀行的總部設於另一個國家。經考慮任何認可風險轉移後，風險額佔該等國際申索總額的10%或以上的地區方予以披露。

7.2 International claims

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognised risk transfer. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an oversea branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are disclosed.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料(續)

7.2 國際申索(續)

本銀行之國際申索按地點及對手方類別分析如下：

7 SEGMENTAL INFORMATION (continued)

7.2 International claims (continued)

Analysis of the Bank's international claims by location and by type of counterparty is as follows:

		銀行同業 Banks 百萬港元 HK$ million	官方機構 Official sector 百萬港元 HK$ million	非銀行私營機構 Non-bank private sector 非銀行金融機構 Non-bank financial institutions 百萬港元 HK$ million	非銀行私營機構 Non-bank private sector 非金融私營機構 Non-financial private sector 百萬港元 HK$ million	總計 Total 百萬港元 HK$ million
二零二零年十二月三十一日	**31 December 2020**					
發達國家	Developed countries	**43,154**	**9,761**	**2,272**	**27,535**	**82,722**
離岸中心	Offshore centers	**5,519**	**39,530**	**8,555**	**307,894**	**361,498**
發展中的歐洲國家	Developing Europe	**90**	**–**	**–**	**–**	**90**
發展中的拉丁美洲及加勒比海國家	Developing Latin America and Caribbean	**–**	**–**	**–**	**–**	**–**
發展中的非洲及中東國家	Developing Africa and Middle East	**199**	**–**	**–**	**1,216**	**1,415**
發展中的亞太區國家，其中	Developing Asia-Pacific, of which	**200,341**	**34,559**	**45,800**	**175,325**	**456,025**
－中國	－China	**199,785**	**34,559**	**45,800**	**170,863**	**451,007**
－其他	－Others	**556**	**–**	**–**	**4,462**	**5,018**
國際機構	International organizations	**–**	**753**	**–**	**–**	**753**
		249,303	**84,603**	**56,627**	**511,970**	**902,503**

		銀行同業 Banks 百萬港元 HK$ million	官方機構 Official sector 百萬港元 HK$ million	非銀行私營機構 Non-bank private sector 非銀行金融機構 Non-bank financial institutions 百萬港元 HK$ million	非銀行私營機構 Non-bank private sector 非金融私營機構 Non-financial private sector 百萬港元 HK$ million	總計 Total 百萬港元 HK$ million
二零一九年十二月三十一日	31 December 2019					
發達國家	Developed countries	44,581	12,121	1,918	34,896	93,516
離岸中心	Offshore centers	14,471	31,985	7,192	313,612	367,260
發展中的歐洲國家	Developing Europe	132	–	–	–	132
發展中的拉丁美洲及加勒比海國家	Developing Latin America and Caribbean	10	–	–	–	10
發展中的非洲及中東國家	Developing Africa and Middle East	351	–	–	1,174	1,525
發展中的亞太區國家，其中	Developing Asia-Pacific, of which	218,707	33,449	40,953	154,544	447,653
－中國	－China	217,854	33,449	40,953	148,282	440,538
－其他	－Others	853	–	–	6,262	7,115
國際機構	International organizations	–	2,614	–	–	2,614
		278,252	80,169	50,063	504,226	912,710

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料(續)

7.3 內地活動

中國內地非銀行風險承擔，乃按非銀行對手方類別及依據香港金融管理局銀行業(披露)規則內界定的直接風險承擔類別，經參考「中國內地風險報表－MA(BS)20」第三部分進行分析，包括本銀行及其海外附屬公司及分行填報的中國內地風險承擔。

7 SEGMENTAL INFORMATION (continued)

7.3 Mainland activities

The analysis of non-bank Mainland China exposures is based on the categories of non-bank counterparties and the types of direct exposures defined by the HKMA under the Banking (Disclosure) Rules with reference to Part 3 of the "Return of Mainland China exposures - MA(BS) 20", which includes the Mainland China exposures extended by the Bank and its overseas subsidiary and branch.

二零二零年十二月三十一日	31 December 2020	資產負債表風險承擔 On-balance sheet exposure 千港元 HK$'000	或然負債 Contingent Liabilities 千港元 HK$'000	外匯及衍生工具合約 FX and derivatives contract 千港元 HK$'000	風險承擔總額 Total exposures 千港元 HK$'000
對手方類別	Type of counterparties				
(a) 中央政府、中央政府擁有的實體，以及他們的附屬公司及合營公司	(a) Central government, central government owned entities and their subsidiaries and JVs	136,720,191	1,897,212	354,152	138,971,555
(b) 地方政府、地方政府擁有的實體，以及他們的附屬公司及合營公司	(b) Local government, local government owned entities and their subsidiaries and JVs	43,701,181	3,566,357	9,718	47,277,256
(c) 於中國內地居住的中國國民或於中國內地註冊成立的其他實體，以及他們的附屬公司及合營公司	(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	119,414,612	13,148,865	194,325	132,757,802
(c) (i)其中，於中國內地居住的中國國民或由中國內地的權益實益擁有的實體	(c) (i) Of which, PRC nationals residing in Mainland China or entities beneficially owned by Mainland interest	102,743,121	12,981,934	194,325	115,919,380
(d) 並未於上文(a)項內報告的中央政府擁有的其他實體	(d) Other entities of central government not reported in item (a) above	22,931,215	10,481	-	22,941,696
(e) 並未於上文(b)項內報告的地方政府擁有的其他實體	(e) Other entities of local government not reported in item (b) above	3,950,462	260,108	6,975	4,217,545
(f) 於中國內地以外居住的中國國民或在中國內地以外註冊成立的實體，信貸是供於中國內地使用而授出	(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	9,503,347	-	-	9,503,347
(g) 報告機構認為屬非中國內地銀行風險的其他交易對手	(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	8,396,835	593,298	119,588	9,109,721
		344,617,843	19,476,321	684,758	364,778,922

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

7 分部資料(續)

7.3 內地活動(續)

7 SEGMENTAL INFORMATION (continued)

7.3 Mainland activities (continued)

二零一九年十二月三十一日	31 December 2019	資產負債表風險承擔 On-balance sheet exposure 千港元 HK$'000	或然負債 Contingent Liabilities 千港元 HK$'000	外匯及衍生工具合約 FX and derivatives contract 千港元 HK$'000	風險承擔總額 Total exposures 千港元 HK$'000
對手方類別	Type of counterparties				
(a) 中央政府、中央政府擁有的實體，以及他們的附屬公司及合營公司	(a) Central government, central government owned entities and their subsidiaries and JVs	118,717,148	1,340,637	94,507	120,152,292
(b) 地方政府、地方政府擁有的實體，以及他們的附屬公司及合營公司	(b) Local government, local government owned entities and their subsidiaries and JVs	30,864,499	2,780,727	26,803	33,672,029
(c) 於中國內地居住的中國國民或於中國內地註冊成立的其他實體，以及他們的附屬公司及合營公司	(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	113,748,747	5,615,693	121,512	119,485,952
(c) (i)其中，於中國內地居住的中國國民或由中國內地的權益實益擁有的實體	(c) (i) Of which, PRC nationals residing in Mainland China or entities beneficially owned by Mainland interest	97,548,903	5,220,710	121,512	102,891,125
(d) 並未於上文(a)項內報告的中央政府擁有的其他實體	(d) Other entities of central government not reported in item (a) above	15,421,384	–	–	15,421,384
(e) 並未於上文(b)項內報告的地方政府擁有的其他實體	(e) Other entities of local government not reported in item (b) above	3,474,974	51,837	9,249	3,536,060
(f) 於中國內地以外居住的中國國民或在中國內地以外註冊成立的實體，信貸是供於中國內地使用而授出	(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	13,451,349	2,781	26,306	13,480,436
(g) 報告機構認為屬非中國內地銀行風險的其他交易對手	(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	17,640,861	1,228,789	13,118	18,882,768
		313,318,962	11,020,464	291,495	324,630,921

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

8 外幣持盤量

下表概述本集團及本銀行之外幣倉盤淨額。外幣倉盤淨額乃當該貨幣構成所有外幣倉盤淨額總額之10%或以上時予以披露。敏感度分析在所有其他變數於收益表及權益維持不變下，計算貨幣匯率對港元之合理可能變動之影響。

8 CURRENCY CONCENTRATIONS

The table below summarises the net foreign currency positions of the Group and the Bank. The net positions in foreign currency is disclosed when the currency constitutes 10% or more of the total net position of all foreign currencies. A sensitivity analysis calculates the effect of a reasonably possible movement in a currency rate against the Hong Kong dollar, with all other variables in the income statement and equity held constant.

二零二零年	2020	美元 US$ 千港元 HK$'000	人民幣 RMB 千港元 HK$'000	其他外幣 Other foreign currencies 千港元 HK$'000	總計 Total 千港元 HK$'000
非結構倉盤	**Non-structural position**				
現貨資產	Spot assets	**338,127,366**	**193,577,613**	**52,996,552**	**584,701,531**
現貨負債	Spot liabilities	**(342,518,680)**	**(160,652,245)**	**(57,190,194)**	**(560,361,119)**
遠期買入	Forward purchases	**273,721,192**	**139,626,027**	**65,906,355**	**479,253,574**
遠期賣出	Forward sales	**(273,032,469)**	**(172,211,613)**	**(61,973,818)**	**(507,217,900)**
期權盤淨額	Net option position	**(4,265,256)**	**(277,556)**	**214,771**	**(4,328,041)**
長盤／(短盤)淨額	Net long/(short) position	**(7,967,847)**	**62,226**	**(46,334)**	**(7,951,955)**
結構性持盤淨額	**Net structural position**	**212,690**	**13,589,369**	**–**	**13,802,059**

二零一九年	2019	美元 US$ 千港元 HK$'000	人民幣 RMB 千港元 HK$'000	其他外幣 Other foreign currencies 千港元 HK$'000	總計 Total 千港元 HK$'000
非結構倉盤	**Non-structural position**				
現貨資產	Spot assets	372,604,147	180,622,530	52,395,600	605,622,277
現貨負債	Spot liabilities	(333,897,135)	(171,979,487)	(49,343,513)	(555,220,135)
遠期買入	Forward purchases	267,405,021	113,978,724	86,886,933	468,270,678
遠期賣出	Forward sales	(336,579,081)	(121,202,393)	(90,293,706)	(548,075,180)
期權盤淨額	Net option position	291,024	(496,142)	337,216	132,098
長盤／(短盤)淨額	Net long/(short) position	(30,176,024)	923,232	(17,470)	(29,270,262)
結構性持盤淨額	**Net structural position**	213,618	11,832,338	–	12,045,956

外幣風險包括因交易倉盤產生之風險。期權盤淨額乃根據期權合約之得爾塔加權持倉基礎計算。本集團之結構性持盤淨額為本銀行在海外附屬公司華商銀行的資本投資的結構倉盤。

Foreign currency exposures include those arising from trading position. The net option position is calculated on the basis of the delta-weighted position of option contracts. The net structural position of the Group is the structural positions of the Bank's capital investment in overseas subsidiary Chinese Mercantile Bank.

附加財務資料(未經審核)
Supplementary Financial Information (unaudited)

9 槓桿比率

於二零二零年十二月三十一日的槓桿比率按香港金融管理局發出的槓桿比率框架編製。

9 LEVERAGE RATIO

The leverage ratio as at 31 December 2020 was compiled in accordance with the Leverage Ratio Framework issued by the HKMA.

		二零二零年十二月三十一日 31 Dec 2020	二零一九年十二月三十一日 31 Dec 2019
槓桿比率	Leverage ratio	**13.63%**	12.69%

銀行業(披露)規則第16FH條規定的槓桿比率披露要求可瀏覽本銀行網站www.icbcasia.com「監管披露」一節。

Leverage ratio disclosures as required by section 16FH of the Banking (Disclosure) Rule are available in the section of Regulatory Disclosures Rules of our website www.icbcasia.com.

10 逆周期緩衝資本比率

10 COUNTERCYCLICAL CAPITAL BUFFER RATIO

		二零二零年十二月三十一日 31 Dec 2020	二零一九年十二月三十一日 31 Dec 2019
逆周期緩衝資本比率	Countercyclical Capital Buffer Ratio	**0.58%**	1.18%

銀行業(披露)規則第16FG條規定的有關披露要求可瀏覽本銀行網站www.icbcasia.com「監管披露」一節。

The relevant disclosures pursuant to section 16FG of the Banking (Disclosure) Rules are available in the section of Regulatory Disclosures of our website www.icbcasia.com.

11 淨穩定資金比率

11 NET STABLE FUNDING RATIO

		二零二零年十二月三十一日 31 Dec 2020	二零一九年十二月三十一日 31 Dec 2019
淨穩定資金比率	Net Stable Funding Ratio	**119.09%**	119.84%

銀行業(披露)規則第103AB條規定的有關披露要求可瀏覽本銀行網站「監管披露」一節。

The relevant disclosures pursuant to section 103AB of the Banking (Disclosure) Rules are available in the section of Regulatory Disclosures of our website.

分行、附屬及聯營公司
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圖文傳真：(852) 2805 1187

中環分行
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堅道分行
香港堅道22號廣堅大廈地下
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圖文傳真：(852) 2526 8478

灣仔分行
香港灣仔軒尼詩道117-123號
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West Point Personal Banking Centre (No teller service)
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Facsimile: (852) 2547 9728

Sheung Wan Branch
Shop F, G/F, Kai Tak Commercial Building,
317-319 Des Voeux Road Central, Sheung Wan,
Hong Kong
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Queen's Road Central Branch
Basement, Ground Floor and First Floor of 122 QRC,
Nos. 122-126 Queen's Road Central, Hong Kong
Telephone: (852) 2189 5588
Facsimile: (852) 2805 1187

Central Branch
Shop A1, 1/F, 9 Queen's Road Central, Hong Kong
Telephone: (852) 2189 5588
Facsimile: (852) 2525 3848

Admiralty Branch
Shop 1013-1014, 1/F, United Centre,
95 Queensway, Admiralty, Hong Kong
Telephone: (852) 2189 5588
Facsimile: (852) 2529 0669

Admiralty Personal Banking Centre (No teller service)
Shop 1019-1020, 1/F, United Centre,
95 Queensway, Admiralty, Hong Kong
Telephone: (852) 2189 5588
Facsimile: (852) 2324 6400

Caine Road Branch
G/F, Caine Building, 22 Caine Road,
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Wanchai Branch
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Hong Kong
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分行、附屬及聯營公司
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銅鑼灣分行
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跑馬地分行
香港跑馬地景光街23號
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圖文傳真：(852) 2834 3075

香港仔分行
香港香港仔中心第一期地下7A舖
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電氣道分行
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Wanchai Personal Banking Centre (No teller service)
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Causeway Bay Branch
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Happy Valley Branch
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Aberdeen Branch
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Electric Road Branch
113-115 Electric Road, Hong Kong
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Fortress Hill Branch
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City Garden Personal Banking Centre (No teller service)
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Facsimile: (852) 2570 7366

North Point Branch
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Quarry Bay Branch
Shop SLG1, Sub-Lower Ground Floor,
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九龍尖沙咀漢口道35-37號地下1-2號舖
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油麻地分行
九龍油麻地彌敦道542號
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旺角分行
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太子分行
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Siu Sai Wan Branch
Shop Nos 17-19, Ground Floor, Harmony Garden,
No.9 Siu Sai Wan Road, Hong Kong
Telephone: (852) 2189 5588
Facsimile: (852) 2898 3077

BRANCHES – KOWLOON

West Kowloon Station Personal Banking Centre (No teller service)
Shop No. L1-1, Hong Kong West Kowloon Station,
3 Austin Road West, Tsim Sha Tsui, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2880 0290

Tsimshatsui East Branch
Shop B, G/F, Railway Plaza, 39 Chatham Road South,
Tsimshatsui, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2311 2810

Tsim Sha Tsui Branch
Shop 1-2, G/F, 35-37 Hankow Road,
Tsimshatsui, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2724 4846

China Hong Kong City Branch
Shop No. 55, UG/F & Shop Nos. 15, 16 & 17B,
1/F, China Hong Kong City, 33 Canton Road,
Tsimshatsui, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2375 6935

Yaumatei Branch
542 Nathan Road, Yaumatei, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2770 9837

Mongkok Branch
G/F, Belgian Bank Building,
721-725 Nathan Road, Mongkok, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2390 9073

Prince Edward Branch
777 Nathan Road, Mongkok, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2380 3887

Shamshuipo Branch
G/F, 290 Lai Chi Kok Road, Shamshuipo, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2387 5533

分行、附屬及聯營公司
Branches, Subsidiaries and Associates

荔枝角分行
九龍荔枝角長沙灣道833號
長沙灣廣場地下G06號舖
電話：(852) 2189 5588
圖文傳真：(852) 2785 5566

美孚分行
九龍美孚新村萬事達廣場一樓N95A舖
電話：(852) 2189 5588
圖文傳真：(852) 2307 1811

何文田分行
九龍何文田窩打老道70號曾榕大廈地下
電話：(852) 2189 5588
圖文傳真：(852) 2769 7083

愛民分行
九龍何文田愛民廣場F18-F19號舖
電話：(852) 2189 5588
圖文傳真：(852) 2760 4309

紅磡分行
九龍紅磡德民街2-34E號紅磡商場地下2A舖
電話：(852) 2189 5588
圖文傳真：(852) 2365 2182

木廠街分行
九龍土瓜灣木廠街12-14號
電話：(852) 2189 5588
圖文傳真：(852) 2761 0935

黃大仙分行
九龍黃大仙正德街103號
黃大仙中心南館一樓128號舖
電話：(852) 2189 5588
圖文傳真：(852) 2267 7782

德福分行
九龍九龍灣德福廣場P19-P20號舖
電話：(852) 2189 5588
圖文傳真：(852) 2797 8984

觀塘分行
九龍觀塘開源道79號鱷魚恤中心一樓5號和6號舖
電話：(852) 2189 5588
圖文傳真：(852) 2357 5825

分行 — 新界區

將軍澳分行
新界將軍澳欣景路8號
新都城中心2期商場1樓1025A號舖
電話：(852) 2189 5588
圖文傳真：(852) 3194 3829

翠林分行
新界將軍澳翠琳路11號翠林邨
翠林新城5樓135號舖
電話：(852) 2189 5588
圖文傳真：(852) 2656 5172

Lai Chi Kok Branch
Shop G06, G/F, Cheung Sha Wan Plaza,
833 Cheung Sha Wan Road, Lai Chi Kok, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2785 5566

Mei Foo Branch
Shop N95A, 1/F, Mount Sterling Mall, Mei Foo Sun Chuen, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2307 1811

Ho Man Tin Branch
G/F, Tsan Yung Mansion, No. 70 Waterloo Road,
Ho Man Tin, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2769 7083

Oi Man Branch
Shop F18 & F19, Oi Man Plaza,
Oi Man Estate, Homantin, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2760 4309

Hung Hom Branch
Shop 2A, G/F, Hung Hom Shopping Mall,
2-34E Tak Man Street, Hung Hom, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2365 2182

Mok Cheong Street Branch
12-14 Mok Cheong Street, Tokwawan, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2761 0935

Wong Tai Sin Branch
Shop 128, Level 1, Temple Mall South, Wong Tai Sin Plaza,
103 Ching Tak Street, Wong Tai Sin, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2267 7782

Telford Branch
Shop Units P19-P20, Telford Plaza, Kowloon Bay, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2797 8984

Kwun Tong Branch
Shop 5 & 6, 1/F, Crocodile Center, 79 Hoi Yuen Road,
Kwun Tong, Kowloon
Telephone: (852) 2189 5588
Facsimile: (852) 2357 5825

BRANCHES – NEW TERRITORIES

Tseung Kwan O Branch
Shop 1025A, Level 1, Metro City Phase II,
8 Yan King Road, Tseung Kwan O, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 3194 3829

Tsui Lam Branch
Shop No. 135, 5/F,
Tsui Lam Square,
Tsui Lam Estate,
No. 11 Tsui Lam Road,
Tseung Kwan O, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2656 5172

分行、附屬及聯營公司
Branches, Subsidiaries and Associates

將軍澳個人理財中心(不設櫃檯服務)
新界將軍澳欣景路8號
新都城中心2期商場1樓1025B號舖
電話：(852) 2189 5588
圖文傳真：(852) 3194 3829

葵芳分行
新界葵芳葵涌廣場2字樓C63A-C66號舖
電話：(852) 2189 5588
圖文傳真：(852) 2480 0210

葵涌分行
新界葵涌和宜合道63號麗晶中心A座G02
電話：(852) 2189 5588
圖文傳真：(852) 2420 9883

荃灣青山公路分行
新界荃灣青山道423-427號地下
電話：(852) 2189 5588
圖文傳真：(852) 2412 1080

沙咀道分行
新界荃灣沙咀道297-313號眾安大廈地下4號舖
電話：(852) 2189 5588
圖文傳真：(852) 2439 0076

沙咀道個人理財中心(不設櫃檯服務)
新界荃灣沙咀道315-323號廣益大廈地下4號舖
電話：(852) 2189 5588
圖文傳真：(852) 2455 3592

屯門分行
新界屯門天后路18號
南豐工業城中央服務大樓217號A-F
電話：(852) 2189 5588
圖文傳真：(852) 2466 6245

屯門新墟分行
新界屯門啓發徑8號城•點地下GA號舖及1樓
電話：(852) 2189 5588
圖文傳真：(852) 2427 2117

大興分行
新界屯門大興邨商場21-23號舖
電話：(852) 2189 5588
圖文傳真：(852) 2456 3200

元朗分行
新界元朗青山道197-199號地下
電話：(852) 2189 5588
圖文傳真：(852) 2442 5448

教育路個人理財中心(不設櫃檯服務)
新界元朗教育路21號英暢大廈地下3-4號舖
電話: (852) 2189 5588
圖文傳真: (852) 2613 5099

Tseung Kwan O Personal Banking Centre (No teller service)
Shop 1025B, Level 1, Metro City Phase II,
8 Yan King Road, Tseung Kwan O, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 3194 3829

Kwai Fong Branch
C63A-C66, 2/F, Kwai Chung Plaza, Kwai Fong, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2480 0210

Kwai Chung Branch
Unit G02, Tower A, Regent Centre, 63 Wo Yi Hop Road,
Kwai Chung, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2420 9883

Tsuen Wan Castle Peak Road Branch
G/F, 423-427 Castle Peak Road, Tsuen Wan, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2412 1080

Sha Tsui Road Branch
Shop 4, G/F, Chung On Building, 297-313 Sha Tsui Road,
Tsuen Wan, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2439 0076

Sha Tsui Road Personal Banking Centre (No teller service)
Shop 4, G/F, Kwong Yick Building, 315-323 Sha Tsui Road,
Tsuen Wan, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2455 3592

Tuen Mun Branch
217 A-F Central Services Building, Nan Fung Industrial City,
18 Tin Hau Road, Tuen Mun, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2466 6245

Tuen Mun San Hui Branch
Shop GA on G/F & 1/F, COO Residence,
8 Kai Fat Path, Tuen Mun, New Territories
Telephone: (852) 2189 5588
Facsimine: (852) 2427 2117

Tai Hing Branch
Shop 21-23 Tai Hing Commercial Complex, Tai Hing Estate,
Tuen Mun, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2456 3200

Yuen Long Branch
G/F, 197-199 Castle Peak Road, Yuen Long,
New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2442 5448

Kau Yuk Road Personal Banking Centre (No teller service)
Shop 3-4, G/F, Ying Cheong Building, 21 Kau Yuk Road,
Yuen Long, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2613 5099

分行、附屬及聯營公司
Branches, Subsidiaries and Associates

大圍分行
新界大圍大圍道金山樓地下5號舖
電話：(852) 2189 5588
圖文傳真：(852) 2405 6669

沙田分行
新界沙田中心3樓22J號舖
電話：(852) 2189 5588
圖文傳真：(852) 2695 7399

沙田個人理財中心(不設櫃檯服務)
新界沙田好運中心3樓185號舖
電話: (852) 2189 5588
圖文傳真: (852) 2772 2560

大埔分行
新界大埔大榮里34至38號
美發大廈地下F舖
電話：(852) 2189 5588
圖文傳真：(852) 2638 8738

太和分行
新界大埔太和商場2樓216號舖
電話：(852) 2189 5588
圖文傳真：(852) 2650 2982

上水分行
新界上水石湖墟新豐路33號
新豐大廈地下2號舖
電話：(852) 2189 5588
圖文傳真：(852) 2639 0500

海外分行

開曼群島分行
P.O. 1353
Harbour Place
5th Floor
103 Church Street
George Town
Grand Cayman KY1-1108
Cayman Islands

附屬公司

華商銀行
工銀亞洲金業有限公司
工銀亞洲期貨有限公司
工銀資管(全球)有限公司
工銀亞洲代理人有限公司
工銀亞洲証券有限公司
工銀亞洲信託有限公司
工銀亞洲金融服務有限公司
工銀亞投股權投資管理(深圳)有限公司
中國－中東歐金融控股有限公司

聯營公司

IEC Investments Limited
世福資本管理有限公司
Infinium Holdings Limited

Tai Wai Branch
Shop No. 5, G/F, Kam Shan Building, Tai Wai Road,
Tai Wai, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2405 6669

Shatin Branch
Shop 22J, Level 3, Shatin Centre, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2695 7399

Shatin Personal Banking Centre (No teller service)
Shop No.185, Level 3, Shatin Lucky Plaza, Shatin, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2772 2560

Tai Po Branch
Shop F, G/F, Mee Fat Building, No. 34-38 Tai Wing Lane,
Tai Po, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2638 8738

Tai Wo Branch
Shop 216, 2/F, Tai Wo Plaza, Tai Wo Estate,
Tai Po, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2650 2982

Sheung Shui Branch
Shop 2, G/F, San Fung Building, No.33 San Fung Avenue,
Shek Wu Hui, Sheung Shui, New Territories
Telephone: (852) 2189 5588
Facsimile: (852) 2639 0500

OVERSEAS BRANCH

Cayman Islands Branch
P.O. 1353
Harbour Place
5th Floor
103 Church Street
George Town
Grand Cayman KY1-1108
Cayman Islands

SUBSIDIARIES

Chinese Mercantile Bank
ICBC (Asia) Bullion Company Limited
ICBC (Asia) Futures Company Limited
ICBC Asset Management (Global) Company Limited
ICBC (Asia) Nominee Limited
ICBC (Asia) Securities Limited
ICBC (Asia) Trustee Company Limited
ICBC (Asia) Financial Services Company Limited
工銀亞投股權投資管理(深圳)有限公司
SINO-CEEF Holding Company Limited

ASSOCIATED COMPANIES

IEC Investments Limited
SINO-CEEF Capital Management Company Limited
Infinium Holdings Limited

中國工商銀行（亞洲）有限公司
Industrial and Commercial Bank of China (Asia) Limited

香港中環花園道3號中國工商銀行大廈33樓
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