

## (a) 資本充足及流動資金比率 Capital adequacy and liquidity ratios

		二零零二年 2002 百分率 %	二零零一年 2001 百分率 %
於十二月三十一日未經調整 資本充足比率	Unadjusted capital adequacy ratio at year end	<b>21.37</b>	19.72
十二月份平均流動資金比率	Average liquidity ratio for December	<b>52.49</b>	47.11
截至十二月三十一日止之年度 平均流動資金比率	Average liquidity ratio for the year ended 31 December	<b>49.76</b>	43.68

未經調整資本充足比率的計算，是根據香港金融管理局訂定之綜合基準及《香港銀行業條例》附表三。

The unadjusted capital adequacy ratio is computed on a consolidated basis as required by the Hong Kong Monetary Authority for its regulatory purposes, and is in accordance with the Third Schedule of the Hong Kong Banking Ordinance.

本銀行符合香港金融管理專員發出「就市場風險維持充足資本」指引所載有關申報市場風險的最微細豁免的所有準則及並沒有被要求就市場維持資本，故此本銀行被豁免披露按上述指引規定計算的經調整資本充足比率。

The Bank meets all of the *de minimis* exemption criteria for reporting market risk as set out in the Guideline “Maintenance of Adequate Capital Against Market Risks” issued by the Hong Kong Monetary Authority and is not required to maintain capital against market risk. Hence, the Bank is exempted from disclosing the adjusted capital adequacy ratio computed in accordance with the above-mentioned Guideline.

年內平均流動資金比率是每個曆月平均比率的簡單平均數。每個曆月平均比率乃根據《香港銀行業條例》附表四的規定計算並與「認可機構流動資金狀況申報表」(MA(BS)IE)第1(2)部中申報的數字相同。

The average liquidity ratio for the year is computed as the simple average of each calendar month's average ratio, as reported in Part I (2) of the “Return of Liquidity Position of an Authorised Institution” (MA(BS)1E) calculated in accordance with the Fourth Schedule of the Hong Kong Banking Ordinance.

## Unaudited Supplementary Financial Information

(b) 在資本充足比率申報表 (MA(BS)3) 第1部中申報的資本基礎總額在扣減後的組成部份，是根據《香港銀行業條例》附表三的規定計算。

The components of the total capital base after deductions as reported under Part I of the banking return “Capital Adequacy Return” (MA(BS)3) calculated in accordance with the Third Schedule of the Hong Kong Banking Ordinance.

		本集團 The Group	
		二零零二年 十二月 三十一日 As at 31 December 2002 千港元 HK\$'000	二零零一年 十二月 三十一日 As at 31 December 2001 千港元 HK\$'000
核心資本	Core capital		
繳足股款的普通股股本	Paid up ordinary share capital	<b>1,172,160</b>	1,172,160
儲備	Reserves	<b>1,495,403</b>	1,330,549
股份溢價	Share premium	<b>749,778</b>	749,778
其他	Others	<b>262,364</b>	148,287
可計算的附加資本	Eligible supplementary capital		
土地及土地權益價值重估的儲備	Reserves on revaluation of land and interests in land	<b>36,868</b>	36,868
非持作買賣用途證券價值重估的儲備	Reserves on revaluation of holdings of securities not held for trading purposes	<b>(20,522)</b>	(18,225)
一般呆帳準備	General reserves for doubtful debts	<b>129,545</b>	167,362
扣減前的資本基礎總額	Total capital base before deductions	<b>3,825,596</b>	3,586,779
資本基礎總額的扣減項目	Deductions from total capital base	<b>(73,463)</b>	(75,532)
已扣減後的資本基礎總額	Total capital base after deductions	<b>3,752,133</b>	3,511,247

### (c) 主要客戶 Major customers

於二零零一年及二零零二年，本集團從其五位最大客戶所得到的收入低於本集團總收入之30%。

Total income attributable to the Group's five largest customers combined is less than 30% of the Group's total income for both years 2001 and 2002.

(d) 逾期資產之分析  
Analysis of overdue assets

本集團 於二零零二年十二月三十一日	The Group As at 31 December 2002	貸款 Loans 千港元 HK\$'000	應計利息 Accrued interest 千港元 HK\$'000	逾期資產總額 Total overdue assets 千港元 HK\$'000
逾期	Overdue for			
六個月以下惟三個月以上	6 months or less but over 3 months	73,838	96	73,934
一年以下惟六個月以上	1 year or less but over 6 months	28,170	0	28,170
超過一年	Over 1 year	139,455	0	139,455
		<b>241,463</b>	<b>96</b>	<b>241,559</b>

本集團 於二零零一年十二月三十一日	The Group As at 31 December 2001	貸款 Loans 千港元 HK\$'000	應計利息 Accrued interest 千港元 HK\$'000	逾期資產總額 Total overdue assets 千港元 HK\$'000
逾期	Overdue for			
六個月以下惟三個月以上	6 months or less but over 3 months	123,986	378	124,364
一年以下惟六個月以上	1 year or less but over 6 months	170,354	307	170,661
超過一年	Over 1 year	550,184	0	550,184
		<b>844,524</b>	<b>685</b>	<b>845,209</b>

(e) 逾期客戶貸款  
Overdue advances to customers

		本集團 The Group			
		二零零二年 十二月三十一日 As at 31 December 2002		二零零一年 十二月三十一日 As at 31 December 2001	
		佔貸款總額 之百分比 % of 千港元 HK\$'000		佔貸款總額 之百分比 % of 千港元 HK\$'000	
		gross advances		gross advances	
<b>逾期客戶貸款<sup>1</sup></b>	<b>Overdue advances to customers<sup>1</sup></b>				
六個月以下惟三個月以上	6 months or less but over 3 months	73,838	0.49	123,986	0.74
一年以下惟六個月以上	1 year or less but over 6 months	28,170	0.19	170,354	1.02
超過一年	Over 1 year	139,455	0.92	550,184	3.29
		<u>241,463</u>	1.59	<u>844,524</u>	5.05
就逾期貸款持有之 抵押品價值 <sup>2</sup>	Amount of collateral held in respect of overdue advances <sup>2</sup>	<u>161,595</u>		<u>519,145</u>	
有抵押逾期貸款	Secured overdue advances	152,132		504,170	
無抵押逾期貸款	Unsecured overdue advances	89,331		340,354	
		<u>241,463</u>		<u>844,524</u>	
就逾期貸款撥出之 特別準備數額	Amount of specific reserves made against overdue advances	<u>53,288</u>		<u>169,021</u>	

1 淨懸帳利息。

2 包括預期可從清盤中公司收回之  
11,730,000港元(二零零一年：  
16,760,000港元)。

1. Net of suspended interest.

2. Including expected recoveries of HK\$11.73 million (2001: HK\$16.76 million)  
from companies in liquidation.

(e) 逾期客戶貸款 (續)

Overdue advances to customers (continued)

		本集團	
		The Group	
		二零零二年	二零零一年
		十二月	十二月
		三十一日	三十一日
		As at	As at
		31 December	31 December
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
三個月以上有關利息仍然累計之逾期貸款(「利息累計之逾期貸款」)	Advances overdue for more than 3 months and on which interest is still being accrued (“Interest accrual overdue advances”)	6,399	53,752
三個月或三個月以下有關利息已被懸帳或停止累計之逾期貸款(「利息停止累計但非逾期之貸款」)	Advances overdue for 3 months or less and on which interest is being placed in suspense or on which interest accrual has ceased (“Interest non-accrual but not overdue advances”)	27,328	46,996

## Unaudited Supplementary Financial Information

- (f) 逾期貸款總額與利息懸帳之客戶貸款間之對帳 Reconciliation between overdue gross advances and advances to customers on which interest is placed in suspense

		本集團	
		The Group	
		二零零二年	二零零一年
		十二月	十二月
		三十一日	三十一日
		As at	As at
		31 December	31 December
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
逾期客戶貸款	Overdue advances to customers	241,463	844,524
減：利息累計之逾期貸款	Less : Interest accrual overdue advances	(6,399)	(53,752)
加：利息停止累計但非逾期之貸款	Add : Interest non-accrual but not overdue advances	27,328	46,996
不履行合約貸款	Non-performing advances	262,392	837,768

(g) 重定還款期之客戶貸款  
Rescheduled advances to customers

		本集團 The Group			
		二零零二年 十二月三十一日 As at 31 December 2002		二零零一年 十二月三十一日 As at 31 December 2001	
		佔貸款總額 之百分比 % of 千港元 HK\$'000		佔貸款總額 之百分比 % of 千港元 HK\$'000	
		gross advances		gross advances	
<b>重定還款期之客戶貸款<sup>1</sup></b>	<b>Rescheduled advances to customers<sup>1</sup></b>				
利息累計之重定還款期貸款	Interest accrual rescheduled advances	191,428	1.26	164,440	0.98
利息停止累計之重定 還款期貸款	Interest non-accrual rescheduled advances	8,694	0.06	33,550	0.20
		<b>200,122</b>	<b>1.32</b>	<b>197,990</b>	<b>1.18</b>
就重定還款期貸款持有之 抵押品價值	Amount of collateral held in respect of rescheduled advances	<b>176,247</b>		<b>186,445</b>	
有抵押重定還款期貸款	Secured rescheduled advances	<b>169,260</b>		<b>172,445</b>	
無抵押重定還款期貸款	Unsecured rescheduled advances	<b>30,862</b>		<b>25,545</b>	
		<b>200,122</b>		<b>197,990</b>	
就重定還款期貸款撥出之 特別準備數額	Amount of specific reserves made against rescheduled advances	<b>14,535</b>		<b>6,760</b>	

1. 已扣除逾期三個月以上及已在附註(e)逾期客戶貸款中匯報之重定還款期貸款。

1. Net of rescheduled advances which have been overdue for over three months and were reported in Note (e) Overdue Advances to Customers.

(h) 客戶貸款 – 按行業分類  
Advances to customers – by industry sectors

有關按行業分類客戶貸款之資料乃依據呈交香港金融管理局的「貸款、墊款及準備金分析季報表」(MA(BS)2A)及「認可機構資產負債表」(MA(BS)1)所載的貸款類別來列入各行業類別。

The information concerning advances to customers by industry sectors has been classified in accordance with the industry categories contained in the banking returns on “Quarterly Analysis of Loans and Advances and Provisions (MA(BS)2A)” and “Assets and Liabilities of an Authorised Institution (MA(BS)1)” submitted to the Hong Kong Monetary Authority.

		本集團	
		The Group	
		二零零二年 十二月 三十一日 As at 31 December 2002 千港元 HK\$'000	二零零一年 十二月 三十一日 As at 31 December 2001 千港元 HK\$'000
在香港使用的貸款	Loans for use in Hong Kong		
工商金融	Industrial, commercial and financial		
– 物業發展	– Property development	237,151	241,497
– 物業投資	– Property investment	2,836,200	3,139,063
– 金融企業	– Financial concerns	234,694	397,587
– 股票經紀	– Stockbrokers	28,983	7,046
– 批發及零售業	– Wholesale and retail trade	183,904	129,840
– 製造業	– Manufacturing	1,340,140	1,289,023
– 運輸及運輸設備	– Transport and transport equipment	516,784	482,106
– 其他	– Others	2,231,622	2,111,705
個人	Individuals		
– 購買「居者有其屋計劃」及「私人參建居屋計劃」樓宇的貸款	– Loans for the purchase of flats in the Home Ownership Scheme and Private Sector Participation Scheme	24,056	34,378
– 購買其他住宅物業的貸款	– Loans for the purchase of other residential properties	6,134,708	6,964,612
– 信用卡貸款	– Credit card advances	541,078	724,364
– 其他	– Others	640,401	899,703
		<b>14,949,721</b>	16,420,924
貿易融資	Trade finance	166,957	181,918
在香港以外使用的貸款	Loans for use outside Hong Kong	44,905	127,239
		<b>15,161,583</b>	16,730,081



### (i) 收回資產 Repossessed assets

於二零零二年十二月三十一日，本集團收回資產總額合共722,459,000港元（二零零一年：602,756,000港元）。

The total repossessed assets of the Group as at 31 December 2002 amounted to HK\$722,459,000 (2001: HK\$602,756,000).

### (j) 跨境債權 Cross-border claims

外資金融機構之跨境債權資料須根據經計及任何風險轉移後該機構所在地所出現及產生之最終風險作出披露。一般而言，倘該等債權由該機構所屬國家以外之其他國家之任何人士作出擔保或倘該等債權乃由一家總辦事處位於另一國家之海外分行持有，則須進行風險轉移。僅於該地區所持有之債權佔跨境債權總額10%或以上者須作出披露。

The information of cross-border 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 transfer of risk. 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 overseas branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate cross-border claims are disclosed.

(j) 跨境債權 (續)

Cross-border claims (continued)

於二零零二年十二月三十一日 百萬港元	As at 31 December 2002 Figures in HK\$Million	本集團 The Group			總額 Total
		銀行及其他 金融機構 Banks and other financial institutions	公營機構 Public sector entities	其他 Others	
亞洲太平洋地區 (不包括香港)	Asia Pacific excluding Hong Kong				
– 澳洲	– Australia	356	0	0	356
– 新加坡	– Singapore	1,989	0	0	1,989
– 中國	– China	0	5	0	5
– 其他	– Others	15	0	40	55
北美洲	North America				
– 加拿大	– Canada	102	0	1	103
– 美國	– United States	13	1	127	141
加勒比	Caribbean				
– 開曼群島	– Cayman Islands	0	0	79	79
– 其他	– Others	0	0	197	197
中東 – 巴林	Middle East - Bahrain	157	0	0	157
西歐	Western Europe				
– 比利時	– Belgium	3	0	0	3
– 德國	– Germany	164	0	0	164
– 法國	– France	4	0	2	6
– 荷蘭	– Netherlands	275	0	0	275
– 英國	– United Kingdom	689	0	4	693
– 其他	– Others	14	0	39	53
		3,781	6	489	4,276

(j) 跨境債權 (續)

Cross-border claims (continued)

於二零零一年十二月三十一日 百萬港元	As at 31 December 2001 Figures in HK\$Million	本集團 The Group			總額 Total
		銀行及其他 金融機構 Banks and other financial institutions	公營機構 Public sector entities	其他 Others	
亞洲太平洋地區 (不包括香港)	Asia Pacific excluding Hong Kong				
– 澳洲	– Australia	582	0	0	582
– 中國	– China	0	75	76	151
– 其他	– Others	44	0	63	107
北美洲	North America				
– 加拿大	– Canada	410	0	0	410
– 美國	– United States	2	203	116	321
加勒比	Caribbean				
– 百慕達	– Bermuda	0	0	554	554
– 開曼群島	– Cayman Islands	0	0	438	438
– 其他	– Others	0	0	363	363
中東 – 巴林	Middle East - Bahrain	3	0	0	3
西歐	Western Europe				
– 比利時	– Belgium	538	0	0	538
– 德國	– Germany	2,300	0	0	2,300
– 法國	– France	596	0	0	596
– 荷蘭	– Netherlands	705	0	0	705
– 英國	– United Kingdom	607	0	4	611
– 其他	– Others	150	0	38	188
		5,937	278	1,652	7,867

(k) 貨幣風險  
Currency risk

倘所持有之任何外幣分別佔所有外幣倉盤淨額總值或結構性倉盤淨額總值10%或以上，則須披露有關外幣之倉盤淨額或結構性倉盤淨額。

The net positions or net structural positions in foreign currencies are disclosed when each currency constitutes 10% or more of the respective total net position or total net structural position in all foreign currencies.

		本集團 The Group					
		於二零零二年十二月三十一日 As at 31 December 2002					
百萬港元等值	Equivalent in HK\$'Millions	美元 US Dollars	歐元 Euro	日圓 Japanese Yen	紐元 New Zealand Dollars	澳元 Australian Dollars	合共 Total
現貨資產	Spot assets	4,204	287	32	450	920	5,893
現貨負債	Spot liabilities	(4,945)	(195)	(115)	(379)	(865)	(6,499)
遠期買入	Forward purchases	1,547	185	406	4	165	2,307
遠期賣出	Forward sales	(803)	(279)	(327)	(75)	(214)	(1,698)
期權盤淨額	Net option position	0	0	0	0	0	0
長／(短)盤淨額	Net long/(short) position	3	(2)	(4)	0	6	3
		美元 US Dollars	歐元 Euro	日圓 Japanese Yen	紐元 New Zealand Dollars	澳元 Australian Dollars	合共 Total
結構性倉盤淨額	Net structural position	0	0	0	0	0	0

(k) 貨幣風險 (續)  
Currency risk (continued)

		本集團 The Group 於二零零一年十二月三十一日 As at 31 December 2001					
百萬港元等值	Equivalent in HK\$'Millions	美元 US Dollars	歐元 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	澳元 Australian Dollars	合共 Total
現貨資產	Spot assets	3,315	280	291	190	624	4,700
現貨負債	Spot liabilities	(3,895)	(311)	(348)	(197)	(502)	(5,253)
遠期買入	Forward purchases	780	100	138	11	51	1,080
遠期賣出	Forward sales	(215)	(69)	(81)	(4)	(174)	(543)
期權盤淨額	Net option position	15	0	0	0	0	15
短盤淨額	Net short position	0	0	0	0	(1)	(1)
		美元 US Dollars	歐元 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	澳元 Australian Dollars	合共 Total
結構性倉盤淨額	Net structural position	0	0	0	0	0	0

(l) 公司管治  
Corporate governance

本集團致力實行高水平公司管治，並於整個年度遵守香港金融管理局頒佈的監管政策手冊的其中章節「本地註冊認可機構的企業管治」。

The Group is committed to high standards of corporate governance, and has complied throughout the year with the module on “Corporate governance of locally incorporated authorised institutions” under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

## (m) 董事委員會 Board committees

董事會已成立若干管治委員會，包括執行委員會、信貸委員會、資產及負債委員會、審核委員會以及薪酬委員會。

### (i) 執行委員會

執行委員會由獨立、執行及非執行董事組成，獲授權代表董事會行事。委員會按規定審閱及批准銀行的風險管理策略及各項政策，包括但不限於信貸及借貸政策、資本投資政策及其他特定一般管理事宜。委員會亦為董事會的信貸委員會，負責審閱及批核董事會指定限額以內的信貸申請。

### (ii) 信貸委員會

信貸委員會由行政總裁擔任主席，每星期舉行兩次會議，其信貸權力較次於執行委員會審批信貸權力。信貸委員會亦是由本行其他執行董事、執行副總裁、零售及企業銀行部的總信貸主任、司庫及本行主要營業部門主管組成。委員會專責根據信貸授權限額就信貸風險批核信貸建議；並向行政總裁提供意見及建議。信貸委員會在信貸風險管理及監控方面進行審閱及執行措施，並在信貸監察方面舉足輕重。委員會審核借貸主任所批核的貸款，且為全體借貸主任提供指引，協助監察貸款組合的信貸風險。

The Board of Directors has established a number of governing committees including the Executive Committee, Credit Committee, Asset and Liability Committee, Audit Committee, and Remuneration Committee.

### (i) Executive Committee

The Executive Committee comprises of independent, executive and non-executive directors and is delegated the authority to act on behalf of the Board of Directors. The Committee meets as required to review and approve the bank's risk management strategy and various policies which include, but are not limited to credit and lending policies, capital investment policy and other ad hoc general management issues. It also serves as the credit committee of the Board to review and approve credit applications within limits assigned by the Board.

### (ii) Credit Committee

The Credit Committee, meeting twice a week, is chaired by the Chief Executive who is delegated the authority of credit approval with a limit lower than the Executive Committee. The Credit Committee also comprises the Bank's other executive director, executive vice presidents, chief credit officers for retail and corporate banking, the Treasurer and the heads of the Bank's major business units. It is responsible for approving, advising and recommending to the Chief Executive the approval of credit exposures in accordance with the credit authority limits. The Credit Committee reviews and implements measures on credit risk management and controls and plays a key role in credit monitoring. It reviews loans extended by lending officers and provides guidelines to all lending officers to assist them in monitoring the credit risk of the loan portfolio.

**(m) 董事委員會** (續)**Board committees** (continued)**(iii) 資產及負債委員會**

資產及負債委員會由本行的行政總裁、執行董事、財務總監、司庫、零售及企業銀行以及消費信貸的總信貸主任，以及行政總裁委任的高級管理人員組成。委員會與內部核數師每星期舉行一次會議，公司管治及合規部主管會列席會議作觀察員，確保全面符合管治政策。委員會的主要職責包括定期檢討本行涉及利率風險及流動資金風險的業務，特別針對本行應付資金責任的能力以及遵守法定流動資金及資金充裕要求事宜。委員會定期審閱及批核本行有關資產及負債管理、投資及其他風險管理事宜的政策，以報董事會批准。委員會亦制定資源及資金運用的長遠政策、應付當時狀況的短期方針以及監察該等政策及方針的推行。此外，資產及負債委員會亦評估有關營業部門所提出新產品的風險及盈利能力，並批審有關新產品。

**(iv) 審核委員會**

審核委員會只由非執行董事組成，包括本行全體之獨立董事。委員會每年最少進行四次會議，或於有需要時進行會議。審核委員會負責確保本行的財務呈報過程受到足夠的監察。委員會亦負責檢討內部核數計劃及報告、確保內部核數師與外聘核數師之間有所協調，以及監管是否符合內部政策、法規及由外聘核數師所提供的意見。

**(iii) Asset and Liability Committee**

The Asset and Liability Committee is comprised of the Bank's Chief Executive, executive director, chief financial officer, treasurer, chief credit officers for retail and corporate banking and for consumer finance, and senior managers as appointed by the Chief Executive. The Committee meets on a weekly basis with the internal auditor and chief compliance officer attending the meeting as observers to ensure overall compliance with the governing policies. The Committee's main responsibilities include regular review of the Bank's operations relating to interest rate risk and liquidity risk and in particular the Bank's ability to meet its funding obligations, and its compliance with statutory liquidity and capital adequacy requirements. The Committee regularly reviews and endorses, for Board approval, the Bank's policies governing asset and liability management, investment, and other risk management issues. It also formulates both long term strategy for the sources and uses of funds and short term directives to address prevailing conditions and monitors the implementation of these strategies and directives. In addition, the Asset and Liability Committee assesses the risk and profitability of a new product proposed by respective business units and approves new products.

**(iv) Audit Committee**

The Audit Committee is comprised solely of non-executive directors, including all of the Bank's independent directors. It meets at least four times a year or when deemed necessary. The Audit Committee ensures adequate supervision of the Bank's financial reporting processes. The Committee also reviews the internal audit programme and reports, ensures co-ordination between the internal and external auditors, and monitors compliance with internal policies, statutory regulations and recommendations made by the external auditors.

**(m) 董事委員會** (續)**Board committees** (continued)**(v) 薪酬委員會**

薪酬委員會由董事會主席及兩名獨立非執行董事所組成。委員會按規定檢討及通過高級行政人員，包括行政總裁、執行董事，以及執行副總裁之薪酬條件。執行董事不會就其本身的薪酬作出任何決定。委員會亦負責檢討及通過本行薪酬政策的架構。

**(v) Remuneration Committee**

The Remuneration Committee is comprised of the Board's Chairman and the two independent non-executive directors. The Committee meets as required to review and approve the remuneration packages for senior executives which include the Chief Executive, Executive Directors, and Executive Vice Presidents. Executive directors do not play a part in decisions on their own remuneration. The Committee also reviews and approves the remuneration policy framework of the Bank.

**(n) 風險管理****Management of risks**

本集團已設有管理及監察信貸風險、流動資金、資本及市場風險的政策及程序。風險管理政策由執行委員會制定，委員會亦實行風險監察，並定期檢討本集團風險政策之有效性。內部核數師亦定期進行核數以確保符合政策及程序。

The Group has established policies and procedures for the control and monitoring of credit risk, liquidity, capital and market risk. The risk management policy is formulated by the Executive Committee, which also monitors risk and regularly reviews the effectiveness of the Group's risk management policies. The internal auditors also perform regular audits to ensure compliance with the policies and procedures.

**(i) 信貸風險管理**

信貸風險源於貸款人或交易對手未能履行其承擔，可來自本集團之貸款、貿易融資、財資、衍生工具及其他銀行業務。

**(i) Credit risk management**

Credit risk arises from the potential that a borrower or counterparty will fail to perform under an obligation. It arises from the lending, trading, treasury, derivatives and other activities.

本集團之信貸政策融合審慎承擔標準。有關政策對信貸條件、董事會指定之信貸審批職權、信貸監管程序、貸款分類系統及撥款政策作出界定，並參考香港銀行條例內之規定及香港金融管理局就高風險及撥款規定頒佈之指引。

The Group's credit policy incorporates prudent underwriting standards. The policy defines the credit extension criteria, the credit approval authorities delegated from the Board, the credit monitoring processes, the loan grading system and provisioning policy. It also takes into account the requirements in the Hong Kong Banking Ordinance and the guidelines issued by the Hong Kong Monetary Authority with respect to large exposures and provisioning requirements.



(n) 風險管理 (續)

Management of risks (continued)

董事會執行委員會獲授權負責代表董事會審批信貸申請。行政總裁則獲董事會授予較次於執行委員會之審批信貸權力，而行政總裁亦經董事會批准授予信貸委員會權力批出信貸。信貸之審批均會考慮貸款種類、貸款年期、有關未來借款人之還款能力及抵押擔保。

信貸部門、零售及企業銀行風險管理部、消費信貸風險管理部獲授權並代表信貸委員會進行統一信貸風險管理，負責下列各項職責：

- 獨立審核信貸申請，包括信貸詳情、信貸評級釐定、風險評審及分析以及財務信貸息差；
- 境外以及銀行及財務機構的風險監控；
- 風險組合比重管理；
- 維持貸款評級制度；
- 定期向風險管理委員會匯報貸款組合情況，包括高信貸風險、行業風險、國家風險以及壞帳撥備程度等資料。

本集團同時亦制定政策以確保每項新產品經由產品發展委員會設計及審閱。所有有關之部門必須於產品推出前，參予有關系統及控制程序。

The Executive Committee of the Board has been delegated the power to approve credits on behalf of the Board. The Chief Executive Officer, who has been delegated by the Board a lower credit approval authority than the Executive Committee, has in turn delegated lower authorities to the Credit Committee as approved by the Board of Directors. Approval takes into account facility structure, tenor, the repayment ability of the prospective borrower and available security.

The credit departments, Retail and Corporate Banking Risk Management Unit and Consumer Finance Risk Management Unit, receive their authority and delegated responsibilities from the Credit Committee to provide centralised management of credit risk. They are responsible for:

- independent evaluation of credit applications, which covers facility details, credit grade determination, risk review and analysis and financial spreads;
- control of cross-border exposures, as well as those to banks and financial institutions;
- portfolio management of risk concentrations;
- maintenance of the loan grading system; and
- reporting to the Risk Management Committee regularly on aspects of the loan portfolio. This includes information on large credit exposures, industry exposures, country exposures and levels of bad debt provisioning.

The Group has established guidelines to ensure that each new product is designed and reviewed by a product committee. All relevant internal departments are required that they have put in place the appropriate processes, systems and controls before the product is approved by the Asset and Liability Committee.

**(n) 風險管理** (續)**Management of risks** (continued)

貸款履行情況乃透過定期檢討，以及向行政總裁及內部審稽部門提交的管理層報告進行監察。為避免風險過份集中，個別客戶群的信貸風險，以及向各行業所提供的貸款乃經審慎處理，以達致一個平衡的貸款組合。按行業分類的客戶貸款分析乃於上述附註(h)內披露。

與資產負債表上的金融工具不同，因其信貸風險一般以信貸本金顯示，而衍生工具之信貸風險則指正面之重置成本加上對其日後潛在變動之市值估計。衍生工具信貸風險於經審核財務表附註35(b)予以披露。

Performance of loans is monitored through regular reviews and management reports submitted to the Chief Executive Officer as well as the Internal Control Department. To avoid concentration of risk, credit exposures to individual customer groups and advances to industry sectors are carefully managed to achieve a balanced loan portfolio. Analysis of advances to customers by industry sector is disclosed in note (h) above.

Unlike on-balance sheet instruments, where the credit risk is generally represented by the principal value, the credit risk for derivatives is the positive replacement cost together with an estimate for the potential future change in its market value. The credit risk exposure on derivatives is disclosed in note 35(b) of the audited financial statements.

**(ii) 流動資金風險管理**

流動資金風險是指從資產或負債方面未能提供足夠現金以應付存款提取或合約貸款需要的風險。本集團會緊密監察集團的流動資金，以保證集團資金結構中的資產、負債及合約承諾能達到其融資需求，並能經常符合法定的流動資金比率。在以上附註(a)中披露，本集團二零零二年十二月份綜合流動資金比率為52.49%，二零零二年年度的平均流動資金比率為49.76%，遠高於法定的25%最低要求。

資產及負債委員會透過日常流動資金比率及到期資金錯配的監察，審閱目前及未來整體運作的資金需求。流動資金風險以持充裕的流動資產(如現金及短期資金及證券)至合適水平的方式管理，以確保在審慎的資金限額內得以應付短期的資金需求。

**(ii) Liquidity management**

Liquidity risk is the risk that not enough cash will be generated from either assets or liabilities to meet deposit withdrawals or contractual loan funding. The Group manages the liquidity structure of its assets, liabilities and commitments so as to ensure that all group operations can meet their funding needs and that the statutory liquidity ratio is complied with. As disclosed in note (a) above, both the Group's consolidated liquidity ratio of 52.49% for December 2002 and the average liquidity ratio of 49.76% for the year of 2002 were well above the statutory minimum ratio of 25%.

The Asset and Liability Committee reviews the current and prospective funding requirements for all operations through daily monitoring of the liquidity ratio and the maturity mismatch profile. The liquidity risk is managed by holding sufficient liquid assets (e.g. cash and short term funds and securities) of appropriate quality to ensure that short term funding requirements are covered within prudent limits.

## (n) 風險管理 (續)

### Management of risks (continued)

客戶的往來、定期及各類型的存款構成本集團整體資金的重要部分。其資金組合仍屬多元化及穩定。為延長資金的存款期，本行定期發出屆滿期不長於5年的存款證。

流動資金比率於附註(a)披露。

Current, fixed, and other deposits of customers form a significant part of the Group's overall funding. Its composition has remained relatively diversified and stable. In order to lengthen the duration of the funding, the Bank periodically issues certificates of deposits with maturities of not more than 5 years.

Liquidity ratio is disclosed in note (a).

## (iii) 資本管理

本集團擬維持雄厚的資本來支持本集團審慎地開拓業務，務求使本集團之業務更多元化，其中包括在未來擴大分行網絡、增強客戶基礎，以及提供更多全新金融產品等，及符合法定之資本充足比率。在以上附註(a)披露，本集團於二零零二年十二月三十一日之未經調整比率為21.37%，實已遠高於法定之8%最低要求。

本行因應各部門所面對的風險程度將資本應用在不同業務上。若其附屬公司由其他監管機構所管轄，該附屬公司須持有相關監管機構所規定的最低資本水平。香港金融管理局所指定的若干從事財務活動的附屬公司，須遵守香港金融管理局要求的資本規定。

資本充足比率及資本基礎組成部分於附註(a)及(b)披露。

## (iii) Capital management

The Group's policy is to maintain a strong capital base to support the development of the Group's operations prudently, with the aim of diversifying its business activities, including the future expansion of the branch network, increasing the customer base, introducing new financial products and meeting the statutory capital adequacy ratio. As disclosed in note (a) above, the unadjusted ratio of 21.37% as at 31 December 2002 was well above the statutory minimum ratio of 8%.

Capital is allocated to the various activities of the Bank depending on the risk taken by each business division. Where the subsidiaries are directly regulated by other regulators, they are required to maintain minimum capital according to the regulators' rules. Certain financial subsidiaries, as specified by the Hong Kong Monetary Authority, are subject to the Hong Kong Monetary's capital requirements for its regulatory purposes.

Capital adequacy ratios and components of capital base are disclosed in notes (a) and (b).

**(n) 風險管理** (續)**Management of risks** (continued)**(iv) 市場風險****市場風險**

市場風險指市場息率及價格波動之風險，如本銀行資產、負債及承擔的息率及匯率等，會影響本集團溢利或虧損。市場風險產生於以目前市價計值（「按市價計值」）及以成本加任何應計利息計值（「權責發生制」）的財務工具。

本銀行於貨幣市場、外匯市場以及資本市場進行業務，因而面對市場風險。本銀行因應客戶的指示、市場作價活動、為對沖本銀行的未平倉盤而建立持倉。本銀行並無進行自營外匯交易，僅會按客戶需求而進行該類交易。

財務工具交易會以包括債務、股本及其他證券以及若干資產負債表外財務工具（「衍生工具」）進行。衍生工具乃以合約所訂明的某一種或多種相關財務工具或指數而產生價值的合約。衍生工具包括掉期、遠期匯率協議、期貨、期權以及上述工具的組合。衍生工具用途是管理本銀行本身的市場風險，作為其資產及負債管理程序的一部分。本銀行所採用的衍生工具主要為利率及匯率相關合約等場外交易衍生工具。本銀行大部分衍生工具倉盤目的乃應付客戶需求及對沖該等及其他買賣倉盤。

**(iv) Market risk management****Market risk**

Market risk is the risk that movements in market rates and prices, such as interest rates and foreign exchange rates on the Bank's assets, liabilities and commitments will result in profits or losses to the Group. Market risk arises on financial instruments which are valued at current market prices ("marked to market") and those valued at cost plus any accrued interest ("accruals basis").

The Bank transacts in the money market, foreign exchange market and capital market giving rise to market risk exposures. Positions are taken as a result of the execution of customers' orders, market making activities, and positions taken in order to hedge the Bank's open position. The Bank does not engage in proprietary trading of foreign exchange, but merely executes customer orders.

Financial instruments traded include debt, equity and other securities and certain off-balance sheet ("derivative") financial instruments. Derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices defined in the contract. They include swaps, forward rate agreements, futures, options and combinations of these instruments. The use of derivatives are used to manage the Bank's own exposures to market risk as part of its asset and liability management process. The principal derivatives instruments used by the Bank are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives. Most of the Bank's derivatives positions have been entered into to meet customer demand and to hedge these and other trading positions.

**(n) 風險管理 (續)**

**Management of risks** *(continued)*

**風險管理**

本集團已成立清晰的市場風險政策，包括風險限額、呈報範圍及控制程序，並由董事定期檢討及審批。市場風險乃按執行委員會所通過的不同限額加以管理。此等限額乃為各項金融工具而釐定，包括各類產品限額、持倉總額及淨額、持倉集中限額、按市值計算的產品限額、止蝕限額，以及持倉風險限額。

本集團採取風險值(「風險值」)措施，以控制本行市場風險的方法。風險值乃一項對潛在虧損評估數字(其中包括明確的信心水平)。如持倉量於一個營業日內維持不變，有關潛在虧損可能因投資組合的價值變動而上升。計算方式乃使用方差與協方差模式估計統計數字信心水平。本行預期其投資組合的方差與協方差的信心水平為95%及99%。

此外，投資組合須接受壓力測試，並以綜合基準評估因市場價格極端變動對收益表的潛在影響。

**市場風險承擔**

本集團採納一套謹慎的方法，以管理其交易組合，並透過與其他市場同業簽訂抵銷交易或對沖合約，以減低任何過度市場風險。本集團亦符合所有載列於監管政策手冊內「就市場風險維持充足資本」之指引所載有關申報市場風險的最微細豁免的所有準則。因此，本集團認為任何因其營業帳而產生的市場風險並不重大。

**Risk management**

The Group has established clear market risk policies, including limits, reporting lines and control procedures, which are reviewed regularly and approved by the Directors. Market risk is managed within various limits approved by the Executive Committee. These limits are determined for each financial instrument and include limits on product volume, gross and net positions, position concentrations, mark to market limits, stop loss limits and risk position limits.

The Group uses a value-at-risk (“VaR”) measure as a mean of controlling the Bank’s market risk. The VaR is an estimate, with a defined confidence level, of the potential loss which might arise due to changes in the value of investment portfolios, if positions were held unchanged for one business day. The calculation uses the variance-covariance model as the means to estimate the statistical confidence level. The Bank estimates the VaR of its investment portfolios with a confidence level of 95% and 99%.

In addition, stress testing is performed on the portfolios and on a consolidated basis to assess the potential income statement impact as a result of extreme movements in market prices.

**Market risk exposure**

The Group adopts a prudent approach to managing its trading portfolios, and reduces any excessive market risk by executing offsetting transactions or hedging contracts with other market counterparties. The Group has also met all of the *de minimis* exemption criteria for reporting market risk as set out in the module on “Maintenance of Adequate Capital Against Market Risks” under the Supervisory Policy Manual. The Group therefore considers that any market risk arising from its trading book is not material.