



(Stock Code 股份代號 : 23)

Annual Report **2014** 年報



Welcome to The Bank of East Asia, Limited's website
歡迎瀏覽東亞銀行有限公司網站

CONTENTS

目錄

Corporate Profile 本行簡介	02
Financial Highlights 財務摘要	03
Five-Year Financial Summary 5年財務概要	04
Chairman's Statement 主席報告書	06
Report of the Chief Executive and Senior Management 行政總裁及高層管理人員報告書	10
Biographical Details of Directors and Senior Management 董事及高層管理人員的個人資料	34
Corporate Information 公司資料	54
List of Outlets 網絡一覽	56
Corporate Governance Report 企業管治報告	58
Corporate Social Responsibility Report 企業責任報告	88
Report of the Directors 董事會報告書	102
Independent Auditor's Report 獨立核數師報告	120
Financial Statements 財務報表	122
Unaudited Supplementary Financial Information 未經審核補充財務資料	284
Glossary 詞彙	342

CORPORATE PROFILE

本行簡介

Our Mission 使命宣言

We at BEA strive to provide best in class financial services, always demanding the highest standard of professionalism and integrity of ourselves. With a commitment to quality of service, we focus on satisfying customer needs. We aim to grow, together with our customers, our shareholders and our colleagues.

東亞銀行竭力提供最卓越的金融服務，遵行最高之專業和誠信準則。我們承諾提高服務質素，致力滿足客戶之需要，並以與客戶、股東、員工與時並進為目標。

Incorporated in 1918, The Bank of East Asia, Limited is Hong Kong's largest independent local bank with total consolidated assets of HK\$795.9 billion (US\$102.6 billion) as of 31st December, 2014. The Bank is listed on The Stock Exchange of Hong Kong and is a constituent stock of the Hang Seng Index.

BEA is dedicated to helping its customers grow and prosper through the provision of a comprehensive range of commercial banking, personal banking, wealth management, and investment services.

The Bank maintains one of the largest retail networks of any bank in Hong Kong, with full-service branches, SupremeGold Centres for high net-worth customers, and innovative, extended hour i-Financial Centres conveniently located throughout the city.

In Mainland China, BEA's wholly-owned subsidiary, The Bank of East Asia (China) Limited operates more than 125 outlets – one of the most extensive networks of any foreign bank in China. In addition to the BEA China network, BEA operates a rural bank in Fuping County, Weinan City, in Shaanxi Province.

Overseas, the Bank maintains an active presence in Southeast Asia, the United Kingdom, and the United States. Worldwide, BEA serves customers through more than 240 outlets and offers rewarding and challenging career opportunities to over 13,000 employees.

The BEA Group's subsidiaries further broaden the Bank's product offering to meet the increasingly diverse and sophisticated needs of a burgeoning customer base. BEA's wholly-owned subsidiaries, BEA Life Limited and Blue Cross (Asia-Pacific) Insurance Limited, serve as the Bank's life insurance and general insurance arms, respectively, and provide a comprehensive range of insurance solutions for individual and corporate customers. A global provider of integrated business, corporate, and investor services, Tricor Holdings Limited helps clients build their businesses by offering outsourced expertise in business support functions.

The BEA Group strives to be a positive, enabling force in the communities it serves and is committed to long-term sustainable development. The Group integrates social, environmental, ethical, employee, and customer concerns into its business and operations with the aim of aligning the interests of its stakeholders and the society at large.

For more information on BEA, please visit your nearest BEA branch or visit the Bank's homepage at www.hkbea.com.

東亞銀行有限公司成立於1918年，現為香港最大的獨立本地銀行。於2014年12月31日，本行的綜合資產總額達港幣7,959億元（1,026億美元）。本行於香港聯合交易所上市，亦是恒生指數成份股。

本行一直透過各種商業銀行、個人銀行、財富管理和投資服務，竭誠為客戶提供優質及多元化的金融服務，全力支持客戶發展。

本行為香港擁有最龐大零售網絡的銀行之一，分行提供全面的服務，並有專為高端客戶而設的顯卓理財中心。此外，本行於不同的地區設立i-理財中心，為客戶延長營業時間提供便捷及創新的服務。

本行的全資附屬公司——東亞銀行（中國）有限公司於內地共設有逾125個網點，為內地網絡最龐大的外資銀行之一。除了東亞中國的網絡外，東亞銀行在陝西省渭南市富平縣設立了1間村鎮銀行。

本行於世界各地共設有逾240個網點，遍布東南亞、英國和美國。集團現於全球聘用超過13,000名員工。

此外，本行透過集團附屬公司進一步完善業務範圍，提供全面而適切的方案，以配合日益壯大的客戶群之需要。東亞人壽保險有限公司及藍十字（亞太）保險有限公司為集團拓展保險業務，分別承保人壽保險和一般保險產品，讓個人和企業客戶享有周全的保障；而卓佳集團有限公司則是全球性之專業服務公司，提供綜合的商務、企業和投資者服務，以其外判支援服務，全力協助客戶開拓商機。

東亞銀行集團一直致力在所服務的社區成為一股正面及積極的動力，以推動長遠的可持續發展，本集團將社會、環境、道德、員工及客戶的考慮融入本集團的業務及營運之中，以符合本集團的其他持份者，乃至廣大社群的利益。

如欲查詢更多有關東亞銀行的資料，請親臨就近的東亞銀行分行或瀏覽本行網頁：www.hkbea.com。

FINANCIAL HIGHLIGHTS

財務摘要

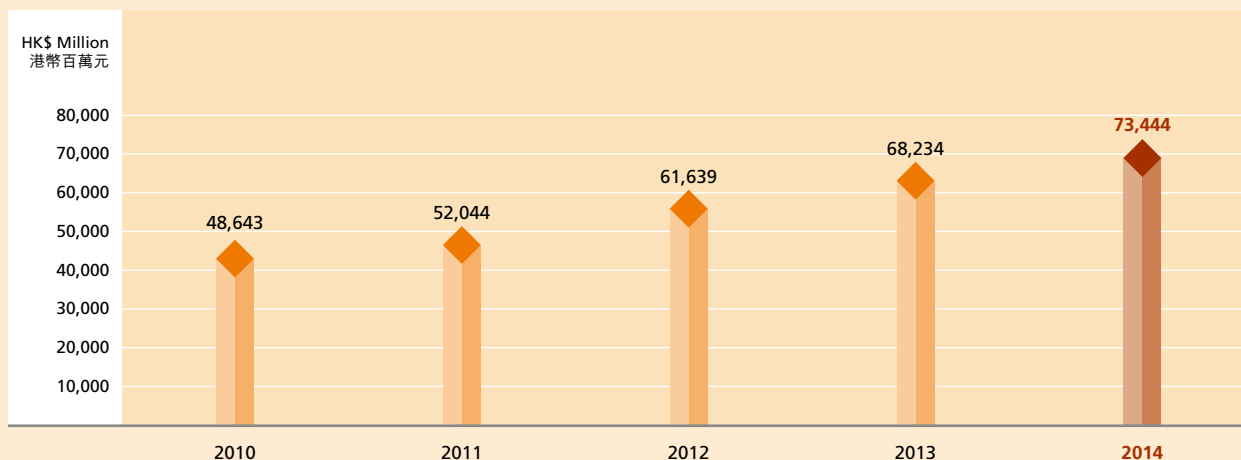
	2014 HK\$ Million 港幣百萬元	2013 HK\$ Million 港幣百萬元	Change 變動 % 百分率
Profitability 盈利能力			
Total operating income 經營收入總額	18,232	17,253	+5.7
Profit attributable to owners of the parent 可歸屬於本集團股東溢利	6,661	6,613	+0.7
Balance Sheet Strength 資產負債狀況			
Advances to customers 客戶墊款	443,287	405,357	+9.4
Total consolidated assets 綜合資產總額	795,891	753,954	+5.6
Total deposits 存款總額	592,582	577,900	+2.5
Total equity 股東權益總額	73,444	68,234	+7.6
Earnings Per Share and Dividends Per Share 每股盈利及每股股息			
Basic earnings 基本盈利	HK\$2.72	HK\$2.78	-2.2
Dividends 股息	HK\$1.11	HK\$1.11	—
Key Ratios 主要比率			
Loan to deposit ratio 貸款對存款比率	74.8%	70.1%	
Impaired loan ratio 減值貸款比率	0.6%	0.4%	
Average liquidity ratio 平均流動資金比率	50.2%	47.0%	
Total capital ratio 總資本比率	16.7%	15.9%	

FIVE-YEAR FINANCIAL SUMMARY

5 年財務概要

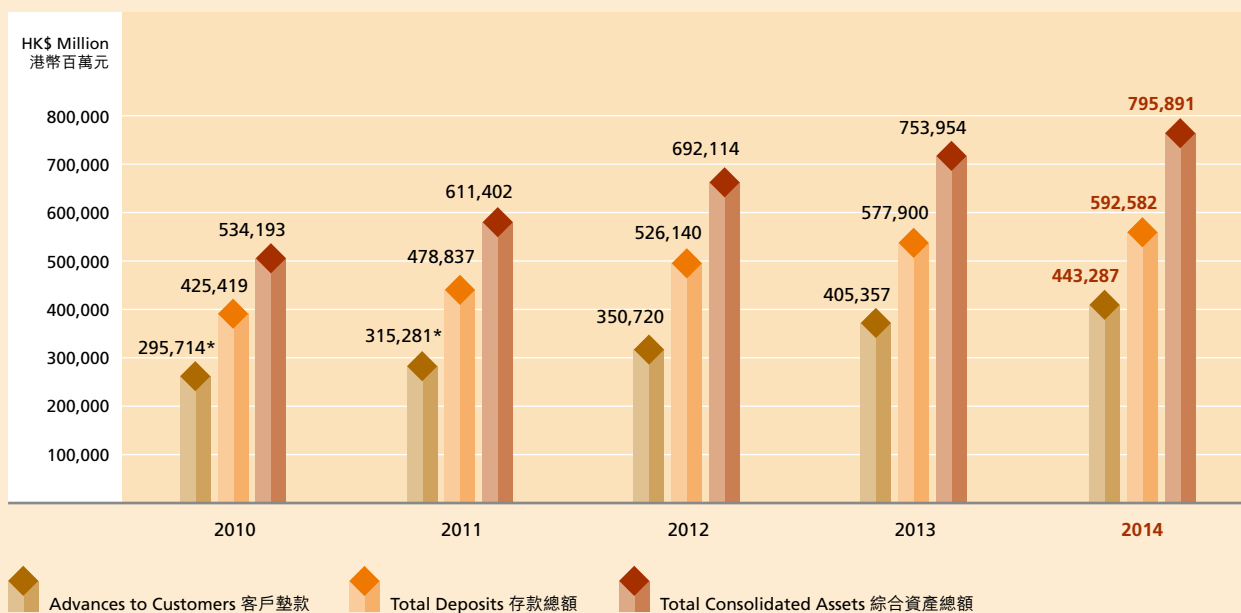
TOTAL EQUITY

股東權益總額



ADVANCES TO CUSTOMERS / TOTAL DEPOSITS / TOTAL CONSOLIDATED ASSETS

客戶墊款 / 存款總額 / 綜合資產總額

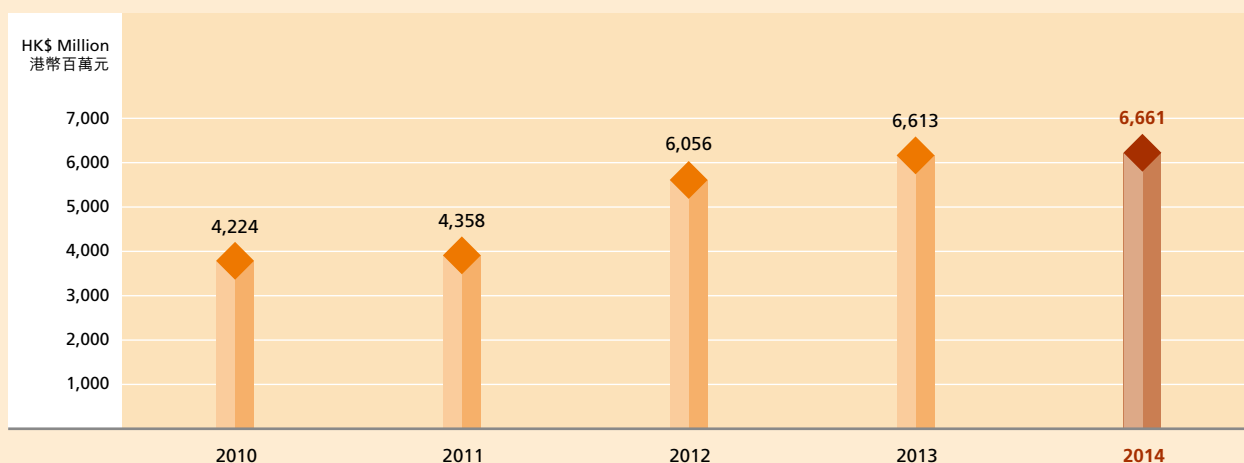


FIVE-YEAR FINANCIAL SUMMARY (CONTINUED)

5年財務概要(續)

PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

可歸屬於本集團股東溢利



FIVE-YEAR COMPARISON

5年比較

	2010 HK\$ Million 港幣百萬元	2011 HK\$ Million 港幣百萬元	2012 HK\$ Million 港幣百萬元	2013 HK\$ Million 港幣百萬元	2014 HK\$ Million 港幣百萬元
Total equity 股東權益總額	48,643	52,044	61,639	68,234	73,444
Total deposits 存款總額	425,419	478,837	526,140	577,900	592,582
Advances to customers 客戶墊款	295,714*	315,281*	350,720	405,357	443,287
Total consolidated assets 綜合資產總額	534,193	611,402	692,114	753,954	795,891
Loan to deposit ratio 貸款對存款比率	70%	66%*	67%	70%	75%
Profit attributable to owners of the parent 可歸屬於本集團股東溢利	4,224	4,358	6,056	6,613	6,661
Earnings per share 每股盈利	HK\$1.92	HK\$1.96	HK\$2.72	HK\$2.78	HK\$2.72
Dividends per share 每股股息	HK\$0.94	HK\$0.94	HK\$1.06	HK\$1.11	HK\$1.11

* Restated due to reclassification.

* 因應重新分類而重報。

CHAIRMAN'S STATEMENT

For the year 2014, The Bank of East Asia Group recorded a record-high profit attributable to owners of the parent of HK\$6,661 million, representing an increase of HK\$48 million or 0.7% compared with the HK\$6,613 million reported for 2013. Basic earnings per share stood at HK\$2.72. Return on average equity and return on average assets were 10.1% and 0.8%, respectively.

The Board of Directors has declared a second interim dividend of HK\$0.68 per share for the year ended 31st December, 2014, bringing the dividend for the year to HK\$1.11 per share.

The global economy weathered an uneven 2014. While the US economy steadily improved during the year, China's economy grew at a slower pace and the economies of Europe and Japan were sluggish. Slower growth in China led to decreased spending by Mainland tourists in Hong Kong. As a result, domestic retail sales were weak while the unemployment rate edged slightly

higher during the year. Property prices continued to increase, although overall market activity remained subdued due to the government's cooling measures. The overall operating environment is expected to remain challenging in 2015.

Against this uncertain backdrop, BEA will continue to focus on capitalising on trade and investment flows to and from China by leveraging the strength of its operations in Hong Kong and on the Mainland, as well as its strategic presence in markets around the world with well-established Chinese communities. Cross-border financing will remain a major growth engine for our Group's business in the coming year, and we will enhance our product range to meet the needs of high net-worth and corporate clients in China seeking to expand their businesses in Hong Kong and overseas.

Our China operations will remain a key driver of business growth and a source of new customers for the Group. While the Central Government's economic restructuring programme should continue to adversely affect asset quality and net interest margins in the Mainland's banking industry, we will explore new opportunities as we continue to invest in BEA China.

In view of the highly competitive nature of the retail banking industry in the markets we serve, differentiation through greater customer centricity will underpin our growth strategy. By providing the best customer experience possible, we aim to attract and retain a growing number of affluent customers who regard us as their key banking partner.



Dr. the Hon. Sir David LI Kwok-po

Chairman & Chief Executive

主席兼行政總裁

李國寶爵士

主席報告書

2014年，東亞銀行集團錄得創新高的可歸屬於集團股東溢利港幣66.61億元，較2013年所錄得溢利港幣66.13億元增加港幣4,800萬元或0.7%。每股基本盈利為港幣2.72元。平均股本回報率為10.1%，而平均資產回報率則為0.8%。

董事會宣布派發截至2014年12月31日止年度之第二次中期股息每股港幣0.68元，令全年派發股息合共每股港幣1.11元。

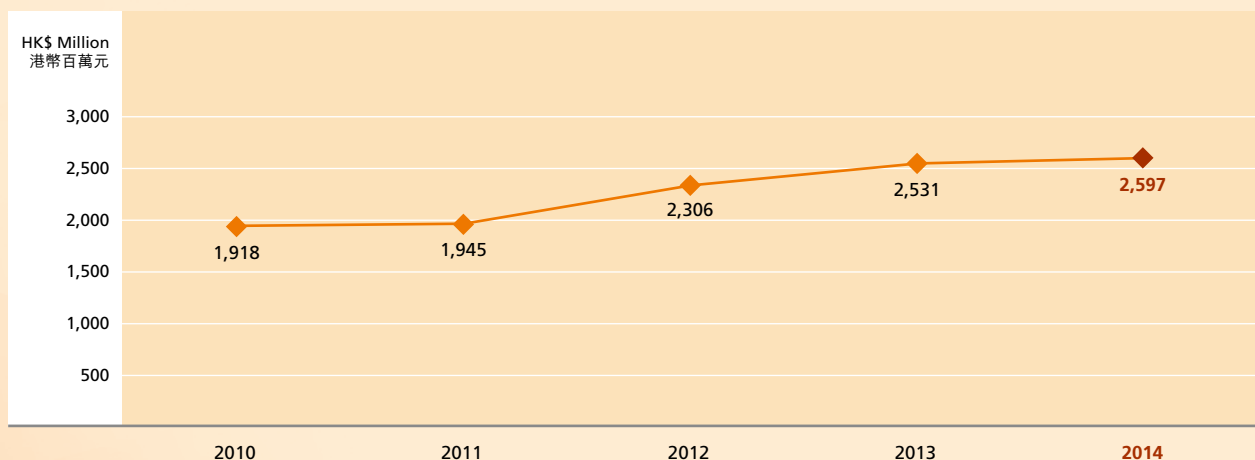
2014年全球經濟表現參差。雖然美國經濟於年內穩步復甦，但中國經濟增長放緩，而歐洲及日本的經濟亦見疲弱。受到中國經濟增長減慢影響，內地訪港旅客的消費下跌，導致本港零售業銷售表現疲軟，失業率亦於年內輕微上升。雖然香港政府推行冷卻樓市措施，令樓市交投趨淡，惟樓宇價格卻持續上揚。預計2015年的整體經營環境將會持續充滿挑戰。

儘管當前形勢並不明朗，東亞銀行將利用其在香港及內地業務的優勢，以及在世界各地發展成熟的華人社區市場所建立的策略據點，繼續專注把握由中國的貿易及投資活動所帶來的機遇。跨境融資來年仍是本集團推動業務增長的主要動力，而我們亦將擴闊產品種類，以滿足有意在本港及海外拓展業務的中國高端及企業客戶的需要。

中國業務持續為本集團業務增長的主要動力和新增客戶的來源。雖然中央政府施行的經濟結構調整措施將持續對內地銀行業的資產質素及淨息差構成負面影響，但我們將繼續投資於東亞中國，致力尋找新機遇。

在本集團所服務的市場，零售銀行業競爭非常激烈。因此，我們的增長策略將進一步以客戶為重心，讓我們脫穎而出。本集團致力為客戶帶來最佳體驗，以吸納並挽留更多富裕客戶，成為他們的主要銀行夥伴。

DIVIDENDS FOR THE LAST 5 YEARS 過往5年股息紀錄



CHAIRMAN'S STATEMENT (CONTINUED)

We will remain at the forefront of technology in our business by enriching the content and extending the reach of our electronic banking services. In Hong Kong, we will continue to roll out digital branches, which will enable us to serve our customers more efficiently while we reduce costs.

To enhance operating efficiency and productivity, we will take additional steps to improve work flows with the aid of technology, merging processes across operational units. In addition, we will continue to prudently manage our operating expenses to further improve our cost-to-income ratio.

BEA will capture new growth opportunities in China by strengthening its relationships with strategic partners, including CaixaBank of Spain and Sumitomo Mitsui Banking Corporation of Japan, and driving new business to our branches in Hong Kong and Mainland China.

In September 2014, we entered into a non-binding memorandum of understanding with SMBC in relation to a proposed subscription by SMBC of new shares in BEA. This investment will further strengthen the relationship between SMBC and BEA, and help ensure that BEA has sufficient capital to meet stringent regulatory requirements in the future. It will also provide us with a solid foundation to pursue growth opportunities, particularly in Mainland China.

Operating within an increasingly complex regulatory framework, BEA has chosen to take a proactive approach to regulatory compliance by actively engaging with regulators to ensure that all new requirements are met in a timely manner. To strengthen its risk culture and governance, the Bank has enhanced control at all levels and conducts risk and compliance training for its staff.

As a corporate citizen, we are keenly aware of our responsibility not only to our shareholders, but also to our customers, employees, and the community at large. In recent years, we have made great strides in the development of our corporate social responsibility programme. Through The Bank of East Asia Charitable Foundation and its charity partners, we have established several important programmes in support of education and social welfare including palliative care for terminally-ill patients in residential homes in Hong Kong. On the Mainland, the Shanghai Soong Ching Ling Foundation – BEA Charity Fund continues to promote the advancement of education for children in rural areas through its flagship Firefly Project.

I am pleased to inform shareholders that the Board of Directors appointed Mr. Adrian Li and Mr. Brian Li as Executive Directors of the Bank, effective 2nd August, 2014. They have taken our Hong Kong and China business units from strength to greater strength, and we look forward to their contributions at Board level.

In closing, I would like to thank the Bank's Board of Directors and the Directors of our subsidiaries and associated companies for their wise counsel and dedication during the past year. I also extend our grateful thanks and appreciation to our business partners, with whom we look forward to further extending our cooperation in the coming year. I would also like to thank the management team and staff of BEA for their commitment and outstanding performance. Lastly, on behalf of my entire team, I thank our shareholders and customers for their long-standing loyalty and confidence in The Bank of East Asia.

David LI Kwok-po
Chairman & Chief Executive

Hong Kong, 12th February, 2015

我們將在科技上持續保持在業界的先驅地位，加強網上銀行服務種類並擴展其服務範疇。在香港，我們將繼續拓展智能數碼分行，在降低本行的成本之餘亦為客戶提供更高效率的服務。

為提高經營效率及生產力，我們將加倍努力，利用科技改進工作流程，整合各營運單位的工作程序，亦會繼續審慎控制經營支出，以進一步改善成本對收入比率。

東亞銀行將透過加強與策略夥伴（包括西班牙CaixaBank及日本三井住友銀行）的關係，把握中國的新增長機遇，並推動本集團香港及中國內地分行之業務增長。

於2014年9月，本集團就三井住友銀行擬認購東亞銀行的新股份一事，與三井住友銀行簽訂無約束力的備忘錄。該項投資將進一步強化兩行的關係，確保東亞銀行未來擁有充足資本以符合嚴格的監管規定，提供穩固基礎讓本行得以把握特別是來自中國內地的業務增長機遇。

在日益複雜的監管制度下經營，東亞銀行在監管合規方面採取積極態度，主動與監管機構保持聯繫，確保本行適時遵守各項新規定。為加強風險文化及管治，本行提升各階層的監控措施，並為員工提供風險及合規的培訓。

作為企業公民，我們深明不僅要對股東肩負責任，亦要對客戶、僱員乃至廣大社群作出承擔。近年，我們積極發展企業社會責任計劃。透過東亞銀行慈善基金及其慈善夥伴，東亞銀行推行了多項重點計劃，支持香港的教育及社會福利發展，包括向住宿院舍的末期病人提供臨終照顧。在內地，上海宋慶齡基金會—東亞銀行公益基金則透過「螢火蟲計劃」，繼續為偏遠地區的貧困兒童改善教育條件。

本人欣然告知各位股東，董事會已委任李民橋先生及李民斌先生為本行執行董事，於2014年8月2日生效。多年來，他們不斷推動香港和中國業務的增長，本集團期待他們在董事會作出更多貢獻。

最後，本人謹在此對本行董事會各成員、附屬公司和聯營公司的各位董事表示謝意，感謝他們在過去一年的真知灼見及付出。同時，本人亦對業務夥伴表示衷心謝意，並期待能夠在來年與他們進一步加強合作。此外，本人亦在此非常感謝東亞銀行的管理層及每位員工的熱誠投入和卓越的表現。最後，本人謹代表團隊向股東及客戶長久以來對東亞銀行的支持及信任，致以謝忱。

主席兼行政總裁

李國寶

香港，2015年2月12日

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT

FINANCIAL REVIEW

Financial Performance

For the year 2014, the Group again achieved a record-high profit attributable to owners of the parent of HK\$6,661 million, an increase of HK\$48 million or 0.7% compared with the HK\$6,613 million earned in 2013. Basic earnings per share were HK\$2.72. Return on average equity and return on average assets were 10.1% and 0.8%, respectively.

Group net interest income increased by HK\$391 million, or 3.2%, in 2014 to HK\$12,653 million, primarily due to growth in advances to customers and trade bills. Net fee and commission income rose by HK\$249 million, or 6.4%, to HK\$4,146 million, while overall non-interest income rose by 11.8% to HK\$5,579 million. Operating income increased by 5.7% to HK\$18,232 million.

Total operating expenses rose by 2.8% to HK\$9,849 million. Operating efficiency further improved as the cost-to-income ratio fell from 55.5% in 2013 to 54.0% in 2014. If the business tax and surcharges applied to the Bank's Mainland operations are excluded from operating expenses, the adjusted cost-to-income ratio would decrease from 51.9% to 50.4%.

Operating profit before impairment losses rose to HK\$8,383 million, an increase of HK\$713 million, or 9.3%, when compared with 2013.

Impairment losses grew by 89.8% to HK\$1,001 million, mainly related to loans and advances.

Operating profit after impairment losses was HK\$7,382 million, an increase of 3.3% or HK\$239 million.

Valuation gains on investment properties decreased to HK\$228 million while profit on the sale of fixed assets was also trimmed to HK\$74 million. In addition, the Group shared after-tax profits from associates of HK\$645 million.

After accounting for income taxes, profit after taxation rose to HK\$6,774 million, an increase of 1.0% above the HK\$6,707 million recorded in 2013.

Financial Position

Total consolidated assets of the Group stood at HK\$795,891 million at the end of 2014, an increase of 5.6% over the HK\$753,954 million at the end of 2013. Gross advances to customers rose by 9.4% to HK\$443,287 million. Total equity increased to HK\$73,444 million, up 7.6%.

Total deposits from customers grew by 2.5% to HK\$548,184 million. Demand deposits and current account balances decreased by HK\$1,922 million, or 2.8%, compared with the balance at year-end 2013. Savings deposits increased to HK\$100,782 million, a rise of 8.4%, while time deposits increased by HK\$7,289 million, or 2.0%, when compared with the year-end positions. Total deposit funds, comprising deposits from customers and all certificates of deposit issued, grew by 2.5% to HK\$592,582 million.

The loan-to-deposit ratio was 74.8% at the end of December 2014, 4.7 percentage points higher than the 70.1% reported at the end of 2013.

RATINGS

Standard & Poor's

The Bank of East Asia, Limited

Long-term Counterparty Credit (local and foreign currency)	A
Short-term Counterparty Credit (local and foreign currency)	A-1
Outlook	Stable

The Bank of East Asia (China) Limited

Long-term Counterparty Credit (local and foreign currency)	A
Short-term Counterparty Credit (local and foreign currency)	A-1
Outlook	Stable

Moody's Investor Service

The Bank of East Asia, Limited

Long-term Bank Deposit (local and foreign currency)	A2
Short-term Bank Deposit (local and foreign currency)	Prime-1
Bank Financial Strength	C- (with Stable outlook)
Outlook	Negative

行政總裁及高層管理人員報告書

財務回顧

財務表現

於2014年，本集團再次錄得創新高的可歸屬於集團股東溢利，達港幣66.61億元，較2013年的港幣66.13億元增加港幣4,800萬元或0.7%。每股基本盈利為港幣2.72元。平均股本回報率為10.1%，而平均資產回報率則為0.8%。

本集團於2014年的淨利息收入增加港幣3.91億元，或3.2%，至港幣126.53億元，主要受惠於客戶墊款及貿易票據增加。服務費及佣金收入淨額增加港幣2.49億元，或6.4%，至港幣41.46億元，而非利息收入總額增加11.8%，至港幣55.79億元。經營收入則增加5.7%，至港幣182.32億元。

總經營支出上升2.8%，至港幣98.49億元。經營效率進一步提升，令成本對收入比率由2013年的55.5%下降至2014年的54.0%。若把本行內地業務之營業稅及附加稅從營業支出中撇除，經調整的成本對收入比率會由51.9%下降至50.4%。

未扣除減值損失之經營溢利上升至港幣83.83億元，較2013年增加港幣7.13億元，或9.3%。

減值損失為港幣10.01億元，增加89.8%，該增幅主要與貸款及墊款相關。

已扣除減值損失之經營溢利為港幣73.82億元，上升3.3%或港幣2.39億元。

投資物業重估盈利減少至港幣2.28億元，而出售固定資產之溢利亦減少至港幣7,400萬元。此外，集團應佔聯營公司之除稅後溢利為港幣6.45億元。

經計及入息稅後，除稅後溢利上升至港幣67.74億元，相較2013年的港幣67.07億元增加1.0%。

財務狀況

於2014年底，本集團綜合資產總額較2013年底的港幣7,539.54億元上升5.6%，至港幣7,958.91億元。客戶墊款總額上升9.4%至港幣4,432.87億元。股東權益總額增加7.6%，至港幣734.44億元。

客戶存款總額上升2.5%至港幣5,481.84億元。與2013年底的存款數字比較，活期存款和往來存款賬戶結餘減少港幣19.22億元，減幅為2.8%。相較2013年底存款數字，儲蓄存款增加至港幣1,007.82億元，升幅為8.4%，而定期存款則增加港幣72.89億元，增幅為2.0%。包括客戶存款及所有已發行的存款證的存款總額增加2.5%至港幣5,925.82億元。

於2014年12月底的貸款對存款比率為74.8%，較2013年底呈報的70.1%增加了4.7個百分點。

評級

標準普爾

東亞銀行有限公司

長期交易對手信貸(港元及外幣)	A
短期交易對手信貸(港元及外幣)	A-1
前景	穩定

東亞銀行(中國)有限公司

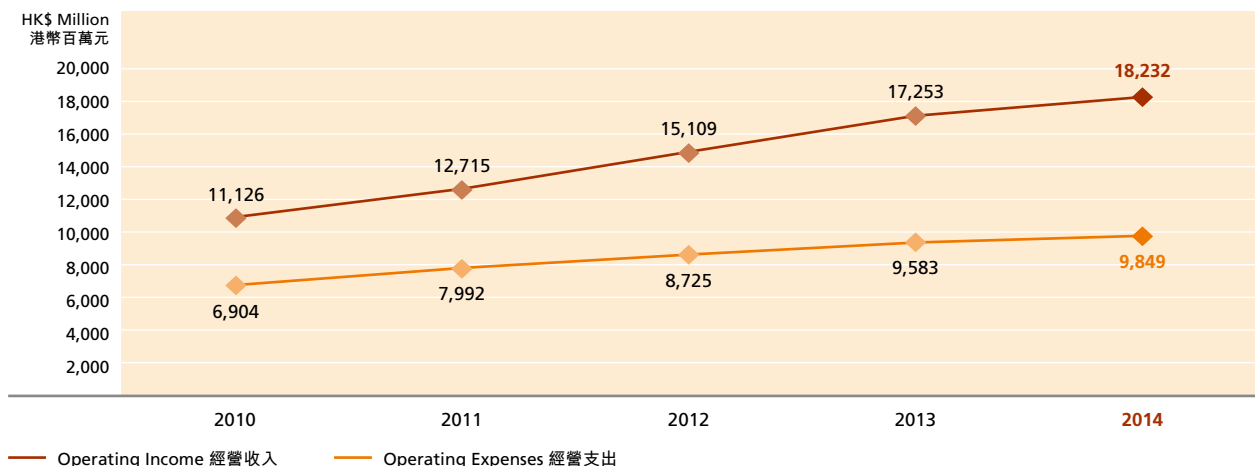
長期交易對手信貸(港元及外幣)	A
短期交易對手信貸(港元及外幣)	A-1
前景	穩定

穆迪投資服務

東亞銀行有限公司

長期銀行存款(港元及外幣)	A2
短期銀行存款(港元及外幣)	Prime-1
銀行財務實力	C-(前景穩定)
前景	負面

OPERATING INCOME VS OPERATING EXPENSES 經營收入及經營支出



REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)



MAJOR RECOGNITION 主要榮譽與獎項

The Bank of East Asia, Limited 東亞銀行有限公司

- | | | |
|---|---|---|
| 1 | "2014 Best SME's Partner Award" (for the seventh consecutive year)
- <i>The Hong Kong General Chamber of Small and Medium Business</i> | 「2014中小企業最佳拍檔獎」(連續第7年獲獎)
- 香港中小型企業總商會 |
| 2 | "Quamnet Outstanding Enterprise Award 2013 – Outstanding SME Service Provider (Bank)"
- <i>Quam (H.K.) Limited</i> | 「華富財經傑出企業大獎2013 — 傑出中小企業服務機構(銀行)」
- 華富財經(香港)有限公司 |
| 3 | "2014 RMB Business Outstanding Awards – Outstanding Corporate/Commercial Banking – Connecting China and Hong Kong Award" (for the second consecutive year)
- <i>Metro Finance, Metro Finance Digital, and Wen Wei Po</i> | 《人民幣業務傑出大獎2014》—「傑出企業/商業銀行—中港聯動大獎」(連續第2年獲獎)
- 新城財經台、新城數碼財經台及《文匯報》 |
| 4 | "Outstanding Import and Export Industry Partner Award"
- <i>The Hong Kong Chinese Importers' & Exporters' Association</i> | 「進出口企業合作夥伴大獎」
- 香港中華出入口商會 |
| 5 | "Best Private Bank Hong Kong" in the Greater China Awards 2014
- <i>Private Banker International</i> | 2014大中華大獎—「香港最佳私人銀行」
- <i>Private Banker International</i> |
| 6 | "The Highest Average Spend Per Card in 2013 Premium Cards in Hong Kong – 2nd Runner Up", "The Highest Growth Rate in 2013 Cardholder Spending in Hong Kong – 1st Runner Up", and "The Highest Average Spend Per Card in 2013 in Hong Kong – 2nd Runner Up"
- <i>MasterCard Worldwide</i> | 「2013年度香港區最高高端信用卡平均消費大獎—銅獎」、「2013年度香港區最高零售簽賬額增長大獎—銀獎」、「2013年度香港區最高信用卡平均消費大獎—銅獎」
- 萬事達卡國際組織 |
| 7 | "Best Practice Awards 2014 in Technology Innovation"
- <i>Best Practice Management</i> | 「最佳業務實踐獎2014—科技創新」
- 最佳業務實踐集團 |
| 8 | BENCHMARK Wealth Management Awards 2014 "Best-in-Class for Product & Service Innovation (Banking)" and "Outstanding Achiever for Customer Commitment & Engagement (Banking)"
- <i>BENCHMARK Magazine</i> | 2014《指標》財富管理大獎「產品及服務創新(銀行業)—最佳表現獎」以及「傑出表現獎—承諾顧客及參與度(銀行業)—傑出表現獎」
- 《指標》雜誌 |

The Bank of East Asia (China) Limited 東亞銀行(中國)有限公司

- | | | |
|----|--|--|
| 9 | "Best Performers 50 China"
- <i>Global Entrepreneur Magazine</i> | 「中國最佳表現公司50強」
- 《環球企業家雜誌》 |
| 10 | "Best Brand Building among Foreign Banks" in the 2014 Golden-shell Award of China Programme
- <i>21st Century Business Herald</i> | 2014中國資產管理金貝獎評選中「最佳品牌建設外資銀行」
- 《21世紀經濟報導》 |
| 11 | "Brand Leadership" in the Best Practice Awards China 2014
- <i>Best Practice Management</i> | 2014中國最佳業務實踐獎評選中「最佳品牌領導力大獎」
- 最佳業務實踐集團 |

行政總裁及高層管理人員報告書 (續)



- | | |
|---|--|
| <p>12 “Best Electronic Financial Service” in the China Business News Financial Value Ranking 2014
- <i>China Business News</i></p> | <p>2014 年度第一財經金融價值榜：「最佳電子金融服務銀行」
- 《第一財經日報》</p> |
| <p>13 “Best Cross-border Financial Services among Foreign Banks” in the 5th Golden Tripod Awards
- <i>National Business Daily</i></p> | <p>第五屆「金鼎獎」—「最佳跨境金融服務外資行」
- 《每日經濟新聞》</p> |
| <p>14 “2014 Foreign Bank of Excellent Competitiveness” in the 6th China Financial Institutions of Excellent Competitiveness Awards
- <i>China Business Journal</i></p> | <p>第六屆卓越競爭力金融機構評選中「2014 卓越競爭力外資銀行」
- 《中國經營報》</p> |

Blue Cross (Asia-Pacific) Insurance Limited 藍十字 (亞太) 保險有限公司

- | | |
|--|--|
| <p>15 “The 14th Capital Outstanding Enterprise Awards – Medical and General Insurance” (for the third consecutive year)
- <i>CAPITAL Magazine</i></p> | <p>「第 14 屆資本傑出企業成就獎 — 傑出醫療及一般保險」(連續第 3 年獲獎)
- 《資本雜誌》</p> |
| <p>16 “The Most Favourite Travel Insurance Company Award 2014” (for the tenth consecutive year)
- <i>Weekend Weekly Magazine</i></p> | <p>「最受歡迎旅遊保險公司」(連續第 10 年獲獎)
- 《新假期》雜誌</p> |

Credit Gain Finance Company Limited 領達財務有限公司

- | | |
|---|---|
| <p>17 “Prime Awards for Banking and Finance Corporations 2014 – The Best Brand in Loans” (for the third consecutive year)
- <i>MetroBox Magazine</i></p> | <p>「2014 都市盛世銀行及金融服務企業獎 — 最佳信貸財務服務」(連續第 3 年獲獎)
- 《都市盛世》雜誌</p> |
| <p>18 “Capital Weekly Service Awards 2014 – Finance Service” (for the second consecutive year)
- <i>Capital Weekly Magazine</i></p> | <p>「2014 資本壹週服務大獎」—「信貸財務服務大獎」(連續第 2 年獲獎)
- 《資本壹週》</p> |

BEA Union Investment Management Limited 東亞聯豐投資管理有限公司

- | | |
|---|---|
| <p>For the BEA Union Investment Asian Bond and Currency Fund:</p> | <p>頒予東亞聯豐亞洲債券及貨幣基金：</p> |
| <p>19 “Best Bond Fund, Asia Pacific” (for 3 and 5-year performance)
- <i>Lipper Fund Awards Programme 2014 Hong Kong</i></p> | <p>「最佳亞太區債券基金」(按其過往 3 年及 5 年業績)
- 「理柏基金香港年獎 2014」</p> |
| <p>20 “AsianInvestor Investment Performance Awards 2014 – Best Asian Fixed Income, US Dollar”
- <i>AsianInvestor</i></p> | <p>「AsianInvestor 投資表現獎項 2014 — 最佳亞洲債券(美元)」
- 《AsianInvestor》</p> |

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

BUSINESS REVIEW

Economic performance remained mixed across the globe in 2014. While the United States economy enjoyed steady improvement, the performances of the economies of the Mainland and Europe were disappointing. With soft external demand, Hong Kong's exports grew at a modest 3.2% pace in 2014.

Domestic demand and tourist spending also showed signs of losing steam, following a strong run in recent years. Retail sales decreased by 0.2% in 2014, year on year, while the unemployment rate edged up slightly to 3.3% by year-end from 3.1% at the beginning of the year.

Meanwhile, backed by solid end-user demand and the low interest rate environment, the residential property market rebounded. Market transactions increased by 15.6%, while prices rose by 13.3% in 2014, year on year. Overall, Hong Kong's economy expanded at a moderate 2.4% pace, year on year, in the first three quarters.

On the Mainland, the export sector remained weak in the face of continuing subdued demand from Europe and a slowdown in emerging markets in 2014. Investment growth also moderated, as China continued its shift away from an investment-led growth model. The moderating growth trend has adversely affected consumer spending and the profitability of many Mainland companies. Responding to the growing signs of distress, the People's Bank of China lowered lending rates by 40 basis points in November.

While the US economy is expected to further improve in 2015, the economies of Europe and Japan will continue to struggle.

The Chinese government is expected to maintain its policy of restraining investment growth in order to tackle structural problems in the economy. Nevertheless, it will take appropriate measures to prevent any disruptive economic slowdown. One to two interest rate reductions are expected in 2015, and the deposit reserve ratio will likely be reduced by a further 100 basis points. Consumer demand will remain moderate, while exports are projected to increase by 8%. The economy is likely to grow by 7% in 2015, with inflation remaining low at 2.5%.

In Hong Kong, meanwhile, the gross domestic product is forecast to grow at 2.4% for 2015, while inflation will average 3.5%.

Looking ahead, BEA will continue to capitalise on trade and investment flows to and from the Mainland by leveraging its extensive China network to drive business to its branches in key markets around the world. In addition, the Bank will capture new business opportunities and enhance service quality by tapping into the strengths and expertise of its strategic partners such as CaixaBank and Sumitomo Mitsui Banking Corporation, who shared their considerable knowledge in specialised financing, technology, and customer service with BEA during the period under review.

Business – Hong Kong

As at 31st December, 2014, the aggregate value of all loans to customers and trade bills of BEA in Hong Kong was 9.2% higher than at the same point in the previous year. Debt investments increased by 14.5% during the year, while customer deposits grew by 7.4%.

Retail Banking

BEA's personal banking operations had a fruitful year, generating a 20.8% increase in net interest income and a 7.5% rise in net fee and commission income. The Bank also made significant advances in its strategy to become the main banking partner of its customers, anchoring them with entry products and then selling value-added products and services to increase customer stickiness.

Growth in entry products such as mortgage loans, credit cards, and SupremeGold and CorporatePlus accounts was strong. As a result, retail current and savings account balances grew, achieving a 7.6% increase in average daily balance compared to the average for 2013. Income from investment products and services was robust, rising 16.9% over the year. In particular, gross revenue from unit trust sales achieved solid growth of 21.3%.

行政總裁及高層管理人員報告書（續）

業務回顧

2014年，全球經濟表現仍然參差。縱使美國經濟穩步復甦，內地及歐洲的經濟表現卻強差人意。由於外部需求疲軟，本港於2014年的出口溫和上升3.2%。

香港的內部需求及訪客消費在經過近年強勁增長後已見下降跡象。零售銷售於2014年按年下跌0.2%，而失業率則由年初的3.1%微升至年底的3.3%。

與此同時，住宅物業市場在用家殷切需求及低息環境推動下呈反彈。市場成交量於2014年按年增長15.6%，而價格則按年上升13.3%。整體而言，香港經濟於首3個季度按年溫和增長2.4%。

內地方面，由於來自歐洲的需求在2014年持續疲弱，加上新興市場經濟放緩，使內地出口行業表現低迷。隨着內地逐步走出以投資推動經濟增長的模式，投資增長呈現放緩。經濟增長放緩對消費開支及不少內地企業的盈利狀況產生不利影響。面對經濟環境轉差，人民銀行遂於11月將貸款利率調低40個基點。

2015年，美國經濟預期將進一步改善，但歐洲及日本經濟仍然舉步維艱。

預計中國政府仍會繼續維持收緊投資增長的政策，以處理內部經濟的結構性問題。儘管如此，中國政府將採取適當措施，以防經濟大幅下滑，預期2015年會出現一至兩次減息，存款準備金率可能會進一步下調100個基點。消費需求將維持溫和，而出口預計將增加8%。2015年經濟有望增長7%，而通脹率仍將維持於2.5%的低位。

香港方面，2015年的本地生產總值增長預測為2.4%，平均通脹率為3.5%。

展望未來，東亞銀行將利用其在內地的強大網絡，繼續把握中國的貿易及投資往來所帶來的機遇，推動其在全球主要市場的分行的業務。此外，本行亦會捕捉新商機，以及利用CaixaBank及三井住友銀行等策略夥伴的優勢及專長以提升服務質素。於回顧期內，我們與策略夥伴在專項融資、技術及客戶服務方面進行了廣泛的交流。

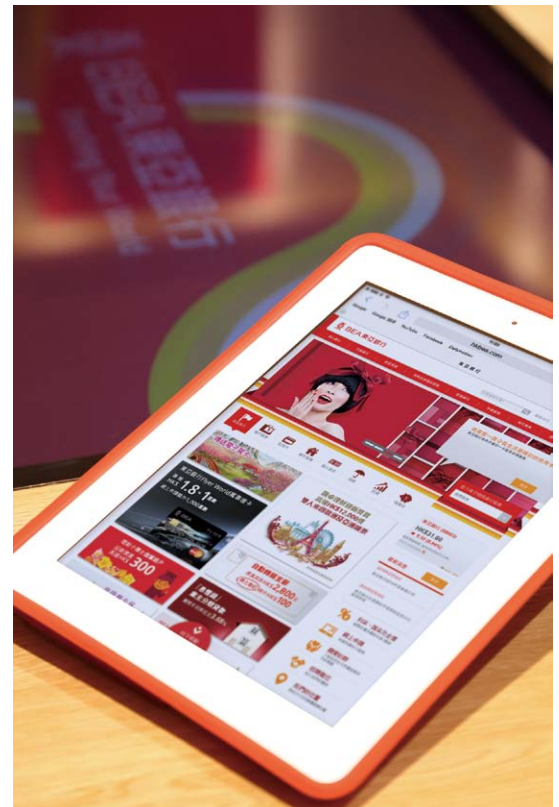
香港業務

於2014年12月31日，東亞銀行香港的客戶貸款及貿易票據總額較2013年底上升9.2%，債券投資增長14.5%，客戶存款亦增加7.4%。

零售銀行

東亞銀行的個人銀行業務於年內成果豐碩，淨利息收入增長20.8%，服務費及佣金收入淨額增加7.5%。本行致力成為客戶的主要銀行夥伴，策略已見成效。本行先以基本產品吸納客戶，進而推廣其他增值產品及服務，藉以鞏固與客戶的關係。

按揭貸款、信用卡、顯卓理財及企業綜合理財戶口等基本產品增長強勁，因此，零售往來賬戶及儲蓄賬戶結餘錄得升幅，平均每日結餘較2013年增長7.6%。投資產品及服務收入穩健，按年上升16.9%，其中以單位信託基金最為突出，銷售金額錄得21.3%的顯著升幅。



BEA launched its revamped website in February 2014.
2014年2月，東亞銀行推出全面革新的網頁。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

Going forward, marketing efforts will focus on increasing product holdings and usage. Meanwhile, the Bank aims to grow market share amongst local companies by enhancing its business and merchant services platform, offering banking, payroll, Mandatory Provident Fund, and credit card merchant services through a single point of contact.

Towards the end of 2014, BEA entered into a Sale and Purchase Deed to acquire the mortgage loan portfolio of PrimeCredit Limited. This move will bolster the Bank's loan book and bring in a significant number of new-to-bank customers, creating further opportunities for cross-selling.

BEA continues to revitalise its network and invest in technology in order to improve its image and enhance the customer experience. The year under review saw the launch of two new SupremeGold Centres at prime locations accompanied by a major rebranding campaign, boosting sales and account openings. The centres, at Times Square and Harbour City, feature a revamped design and an improved service flow.

Meanwhile, the Bank's digital branches at the ifc mall and Times Square have been successful, proving popular with customers and winning a number of awards for their innovative, customer-focussed technology. As part of the effort to improve branch operations, the Queen's Road East Branch and SupremeGold Centre have been renovated, incorporating digital devices and piloting a straight-through, paperless branch operation model to enhance efficiency and service delivery. BEA will continue to upgrade its branch services with new technologies and processes, helping the Bank to achieve its goal of becoming the primary service provider for its clients.

Corporate and Commercial Banking

Macro conditions in China and tightened regulations on both sides of the border have led to a difficult environment for the Bank's cross-border business, which in recent years has helped to underpin growth for corporate and commercial banking in Hong Kong. There are growing concerns over the credit quality of companies on the Mainland, and as a result, cross-border lending has moderated.

BEA has weathered this storm due in part to the trust it has earned from a pool of quality Mainland companies over the years, allowing the Bank to cherry-pick deals from quality borrowers with good collateral. As a result, growth in cross-border facilities remained positive in 2014, at 11.2% year on year. Overall, the corporate loan and trade bills portfolio grew by 5.7%, while the impaired loan ratio was maintained at a very low level. Net interest income came under pressure, but net fee and commission income saw healthy growth of 13.0%.

The Bank is currently focussed on strengthening its capabilities in commercial banking, leveraging a strong China-Hong Kong platform to provide better services to existing clients and build deeper, lasting partnerships. Despite the current economic situation, there are good prospects for business from Mainland companies who are expanding overseas and look to Hong Kong as a fundraising destination. As a well-established local bank with a large presence in China and an international network, BEA is uniquely placed to benefit from this trend.

The Bank opened two new SupremeGold Centres in 2014 that featured a fresh new look and improved service flow.

2014年，東亞銀行開設兩間全新的顯卓理財中心，展示全新面貌，為客戶提供更便捷的服務。



行政總裁及高層管理人員報告書（續）



BEA opened its Times Square digital branch in June 2014.
2014年6月，東亞銀行於時代廣場開設智能數碼分行。



展望未來，本行的市場推廣將著力令客戶持有及使用更多本行的產品及服務。同時，本行不斷優化企業及商戶服務平台，務求為本地商業客戶提供一站式銀行、支薪、強積金及信用卡商戶服務，以增加本行的市場佔有率。

2014年底，本行簽訂了一份買賣契據以收購安信信貸有限公司的按揭貸款組合。此舉不但擴大本行的貸款資產，並可吸納大批新客戶，締造交叉銷售機會。

本行繼續優化網絡及投資創新科技，致力提升形象及客戶服務體驗。年內，本行在兩個優越地段開設全新顯卓理財中心，並展開大型品牌重塑活動，以提高銷售額及開戶數目。位於時代廣場及海港城的全新顯卓理財中心，設計新穎，服務流程亦更見完善。

本行於國際金融中心商場及時代廣場開設的智能數碼分行十分成功，除了備受客戶青睞之外，更憑藉以客為本的創新科技贏得多個獎項。為完善分行營運，皇后大道東分行及其顯卓理財中心已全面翻新，並已配備數碼裝置，以及率先推行直達式、無紙化營運模式，以提升效率及服務質素。本行將繼續採用嶄新科技及完善流程以提升分行服務水平，以達致成為客戶主要銀行夥伴的目標。

企業及商業銀行

跨境業務是近年推動本行香港企業及商業銀行業務發展的主要動力，但受中國宏觀環境及中港兩地收緊規管影響，本行的跨境業務經營環境困難。市場愈發憂慮內地公司的信貸質素，導致跨境貸款增長放緩。

本行能夠抵禦種種挑戰，部分歸因於本行多年來贏得一眾優質內地公司的信任，讓本行能夠精選信譽良好且具備優質抵押品的客戶提供貸款，因此，2014年跨境業務仍然錄得11.2%的按年增長。整體而言，企業貸款及貿易票據組合增長5.7%，而減值貸款比率依然保持於極低水平。淨利息收入雖然受壓，但服務費及佣金收入淨額則錄得13.0%的穩健增長。

本行現正致力加強商業銀行實力，利用強大的中港平台，為現有客戶提供更優質服務，與其建立更深厚及長遠的合作關係。積極向海外拓展業務的內地企業仍然視香港為融資的首選地方，因此，縱使當前經濟狀況欠佳，源自內地企業的業務前景依然樂觀。憑藉龐大內地分行數目及國際網絡，東亞銀行位佔先機，可望繼續受惠於這發展趨勢。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)



More than 650 of BEA's corporate and personal customers attended the Bank's annual Economic and Market Outlook Seminar in January 2014.

2014年1月，逾650位企業和個人客戶出席東亞銀行的年度「經濟及市場展望」研討會。

BEA received the "2014 Best SME's Partner Award" for the seventh consecutive year from the Hong Kong General Chamber of Small and Medium Business.

東亞銀行連續第7年獲香港中小型企業總商會頒發「2014中小企業最佳拍檔獎」。



In Hong Kong, competition has intensified as banks switch focus from cross-border business to local lending, and loan spreads have thus been driven downwards. However, BEA saw solid loan demand from Hong Kong property developers in 2014, and was active in arranging bilateral loans for quality blue-chips and mid-cap companies. Moreover, the Bank was named Best SME Partner for the seventh consecutive year in recognition of its dedication to small and medium sized enterprises.

Insurance and MPF Services

BEA Life Limited, the Bank's wholly-owned life insurance arm, achieved double-digit growth for the sixth straight year, with new premium income increasing by 17.7% year on year. Meanwhile, BEA's wholly-owned general insurance arm, Blue Cross (Asia-Pacific) Insurance Limited, saw premium income increase by 6.6% over the period, mainly driven by an 8.0% rise in medical insurance income.

Blue Cross remains a leading player in medical insurance, and in 2014 launched a top-up individual medical scheme for group medical insurance scheme members and new plans for SMEs. The company is developing additional new products to meet the needs of an ageing and increasingly health-conscious population, as well as the requirements of upcoming government healthcare reform measures.

Total membership in BEA's MPF schemes reached 603,890, with more than 86,180 new members acquired. Assets under management amounted to HK\$18.6 billion at the end of 2014, representing growth of 8.1% year on year. Continuous efforts to cut costs by streamlining operations saw BEA's fund expense ratio drop below the MPF industry average during the year, fulfilling the Bank's pledge to offer a wide range of fund choices at competitive prices.

Wealth Management

The year 2014 marked a significant milestone for BEA as the Bank was named Best Private Bank in Hong Kong by Private Banker International, a notable feat as BEA only established its Private Banking arm nine years ago. Private Banking's AUM increased by 9.0% year on year while net fee and commission income grew by 35.2%. Unit trust sales remained strong, and fee income from investment products was balanced among the major asset types (equities, fixed income, and currency). However, net interest income came under pressure due to increased funding costs, despite a 15.8% increase in the loan balance.

行政總裁及高層管理人員報告書（續）

香港方面，由於銀行業界將業務重心由跨境業務轉為本地借貸，導致競爭加劇，貸款息差亦有所下滑。然而，2014年本港地產發展商的貸款需求殷切，本行亦積極為優質大型及中型企業安排雙邊貸款。此外，本行連續第七年榮獲「中小企業最佳拍檔獎」，凸顯本行致力服務中小企業所作出的貢獻。

保險及強積金服務

本行旗下全資壽險附屬公司——東亞人壽保險有限公司新造保單保費收入連續第六年錄得雙位數字的增長，期內按年增幅達17.7%，而本行旗下一般保險全資附屬公司——藍十字（亞太）保險有限公司的保單保費收入則增長6.6%，主要由醫療保險收入上升8.0%所帶動。

藍十字在醫療保險市場仍然穩佔領導地位。於2014年，藍十字推出為團體醫療保險計劃受保成員而設的附加個人醫療保險計劃，又針對中小企業推出多項全新計劃。隨著本港人口老化及市民大眾的健康意識日漸提高，藍十字將繼續開發嶄新產品以滿足市場需要，並配合政府未來的醫療改革措施。

本行旗下強積金計劃的成員總數已達603,890名，期內新加入成員超過86,180名，而截至2014年底管理資產按年增加8.1%至港幣186億元。本行透過不斷精簡營運流程以削減成本的努力已見成效，年內的基金開支比率已降至強積金行業平均水平以下，令本行實現以具競爭力的收費水平為客戶提供多元化產品的承諾。

財富管理

東亞銀行於2014年獲《Private Banker International》評選為「香港最佳私人銀行」，標誌著本行發展私人銀行業務的一個重要里程碑。本行9年前方開設私人銀行業務，是次獲獎實屬一項卓越的成就。2014年，私人銀行管理的資產增加9.0%，服務費及佣金收入淨額則增長35.2%。單位信託基金銷售表現仍然強勁，而銷售投資產品的收入亦平均分布於各主要資產類別（股票、固定收入產品及貨幣）。由於資金成本上升，儘管貸款餘額增加15.8%，淨利息收入仍然受壓。



Blue Cross launched a top-up scheme for group medical insurance scheme members and new plans for SMEs in 2014.

2014年，藍十字推出為團體醫療保險計劃受保成員而設的附加個人醫療保險計劃，並推出專為中小企業而設的多項全新計劃。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

Given Hong Kong's emergent position as China's wealth management hub, the Bank aims to build on its achievements and take a leading role in the market. To this end, Private Banking's sales force has been strengthened with a view to expanding its Mainland client base, which now accounts for 28.4% of its total AUM and around 37.6% of its income. These clients are increasingly focussed on wealth preservation and estate planning, and Private Banking has adopted a holistic approach to cater to their needs, incorporating a wide spectrum of tailored services to help them grow, manage, and pass on their wealth effectively.

Broking Operations

The Bank's broking operations saw a slight decline in income in 2014, as keen competition from both traditional and online brokers put pressure on commission rates. A modest increase in average daily turnover of the Stock Exchange and strong growth in interest income derived from initial public offering stagging loans failed to offset the decline in commissions.

BEA continued to invest in its broking business during the period under review. In the last quarter of 2014, the Bank upgraded its trading platform to provide more user-friendly functions over a highly secure platform. The introduction of new mobile applications, which are

expected to be launched in 2015, will further enhance the Bank's online offering. With clients becoming more interested in participating in the A share market via Shanghai-Hong Kong Stock Connect and the launch of various marketing campaigns in the coming year, the Bank is confident that it will enlarge its customer base and increase the average income per customer.

Business – Greater China ex-Hong Kong

In 2014, China's gross domestic product and consumer price index increased by 7.4% and 2.0% respectively, with the slowdown reflecting the central government's continued efforts to promote economic reform and restructuring. The possibility of deflation has not been insignificant, compelling the authorities to compromise their positive agenda with fiscal and monetary interventions to manage the high level of debt in the system and the risk of a prolonged balance sheet recession.

Against this backdrop, BEA China has been cautious in extending credit, preferring to work more closely with the highest quality clients with whom it has enjoyed the longest relationships. As at 31st December, 2014, total loans increased by 3.4% to HK\$149.0 billion while deposits dropped by 3.2% to HK\$205.1 billion compared to the previous year.



East Asia Securities Company Limited launched its revamped website in November 2014.

2014年11月，東亞證券有限公司推出全面革新的網頁。



BEA held a seminar in May 2014 to discuss the latest developments and opportunities in the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone.

2014年5月，東亞銀行舉行研討會探討前海深港現代服務業合作區的最新發展及機遇。

在香港逐漸發展成為中國財富管理中心的趨勢下，本行銳意在現有穩固的基礎上繼續發展，並爭取市場領導地位。為此，本行已加強了私人銀行銷售團隊，以拓展內地客戶基礎。內地客戶目前分別佔本行私人銀行的管理資產總額28.4%及其收入約37.6%。這些客戶對財富保值及遺產策劃日趨重視，有見及此，私人銀行採取全面方案，提供多項度身訂造的服務，協助客戶有效地增加、管理及傳承財富。

經紀業務

由於傳統及網上經紀競爭日趨激烈，對佣金收費構成壓力，本行2014年經紀業務收入錄得輕微下降。儘管香港聯交所的日均成交量溫和上升，以及新股貸款的利息收入增長強勁，但始終未能抵銷佣金下降之影響。

回顧期內，本行繼續投放資源發展經紀業務。本行於2014年第四季優化其交易平台，讓客戶能更簡便地利用安全嚴密的平台進行交易。全新流動應用程式預期將於2015年推出，進一步提升本行的網上產品種類及

服務質素。鑒於客戶對透過滬港通參與A股市場的興趣日增，以及本行將於來年展開各種市場推廣活動，本行有信心可擴大其客戶基礎，並提高每名客戶的平均收入。

大中華地區業務（香港除外）

2014年，中國的國內生產總值及消費物價指數分別上升7.4%及2.0%，反映中央政府持續推動經濟改革及結構轉型令經濟增長放緩。通縮可能性仍然顯著，促使當局調整其計劃，透過財政及貨幣政策以處理系統內的高債務水平及資產負債表持續收縮的風險。

在此形勢下，東亞中國提供貸款予客戶時保持審慎，優先與其已建立深厚關係的優質客戶合作。於2014年12月31日，貸款總額較上一年度上升3.4%至港幣1,490億元；存款總額則下跌3.2%至港幣2,051億元。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)



BEA China launched its “Fingertip Banking” series of mobile financial products in October 2014.

2014年10月·東亞中國推出「指尖銀行」系列流動金融產品。

BEA China has also pivoted to work with BEA’s business units in Hong Kong and overseas to provide cross-border and overseas banking services for Mainland clients expanding outside of China. This has helped BEA China to both better manage the composition of its loan book and to earn greater fee income. As at the end of 2014, BEA China’s outstanding amount of standby letters of credit had increased by 106.9% year on year, concurrently driving a 65.8% increase in fee income.

Nonetheless, BEA China has not been able to escape the macroeconomic pressures described above. Its net interest margin for the year fell by 13 basis points year on year to 2.20%. Going forward, affected by asymmetrical interest rate cuts and the upward adjustment of the upper limit of deposit rates by the PBOC, the Bank expects net interest margins for the banking sector as a whole to remain under pressure. BEA China will take proactive measures in order to maintain NIMs at a profitable level.

Along similar lines, BEA China’s impaired loan ratio rose to 1.32% at the end of 2014, up from 0.49% a year earlier. While asset quality is unlikely to improve substantially until the economic climate has also improved, BEA China takes comfort in the fact that impaired loans are secured against good collateral. BEA China continues to proactively control these loans as well as others that were identified early as being at risk. In 2014, BEA China also launched a new centralised credit assessment system, which will improve the quality of data and decision-making, and strengthen its overall risk culture.

BEA China is pleased to report on the progress of several new initiatives. Firstly, following its early success, BEA China has extended its pilot Supply Chain Finance scheme to even more branches. Through the scheme, BEA China offers comprehensive financial services to core customers as well as their upstream and downstream counterparties. BEA China will continue to promote the scheme in 2015, focussing on quality customers in selected industries such as pharmaceuticals and automobiles.

Secondly, in its retail business, BEA China continued to develop high-yield retail loans such as micro-financing loans, auto loans, car park loans, credit card instalment loans, and secured and unsecured personal loans. Preparations for the auto-finance joint venture with Brilliance China Automotive Holdings Limited and CaixaBank S.A. are advancing well and BEA hopes to obtain final regulatory approval for this high potential project in the first quarter of 2015.

In October, BEA China successfully launched its “Fingertip Banking” series of mobile financial products, including WeChat Banking and Mobile Phone Banking, becoming one of the first foreign banks to tap into the mobile banking business. BEA China also continued to build its online Wealth Management platform with cumulative transactions of HK\$9.4 billion in 2014.

Over the next few years, BEA China aims to make its retail business a much larger part of its operations. This would help to diversify its asset portfolio and make even better use of its extensive branch network.

行政總裁及高層管理人員報告書（續）

東亞中國亦與東亞銀行香港及海外業務部門合作，為拓展海外業務的內地客戶提供跨境及海外銀行服務。這有助東亞中國更妥善管理其貸款組合及增加手續費收入。於2014年底，東亞中國的備用信用證餘額按年增長106.9%，帶動手續費收入上升65.8%。

儘管如此，在上述的宏觀經濟壓力下，東亞中國年內淨息差按年收窄13個基點至2.20%。展望未來，受中國人民銀行不對稱減息及上調存款利率上浮政策的影響，本行預期銀行業的整體淨息差仍會受壓。東亞中國將採取積極措施將淨息差控制在合理利潤水平。

基於以上原因，東亞中國2014年底的減值貸款比率由上一年度的0.49%升至1.32%。雖然資產質素難以在經濟氣候好轉前顯著改善，但由於減值貸款均有優質的抵押品作擔保，東亞中國對目前的情況並不感憂慮。東亞中國一直密切監控上述減值貸款及其他有逾期風險的貸款。年內，東亞中國亦新實施中央信貸評估系統。該系統將有助提升數據質素及決策能力，加強銀行整體風險文化。

東亞中國欣然報告其新計劃的進展。首先，在供應鏈融資試點計劃取得前期成功後，東亞中國已將該計劃擴展至更多分行。透過該計劃，東亞中國為核心客戶及其上、下游業務夥伴提供全面的金融服務。2015年，東亞中國將繼續推廣此計劃，致力服務特選行業，例如製藥業及汽車業的優質客戶。

其次，在零售業務方面，東亞中國持續開發高息零售貸款產品，包括小微企業貸款、汽車貸款、車位貸款、信用卡分期貸款，以及有抵押和無抵押個人貸款。與華晨中國汽車控股有限公司及CaixaBank S.A.合作的汽車融資業務合資公司的籌備亦進展理想，東亞中國希望在2015年首季度獲得最終的監管審批，開展此高潛力項目。

在10月，東亞中國成功推出「指尖銀行」系列流動金融產品，包括微信銀行及手機銀行，成為率先推出手機銀行業務的外資銀行之一。東亞中國亦繼續建設其網上財富管理平台。於2014年，該平台累計交易額達港幣94億元。

未來數年，東亞中國計劃提高零售業務在整體業務中的比重，以令資產組合多樣化和充分利用其龐大的分行網絡。



In 2014, BEA China was one of the first foreign banks to open a sub-branch in the China (Shanghai) Pilot Free Trade Zone.

2014年，東亞中國成為最先在中國（上海）自由貿易區開設支行的外資銀行之一。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

Moreover, a nationwide deposit insurance scheme is expected to be launched in the near future to pave the way for deposit rate liberalisation. This would herald a new age of competition for retail deposits, offering both great opportunities and challenges to BEA China. Collaborating with BEA in Hong Kong, BEA China is confident in its ability to deliver customers on the Mainland the same attractive and valuable banking and financial services that have made BEA such a trusted franchise at home.

As at the end of 2014, BEA China operated 28 branches and 98 sub-branches in 41 cities across the country, one of the most extensive networks of any foreign bank on the Mainland. BEA China was also proud to be one of the first foreign banks to open a sub-branch in the China (Shanghai) Pilot Free Trade Zone in 2014. BEA China will continue to selectively expand its branch network in the coming years to better serve its clients and to maximise the efficiency of its platform.

BEA operates a branch and four sub-branches in Macau. The Macau Branch registered a 38.6% rise in net profit for 2014, its strongest performance since its establishment in 2001. The success of BEA's efforts in Macau lies in the Bank's strategy of increased cross-border business cooperation with BEA China, and a higher penetration into the corporate and retail sectors of the local market.

In Taiwan, BEA operates two branches, one each in Taipei and Kaohsiung. The Bank also operates an offshore banking branch to provide RMB and foreign currency services to offshore clients. During the year under review, BEA Taiwan also strengthened its cooperation with BEA China, capitalising on the liberalisation of the RMB. Thanks to these efforts, RMB loans outstanding in Taiwan at the end of the financial year increased 107.4% year on year.

Business – International

BEA's international operations recorded another year of steady growth in 2014.

Loans and advances booked by Singapore Branch grew at a moderate rate during the year, reflecting softer credit demand from East Asia, coupled with the effects of the measures introduced by the Singaporean government to cool down the property market.

With expected economic growth of between two and four per cent for 2015 as the country celebrates its 50th anniversary, the business outlook for Singapore is cautiously optimistic. Against the backdrop of a slowdown in the property market, tight labour conditions, and plummeting crude oil prices, Singapore Branch will strengthen its relationship with commercial as well as corporate clients, while it continues to capture business opportunities from growing trade and investment flows from China.

To diversify its funding sources, Singapore Branch established a US\$2 billion multi-currency Medium Term Note Programme in 2014 and completed several issuances.

BEA's Labuan Branch registered loan growth of 20% in 2014, mainly from bilateral and syndication loans. Looking ahead, the Branch will focus on expanding its syndication loan portfolio within Asia and the bilateral loan portfolio of local Malaysian corporates.

Meanwhile, the Bank's operations in the United Kingdom registered healthy loan and profit growth in 2014, mainly due to the sustained interest in prime UK properties by foreign investors. To support loan growth, BEA's UK branches issued certificates of deposit to tap the wholesale funding market.

Prime property in London will continue to attract the attention of many foreign corporate investors, and BEA's UK branches will expand their capability in construction loans and corporate syndication to capture business opportunities.



BEA China celebrated the opening of its Fuzhou Branch in October 2014.

2014年10月，東亞中國慶祝其福州分行開幕。

此外，全國存款保險計劃預料將於不久的將來出台，為存款利率自由化鋪路。零售存款競爭將步入一個全新的時代，為東亞中國帶來機遇和挑戰。通過與香港東亞銀行攜手合作，東亞中國有信心為內地客戶提供具吸引力的卓越銀行和金融服務。一直以來，東亞銀行正是憑藉這種服務，成為在香港深受信賴的專有品牌。

於2014年底，東亞中國在全國41個城市共開設了28間分行以及98間支行，為內地分行網絡最廣泛的外資銀行之一。2014年，東亞中國成為最先在中國（上海）自由貿易區開設支行的外資銀行之一。未來數年，東亞中國將繼續策略性地擴展其分支網絡，為客戶提供更優質的服務，並提升網絡平台的效益。

本行在澳門設有1間分行及4間支行。2014年，澳門分行淨利潤錄得38.6%的升幅，為2001年澳門分行成立以來最佳的紀錄。澳門分行的成功有賴於在跨境業務上加強與東亞中國的合作，以及企業和零售部門提高在本地市場滲透率。

台灣方面，本行在台北和高雄共設有兩間分行。本行亦透過國際金融業務分行，為離岸客戶提供人民幣和外幣服務。在2014，台灣分行亦加強與東亞中國的合作，利用人民幣自由化帶來的機遇。綜合上述的努力，台灣分行的人民幣貸款餘額於年底按年增加107.4%。

國際業務

2014年，東亞銀行國際業務繼續保持穩定增長。

鑒於新加坡政府對熾熱的房地產市場實施降溫措施，以及東亞地區的信貸需求放緩，新加坡分行的貸款業務僅錄得溫和的升幅。

2015年是新加坡建國50周年，因此預期當地經濟會有百分之2至4的增長，商業前景仍審慎樂觀。儘管如此，在面對物業市場放緩、勞工供應緊絀及國際油價大跌等不利因素下，新加坡分行將致力鞏固與商業及企業客戶的關係，同時因應來自中國的貿易和投資活動日益增加，本行會繼續把握這方面所帶來的商機。

新加坡分行於2014年推出20億美元的多元貨幣中期票據計劃，並發行了數項票據，成功地把分行的融資來源更加多元化。

本行在馬來西亞的納閩分行於2014年錄得20%的貸款增長，主要來自雙邊及銀團貸款項目。展望未來，該分行仍將集中發展亞洲區內的銀團貸款及馬來西亞企業的雙邊貸款組合。

受惠於海外投資者對英國黃金地段物業的濃厚興趣，本行在英國的業務於2014年錄得穩健的貸款及盈利增長。倫敦分行更透過發行存款證，於批發融資市場募集資金，用作支持貸款增長。

由於預期將會有大量海外企業投資者繼續青睞倫敦市黃金地段的物業，東亞銀行英國分行將進一步加強建築貸款和銀團貸款的業務實力，以把握商機，吸納相關貸款需求。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

The Bank's operations in the US delivered solid performance in 2014, with steady growth in loans driven by the improving domestic economy, low interest rates, and strong interest by foreign investors in the commercial real estate markets in gateway cities. During the period under review, BEA's US operations successfully expanded their business with large Chinese corporations. In addition, with recovery in domestic economy, the Bank's asset quality in the US improved further as compared to 2013.

In November 2014, BEA launched a US\$3 billion Commercial Paper Programme to tap wholesale funding in the US. The programme will raise the Bank's profile in the US debt capital market and help lower the Bank's overall funding costs.

Although the US Federal Reserve ended its quantitative easing programme in October 2014, US interest rates are expected to remain at low levels in 2015. Coupled with excess liquidity and fierce competition for quality assets, interest margins in the US will continue to be squeezed. Against this challenging backdrop, BEA's US operations will step up efforts to develop its portfolio of quality syndicated commercial loans.

To capitalise on increasing overseas trade and investment activity from China, BEA's operations in Singapore, the UK, and the US will expand business collaboration and customer referrals with BEA China as well as lending to large Chinese corporations.

In 2014, Credit Gain opened its fourth office in Shenzhen.
2014年，領達財務在深圳設立第4間辦事處。



Other Subsidiaries

Credit Gain Finance Company Limited

Against the highly competitive sub-prime loan market in Hong Kong, Credit Gain achieved double digit year-on-year growth in its loan portfolio in 2014. The Company's success was due in large part to its effective loan quality control and flexible marketing strategies. Beyond Hong Kong, the Company's operations in China continued to grow. A new office was opened in Shenzhen in the second half of 2014, bringing the total number of Credit Gain offices on the Mainland to five, with four located in Shenzhen and one in Chongqing.

Tricor Holdings Limited

Tricor Holdings recorded year-on-year growth of 19.7% in profit before taxation, which reached a new high of HK\$340 million. In addition, for a fifth consecutive year, Tricor reported record-high revenue of HK\$1,147 million and was an important contributor to the BEA Group's fee and commission income for the year under review. The demand for Tricor's company secretarial and compliance services and investor services continued to be strong in Hong Kong during the second half of the year. In 2014, Tricor Hong Kong successfully secured share registration business from 48% of all newly-listed companies in Hong Kong, more than any other share registration services provider. Tricor Singapore, the Company's second largest office in the Asia Pacific region, also recorded strong growth in corporate and business services during the year.



行政總裁及高層管理人員報告書（續）



In September 2014, Tricor Malaysia acquired Equiniti Services Sdn Bhd.

2014年9月，卓佳馬來西亞辦事處收購 Equiniti Services Sdn Bhd。

本行的美國業務於2014年表現穩健，在當地經濟不斷改善、利率低企和外國投資者對主要城市商業房地產的強勁需求驅動下，貸款穩步上揚。在回顧期內，紐約和洛杉磯分行透過與大型中國企業合作，成功地擴闊貸款組合及規模。除此之外，隨著當地經濟持續復甦，本行在美國的資產質素較2013年進一步提升。

於2014年11月，東亞銀行發行30億美元的商業票據計劃，以涉足美國批發融資市場。該計劃將提升東亞銀行在美國債務資本市場的知名度，並有助減低本行的整體融資成本。

儘管美國聯邦儲備局於2014年10月終止量化寬鬆政策，但美國金融市場的利率於2015年仍將維持在較低水平，加上流動資金過剩以及優質資產競爭激烈，借貸息差將持續受壓。面對充滿挑戰的環境，本行在美國將加強發展優質銀團商業貸款組合。

中國的對外貿易及投資活動日趨頻繁，為把握此趨勢帶來的機遇，本行在新加坡、英國及美國的分行將與東亞中國加強合作，增加相互的客戶轉介，向大型中國企業提供貸款，務求保持業務增長。

其他附屬公司

領達財務有限公司

在香港次級貸款市場競爭激烈的情況下，領達財務的貸款組合於2014年取得雙位數字的按年增長。該公司成績卓越，主要有賴於有效的貸款質素控制及靈活的市場推廣策略。在香港以外，該公司在中國的業務持續增長，並於2014年下半年在深圳設立新辦事處，使領達財務的內地辦事處總數增至5個，其中4個位於深圳，1個位於重慶。

卓佳集團有限公司

卓佳錄得除稅前溢利按年增長19.7%，創下港幣3.4億元的新高。此外，卓佳連續第5年刷新收入紀錄，於回顧年內錄得港幣11.47億元，為東亞銀行集團服務費和佣金收入帶來重大貢獻。下半年內，香港對卓佳的公司秘書及合規服務以及投資者服務需求仍然殷切。2014年，有48%的香港新上市公司選用了卓佳香港辦事處的股份過戶登記服務，為全港之冠。卓佳新加坡辦事處（該公司於亞太區的第二大辦事處）的企業及商業服務亦於年內錄得強勁增長。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)



BEA provides leadership training for all manager levels.

東亞銀行為各級管理人員提供領導技巧訓練。

In March 2014, Tricor set up a joint-venture entity in Ho Chi Minh City, Vietnam as part of its efforts to expand its servicing network in Asia. In the second half of the year, Tricor Malaysia entered the business of issuing house services by acquiring Equiniti Services Sdn Bhd, which was subsequently renamed Tricor Investor & Issuing House Services Sdn Bhd. By offering issuing house services in addition to share registration services, Tricor Malaysia can offer a comprehensive suite of investor services to companies seeking public listing in Malaysia.

As at 31st December, 2014, Tricor operated a network covering 31 cities in 17 markets. Looking ahead, the Company will continue to look for opportunities to expand its network in key markets around the world.

BEA Union Investment Management Limited

BEA Union Investment Management Limited registered a 10.5% increase in AUM, year on year. This growth was mainly due to the Company's success in penetrating both the retail and institutional sectors in Hong Kong and on the Mainland.

In response to demand from retail investors, BEA Union Investment launched the RMB Core Bond Fund in February 2014, and introduced multi-currency share classes (i.e. Australian dollar, New Zealand dollar, and RMB) for some popular retail funds.

Looking ahead to 2015, BEA Union Investment aims to broaden its product offering, apply for an RQFII quota to tap investment opportunities in China, and continue to co-operate with BEA China to capture opportunities arising from the Hong Kong–China mutual fund recognition platform.

Our People

As of 31st December, 2014, the BEA Group employed 13,103 people:

	As of 31st December, 2014	As of 31st December, 2013
Hong Kong	5,803	5,757
Greater China ex-Hong Kong	6,051	5,773
Overseas	1,249	1,168
Total	13,103	12,698

The employment market in Hong Kong remained highly competitive during the year under review. The Bank focussed on recruitment of high calibre candidates and staff retention. To maintain a competitive edge in the industry, the Bank regularly reviewed its staff remuneration and benefits packages. In 2014, the Bank enhanced its major staff benefit programmes and policies including the staff housing loan, annual leave policy, and life insurance coverage. In June 2014, the Bank introduced a university scholarship programme for children of staff members of the Bank and its wholly-owned subsidiaries.

The Bank's Human Capital Management System, "myHR", was further enhanced in 2014 to improve efficiency in the workplace by enabling staff members to directly manage many of their employee records via the system.

BEA regularly reviews its in-house training programmes with a view to enhancing the ability and productivity of its staff in support of the Bank's development. Among the new courses introduced were a series of risk management training sessions for staff members of various grade levels. To facilitate the roll-out of its innovative digital branches, BEA organised training courses specially designed for staff members of digital branches. In addition, service leadership workshops were organised for senior branch staff to enhance their ability to build effective service delivery teams.

行政總裁及高層管理人員報告書（續）

2014年3月，卓佳在越南的胡志明市開立合營公司，努力拓展亞洲服務網絡。下半年，卓佳馬來西亞辦事處收購 Equiniti Services Sdn Bhd（其後更名為 Tricor Investor & Issuing House Services Sdn Bhd），以開展發行業務。透過提供股份過戶登記服務及新增的發行服務，卓佳馬來西亞辦事處可為尋求於馬來西亞公開上市的公司提供一站式投資者服務。

於2014年12月31日，卓佳的業務網絡覆蓋17個市場共31個城市。展望未來，該公司將繼續物色在全球主要市場拓展網絡的良機。

東亞聯豐投資管理有限公司

東亞聯豐投資管理有限公司的管理資產錄得10.5%的按年增長，主要歸因於其在香港及內地零售及機構業務取得的成果。

因應零售投資者的需求，東亞聯豐投資於2014年2月推出了人民幣核心債券基金，並為部分受歡迎的零售基金引入多種貨幣類別（即澳元、紐元及人民幣）。

展望2015年，東亞聯豐投資將擴大產品種類：申請人民幣合格境外機構投資者（RQFII）額度，投資中國市場；並繼續與東亞中國合作，把握來自中港兩地基金相互認可平台的商機。

人力資源

東亞銀行集團於2014年12月31日的僱員人數為13,103人，分布如下：

	於2014年 12月31日	於2013年 12月31日
香港	5,803	5,757
大中華地區（香港除外）	6,051	5,773
海外	1,249	1,168
總計	13,103	12,698

回顧年內，本港就業市場競爭仍然激烈。本行著重招攬優秀人才及挽留員工。為保持本行於業內的競爭優勢，本行定期檢討其員工薪酬及福利。於2014年，本行優化其主要員工福利計劃及政策，當中包括職員樓宇按揭貸款、年假政策及人壽保險保障額。於2014年6月，設立大學獎學金計劃予本行及其全資附屬公司的員工子女。

本行於2014年進一步完善其人力資源管理系統「myHR」。員工可透過該系統，直接管理多項僱員紀錄，從而提高工作效率。

本行定期檢討其內部培訓課程，旨在提升員工的能力及生產力，以配合本行的發展。新開辦課程包括一系列為各級員工而設的風險管理培訓課程。為配合拓展創新的智能數碼分行網絡，本行已為有關的分行員工籌辦專屬培訓課程。此外，本行亦為分行的高層人員籌辦服務領袖工作坊，以提升其建立高效服務團隊的能力。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

Risk Management

The Group has established comprehensive risk management procedures in line with the requirements set out by the HKMA to identify, measure, monitor, control, and report on the various types of risk that the Group faces, including credit risk, interest rate risk, market risk, liquidity risk and operational risk, and, where appropriate, to allocate capital to cover those risks.

The risk management mechanisms are built around a centralised framework and include the RIC, Crisis Management Committee, Risk Management Committee, specialised risk management committees – namely, Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee – and the Risk Management Division. These mechanisms capture the different risk-related management activities on a Group basis, including the formulation of policies, risk assessment, setting up of procedures and control limits, and ongoing monitoring before the same are reported to the Board. The mechanisms ensure compliance with the Group's policies, and legal and regulatory requirements in Hong Kong, China, and overseas. They are supplemented by active management involvement, effective internal controls, and comprehensive audits.

The RIC – comprising the Group's Chairman and Chief Executive, two INEDs, and three NEDs – assists the Board in handling risk management issues, particularly strategic issues. The RIC regularly reviews the Group's risk appetite statement covering the major risks and submits it to the Board for approval. The related risk levels, where appropriate, are laid down in the risk management policies.

Certificates of Deposit, Debt Securities Issued and Loan Capital

In 2014, BEA issued floating rate certificates of deposit and debt securities with a face value of HK\$1,020 million, US\$432 million, EUR86 million and CHF62 million; fixed rate certificates of deposit and debt securities with a face value of HK\$2,947 million, US\$1,704 million, CNY10,903 million, GBP1,193 million, SGD140 million, EUR245 million, CHF100 million and JPY63,800 million; and zero coupon certificates of deposit and debt securities with a face value of HK\$7,421 million, US\$2,812 million, CNY2,930 million, GBP200 million, EUR43 million, CHF155 million and JPY2,000 million. The Group redeemed a quantity of certificates of deposit and debt securities amounting to HK\$76,534 million equivalent upon maturity.

At the end of December 2014, the face value of the outstanding certificates of deposit and debt securities issued was equivalent to HK\$66,922 million, with a carrying amount equivalent to HK\$66,822 million.

行政總裁及高層管理人員報告書（續）

風險管理

按照金管局發出的規定，本集團已建立一套完善的風險管理制度，以識別、衡量、監察、控制及匯報本集團所承受各類風險，當中涵蓋信貸風險、利率風險、市場風險、流動資金風險和營運風險，並於適當的情況下調配資本以抵禦該等風險。

本集團的風險管理機制是建立在一個中央架構上，當中包括風險委員會、危機管理委員會、風險管理委員會、專責風險管理委員會包括信貸委員會、資產負債管理委員會及營運風險管理委員會，以及風險管理處。這些管理機制可在集團層面上處理各重要的風險相關事項，包括制定政策、風險評估、設立程序和控制限額，以及持續監測遵守情況等，其後會向董事會匯報，確保風險相關事項已全面符合本集團政策，及於香港、中國和海外的相關法律和監管規定。管理層的積極參與、有效的內部監控和全面的稽核均能完善風險管理制度。

風險委員會由本集團的主席兼行政總裁、兩名獨立非執行董事及三名非執行董事組成，風險委員會協助董事會處理與風險管理相關的事宜，尤其是策略方面的事宜。風險委員會定期檢討本集團的風險偏好報告書（涵蓋主要風險），並將其呈交董事會作批准。在適當的情況下，本集團已將與此有關的風險水平詳列於風險管理政策內。

已發行存款證、債務證券及借貸資本

2014年，本行發行了面值為港幣10.20億元、4.32億美元、8,600萬歐元及6,200萬瑞士法郎的浮息存款證及債務證券；面值為港幣29.47億元、17.04億美元、人民幣109.03億元、11.93億英鎊、1.40億新加坡元、2.45億歐元、1億瑞士法郎及638億日圓的定息存款證及債務證券；以及面值為港幣74.21億元、28.12億美元、人民幣29.30億元、2億英鎊、4,300萬歐元、1.55億瑞士法郎及20億日圓的零息存款證及債務證券。本集團於到期時贖回各類存款證及債務證券達等值港幣765.34億元。

於2014年12月底，已發行在外的存款證及債務證券面值相等於港幣669.22億元，賬面值則相等於港幣668.22億元。

REPORT OF THE CHIEF EXECUTIVE AND SENIOR MANAGEMENT (CONTINUED)

Maturity Profile of Certificates of Deposit and Debt Securities Issued

As at 31st December, 2014

(All expressed in millions of dollars)

	Total Face Value	Year of Maturity			
		2015	2016	2017	2019
Floating Rate					
HKD	2,325	1,105	920	300	
USD	553	388	115	50	
EUR	86	86			
CHF	62	62			
Fixed Rate (Note)					
HKD	5,890	2,519	1,790	1,281	300
USD	1,687	867	20	800	
CNY	8,972	8,772	100	100	
GBP	338	338			
SGD	140	90		50	
EUR	70	70			
CHF	100		100		
JPY	61,800	61,800			
Zero Coupon					
HKD	3,415	3,415			
USD	1,353	1,353			
CNY	1,802	1,547		255	
GBP	100	100			
CHF	125	125			
JPY	2,000	2,000			
Total Certificates of Deposit and Debt Securities issued in HKD equivalent					
	66,922	53,046	4,666	8,910	300

Note:

Associated interest rate swaps have been arranged in order to manage interest rate risk from long-term certificates of deposit and debt securities issued, if deemed necessary.

In 2014, BEA issued loan capital with a face value of US\$500 million.

At the end of December 2014, the face value of the outstanding loan capital issued was equivalent to HK\$17,098 million, with a carrying amount equivalent to HK\$17,335 million.

Maturity Profile of Loan Capital

As at 31st December, 2014

(All expressed in millions of dollars)

	Total Face Value	Year of Maturity		
		2020	2022	2024
USD (Notes 1 & 2)	1,600	600	500	500
SGD (Note 3)	800		800	
Total Loan Capital issued In HKD equivalent				
	17,098	4,653	8,568	3,877

Notes:

1. The US\$500 million loan capital that matures in 2022 will be callable on 4th May, 2017.
2. The US\$500 million loan capital that matures in 2024 will be callable on 20th November, 2019.
3. Callable on 13th September, 2017.

David Li Kwok-po

Chairman & Chief Executive

Hong Kong, 12th February, 2015

行政總裁及高層管理人員報告書（續）

已發行存款證及債務證券的年期

於2014年12月31日

(以百萬元位列示)

	總面值	到期年份			
		2015	2016	2017	2019
浮息					
港元	2,325	1,105	920	300	
美元	553	388	115	50	
歐元	86	86			
瑞士法郎	62	62			
定息 (附註)					
港元	5,890	2,519	1,790	1,281	300
美元	1,687	867	20	800	
人民幣	8,972	8,772	100	100	
英鎊	338	338			
新加坡元	140	90		50	
歐元	70	70			
瑞士法郎	100		100		
日圓	61,800	61,800			
零息					
港元	3,415	3,415			
美元	1,353	1,353			
人民幣	1,802	1,547		255	
英鎊	100	100			
瑞士法郎	125	125			
日圓	2,000	2,000			
所有已發行存款證及債務證券 (港元等值)	66,922	53,046	4,666	8,910	300

附註：

已就管理已發行長期存款證及債務證券附帶的利率風險安排認為必要的相關利率掉期。

2014年，本行發行了面值為5億美元的借貸資本。

於2014年12月底，已發行的借貸資本面值相等於港幣170.98億元，賬面值則相等於港幣173.35億元。

借貸資本的年期

於2014年12月31日

(以百萬元位列示)

	總面值	到期年份		
		2020	2022	2024
美元 (附註1及2)	1,600	600	500	500
新加坡元 (附註3)	800		800	
所有已發行借貸資本 (港元等值)	17,098	4,653	8,568	3,877

附註：

1. 將於2022年到期的5億美元借貸資本於2017年5月4日可贖回。
2. 將於2024年到期的5億美元借貸資本於2019年11月20日可贖回。
3. 於2017年9月13日可贖回。

主席兼行政總裁

李國寶

香港，2015年2月12日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

DIRECTORS



Dr. the Hon. Sir David LI Kwok-po

GBM, GBS, OBE, JP, MA Cantab. (Economics & Law), Hon. LLD (Cantab), Hon. DSc. (Imperial), Hon. LLD (Warwick), Hon. DBA (Edinburgh Napier), Hon. D.Hum.Litt. (Trinity, USA), Hon. LLD (Hong Kong), Hon. DSocSc (Lingnan), Hon. DLitt (Macquarie), Hon. DSocSc (CUHK), FCA, FCPA, FCPA (Aust.), FCIB, FHKIB, FBCS, CITP, FCIArb, Officier de l'Ordre de la Couronne, Grand Officer of the Order of the Star of Italian Solidarity, The Order of the Rising Sun, Gold Rays with Neck Ribbon, Commandeur dans l'Ordre National de la Légion d'Honneur

Chairman & Chief Executive, Chairman of the Nomination Committee and the Risk Committee, and Member of the Remuneration Committee

Sir David, aged 75, joined the Bank in 1969. He was appointed a Director in 1977, Chief Executive in 1981, Deputy Chairman in 1995 and Chairman in 1997. Sir David is the Chairman or a Director of various members of the Bank Group, and he is also the Chairman or a Member of various committees appointed by the Board.

Sir David is a Member of the Council of the Treasury Markets Association. He is the Pro-Chancellor of the University of Hong Kong, an Advisory Committee Member of the Chinese University of Hong Kong S.H. Ho College, Chairman of the ICAEW Hong Kong Chapter Advisory Board, an Honorary Fellow of the School of Accountancy, Central University of Finance and Economics and a Companion of the Chartered Management Institute. He was a Member of the Legislative Council of Hong Kong from 1985 to 2012.

Sir David is the Chairman of The Chinese Banks' Association Limited. He is the Honorary Chairman of The Chamber of Hong Kong Listed Companies. Sir David is Vice President of the Council of the Hong Kong Institute of Bankers, Chairman of the Saint Joseph's College Foundation Limited and a Member of the International Advisory Council of the Cambridge Commonwealth

董事

李國寶爵士

GBM, GBS, OBE, JP, MA Cantab. (Economics & Law), Hon. LLD (Cantab), Hon. DSc. (Imperial), Hon. LLD (Warwick), Hon. DBA (Edinburgh Napier), Hon. D.Hum.Litt. (Trinity, USA), Hon. LLD (Hong Kong), Hon. DSocSc (Lingnan), Hon. DLitt (Macquarie), Hon. DSocSc (CUHK), FCA, FCPA, FCPA (Aust.), FCIB, FHKIB, FBCS, CITP, FCIArb, Officier de l'Ordre de la Couronne, Grand Officer of the Order of the Star of Italian Solidarity, The Order of the Rising Sun, Gold Rays with Neck Ribbon, Commandeur dans l'Ordre National de la Légion d'Honneur

主席兼行政總裁，提名委員會及風險委員會主席及薪酬委員會委員

李爵士，現年75歲，在1969年加入本行，1977年任董事，1981年任行政總裁，1995年任副主席，繼而於1997年獲委任為主席。李爵士亦出任本集團內其他公司的主席或董事，以及多個由董事會委任的委員會之主席或委員。

李爵士是財資市場公會的議會成員。他是香港大學副校監、香港中文大學善衡學院諮議委員會成員、英格蘭及威爾士特許會計師協會香港分會顧問委員會主席、中央財經大學會計學院榮譽顧問及特許管理學會最高級別會員。他在1985年至2012年期間曾出任香港立法會議員。

李爵士是香港華商銀行公會有限公司主席。他是香港上市公司商會名譽會長。李爵士是香港銀行學會議會副會長、聖約瑟書院基金有限公司主席及Cambridge Commonwealth Trust和Cambridge Overseas Trust之國際諮議會成員。他亦為Cambridge Foundation之名譽信託人及位於普林斯頓的Institute for Advanced Study之名譽信託人。李爵士是救世軍港澳軍區顧問委員會主席、聖雅各福群

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

Trust and Cambridge Overseas Trust. He is also an Emeritus Trustee of the Cambridge Foundation and a Trustee Emeritus of the Institute for Advanced Study in Princeton. Sir David is Chairman of the Advisory Board of The Salvation Army, Hong Kong and Macau Command, Chairman of the Executive Committee of St. James' Settlement and he also serves on the Hong Kong Red Cross Advisory Board. He is a Council Member of the Employers' Federation of Hong Kong, a Director of the David Li Kwok-po Charitable Foundation Limited, a Founder Member and an Executive Committee Member of the Heung Yee Kuk Foundation Limited, Chairman of The Légion d'Honneur Club Hong Kong Chapter Association Limited and Chairman of the Executive Committee of The Marco Polo Society Limited.

Sir David is an Independent Non-executive Director of Guangdong Investment Limited, The Hong Kong and China Gas Company Limited, The Hongkong and Shanghai Hotels, Limited, PCCW Limited, San Miguel Brewery Hong Kong Limited, SCMP Group Limited and Vitasoy International Holdings Limited. He is also a Director of Hong Kong Interbank Clearing Limited. He was a Director of CaixaBank, S.A.^{Note} (listed in Spain), a Non-independent Non-executive Director of AFFIN Holdings Berhad (listed in Malaysia), an Independent Non-executive Director of China Overseas Land & Investment Limited and COSCO Pacific Limited.

Sir David is a Member of the Board of Trustees of the Asia Society International Council, a Member of the Asia Business Council, a Member of the Munich Re Greater China Advisory Board, and Chairman Emeritus of the Asian Youth Orchestra Board. He serves on the advisory boards of Federal Reserve Bank of New York's International Advisory Committee and Hospital for Special Surgery. Sir David is the Chairman of the INSEAD East Asia Council, the Non-executive Chairman for Edelman Asia-Pacific and a Senior Adviser of Metrobank.

Sir David is the brother of Professor Arthur LI Kwok-cheung, the nephew of Mr. Eric LI Fook-chuen, the cousin of Mr. Aubrey LI Kwok-sing and Mr. Stephen Charles LI Kwok-sze, and the father of Mr. Adrian David LI Man-kiu and Mr. Brian David LI Man-bun.

會執行委員會主席及香港紅十字會顧問團成員。他亦為香港僱主聯合會諮議會成員、李國寶慈善基金有限公司董事、鄉議局基金有限公司創會會員和執行委員會成員、Légion d'Honneur Club 香港分會主席及The Marco Polo Society Limited 執行委員會主席。

李爵士是粵海投資有限公司、香港中華煤氣有限公司、香港上海大酒店有限公司、電訊盈科有限公司、香港生力啤酒廠有限公司、南華早報集團有限公司及維他奶國際集團有限公司之獨立非執行董事。他亦為香港銀行同業結算有限公司之董事。他曾出任 CaixaBank, S.A.^註 (在西班牙上市) 之董事、AFFIN Holdings Berhad (在馬來西亞上市) 之非獨立非執行董事、中國海外發展有限公司及中遠太平洋有限公司之獨立非執行董事。

李爵士為 Asia Society International Council 信託委員會的委員、Asia Business Council 成員、Munich Re Greater China 諮議委員會成員及 Asian Youth Orchestra Board 名譽主席。他亦是其他諮議委員會成員，計有：紐約聯邦儲備銀行國際顧問委員會及 Hospital for Special Surgery。李爵士為法國 INSEAD 東亞區校董會主席、Edelman Asia-Pacific 的非執行主席以及 Metrobank 的資深顧問。

李爵士是李國章教授之胞兄、李福全先生之堂姪、李國星先生及李國仕先生之堂兄、李民橋先生及李民斌先生之父親。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Professor Arthur LI Kwok-cheung

GBS, MA, MD, M.B.B.Chir (Cantab), DSc (Hon), DLitt (Hon), Hon DSc (Med), LLD (Hon), Hon Doc (Soka), FRCS (Eng & Edin), FRACS, Hon FACS, Hon FRCS (Glasg & I), Hon FRSM, Hon FPCS, Hon FCSHK, Hon FRCP (Lond), JP

Deputy Chairman, Non-executive Director and Member of the Risk Committee

Professor Li, aged 69, was a Director of the Bank (1995-2002) and was re-appointed a Director in 2008 and was appointed a Deputy Chairman in 2009.

Professor Li is a Member of the Executive Council of the Hong Kong Special Administrative Region (he was also a Member during 2002 to June 2007). He is also a Member of the National Committee of the Chinese People's Political Consultative Conference.

Professor Li is an Independent Non-executive Director of Shangri-La Asia Limited and Nature Home Holding Company Limited (formerly known as Nature Flooring Holding Company Limited) and a Director of CaixaBank, S.A.^{Note} (listed in Spain). He was an Independent Non-executive Director of The Wharf (Holdings) Limited, a Non-Independent Non-executive Director of AFFIN Holdings Berhad (listed in Malaysia) and a Non-executive Director of BioDiem Ltd. (delisted from Australian Securities Exchange in November 2013).

Professor Li was the Secretary for Education and Manpower of the Government of HKSAR (2002-June 2007). Before these appointments, he was the Vice Chancellor of the Chinese University of Hong Kong (1996-2002) and was the Chairman of Department of Surgery and the Dean of Faculty of Medicine of the Chinese University of Hong Kong.

Professor Li had held many important positions in various social service organisations, medical associations, and educational bodies, including the Education Commission, Committee on Science and Technology, the Hospital Authority, the Hong Kong Medical Council, the University Grants Committee, the College of Surgeons of Hong Kong, and the United Christian Medical Services Board. He was a Member of the Board of Directors of the Hong Kong Science and Technology Parks Corporation and the Hong Kong Applied Science and Technology Research Institute, and Vice President of the Association of University Presidents of China. He was a Hong Kong Affairs Adviser to China.

Professor Li is the brother of Dr. the Hon. Sir David LI Kwok-po, the nephew of Mr. Eric LI Fook-chuen, the cousin of Mr. Aubrey LI Kwok-sing and Mr. Stephen Charles LI Kwok-sze, and the uncle of Mr. Adrian David LI Man-kiu and Mr. Brian David LI Man-bun.

李國章教授

GBS, MA, MD, M.B.B.Chir (Cantab), DSc (Hon), DLitt (Hon), Hon DSc (Med), LLD (Hon), Hon Doc (Soka), FRCS (Eng & Edin), FRACS, Hon FACS, Hon FRCS (Glasg & I), Hon FRSM, Hon FPCS, Hon FCSHK, Hon FRCP (Lond), JP

副主席，非執行董事及風險委員會委員

李教授，現年 69 歲，曾任本行董事（1995-2002）及在 2008 年再獲委任為本行董事，並於 2009 年獲委任為副主席。

李教授是香港特別行政區行政會議成員（他在 2002 年至 2007 年 6 月亦曾出任此職）。他亦是中國人民政治協商會議全國委員會委員。

李教授現為香格里拉（亞洲）有限公司、大自然家居控股有限公司（前稱大自然地板控股有限公司）之獨立非執行董事及 CaixaBank, S.A.^註（在西班牙上市）之董事。他曾出任九龍倉集團有限公司之獨立非執行董事、AFFIN Holdings Berhad（在馬來西亞上市）之非獨立非執行董事及 BioDiem Ltd.（已於 2013 年 11 月在澳洲證券交易所除牌）之非執行董事。

李教授曾任香港特別行政區教育及統籌局局長（2002 年至 2007 年 6 月）。在此之前，他亦曾出任香港中文大學校長（1996-2002），以及香港中文大學醫學院外科學系主任和醫學院院長。

李教授曾於多個社會服務機構、醫務及教育組織擔任重要職位，其中包括教育統籌委員會、科技委員會、香港醫院管理局、香港醫務委員會、大學教育資助委員會、香港外科醫學院，以及基督教聯合醫院醫務協會董事會。他亦曾任香港科技園及香港應用科技研究有限公司董事、中國大學校長聯誼會副會長，以及港事顧問。

李教授是李國寶爵士之胞弟、李福全先生之堂姪、李國星先生及李國仕先生之堂兄、李民橋先生及李民斌先生之叔父。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Dr. Allan WONG Chi-yun

GBS, MBE, BSc, MSEE, Hon. DTech, JP
Deputy Chairman, Independent Non-executive Director, Chairman of the Remuneration Committee, Member of the Audit Committee and the Nomination Committee

Dr. Wong, aged 64, was appointed a Director in 1995 and a Deputy Chairman in 2009. He is the Chairman and Group Chief Executive Officer of VTech Holdings Limited. Dr. Wong is an Independent Non-executive Director of China-Hongkong Photo Products Holdings Ltd. and Li & Fung Ltd.

Dr. Wong holds a Bachelor of Science degree in electrical engineering from the University of Hong Kong, a Master of Science degree in electrical and computer engineering from the University of Wisconsin and an honorary degree of Doctor of Technology from the Hong Kong Polytechnic University.

Dr. Wong is the nephew of Mr. WONG Chung-hin.

黃子欣博士

GBS, MBE, BSc, MSEE, Hon. DTech, JP
副主席，獨立非執行董事，薪酬委員會主席，審核委員會及提名委員會委員

黃博士，現年64歲，在1995年獲委任為本行董事，並於2009年獲委任為副主席。他是偉易達集團主席兼集團行政總裁。黃博士為中港照相器材集團有限公司及利豐有限公司之獨立非執行董事。

黃博士持有香港大學電機工程系理學士學位、美國麥迪遜威斯康辛大學電機及電腦工程科學碩士學位及香港理工大學頒授榮譽科技博士學位。

黃博士為黃頌顯先生之姪兒。



Mr. WONG Chung-hin

CBE, JP
Independent Non-executive Director and Member of the Audit Committee

Mr. Wong, aged 81, is a solicitor. He was appointed a Director in 1977. Mr. Wong is the Consultant of P.C. Woo & Co. He is also an Independent Non-executive Director of Power Assets Holdings Limited and Hutchison Whampoa Limited.

Mr. Wong is the uncle of Dr. Allan WONG Chi-yun.

黃頌顯先生

CBE, JP
獨立非執行董事及審核委員會委員

黃先生，現年81歲，是律師。他在1977年獲委任為本行董事。黃先生為胡百全律師事務所顧問。他亦是電能實業有限公司及和記黃埔有限公司之獨立非執行董事。

黃先生是黃子欣博士之叔父。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Aubrey LI Kwok-sing

ScB, MBA

Non-executive Director, Member of the Nomination Committee, the Remuneration Committee and the Risk Committee

Mr. Li, aged 65, was appointed a Director in 1995. He is Chairman of IAM Holdings (Hong Kong) Limited (formerly known as MCL Partners Limited) and Chairman of the Advisory Board of MCL Financial Group Limited, both Hong Kong based investment firms. Mr. Li possesses extensive experience in the fields of investment banking, merchant banking and capital markets. He is also an Independent Non-executive Director of Cafe de Coral Holdings Limited, China Everbright International Limited, Kunlun Energy Company Limited, Kowloon Development Co. Ltd, Pokfulam Development Company Limited, Tai Ping Carpets International Limited and a Director of AFFIN Bank Berhad.

Mr. Li has an ScB in Civil Engineering from Brown University and a Master of Business Administration from Columbia University.

Mr. Li is the nephew of Mr. Eric LI Fook-chuen, the cousin of Dr. the Hon. Sir David LI Kwok-po, Professor Arthur LI Kwok-cheung and Mr. Stephen Charles LI Kwok-sze, and the uncle of Mr. Adrian David LI Man-kiu and Mr. Brian David LI Man-bun.

李國星先生

ScB, MBA

非執行董事，提名委員會、薪酬委員會及風險委員會委員

李先生，現年65歲，在1995年獲委任為本行董事。他是星安控股有限公司（前稱偉業資本有限公司）主席及偉業金融集團有限公司顧問委員會之主席，兩者都是以香港為基地的投資公司。李先生於投資銀行、商人銀行及資本市場界具廣泛經驗。他又為大家樂集團有限公司、中國光大國際有限公司、昆侖能源有限公司、九龍建業有限公司、博富臨置業有限公司、太平地氈國際有限公司之獨立非執行董事及AFFIN Bank Berhad之董事。

李先生持有布朗大學土木工程學士學位，及哥倫比亞大學工商管理碩士學位。

李先生是李福全先生之堂姪、李國寶爵士及李國章教授之堂弟、李國仕先生之堂兄、李民橋先生及李民斌先生之堂叔父。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Winston LO Yau-lai

SBS, BSc, MSc

Independent Non-executive Director, Chairman of the Audit Committee, Member of the Nomination Committee, the Remuneration Committee and the Risk Committee

Mr. Lo, aged 73, was appointed a Director in 2000. He is the Executive Chairman of Vitasoy International Holdings Limited.

Mr. Lo graduated from the University of Illinois with a Bachelor of Science degree in Food Science and gained his Master of Science degree in Food Science from Cornell University.

Mr. Lo is a Director of Ping Ping Investment Company Ltd.

Mr. Lo is a Life Member of the Cornell University Council.

羅友禮先生

SBS, BSc, MSc

獨立非執行董事，審核委員會主席，提名委員會、薪酬委員會及風險委員會委員

羅先生，現年 73 歲，在 2000 年獲委任為本行董事。他是維他奶國際集團有限公司執行主席。

羅先生畢業於伊利諾大學，獲食物科學理學學士學位，並獲康乃爾大學頒授食物科學理學碩士學位。

羅先生為平平置業有限公司董事。

羅先生是康乃爾大學校董會終身會員。



Tan Sri Dr. KHOO Kay-peng

PSM, DPMJ, KMN, JP, Hon. DLitt, Hon. LLD, Hon. Ph.D

Independent Non-executive Director, Member of the Nomination Committee and the Remuneration Committee

Tan Sri Dr. Khoo, aged 76, was appointed a Director in 2001. Dr. Khoo is the Chairman and Chief Executive of The MUI Group, a Malaysia-based corporation with diversified business operations in the Asia Pacific, the United States of America ("USA") and the United Kingdom ("UK"). He is the Chairman and Chief Executive of Malayan United Industries Berhad and MUI Properties Berhad (both

丹斯里邱繼炳博士

PSM, DPMJ, KMN, JP, Hon. DLitt, Hon. LLD, Hon. Ph.D

獨立非執行董事，提名委員會及薪酬委員會委員

丹斯里邱博士，現年 76 歲，在 2001 年獲委任為本行董事。邱博士為 MUI 集團的董事主席兼行政總裁。MUI 集團是一間業務多元化以馬來西亞為基地的企業集團，業務遍及亞太區、美國及英國。他亦是馬來西亞上市公司 Malayan United Industries Berhad 及 MUI Properties Berhad 之董事主席兼行政總裁。邱博士亦是英國羅拉雅斯里公共上市公司 (Laura Ashley，在倫敦上市)、英國 Corus Hotels Limited 及前上市公司 Pan Malaysian

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

listed in Malaysia). Dr. Khoo is also the Chairman of Laura Ashley Holdings plc (listed in London) and Corus Hotels Limited in UK and Pan Malaysian Industries Berhad (delisted in Malaysia in June 2014). He is also a Non-executive Director of SCMP Group Limited.

Dr. Khoo is a Trustee of Regent University, Virginia, USA, and a Board Member of Northwest University, Seattle, USA. He also serves as a Council Member of the Malaysian-British Business Council, the Malaysia-China Business Council and the Asia Business Council. Previously, Dr. Khoo had served as the Chairman of the Malaysia Tourist Development Corporation (a Government Agency), the Vice Chairman of Malayan Banking Berhad (Maybank) and a Trustee of the National Welfare Foundation, Malaysia.

Industries Berhad (已於2014年6月在馬來西亞除牌)之董事會主席。他亦是南華早報集團有限公司之非執行董事。

邱博士是美國維吉尼亞里貞大學之信託人，以及美國西雅圖西北大學的董事，亦是馬英商務理事會、馬中商務理事會及Asia Business Council的委員。邱博士曾任馬來西亞旅遊發展機構(一間政府機構)之主席、馬來亞銀行(Maybank)之副董事主席及馬來西亞國家福利基金之信託人。



Mr. Richard LI Tzar-kai

Non-executive Director

Mr. Li, aged 48, was appointed a Director in 2001. Mr. Li is an Executive Director and the Chairman of PCCW Limited, one of Asia's leading companies in Information and Communications Technologies (ICT). He is also the Executive Chairman and an Executive Director of HKT Limited and HKT Management Limited, the trustee-manager of the HKT Trust. He is also the Chairman and Chief Executive of the Pacific Century Group, an Executive Director and the Chairman of Pacific Century Premium Developments Limited, the Chairman and an Executive Director of Singapore-based Pacific Century Regional Developments Limited (listed in Singapore). Mr. Li is a Member of the Center for Strategic and International Studies' International Councillors' Group in Washington, D.C., and a Member of the Global Information Infrastructure Commission. Mr. Li was awarded the Lifetime Achievement Award by the Cable & Satellite Broadcasting Association of Asia in November 2011.

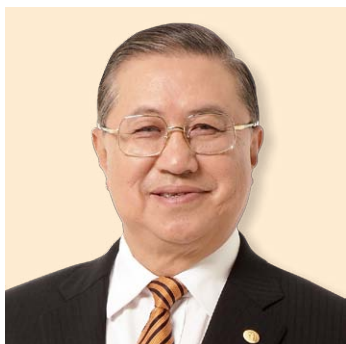
李澤楷先生

非執行董事

李先生，現年48歲，在2001年獲委任為本行董事。李先生現為電訊盈科有限公司執行董事兼主席(該公司為亞洲領先的資訊及通訊科技公司之一)、香港電訊有限公司及香港電訊管理有限公司(作為香港電訊信託的託管人—經理)執行主席兼執行董事、盈科拓展集團主席兼行政總裁、盈科大衍地產發展有限公司執行董事兼主席、新加坡上市公司盈科亞洲拓展有限公司主席兼執行董事。李先生也是美國華盛頓策略及國際研究中心國際委員會的成員，以及環球資訊基建委員會的成員。李先生於2011年11月獲亞洲有線與衛星電視廣播協會頒發終身成就獎。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Kenneth LO Chin-ming

MA, BA

Independent Non-executive Director, Member of the Audit Committee and the Nomination Committee

Mr. Lo, aged 72, was appointed a Director in 2005. Mr. Lo is the Chairman and Chief Executive Officer of the Industrial Bank of Taiwan and the Chairman of EverTrust Bank (USA) and the Honorary Chairman of the Chailease Group. He is also a Director of Boston Life Science Venture Corp. and Taiwan Cement Corp (listed in Taiwan). He has been with the banking and finance industry for over 40 years and had abundant experience in securities, trust, leasing, commercial banking, investment banking and venture capital. He was the President of Chinatrust Commercial Bank, the Chairman of IBT Venture Co., the Vice Chairman of China Trust Bank (USA), the Managing Director of International Bank of Taipei and a Director of Hua Nan Commercial Bank.

In addition to his highly recognized professional accomplishments, Mr. Lo is also active in public service. He is the Honorary Chairman of the Chinese National Association of Industry and Commerce, Taiwan, the Managing Director of the Bankers Association of the Republic of China, a Member of Asian Executive Board of the Sloan School of Management at the Massachusetts Institute of Technology, and a Member of the National Palace Museum Advisory Committee and Taipei Fine Arts Museum Advisory Board. He was the President of Asian Leasing Association, and the Supervisor of the Bankers Association of the Republic of China.

Mr. Lo holds a B.A. in Economics from National Taiwan University and an M.A. in Finance from the University of Alabama.

駱錦明先生

MA, BA

獨立非執行董事，審核委員會及提名委員會委員

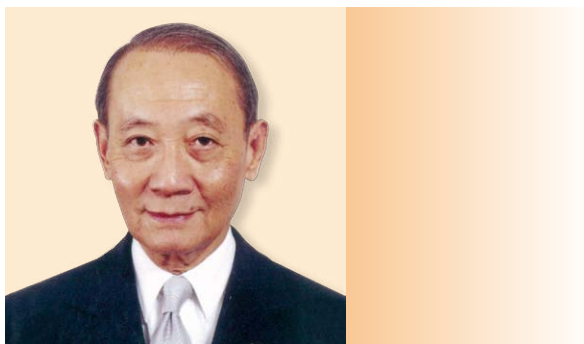
駱先生，現年 72 歲，在 2005 年獲委任為本行董事。他現為台灣工業銀行及美國華信銀行董事長和中租企業集團榮譽董事長，並擔任波士頓生物科技創投公司和台灣上市公司台灣水泥公司的董事。他在金融業的資歷超過 40 年以上，在證券、信託金融、租賃、商業銀行、投資銀行及創業投資領域具備豐富之經驗。駱先生曾任中國信託商業銀行總經理、台灣工銀創投公司的董事長、美國中信銀行副董事長、台北國際商業銀行常務董事和華南商業銀行董事，為深受業界敬重之資深金融家。

駱先生除專業素養備受推崇，亦十分熱心公益服務，目前擔任中華民國工商協進會榮譽理事長、中華民國銀行公會常務理事、美國麻省理工學院史隆管理學院亞洲區執行委員會委員、國立故宮博物院指導委員及台北市立美術館諮詢委員。曾任亞洲租賃協會會長及中華民國銀行公會監事。

駱先生為台灣大學經濟學士、美國阿拉巴馬州立大學商學碩士。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Eric Li Fook-chuen

BscEE, MscEE, MBA, FIM

Non-executive Director, Deputy Chairman of the Nomination Committee, Member of the Remuneration Committee and the Risk Committee

Mr. Li, aged 85, was appointed a Director in 2006. Mr. Li is a Non-executive Director of BEA Life Limited and Blue Cross (Asia-Pacific) Insurance Limited, both are wholly-owned subsidiaries of the Bank. Mr. Li is currently the Chairman and Chief Executive Officer of the Kowloon Dairy Limited. He is an Independent Non-executive Director of Joyce Boutique Holdings Limited.

Mr. Li holds a Bachelor of Science Degree in Electrical Engineering from the University of Arkansas, U.S.A., a Master of Science Degree in Electrical Engineering from the University of Michigan, U.S.A., and a Master Degree in Business Administration from the University of California, U.S.A. He is also a Fellow of the Chartered Management Institute.

Mr. Li is the uncle of Dr. the Hon. Sir David Li Kwok-po, Professor Arthur Li Kwok-cheung, Mr. Aubrey Li Kwok-sing and Mr. Stephen Charles Li Kwok-sze, and the granduncle of Mr. Adrian David Li Man-kiu and Mr. Brian David Li Man-bun.

李福全先生

BscEE, MscEE, MBA, FIM

非執行董事，提名委員會副主席，薪酬委員會及風險委員會委員

李先生，現年 85 歲，在 2006 年獲委任為本行董事。李先生亦是本行全資附屬公司——東亞人壽保險有限公司及藍十字（亞太）保險有限公司非執行董事。他現為九龍維記牛奶有限公司主席兼行政總裁。他是 Joyce Boutique Holdings Limited 的獨立非執行董事。

李先生持有美國阿肯色大學電機工程理學士學位、美國密歇根大學電機工程理碩士學位及美國加州大學工商管理碩士學位。他亦是特許管理學會的資深會員。

李先生是李國寶爵士、李國章教授、李國星先生及李國仕先生之堂叔父、李民橋先生及李民斌先生之堂叔公。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Stephen Charles LI Kwok-sze

BSc (Hons.), ACA
Non-executive Director

Mr. Li, aged 55, was appointed a Director in 2006. He is a Member of the Institute of Chartered Accountants in England and Wales. Mr. Li holds a Bachelor of Science (Hons.) Degree in Mathematics from King's College, University of London, U.K. He is a Director of hedge funds based in the UK and the EU and Affin Hwang Investment Bank Berhad. He has extensive experience in investment banking, having held senior capital markets positions with international investment banks in London and Hong Kong.

Mr. Li is the nephew of Mr. Eric LI Fook-chuen, the cousin of Dr. the Hon. Sir David LI Kwok-po, Professor Arthur LI Kwok-cheung and Mr. Aubrey LI Kwok-sing, and the uncle of Mr. Adrian David LI Man-kiu and Mr. Brian David LI Man-bun.

李國仕先生

BSc (Hons.), ACA
非執行董事

李先生，現年55歲，在2006年獲委任為本行董事。他是英國及威爾斯特許會計師公會會員。李先生持有英國倫敦大學King's College數學（榮譽）理學士學位。他出任以英國和歐盟為基地的對沖基金及 Affin Hwang Investment Bank Berhad的董事。他在投資銀行方面擁有豐富經驗，並曾出任倫敦及香港國際投資銀行資本市場要職。

李先生是李福全先生之堂姪、李國寶爵士、李國章教授及李國星先生之堂弟、李民橋先生及李民斌先生之堂叔父。



Mr. William DOO Wai-hoi

BSc, MSc, G.G., Chevalier de la Légion d'Honneur, JP
Independent Non-executive Director and Member of the Audit Committee

Mr. Doo, aged 70, was appointed a Director in 2008. He is currently the Vice-chairman and Non-executive Director of New World Development Company Limited. He is an Executive Director

杜惠愷先生

BSc, MSc, G.G., Chevalier de la Légion d'Honneur, JP
獨立非執行董事及審核委員會委員

杜先生，現年70歲，在2008年獲委任為本行董事。他現為新世界發展有限公司副主席兼非執行董事，他亦為利福國際集團有限公司執行董事、上海實業城市開發集團有限公司獨立非執行董事及豐盛創建控股有限公司之創辦人及榮譽主席。他曾出任新世界中國地產有限公司及新創建集團有限公司副主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

of Lifestyle International Holdings Limited, an Independent Non-executive Director of Shanghai Industrial Urban Development Group Limited and the Founder and Honorary Chairman of FSE Holdings Limited. He was the Vice-chairman of New World China Land Limited and the Deputy Chairman of NWS Holdings Limited.

Mr. Doo is a Member of the National Committee of the Twelfth Chinese People's Political Consultative Conference. He is a Governor of the Canadian Chamber of Commerce in Hong Kong and the Honorary Consul General of the Kingdom of Morocco in Hong Kong and Macau.

Mr. Doo holds a Degree of Bachelor of Science from the University of Toronto, Canada and a Master Degree in Science from the University of California, U.S.A. He also holds a Diploma of Graduate Gemologist from the Gemologist Institute of America.

杜先生現為中國人民政治協商會議第十二屆全國委員會委員。他現為香港加拿大商會總監，並獲摩洛哥王國委任為香港及澳門名譽領事。

杜先生持有加拿大多倫多大學理學士學位及美國加州大學理學碩士學位，以及Gemologist Institute of America 寶石學研究生文憑。



Mr. KUOK Khoon-ean

Independent Non-executive Director and Member of the Nomination Committee

Mr. Kuok, aged 59, was appointed a Director in 2008. He is the Chairman of Kuok (Singapore) Limited, a Director of Kerry Group Limited and Managing Director of Kerry Holdings Limited. He is the Chairman and Non-executive Director of PACC Offshore Services Holdings Ltd. and an Independent Non-executive Director of Wilmar International Limited (both companies are listed in Singapore). He is also a Non-executive Director (Independent) of IHH Healthcare Berhad (listed in Malaysia and Singapore).

Mr. Kuok had served as the Chairman of Shangri-La Asia Limited from April 2008 to August 2013 and remained as a Non-executive Director till June 2014. He was also Chairman and Executive Director of SCMP Group Limited from January 1998 to January 2013. He also served on the Board of The Post Publishing Public Company Limited from April 1999 to January 2013 and was a Director of Shangri-La Hotel Public Company Limited from April 2009 to June 2014 (both companies are listed in Thailand).

Mr. Kuok is a graduate in Economics from the Nottingham University, U.K.

郭孔演先生

獨立非執行董事及提名委員會委員

郭先生，現年 59 歲，在 2008 年獲委任為本行董事。他現為 Kuok (Singapore) Limited 的主席、Kerry Group Limited 的董事及 Kerry Holdings Limited 的董事總經理。他亦為 PACC Offshore Services Holdings Ltd. (在新加坡上市) 的主席兼非執行董事、豐益國際有限公司 (Wilmar International Limited, 在新加坡上市) 的獨立非執行董事及 IHH Healthcare Berhad (在馬來西亞及新加坡上市) 的非執行董事 (獨立)。

郭先生曾於 2008 年 4 月至 2013 年 8 月期間出任香格里拉 (亞洲) 有限公司的主席，期後留任為非執行董事直至 2014 年 6 月。他亦曾於 1998 年 1 月至 2013 年 1 月期間出任南華早報集團有限公司的主席兼執行董事、1999 年 4 月至 2013 年 1 月期間出任 The Post Publishing Public Company Limited (在泰國上市) 的董事及於 2009 年 4 月至 2014 年 6 月期間出任 Shangri-La Hotel Public Company Limited (在泰國上市) 的董事。

郭先生畢業於英國 Nottingham University 經濟系。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Valiant CHEUNG Kin-piu

FCPA, FCA

Independent Non-executive Director, Member of the Audit Committee, the Remuneration Committee and the Risk Committee

Mr. Cheung, aged 69, was appointed a Director in 2008. He was a Partner at KPMG, a leading international accounting firm in Hong Kong, until his retirement in 2001. He has extensive experience in assurance and corporate finance work, particularly in trading and manufacturing corporations in Hong Kong and the PRC. Mr. Cheung is a Fellow Member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

Mr. Cheung is an Independent Non-executive Director of Vitasoy International Holdings Limited, Pacific Century Premium Developments Limited and Dah Chong Hong Holdings Limited.

Mr. Cheung is currently an Independent Non-executive Director, the Chairman of the Audit Committee and the Chairman of the Connected Transactions Control Committee of The Bank of East Asia (China) Limited, a wholly-owned subsidiary of the Bank.

張建標先生

FCPA, FCA

獨立非執行董事，審核委員會、薪酬委員會及風險委員會委員

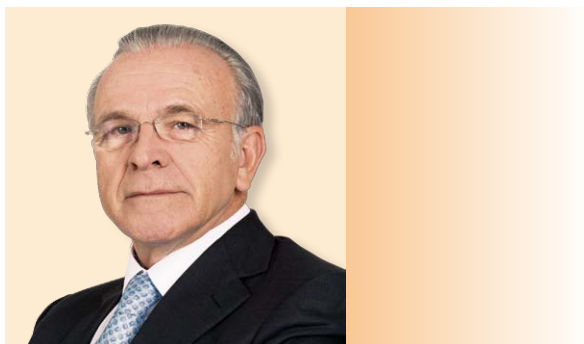
張先生，69歲，在2008年獲委任為本行董事。他於2001年退休前，為香港著名國際會計師事務所畢馬威會計師事務所之合夥人。張先生在審計及企業財務工作方面具備豐富經驗，尤其擅長處理香港及中國內地的貿易及生產公司的事項。張先生是英格蘭及威爾斯特許會計師公會及香港會計師公會的資深會員。

張先生現任維他奶國際集團有限公司、盈科大衍地產發展有限公司及大昌行集團有限公司之獨立非執行董事。

張先生現為本行全資附屬公司 — 東亞銀行（中國）有限公司之獨立非執行董事、審核委員會及關聯交易控制委員會主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Dr. Isidro FAINÉ CASAS

Non-executive Director and Member of the Nomination Committee

Dr. Fainé, aged 72, was appointed a Director in 2009.

Dr. Fainé is the Chairman of the Board of trustees of the Caixa d'Estalvis i Pensions de Barcelona "la Caixa" Banking Foundation^{Note} (formerly known as Caixa d'Estalvis i Pensions de Barcelona "la Caixa") (hereinafter "la Caixa" Banking Foundation).

Dr. Fainé is the Chairman of the following companies:

- (i) CaixaBank, S.A.^{Note}, is an integrated financial group and listed on the Spanish Stock Exchange – with a banking business, insurance activity and investments in international banks – the leader in retail banking in Spain
- (ii) Criteria CaixaHolding, S.A.U.^{Note} is a non-listed investment company, which manages a 58.9% stake in CaixaBank, S.A. and the rest of the "la Caixa" group shareholdings in strategic sectors, including energy, infrastructure, services, and real estate

Dr. Fainé currently holds chairmanships and directorships in other listed companies, where "la Caixa Group" has an interest, as follows:

- (i) First Vice Chairman of Abertis Infraestructuras, S.A. (infrastructure manager, listed in Spain)
- (ii) First Vice Chairman of Telefónica, S.A. (integrated operator in the telecommunication sector, listed in Spain)
- (iii) First Vice Chairman of Repsol, S.A. (oil company, listed in Spain)
- (iv) Board Member of Banco BPI, S.A. (financial and multi-specialist group focusing on the banking business, listed in Portugal)
- (v) Board Member of Suez Environnement Company, S.A. (an expert group in water and waste management, listed in France)

范禮賢博士

非執行董事及提名委員會委員

范博士，72歲，在2009年獲委任為本行董事。

范博士為 Caixa d'Estalvis i Pensions de Barcelona "la Caixa" Banking Foundation^註 (前稱為西班牙巴塞羅那儲蓄銀行) (以下簡稱為 "la Caixa" Banking Foundation) 的信託委員會之主席。

范博士現時為以下公司的主席：

- (i) CaixaBank, S.A.^註，為一家綜合金融集團並在西班牙證券交易所上市 — 從事銀行業務、保險活動和國際銀行投資 — 在西班牙的零售銀行業中具領導地位
- (ii) Criteria CaixaHolding, S.A.U.^註 為一家非上市綜合投資公司 — 持有 CaixaBank, S.A. 58.9% 的權益及管理 "la Caixa" 集團內其他策略性業務，包括能源、基建、服務及房地產

范博士目前還在其他上市公司 ("la Caixa 集團" 擁有該等公司的權益) 擔任主席及董事職務，詳情如下：

- (i) Abertis Infraestructuras, S.A. 第一副主席，該公司在西班牙上市，專營基建項目管理
- (ii) Telefónica, S.A. 第一副主席，該公司在西班牙上市，為電訊業之一家綜合經營公司
- (iii) Repsol, S.A. 第一副主席，該公司在西班牙上市，為一家石油公司
- (iv) Banco BPI, S.A. 董事，該公司在葡萄牙上市，為主要從事銀行業務之金融及多元化專項集團
- (v) Suez Environnement Company, S.A. 董事，該公司在法國上市，為主要從事水資源及廢物處理之環保集團

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

Dr. Fainé was Second Vice Chairman of Sociedad General de Aguas de Barcelona, S.A. He also was a Director of Grupo Financiero Inbursa, S.A.B. de C.V. (financial and banking group, listed in Mexico) until 2011.

Dr. Fainé is a Member of the Royal Academy of Economics and Finance and of the Royal Academy of Doctorate Holders, Chairman of the Spanish Confederation of Savings Banks (CECA), First Vice Chairman of the European Savings Banks Group (ESBG) and Vice Chairman of the World Savings Banks Institute (WSBI). He is also Chairman of the Spanish Confederation of Directors and Executives (CEDE), the Spanish Chapter of the Club of Rome and the Círculo Financiero. Dr. Fainé is also a Member of the Business Council for Competitiveness (CEC).

Dr. Fainé began his professional banking career as Investment Manager for Banco Atlántico in 1964, later becoming General Manager of Banco de Asunción in Paraguay in 1969. On his return to Barcelona, he held various managerial posts in financial entities: Human Resources Director at Banca Riva y García (1973), CEO of Banca Jover (1974) and CEO of Banco Unión (1978).

Dr. Fainé joined “la Caixa” and was appointed Deputy Executive General Manager in 1982. He was appointed CEO in 1999 and was further appointed Chairman of Caixa d’Estalvis i Pensions de Barcelona “la Caixa” from June 2007 to June 2014.

Among other academic and professional qualifications, Dr. Fainé holds a PhD in Economics, an International Senior Managers Program certificate in Business Administration from Harvard University, and a Diploma in Executive Management from the IESE Business School.

范博士曾是 Sociedad General de Aguas de Barcelona, S.A. 第二副主席。他亦曾在 Grupo Financiero Inbursa, S.A.B. de C.V. 擔任董事直至 2011 年，該公司在墨西哥上市，為一家金融及銀行集團。

范博士是皇家經濟及金融學院 (Royal Academy of Economics and Finance) 及皇家博士學位持有人學院 (Royal Academy of Doctorate Holders) 的成員、西班牙儲蓄銀行聯盟 (CECA) 主席、歐洲儲蓄銀行集團 (ESBG) 第一副主席、世界儲蓄銀行協會 (WSBI) 副主席。他亦是西班牙董事及行政人員聯合會 (CEDE)、羅馬俱樂部西班牙分會及 Círculo Financiero 的主席。范博士亦為競爭力商業委員會 (CEC) 委員。

范博士早於 1964 年開始其專業銀行事業，在 Banco Atlántico 擔任投資經理，其後於 1969 年在巴拉圭 Banco de Asunción 擔任總經理。在返回巴塞羅那後，他曾在多家金融機構擔任管理職務：於 1973 年在 Banca Riva y García 擔任人力資源董事，於 1974 年在 Banca Jover 擔任行政總裁，以及於 1978 年在 Banco Unión 擔任行政總裁。

范博士於 1982 年加入西班牙巴塞羅那儲蓄銀行，並獲委任為副執行總經理。於 1999 年，他獲委任為該公司行政總裁，並且於 2007 年 6 月至 2014 年 6 月出任主席一職。

除其他學術及專業資格外，范博士持有經濟學博士學位、哈佛大學頒發的國際高級經理項目 (工商管理) 文憑資格以及 IESE 商學院頒發的行政管理文憑。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Dr. Peter LEE Ka-kit

DBA (Hon), JP
Non-executive Director

Dr. Lee, aged 51, was appointed a Director in May 2013. Dr. Lee is a Member of the Standing Committee of the 12th National Committee of the Chinese People's Political Consultative Conference. He is the Vice Chairman of Henderson Land Development Company Limited and Henderson Investment Limited, both of which are listed public companies, as well as Henderson Development Limited. He is also a Non-executive Director of The Hong Kong and China Gas Company Limited. He was a Non-executive Director of Intime Department Store (Group) Company Limited (now known as Intime Retail (Group) Company Limited).

Dr. Lee has been appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region and awarded an Honorary University Fellowship by The University of Hong Kong since 2009. He was awarded an Honorary Degree of Doctor of Business Administration by Edinburgh Napier University in July 2014. He was educated in the United Kingdom.

李家傑博士

DBA (Hon), JP
非執行董事

李博士，51歲，於2013年5月獲委任為董事。李博士為中國人民政治協商會議第十二屆全國委員會常務委員。他為恒基兆業地產有限公司及恒基兆業發展有限公司之副主席，而該兩間公司均為上市公司，他亦為恒基兆業有限公司之副主席。他亦是香港中華煤氣有限公司之非執行董事。他曾任銀泰百貨（集團）有限公司（現稱為銀泰商業（集團）有限公司）之非執行董事。

李博士自2009年獲香港特別行政區政府委任為太平紳士及香港大學頒授名譽大學院士銜。他於2014年7月獲愛丁堡龍比亞大學頒授榮譽工商管理博士。他曾在英國接受教育。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. Adrian David LI Man-kiu

MA (Cantab), MBA, LPC, JP
Executive Director & Deputy Chief Executive

Mr. Li, aged 41, was appointed a Director in August 2014. He first joined the Bank in 2000 as General Manager & Head of Corporate Banking Division. In April 2009, he was appointed Deputy Chief Executive for Hong Kong Business, assisting the Chief Executive in the overall management and control of the Bank Group. He serves as a Director of several members of the Bank Group, and sits on various board committees of the Bank and its Group members.

Mr. Li is currently an Independent Non-executive Director of Sino Land Company Limited, Tsim Sha Tsui Properties Limited, Sino Hotels (Holdings) Limited, China State Construction International Holdings Limited, COSCO Pacific Limited and Shanghai Fosun Pharmaceutical (Group) Co., Ltd (which is dual listed in Hong Kong and Shanghai), and is a Non-executive Director of The Berkeley Group Holdings plc (listed in London) and an Alternate Independent Non-executive Director of San Miguel Brewery Hong Kong Limited. He also serves as a Member of the International Advisory Board of Abertis Infraestructuras, S.A. (listed in Spain). He was previously an Alternate Director of AFFIN Holdings Berhad (listed in Malaysia).

Mr. Li is a Member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference, a Member of the All-China Youth Federation, Deputy Chairman of the Beijing Youth Federation and a Counsellor of the Hong Kong United Youth Association. He is a Board Member of The Community Chest of Hong Kong and a Member of the MPF Industry Schemes Committee of the Mandatory Provident Fund Schemes Authority. Mr. Li is also an Advisory Committee Member of the Hong Kong Baptist University's School of Business and a Vice President of The Hong Kong Institute of Bankers' Council. Furthermore, he serves as a Member of the Election Committees responsible for electing the Chief Executive of the HKSAR and deputies of the HKSAR to the 12th National People's Congress. He also sits on the Judging Panel of the 2015 BAI-Infosys Finacle Global Banking Innovation Awards.

李民橋先生

MA (Cantab), MBA, LPC, JP
執行董事兼副行政總裁

李先生，現年41歲，於2014年8月獲委任為董事。他在2000年加入本行為總經理兼企業銀行主管。其後於2009年4月獲任命為副行政總裁，主要負責本行的香港業務，並協助行政總裁處理本集團之整體運作及管理。他同時亦出任本集團內多間公司的董事，並為本行董事會及多個集團成員董事會轄下委員會的委員。

李先生現任信和置業有限公司、尖沙咀置業集團有限公司、信和酒店(集團)有限公司、中國建築國際集團有限公司、中遠太平洋有限公司及上海復星醫藥(集團)股份有限公司(在香港及上海上市)之獨立非執行董事，以及The Berkeley Group Holdings plc(在倫敦上市)之非執行董事及香港生力啤酒廠有限公司之替代獨立非執行董事。他亦是西班牙上市公司Abertis Infraestructuras, S.A.之國際諮詢委員會成員。他曾出任AFFIN Holdings Berhad(在馬來西亞上市)之替代董事。

李先生現為中國人民政治協商會議廣東省委員會委員，亦是中華全國青年聯合會港區特邀委員、北京市青年聯合會副主席及香港青年聯會參事。他是香港公益金董事，以及香港強制性公積金計劃管理局強制性公積金行業計劃委員會委員。他同時是香港浸會大學工商管理學院諮詢委員會成員及香港銀行學會議會副會長。此外，他為負責推選香港特別行政區行政長官之選舉委員會委員，及香港特別行政區第十二屆全國人民代表大會代表選舉會議成員。他亦是2015年度BAI-Infosys Finacle Global Banking Innovation Awards之評審團成員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

Mr. Li holds a Master of Management Degree from Kellogg School of Management, Northwestern University in the US, and a Master of Arts Degree and Bachelor of Arts Degree in Law from the University of Cambridge in Britain. He is a Member of The Law Society of England and Wales, and The Law Society of Hong Kong.

Mr. Li is the son of Dr. the Hon. Sir David LI Kwok-po, the nephew of Professor Arthur LI Kwok-cheung, Mr. Aubrey LI Kwok-sing and Mr. Stephen Charles LI Kwok-sze, the grandnephew of Mr. Eric LI Fook-chuen, and the brother of Mr. Brian David LI Man-bun.

李先生持有美國西北大學凱洛格管理學院工商管理碩士學位、英國劍橋大學法學院碩士及學士學位。他是英國律師會及香港律師會會員。

李先生是李國寶爵士之兒子、李國章教授之姪兒、李國星先生及李國仕先生之堂姪、李福全先生之堂姪孫，以及李民斌先生之胞兄。



Mr. Brian David LI Man-bun

MA (Cantab), MBA, FCA, JP
Executive Director & Deputy Chief Executive

Mr. Li, aged 40, was appointed a Director in August 2014. He joined the Bank Group in 2002. He was General Manager & Head of Wealth Management Division of the Bank from July 2004 to March 2009. In April 2009, he was appointed Deputy Chief Executive, primarily responsible for the Bank's China and international businesses, and assisting the Chief Executive in the overall management and control of the Bank Group. He serves as a Director of several members of the Bank Group, and sits on various board committees of the Bank and its Group members.

Mr. Li is currently an Independent Non-executive Director of Towngas China Company Limited, Hopewell Highway Infrastructure Limited and China Overseas Land & Investment Limited.

Mr. Li currently holds a number of public and honorary positions, including being a Member of the Twelfth National Committee of the Chinese People's Political Consultative Conference, a Member of the Advisory Committee of the Securities and Futures Commission of Hong Kong, Chairman of the Traffic Accident Victims Assistance Advisory Committee of the Government of Hong Kong Special Administrative Region ("HKSARG"), a Member of the HKSARG Small and Medium Enterprises Committee, a Member of the HKSARG Harbourfront Commission and a Member of the HKSARG Aviation Development Advisory Committee.

李民斌先生

MA (Cantab), MBA, FCA, JP
執行董事兼副行政總裁

李先生，現年40歲，於2014年8月獲委任為董事。他在2002年加入本集團，2004年7月至2009年3月期間出任本行總經理兼財富管理處主管，於2009年4月獲任命為副行政總裁，主要負責本行的中國及國際業務，並協助行政總裁處理本集團之整體運作及管理。他亦是本集團內若干公司的董事，並為本行董事會及多個集團成員董事會轄下委員會的委員。

李先生現為港華燃氣有限公司、合和公路基建有限公司及中國海外發展有限公司的獨立非執行董事。

李先生現擔任多項公職及榮譽職務，包括：第十二屆中國人民政治協商會議全國委員會委員、香港證券及期貨事務監察委員會諮詢委員會委員、香港特別行政區政府（「香港特區政府」）交通意外傷亡援助諮詢委員會主席、香港特區政府中小型企業委員會委員、香港特區政府海濱事務委員會成員，以及香港特區政府航空發展諮詢委員會成員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

He is a Member of the Hong Kong-Europe Business Council, a Member of the Hong Kong-Taiwan Business Co-operation Committee, a Committee Member of the Hong Kong Chapter, the Institute of Chartered Accountants in England and Wales (the "ICAEW"), a Member of the Inaugural Financial Consulting Committee for Authority of Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen, and a Council Member of The Hong Kong Management Association 2014/2015.

Mr. Li is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Full Member of the Treasury Markets Association. Mr. Li is also a Fellow of the ICAEW. He holds an MBA from Stanford University as well as MA and BA from the University of Cambridge.

Mr. Li is the son of Dr. the Hon. Sir David Li Kwok-po, the nephew of Professor Arthur Li Kwok-cheung, Mr. Aubrey Li Kwok-sing and Mr. Stephen Charles Li Kwok-sze, the grandnephew of Mr. Eric Li Fook-chuen, and the brother of Mr. Adrian David Li Man-kiu.

此外，李先生為香港歐洲商務委員會委員、香港-台灣商貿合作委員會委員、英格蘭及威爾士特許會計師協會香港分會委員會委員、深圳市前海深港現代服務業合作區管理局第一屆金融專業諮詢委員會委員，以及香港管理專業協會 2014/2015 理事會委員。

李先生為香港會計師公會資深會計師和財資市場公會專業會員，以及英格蘭及威爾士特許會計師協會資深會員，並獲美國斯坦福大學工商管理碩士學位，和英國劍橋大學文學碩士及學士學位。

李先生是李國寶爵士之兒子、李國章教授之姪兒、李國星先生及李國仕先生之堂姪、李福全先生之堂姪孫，以及李民橋先生之胞弟。

^{Note} *Criteria CaixaHolding, S.A.U., which is a wholly-owned subsidiary of "la Caixa" Banking Foundation, is the controlling shareholder of CaixaBank, S.A. Each of "la Caixa" Banking Foundation, Criteria CaixaHolding, S.A.U. and CaixaBank, S.A. is a substantial shareholder of the Bank as defined under the Listing Rules and within the meaning of Part XV of the Securities and Futures Ordinance, the details of which are disclosed in the "Interest of Substantial Shareholders and Other Persons" section of the Report of the Directors. Dr. the Hon. Sir David Li Kwok-po was a director of CaixaBank, S.A. (from September 2007 to October 2014). Professor Arthur Li Kwok-cheung is a director of CaixaBank, S.A. since November 2014 and Dr. Isidro FAINÉ CASAS is the Chairman of CaixaBank, S.A., Criteria CaixaHolding, S.A.U. and "la Caixa" Banking Foundation. Dr. Fainé owns 0.013% interest in CaixaBank, S.A. while he is not aware of any of his associates owning any interest in CaixaBank, S.A. or any of its subsidiaries.*

^註 *Criteria CaixaHolding, S.A.U. ("la Caixa" Banking Foundation的全資附屬公司) 為 CaixaBank, S.A. 的控股股東。根據《上市規則》及《證券及期貨條例》第 XV 部之定義，"la Caixa" Banking Foundation、Criteria CaixaHolding, S.A.U. 及 CaixaBank, S.A. 均為本行的主要股東，詳情在董事會報告書內主要股東及其他人士的權益項下披露。李國寶爵士曾為 CaixaBank, S.A. 的董事 (2007年9月至2014年10月)。李國章教授現為 CaixaBank, S.A. 的董事 (於2014年11月獲委任)，而范禮賢博士則是 CaixaBank, S.A.、Criteria CaixaHolding, S.A.U. 及 "la Caixa" Banking Foundation 的主席。范博士擁有 CaixaBank, S.A. 0.013% 的權益，他並不知悉其任何聯繫人士擁有 CaixaBank, S.A. 或其任何附屬公司的任何權益。*

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)

SENIOR MANAGEMENT

Mr. Adrian David LI Man-kiu

MA (Cantab), MBA, LPC, JP
Executive Director & Deputy Chief Executive

(Biographical details are set out on page 49)

高層管理人員

李民橋先生

MA (Cantab), MBA, LPC, JP
執行董事及副行政總裁

(個人資料載列於第49頁)

Mr. Brian David LI Man-bun

MA (Cantab), MBA, FCA, JP
Executive Director & Deputy Chief Executive

(Biographical details are set out on page 50)

李民斌先生

MA (Cantab), MBA, FCA, JP
執行董事及副行政總裁

(個人資料載列於第50頁)



Mr. Samson LI Kai-cheong

FCCA, CPA, FCIS, FCS, HKSI
Deputy Chief Executive & Chief Investment Officer

Mr. Li, aged 54, joined the Bank in 1987 as Chief Internal Auditor. He was promoted to Deputy Chief Executive & Chief Investment Officer in April 2009. Mr. Li is primarily responsible for the Bank's investment activities and treasury & broking operations including treasury markets. He is also a Director of various members of the Bank Group and a Member of various committees appointed by the Board.

Mr. Li is a Fellow of The Hong Kong Institute of Chartered Secretaries, the Institute of Chartered Secretaries & Administrators, and The Association of Chartered Certified Accountants. In addition, he is an Associate of the Hong Kong Institute of Certified Public Accountants, a Member of the Hong Kong Securities and Investment Institute and a Member of the Listing Committee of The Stock Exchange of Hong Kong Limited. Mr. Samson Li received his Professional Diploma in Accountancy from The Hong Kong Polytechnic University.

李繼昌先生

FCCA, CPA, FCIS, FCS, HKSI
副行政總裁兼投資總監

李先生，現年54歲，在1987年加入本行為總內部稽核，於2009年4月獲擢升為副行政總裁兼投資總監。李先生主要負責本行的投資活動、資金及經紀業務的運作，包括資金市場。他亦是本集團系內多間公司的董事及多個由董事會委任之委員會的委員。

李先生為香港特許秘書公會、英國特許秘書及行政人員公會和英國特許公認會計師公會資深會士、香港會計師公會會士、香港證券及投資學會會員和香港聯合交易所有限公司上市委員會成員，並獲香港理工大學會計學專業文憑。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員的個人資料 (續)



Mr. TONG Hon-shing

BSc, ACIB, AHKIB, FCIS, FCS

Deputy Chief Executive & Chief Operating Officer

Mr. Tong, aged 55, joined the Bank in 1975. He was promoted to Assistant General Manager in 1995 and to General Manager in 2000. He was General Manager & Head of Personal Banking Division from 2001 to March 2009. He was further promoted to Deputy Chief Executive and Chief Operating Officer in April 2009. Mr. Tong is primarily responsible for strategic planning and control, operations support, compliance, human resources, and corporate communications of the Bank. He is also a Director of various members of the Bank Group and a Member of various committees appointed by the Board. Mr. Tong is a Fellow of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries & Administrators as well as an Associate of The Hong Kong Institute of Bankers and The Chartered Institute of Bankers. He holds a BSc from the University of Manchester.

唐漢城先生

BSc, ACIB, AHKIB, FCIS, FCS

副行政總裁兼營運總監

唐先生，現年55歲，在1975年加入本行。於1995年獲擢升為助理總經理及2000年獲擢升為總經理，2001年至2009年3月期間出任總經理兼個人銀行處主管，並於2009年4月獲擢升為副行政總裁兼營運總監。唐先生主要負責本行的策劃及調控、營運支援、法規監管、人力資源，以及企業傳訊。他亦是本集團系內多間公司的董事及多個由董事會委任之委員會的委員。唐先生為香港特許秘書公會和英國特許秘書及行政人員公會資深會士，及香港銀行學會和英國特許銀行學會會士，並獲英國曼徹斯特大學理學士學位。

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. the Hon. Sir David LI Kwok-po
(Chairman & Chief Executive)
Mr. Adrian David LI Man-kiu
(Deputy Chief Executive)
Mr. Brian David LI Man-bun
(Deputy Chief Executive)

Non-executive Directors

Professor Arthur LI Kwok-cheung
(Deputy Chairman)
Mr. Aubrey LI Kwok-sing
Mr. Richard LI Tzar-kai
Mr. Eric LI Fook-chuen
Mr. Stephen Charles LI Kwok-sze
Dr. Isidro FAINÉ CASAS
Dr. Peter LEE Ka-kit

Independent Non-executive Directors

Dr. Allan WONG Chi-yun
(Deputy Chairman)
Mr. WONG Chung-hin
Mr. Winston LO Yau-lai
Tan Sri Dr. KHOO Kay-peng
Mr. Kenneth LO Chin-ming
Mr. William DOO Wai-hoi
Mr. KUOK Khoon-ean
Mr. Valiant CHEUNG Kin-piu

SENIOR ADVISORS

Mr. Joseph PANG Yuk-wing
BSSc, MBA, Hon. DSocSc, Hon. Fellow (CUHK), ACIB,
FHKIB, BBS, JP
Mr. CHAN Kay-cheung
FHKIB
Mr. CHAN Tze-ching
BBS, JP

SENIOR MANAGEMENT

Mr. Adrian David LI Man-kiu
MA (Cantab), MBA, LPC, JP
Executive Director & Deputy Chief Executive
Mr. Brian David LI Man-bun
MA (Cantab), MBA, FCA, JP
Executive Director & Deputy Chief Executive
Mr. Samson LI Kai-cheong
FCCA, CPA, FCIS, FCS, HKSI
Deputy Chief Executive & Chief Investment Officer
Mr. TONG Hon-shing
BSc, ACIB, AHKIB, FCIS, FCS
Deputy Chief Executive & Chief Operating Officer

COMPANY SECRETARY

Mr. Alson LAW Chun-tak
FCCA, FCPA, FCIS, FCS

AUDITORS

KPMG
Certified Public Accountants

董事會

執行董事

李國寶爵士
(主席兼行政總裁)
李民橋先生
(副行政總裁)
李民斌先生
(副行政總裁)

非執行董事

李國章教授
(副主席)
李國星先生
李澤楷先生
李福全先生
李國仕先生
范禮賢博士
李家傑博士

獨立非執行董事

黃子欣博士
(副主席)
黃頌顯先生
羅友禮先生
丹斯里邱繼炳博士
駱錦明先生
杜惠愷先生
郭孔演先生
張建標先生

高級顧問

彭玉榮先生
BSSc, MBA, Hon. DSocSc, Hon. Fellow (CUHK), ACIB,
FHKIB, BBS, JP
陳棋昌先生
FHKIB
陳子政先生
BBS, JP

高層管理人員

李民橋先生
MA (Cantab), MBA, LPC, JP
執行董事兼副行政總裁
李民斌先生
MA (Cantab), MBA, FCA, JP
執行董事兼副行政總裁
李繼昌先生
FCCA, CPA, FCIS, FCS, HKSI
副行政總裁兼投資總監
唐漢城先生
BSc, ACIB, AHKIB, FCIS, FCS
副行政總裁兼營運總監

公司秘書

羅春德先生
FCCA, FCPA, FCIS, FCS

核數師

畢馬威會計師事務所
執業會計師

CORPORATE INFORMATION (CONTINUED)
公司資料 (續)



CHIEF EXECUTIVE AND SENIOR MANAGEMENT

行政總裁及高層管理人員

Mr. Samson LI
Kai-cheong
李繼昌先生

Mr. Adrian David LI
Man-kiu
李民橋先生

Dr. the Hon. Sir David LI
Kwok-po
李國寶爵士

Mr. Brian David LI
Man-bun
李民斌先生

Mr. TONG Hon-shing
唐漢城先生

LIST OF OUTLETS

網絡一覽



1 Head Office – Hong Kong 香港 — 總行

Greater China (ex-Hong Kong) 大中華地區 (香港除外)

2 Shanghai 上海	18 Fuping County, Weinan 渭南富平縣	33 Qingyuan 清遠
3 Beijing 北京	19 Zhengzhou 鄭州	34 Guangzhou 廣州
4 Urumqi 烏魯木齊	20 Wuhan 武漢	35 Foshan 佛山
5 Harbin 哈爾濱	21 Hefei 合肥	36 Shaoguan 韶關
6 Shenyang 瀋陽	22 Nanjing 南京	37 Zhuhai 珠海
7 Dalian 大連	23 Chengdu 成都	38 Jieyang 揭陽
8 Tianjin 天津	24 Chongqing 重慶	39 Dongguan 東莞
9 Shijiazhuang 石家莊	25 Changsha 長沙	40 Shenzhen 深圳
10 Jinan 濟南	26 Fuzhou 福州	41 Zhongshan 中山
11 Qingdao 青島	27 Xiamen 廈門	42 Zhanjiang 湛江
12 Wuxi 無錫	28 Kunming 昆明	43 Huizhou 惠州
13 Kunshan 昆山	29 Nanning 南寧	44 Shantou 汕頭
14 Suzhou 蘇州	30 Zhaoqing 肇慶	45 Macau 澳門
15 Hangzhou 杭州	31 Jiangmen 江門	46 Taipei 台北
16 Ningbo 寧波	32 Maoming 茂名	47 Kaohsiung 高雄
17 Xi'an 西安		

Overseas 海外

Singapore 新加坡

Singapore 新加坡

Malaysia 馬來西亞

Labuan 納閩
Kuala Lumpur 吉隆坡

United Kingdom 英國

London 倫敦
Birmingham 伯明翰
Manchester 曼徹斯特

United States 美國

New York 紐約
Los Angeles 洛杉磯

LIST OF OUTLETS (CONTINUED)

網絡一覽 (續)

With more than 240 outlets worldwide, BEA operates an extensive international network covering Hong Kong and the rest of Greater China, Southeast Asia, the United Kingdom, and the United States.

東亞銀行現於全球設有逾 240 個網點，龐大的國際網絡覆蓋香港、大中華其他地區、東南亞、英國和美國。

HONG KONG BRANCH NETWORK 香港分行網絡

S	Main Branch	總行	Chuk Yuen	竹園	S	Ha Kwai Chung	下葵涌	
	Hong Kong Branches	香港分行	S	East Tsim Sha Tsui	尖東	Lingnan University	嶺南大學	
S	Aberdeen	香港仔	S i	Festival Walk	又一城	Ma On Shan Plaza	馬鞍山廣場	
S	Admiralty	金鐘	S	Hoi Yuen Road	開源道	S	Maritime Square	青衣城
S	BEA Harbour View Centre	東亞銀行 港灣中心		Hong Kong Baptist University	香港浸會 大學	S	Metro City Plaza	新都城中心
	Bonham Road	般含道	S	iSQUARE	國際廣場		Park Central	將軍澳中心
	Caine Road	堅道	S	Kowloon City	九龍城	S	Sai Kung	西貢
S	Causeway Bay	銅鑼灣	S i	Kowloon Station Elements	九龍站圓方	S	Shatin Plaza	沙田廣場
	Chai Wan	柴灣	S	Kwun Tong	觀塘	S	Sheung Kwai Chung	上葵涌
	88 Des Voeux Road West	德輔道西 88號	S	Laguna City	麗港城	S	Sheung Shui	上水
S	Happy Valley	跑馬地		Lok Fu	樂富		Sun Chui Estate	新翠邨
S	Hennessy Road	軒尼詩道	S i	Ma Tau Wei Road	馬頭圍道	S	Tai Po	大埔
	Kennedy Town	堅尼地城	S	Mei Foo Sun Chuen	美孚新邨	S	Tai Po Plaza	大埔廣場
S	King's Road	英皇道		Millennium City 5	創紀之城五期	S	Tai Wai	大圍
S	North Point	北角	S	Mongkok	旺角	S	Tai Wo	太和
S	Quarry Bay	鰂魚涌	S	Mongkok North	旺角北	S	The Chinese University of Hong Kong	香港中文 大學
	Queen's Road Central	皇后大道中	S	Olympian City	奧海城	S i	Tin Shui Wai	天水圍
S	Queen's Road East	皇后大道東	S	Pau Chung Street	炮仗街		Tiu Keng Leng	調景嶺
S	Shaukiwan	筲箕灣	S	Prince Edward	太子	S	The Hong Kong Institute of Education	香港教育 學院
S	Shek Tong Tsui	石塘咀	S	San Po Kong	新蒲崗	S	The Hong Kong University of Science and Technology	香港科技 大學
S	Sheung Wan	上環	S	Tai Hang Tung	大坑東	S	Tsuen Wan	荃灣
S i	Shun Tak Centre	信德中心	S	Telford Plaza	德福廣場	S i	Tsuen Wan Fou Wah Centre	荃灣富華 中心
	Siu Sai Wan	小西灣		The Hong Kong Polytechnic University	香港理工 大學		Tuen Mun	屯門
S	Taikoo Shing	太古城	S i	Tsim Sha Tsui	尖沙咀	S i	Tuen Mun Town Plaza	屯門市廣場
S	The University of Hong Kong	香港大學		Tsz Wan Shan	慈雲山	S	Yuen Long	元朗
S	Times Square	時代廣場		Waterloo Road	窩打老道			
S	Wanchai	灣仔	S	Whampoa Garden	黃埔花園			
			S	Wong Tai Sin	黃大仙			
			S	Yaumatei	油麻地			
				New Territories Branches	新界分行		Outlying Islands Branches	離島分行
S	Castle Peak Road	青山道	S	East Point City	東港城		Cheung Chau	長洲
S	Cheung Sha Wan Plaza	長沙灣廣場	S i	Fanling	粉嶺		Tung Chung	東涌
	Cheung Sha Wan Road	長沙灣道					Silvermine Bay	梅窩
							Tai O	大澳

S With SupremeGold Centre
設有顯卓理財中心

i Branch with i-Financial Centre
分行設有i-理財中心

CORPORATE GOVERNANCE REPORT

The Bank of East Asia Limited and its subsidiaries are committed to maintaining high corporate governance standards and consider such commitment essential in balancing the interests of shareholders, customers and employees; and in upholding accountability and transparency.

During the financial year ended 31st December, 2014, the Bank has complied with all the Code Provisions set out in the CG Code, except for Code Provision A.2.1 as explained in section A below. The Bank has followed the modules on CG-1 and CG-5.

The Bank has in place a corporate governance framework which sets out a range of governance principles and practices to direct and guide the business conducts and affairs of the Group. The Bank will continue to review and enhance the governance principles and practices under the corporate governance framework to ensure that they are in line with the relevant requirements and the prevailing corporate governance practices.

A. BOARD OF DIRECTORS

The Board

The Bank is headed by an effective Board which assumes 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 takes into account the legitimate interests of shareholders, customers, employees and other relevant stakeholders and ensures that the Bank operates in a reliable, safe manner and meets its obligations on an ongoing basis.

The Board is responsible for providing strategic direction and overseeing effective implementation of pre-determined objectives by the Management¹. It delegates the day-to-day operation and administration of the Bank's business to the Management.

Board meetings are held at least 4 times a year at approximately quarterly intervals. In addition, special Board meetings are held when necessary. Dates of regular Board and Committee meetings are scheduled in the prior year to provide sufficient notice to give all Directors an opportunity to attend. For special Board meetings, reasonable notice is given. Board agenda is approved by the Chairman following consultation with Directors and the Senior Management². All Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors.

Minutes of the meetings of the Board and Board Committees record in sufficient detail the matters considered by the Board and the Board Committees, the decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of the meetings of the Board, the AC, the RC, the NC and the RIC are sent to all Directors or respective Board Committee members for their comment and record within a reasonable period after the meetings are held.

Minutes of the meetings of the Board, the AC, the RC and the NC are kept by the Company Secretary whereas minutes of the meetings of RIC and other Board Committees (as listed under the subject Board Committees in section D on page 82) are kept by the appointed secretary of each Committee.

¹ Management includes the Chief Executive, Deputy Chief Executives and Division Heads of the Bank.

² Senior Management includes all Deputy Chief Executives of the Bank.

企業管治報告

東亞銀行有限公司及其附屬公司致力維持良好的企業管治標準，並認為此承諾對於平衡股東、客戶及員工的利益，以及保持問責及透明度，至為重要。

除以下A項所述偏離守則條文A.2.1的行為外，本行在截至2014年12月31日止的財政年度期間內，已遵守《企業管治守則》的全部守則條文。本行已遵循CG-1及CG-5內各項要求。

本行已制訂企業管治架構訂明一系列管治原則及實務，為本集團的商業行為及事務提供指引。本行將定期檢討並修訂企業管治架構的管治原則及實務，以確保符合相關規定及現行的企業管治實務。

A. 董事會

董事會

本行以一個行之有效的董事會為首；董事會負有領導及監控本行的責任，並集體負責統管並監督本行事務以促使本行成功。董事會將顧及股東、客戶、員工及其他相關持份者的合法權益，確保本行以可靠及安全的方式營運，以及持續履行其責任。

董事會負責提供策略性指引，並進行監督以確保管理層¹有效落實預先訂定的目標。董事會授權管理層負責本行業務的日常營運及管理。

董事會會議每年召開最少4次，大約每季一次。此外，在有需要時會召開董事會特別會議。董事會及委員會定期會議的日期在前一年已安排，以讓所有董事有機會騰空出席。至於召開董事會特別會議，則會發出合理通知。會議議程內容均在事前諮詢董事及高層管理人員²意見後，經主席確認而制定。董事會會議均有大部分董事親身出席，或透過其他電子通訊方法積極參與。

董事會及其轄下委員會的會議記錄，對會議上各董事所考慮事項及達致的決定（其中包括董事提出的任何疑慮或表達的反對意見）都作出足夠的記錄。董事會、審核委員會、薪酬委員會、提名委員會及風險委員會的會議記錄的初稿及最終定稿會在會議後的合理期間內發送全體董事或相關的轄下委員會成員。初稿供其表達意見，最後定稿則作其記錄之用。

董事會、審核委員會、薪酬委員會及提名委員會的會議記錄由公司秘書備存，而風險委員會及其他董事會轄下委員會（列於第83頁D段董事會轄下的委員會項下）的會議記錄則由各個委員會委任的秘書備存。

¹ 管理層包括本行的行政總裁、副行政總裁及處級主管。

² 高層管理人員包括本行所有副行政總裁。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Directors' attendance records

Attendance records of the Directors at BMs, ACMs, RCMs, NCMs, RICMs and AGM held in 2014 are as follows:

	Number of meetings attended/held in 2014					
	BM	ACM	RCM	NCM	RICM	AGM
<i>Executive Directors:</i>						
David LI Kwok-po ³ (Chairman & Chief Executive)	4/4	N/A	1/1	4/4	4/4	1/1
Adrian David LI Man-kiu ⁴ (Deputy Chief Executive)	1/1	N/A	N/A	N/A	N/A	N/A
Brian David LI Man-bun ⁵ (Deputy Chief Executive)	1/1	N/A	N/A	N/A	N/A	N/A
<i>Non-executive Directors:</i>						
Arthur LI Kwok-cheung ⁶ (Deputy Chairman)	3/4	N/A	N/A	N/A	2/2	1/1
Aubrey LI Kwok-sing	4/4	N/A	2/2	3/4	4/4	1/1
Richard LI Tzar-kai	3/4	N/A	N/A	N/A	N/A	0/1
Eric LI Fook-chuen	4/4	N/A	2/2	4/4	4/4	1/1
Stephen Charles LI Kwok-sze	4/4	N/A	N/A	N/A	N/A	0/1
Isidro FAINÉ CASAS	4/4	N/A	N/A	4/4	N/A	1/1
Peter LEE Ka-kit	4/4	N/A	N/A	N/A	N/A	1/1
<i>Independent Non-executive Directors:</i>						
Allan WONG Chi-yun (Deputy Chairman)	4/4	3/3	2/2	4/4	N/A	1/1
WONG Chung-hin	3/4	2/3	N/A	N/A	N/A	1/1
Winston LO Yau-lai	4/4	3/3	2/2	4/4	4/4	1/1
KHOO Kay-peng	4/4	N/A	N/A	N/A	N/A	1/1
Thomas KWOK Ping-kwong ⁷	3/4	N/A	1/2	3/4	N/A	0/1
Kenneth LO Chin-ming	3/4	1/3	N/A	3/4	N/A	1/1
William DOO Wai-hoi	4/4	2/3	N/A	N/A	N/A	0/1
KUOK Khoon-ean	3/4	N/A	N/A	3/4	N/A	1/1
Valiant CHEUNG Kin-piu ⁸	4/4	3/3	1/1	N/A	4/4	1/1
Average attendance rate	92%	78%	93%	89%	100%	76%

³ Appointed as a member of the RC with effect from 2nd May, 2014.

⁴ Appointed as an ED with effect from 2nd August, 2014.

⁵ Appointed as an ED with effect from 2nd August, 2014.

⁶ Appointed as a member of the RIC on 2nd May, 2014.

⁷ Resigned as a Director of the Bank with effect from 19th December, 2014.

⁸ Appointed as a member of the RC with effect from 2nd May, 2014.

Chairman and Chief Executive Officer

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Dr. the Hon. Sir David LI Kwok-po is the Chairman & Chief Executive of the Bank. The Board considers that this structure will not impair the balance of power and authority between the Board and the Management of the Bank. The division of responsibilities between the Chairman and the Chief Executive is clearly established and set out in the job mandate of the Chairman &

Chief Executive. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high calibre individuals and meets regularly to discuss issues affecting operations of the Bank. There is a strong independent element in the composition of the Board. Out of the 18 Board members, 8 are INEDs. The Board believes that the current structure is conducive to strong and consistent leadership, enabling the Bank to make and implement decisions promptly and efficiently. The Board believes that Sir David's appointment to the posts of Chairman and Chief Executive is beneficial to the business prospects and management of the Bank.

董事會議出席記錄

各董事於2014年內舉行的董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議、風險委員會會議及股東周年常會的出席記錄如下：

	於2014年會議出席次數/舉行次數					
	董事會會議	審核委員會會議	薪酬委員會會議	提名委員會會議	風險委員會會議	股東周年常會
執行董事：						
李國寶 ³ (主席兼行政總裁)	4/4	不適用	1/1	4/4	4/4	1/1
李民橋 ⁴ (副行政總裁)	1/1	不適用	不適用	不適用	不適用	不適用
李民斌 ⁵ (副行政總裁)	1/1	不適用	不適用	不適用	不適用	不適用
非執行董事：						
李國章 ⁶ (副主席)	3/4	不適用	不適用	不適用	2/2	1/1
李國星	4/4	不適用	2/2	3/4	4/4	1/1
李澤楷	3/4	不適用	不適用	不適用	不適用	0/1
李福全	4/4	不適用	2/2	4/4	4/4	1/1
李國仕	4/4	不適用	不適用	不適用	不適用	0/1
范禮賢	4/4	不適用	不適用	4/4	不適用	1/1
李家傑	4/4	不適用	不適用	不適用	不適用	1/1
獨立非執行董事：						
黃子欣 (副主席)	4/4	3/3	2/2	4/4	不適用	1/1
黃頌顯	3/4	2/3	不適用	不適用	不適用	1/1
羅友禮	4/4	3/3	2/2	4/4	4/4	1/1
邱繼炳	4/4	不適用	不適用	不適用	不適用	1/1
郭炳江 ⁷	3/4	不適用	1/2	3/4	不適用	0/1
駱錦明	3/4	1/3	不適用	3/4	不適用	1/1
杜惠愷	4/4	2/3	不適用	不適用	不適用	0/1
郭孔演	3/4	不適用	不適用	3/4	不適用	1/1
張建標 ⁸	4/4	3/3	1/1	不適用	4/4	1/1
平均出席率	92%	78%	93%	89%	100%	76%

³ 於2014年5月2日起獲委任為薪酬委員會委員。

⁴ 於2014年8月2日起獲委任為執行董事。

⁵ 於2014年8月2日起獲委任為執行董事。

⁶ 於2014年5月2日起獲委任為風險委員會委員。

⁷ 於2014年12月19日起辭任董事。

⁸ 於2014年5月2日起獲委任為薪酬委員會委員。

主席及行政總裁

《企業管治守則》守則條文A.2.1 規定主席與行政總裁的角色應有區分，並不應由一人同時兼任。

李國寶爵士為本行的主席兼行政總裁。董事會認為此架構不會影響董事會與管理層兩者之間的權力和職權的平衡。主席及行政總裁之間的職責已清楚區分並以書面列載。本行董事會由極具經驗和才幹

的成員組成並定期開會，以商討影響本行運作的事項。透過董事會的運作，足以確保權力和職權得到平衡。董事會的組合具有強大的獨立元素，在18位董事會成員當中，8位是獨立非執行董事。董事會相信現時的架構有助於建立穩健而一致的領導權，使本行能夠迅速及有效地作出及實施各項決定。董事會相信委任李爵士出任主席兼行政總裁之職，會有利於本行的業務發展及管理。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The Chairman ensures that all Directors are properly briefed on issues arising at Board meetings. He promotes a culture of openness and debate and encourages all Directors to make a full and active contribution to the Board's affairs. He also takes the lead in ensuring that the Board acts in the best interests of the Bank.

The Chairman also ensures that Directors receive, in a timely manner, adequate information, which is accurate, clear, complete and reliable, of the Bank.

During the year, apart from the 4 Board meetings held, the Chairman, who is also an ED of the Bank, held a meeting with the NED (including INEDs).

Board composition

The current Board is composed of 3 EDs, 7 NEDs and 8 INEDs. Over one-third of the Directors are INEDs. There is a strong independent element on the Board that ensures the independence and objectivity of the decisions of the Board, as well as the thoroughness and impartiality of the Board's oversight of the Management. An updated list of Directors, identifying their roles and functions at the Bank, is available on the HKEx's and the Bank's websites.

The composition of the Board is shown on page 54 under the Corporate Information. All Directors of the Bank are expressly identified by categories of EDs, NEDs and INEDs in all corporate communications that disclose the names of the Directors.

The Board has a balance of skills and experience appropriate for the requirements of the Bank's business. Directors, who come from a variety of different backgrounds, have a diverse range of business, banking and professional expertise. Changes to its composition can be managed without undue disruption. The Biographies of Directors, including relationships with members of the Board, Senior Management and substantial shareholders (as defined in the Listing Rules) of the Bank, are shown on page 34 to 53 under the Biographical Details of Directors and Senior Management.

The Board has adopted a *Board Succession and Diversity Policy* which defines succession planning and diversity of the Board. Board appointments are based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

Responsibilities of Directors

Directors, both collectively and individually, are required to fulfil fiduciary duties and duties of skill, care and diligence to a standard commensurate with the standard established by the Laws of Hong Kong. Every Director is required to know his responsibilities as a Director of the Bank and of the conduct, business activities and development of the Bank. The *Terms of Reference of the Board* mandate the responsibilities of the Directors of the Bank and also include the functions of the NEDs (including INEDs) as specifically required under Code Provision A.6.2 of the CG Code.

INEDs and other NEDs shall make a positive contribution to the development of the Bank's strategy and policies through independent, constructive and informed comments.

The Board regularly reviews the contributions required from a Director to perform his responsibilities to the Bank, and whether he is spending sufficient time performing them. It also considers whether Directors, who have multiple board representations, are able to and have been devoting sufficient time to discharge their responsibilities as Directors of the Bank adequately.

The Bank has received confirmation from each current Director that he has spent sufficient time and attention to the affairs of the Bank during the year 2014. Directors have also disclosed to the Bank the number and nature of offices held in Hong Kong or overseas listed public companies or organisations and other significant commitments, with the identity of the public companies or organisations and an indication of the time involved. Directors are reminded to notify the Company Secretary in a timely manner any change of such information.

The Bank has adopted the *Directors' Code of Conduct and Policy on Conflict of Interests* (the "Policy") which provides guidance to Directors to help them recognise and deal with ethical issues including the handling of conflict of interests and fair dealing, and help foster a culture of honesty and accountability in the best interests of the Group as well as the shareholders of the Bank. The Policy also contains a compliance process which requires declaration by a Director in respect of any (existing or proposed) contract, arrangement, transaction or other proposal in which the Director and/or his connected entity (as defined in section 486 of the Companies Ordinance), is/are directly/indirectly materially interested. A Director shall not vote on any resolution approving any contract, arrangement or transaction in which he and/or his connected entity has any material interest.

主席確保董事會會議上所有董事均適當知悉當前的事項。主席提倡公開、積極討論的文化，並鼓勵所有董事全力投入董事會事務。他亦以身作則，確保董事會行事符合本行的最佳利益。

主席亦確保董事適時收到充分的本行資訊，而有關資訊為準確、清晰及完備可靠。

年內，除已舉行的4次董事會會議外，本行主席（亦是本行的執行董事）與非執行董事（包括獨立非執行董事）舉行了一次會議。

董事會組成

現時的董事會由3位執行董事、7位非執行董事及8位獨立非執行董事組成。超過三分之一的董事為獨立非執行董事。董事會有強大的獨立元素，確保能作出獨立客觀之決策，並能全面及不偏不倚地監督管理層。本行最新的董事會成員名單（當中訂明其在本行的角色和職能）已載於香港交易所及本行網站。

董事會的成員名單刊載於第54頁公司資料內。所有載有董事姓名的公司通訊中，已按董事類別，包括執行董事、非執行董事及獨立非執行董事，明確說明本行各董事身份。

董事會具備符合本行業務所需的技巧和經驗。各董事來自不同背景，擁有商業、銀行及專業等各領域之專長。董事會組成人員的變動不會帶來不適當的干擾。各董事的簡介，包括其與其他董事會成員、高層管理人員和主要股東（根據《上市規則》之定義）的關係，刊載於第34至第53頁董事及高層管理人員的個人資料項下。

董事會已採納一套董事會接任及多元化政策，訂定董事會成員接任及多元化計劃。董事會委任成員採取用人唯才為原則，並以董事會組合的多元性為目標，按客觀因素考慮人選，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年資。

董事責任

董事須共同及個別地履行誠信責任及應有技能、謹慎和勤勉行事的責任，而履行上述責任時，至少須符合香港法例所確立的標準。每名董事須瞭解其作為本行董事的職責，以及本行的經營方式、業務活動及發展。董事會的職權範圍訂明本行董事的責任，其中包括《企業管治守則》守則條文第A.6.2條所要求的非執行董事（包括獨立非執行董事）的職能。

獨立非執行董事及其他非執行董事透過提供獨立、富建設性及根據全面資訊的意見，對本行制訂策略及政策作出正面貢獻。

董事會定期檢討各董事須就履行本行董事職責所需的貢獻，並檢討其是否付出足夠的時間履行其職務。對於身兼多個董事會職務的董事，董事會亦會考慮其是否能夠並已經付出足夠時間，充分履行身為本行董事的職責。

本行已接獲每名現任董事確認於2014年內付出足夠的時間及充分關注本行事務的聲明。董事亦已向本行披露他們於香港或海外上市的公眾公司或組織擔任職位的數目和性質，以及其他重大承擔，並提供了公眾公司或組織的名稱和擔任有關職務所涉及的時間。董事會已提醒各董事，如相關資料有任何變動，須及時通知公司秘書。

本行已採納董事行為守則及利益衝突政策（「政策」），為董事提供指引，協助他們瞭解及處理有關道德操守等事宜（包括處理利益衝突及公平交易），並協助培養誠信及問責的文化，確保符合本集團及本行股東的最佳利益。該政策包括一套合規程序，訂定董事在獲悉其本人及/或其聯繫人（根據《公司條例》第486條的定義）在本公司訂定或擬定的合約、安排、交易或其他計劃項目中擁有任何直接或間接的重大權益，必須作出申報。董事不能就任何通過其本人及/或其聯繫人擁有重大權益的合約、安排或交易的董事決議案進行投票。

CORPORATE GOVERNANCE REPORT (CONTINUED)

If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall not be dealt with by way of circulation or by a Committee (except for an appropriate Board Committee set up for that purpose pursuant to a resolution passed in a Board meeting) and a Board meeting shall be held. INEDs who, and whose associates, have no material interest in the transaction shall be present at such Board meeting.

The Bank has established its own code of securities transactions to be observed by Directors and Chief Executive, i.e. *Policy on Insider Dealing – Directors and Chief Executive* (“Bank’s Policy”) on terms no less exacting than the required standard set out in Appendix 10 – Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) of the Listing Rules. Specific enquiries have been made on all Directors of the Bank. All current Directors confirmed that they had complied with the required standard set out in the Model Code and the Bank’s Policy at all the applicable times during the year ended 31st December, 2014.

The Bank has also established a *Policy on Insider Dealing – Group Personnel* to be observed by the employees of the Bank or directors or employees of the Bank’s subsidiaries, in respect of their dealings in the securities of the Bank.

In order to assist the Directors to discharge their duties to the Group, the Bank’s *Policy on Obtaining Independent Professional Advice by Directors* sets out the procedures to enable the Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Bank’s expense.

Directors & Officers Liability and Company Reimbursement Insurance has been arranged to indemnify the Directors and officers of the Group against claims made against them jointly and severally for any wrongful act committed or alleged to have been committed in their capacity as directors or officers of the Group.

Induction and continuous development

A formal letter of appointment, which includes the Director’s scope of duties and obligations, is provided to every new Director of the Bank. The newly appointed Director also receives an Information Package from the Company Secretary on the first occasion of his/her appointment. This Information Package is a comprehensive, formal and tailored induction on the responsibilities and on-going obligations to be observed by a Director. In addition, the Information Package includes materials on the operations and business of the Bank. The ED, Senior Management and the Company Secretary will subsequently conduct such briefing as is necessary, to ensure that the Directors have a proper understanding of the operations and business of the Bank and that they are aware of their responsibilities under the laws and applicable regulations.

All Directors of the Bank participate in continuous professional development to develop and refresh their knowledge and skills. The Bank will keep Directors updated on areas, including directors’ duties and responsibilities, corporate governance and changes in regulatory requirements, to enable them to properly discharge their duties. The Bank is responsible for arranging and funding suitable training for Directors.

During the year, all Directors received updated information in relation to the following topics:

- Summary of key changes in relation to Directors’ duties under the Companies Ordinance;
- Supervisory Policy Manuals issued by the HKMA;
- Revised Chapter 14A in relation to connected transactions of the Listing Rules; and
- Disclosure obligations under Part XV in relation to Disclosure of Interests of the SFO.

Directors also attended other relevant courses, conferences and seminars at the Bank’s expense (where appropriate). All current Directors provided to the Bank a record of training they received in 2014.

若有董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項不會以書面決議方式或交由轄下委員會處理（根據董事會會議上通過的決議而特別就此事項成立的委員會除外），而董事會會就該事項舉行董事會會議。在交易中本身及其聯繫人均沒有重大權益的獨立非執行董事會出席有關的董事會會議。

本行已自行訂立一套與《上市規則》附錄 10「上市發行人董事進行證券交易的標準守則」（「標準守則」）所訂標準同樣嚴格的董事及行政總裁證券交易政策，即**內幕交易政策 — 董事及行政總裁**（「本行政策」）。本行已經向所有董事明確查詢，所有現任董事已確認於截至2014年12月31日止年度內之所有適用期，均已遵守標準守則及本行政策中所要求的標準。

本行亦已訂立一項**內幕交易政策 — 集團人士**以供本行僱員，或本行附屬公司的董事或僱員，遵照規定買賣本行證券。

為協助董事履行其對本集團的責任，本行的**董事諮詢獨立專業意見政策**設定有關程序，讓董事按合理要求，可在適當的情況下尋求獨立專業意見，費用由本行支付。

本行已購買董事和職員責任及公司償還保險，以保障本集團的董事及員工，因其以本集團董事或職員身份觸犯或被指控觸犯行為失當，以集體或個別形式被索償。

就職培訓及持續發展

本行所有新委任的董事均獲發一份正式委任函，以訂明其董事的職務及職責範圍。每名新任的董事亦會在首次接受委任時獲得由公司秘書準備的一份資料套件。此資料套件為一份全面、正式兼特別為董事而設的董事責任及持續職責須知。此外，該套件亦包括本行的運作及業務資料。其後，執行董事、高層管理人員及公司秘書會在有需要時向董事作出簡介，以確保各董事對本行的運作及業務均有適當的理解，以及知道本身在法律及適用的規定下的職責。

本行所有董事均參與持續專業發展，發展並更新其知識及技能。本行將向董事提供有關其職責事項（包括董事職責、企業管治、監管規定變動）的最新資訊，使董事能夠適當履行職責。本行負責為董事安排合適的培訓並承擔有關經費。

於本年度內，全體董事已獲得下列議題的資料：

- 《公司條例》關於董事責任主要變動的摘要；
- 金管局發出之監管政策手冊；
- 《上市規則》第 14A 章關於關連交易最新變動；及
- 《證券及期貨條例》第 XV 部有關披露權益之法定責任。

董事亦參與其他相關的課程、會議及研討會，相關費用由本行承擔（如適用）。所有現任董事均已向本行提供其於2014年內所接受培訓的記錄。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Participation by current individual Directors in continuous professional development to update and develop their skills and knowledge in 2014 is summarised in the table below:

Directors	Regulatory Updates	Articles/Briefings/Seminars/ Conferences relevant to the Bank's business and directors' duties
<i>Executive Directors:</i>		
David LI Kwok-po (Chairman & Chief Executive)	✓	✓
Adrian David LI Man-kiu (Deputy Chief Executive)	✓	✓
Brian David LI Man-bun (Deputy Chief Executive)	✓	✓
<i>Non-executive Directors:</i>		
Arthur LI Kwok-cheung (Deputy Chairman)	✓	✓
Aubrey LI Kwok-sing	✓	✓
Richard LI Tzar-kai	✓	✓
Eric LI Fook-chuen	✓	✓
Stephen Charles LI Kwok-sze	✓	✓
Isidro FAINÉ CASAS	✓	✓
Peter LEE Ka-kit	✓	✓
<i>Independent Non-executive Directors:</i>		
Allan WONG Chi-yun (Deputy Chairman)	✓	✓
WONG Chung-hin	✓	✓
Winston LO Yau-lai	✓	✓
KHOO Kay-peng	✓	✓
Kenneth LO Chin-ming	✓	✓
William DOO Wai-hoi	✓	✓
KUOK Khoon-ean	✓	✓
Valiant CHEUNG Kin-piu	✓	✓

Supply of and access to information

Directors are provided in a timely manner with appropriate information that enables them to make an informed decision and to discharge their duties and responsibilities as Directors of the Bank. To ensure that the Board is well supported by accurate, complete and timely information, Directors have unrestricted access to Board papers, minutes and related materials.

Management is aware that it has an obligation to supply the Board and Board Committees with adequate information in a timely manner to enable them to make informed decisions. The information supplied must be complete and reliable. The Board and each Director have separate and independent access to the Senior Management.

In respect of regular BMs and Board Committee meetings and so far as practicable in all other cases, an agenda and accompanying meeting papers are sent in full to the Directors or respective Committee members in a timely manner and at least 3 days before the intended date of the meeting.

Appointments and re-election of Directors

The Bank adopts a nomination procedure in the selection of new Directors and for the succession of appointments to the Board. The proposed appointment will first be reviewed by the NC, taking into account the balance of skills, knowledge, experience and diversity on the Board. Candidates to be selected and recommended shall meet the relevant standards set out in the Listing Rules and CG-1. A candidate who is to be appointed as an INED should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Upon recommendation of the NC, the proposed appointment will be reviewed and, if thought fit, approved by the Board. According to the requirement of the Banking Ordinance, prior approval from the HKMA will also be obtained. Pursuant to the Articles of Association of the Bank, Directors (including NEDs and INEDs) are appointed for a term of not more than approximately three years and on expiration of his term he shall be deemed a retiring Director and eligible for re-election. All new Directors appointed by the Board are subject to election by shareholders of the Bank at the first general meeting after their appointments have become effective.

下表概列現任每名董事於2014年參與持續專業發展以更新及發展其技能和知識的記錄：

董事	最新監管規定	與本行業務及董事職責有關的文章/簡介會/研討會/會議
執行董事：		
李國寶 (主席兼行政總裁)	✓	✓
李民橋 (副行政總裁)	✓	✓
李民斌 (副行政總裁)	✓	✓
非執行董事：		
李國章 (副主席)	✓	✓
李國星	✓	✓
李澤楷	✓	✓
李福全	✓	✓
李國仕	✓	✓
范禮賢	✓	✓
李家傑	✓	✓
獨立非執行董事：		
黃子欣 (副主席)	✓	✓
黃頌顯	✓	✓
羅友禮	✓	✓
邱繼炳	✓	✓
駱錦明	✓	✓
杜惠愷	✓	✓
郭孔濱	✓	✓
張建標	✓	✓

資料提供及使用

董事獲提供適時的適當資料，使其能夠在掌握有關資料的情況下作出決定，並能履行其作為本行董事的職務及責任。為確保董事會能夠獲得準確、完整和適時資料，董事可不受限制地查閱董事會的會議文件、會議記錄及相關資料。

管理層知悉其有責任向董事會及董事會轄下委員會適時提供足夠資料，以使董事能夠在掌握有關資料的情況下作出決定。管理層所提供的資料均屬完整可靠。董事會及每名董事有自行接觸高層管理人員的獨立途徑。

董事會及董事會轄下委員會定期會議的議程及相關會議文件(在切實可行的情況下)會全部適時送交董事或個別委員會成員，並最少在有關會議日期的3天前送出。

委任及重選董事

本行就甄選新董事及董事繼任採納一套提名董事程序。提名委員會在審議有關委任事宜時將先行考慮董事會之技能、知識、經驗和多元化組合。獲甄選及獲推薦的候選人必須符合《上市規則》及CG-1所載相關的標準。如候選人會獲委任為獨立非執行董事，亦須符合《上市規則》第3.13條所列的獨立性準則。依據《銀行業條例》規定，委任董事須取得金管局的預先批准。根據提名委員會之建議，董事會考慮有關委任，如認為合適者，將批准有關委任建議。根據本行組織章程細則規定，董事(包括非執行董事及獨立非執行董事)的任期為不超過約3年，在其任期屆滿時，將被視為一位卸任董事而有資格重選。而新任董事須於獲委任後首次股東大會退任，由股東重選。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The NC conducts annual review of the independence of INEDs before confirming their independence status to the Board. The relevant INEDs will abstain from participating in the assessments of their own independence. Particular consideration was also paid in assessing the independence of those INEDs who have been serving on the Board for more than 9 years and seeking re-election in the AGM. Reasons will be given in the AGM Circular to explain why the Board believes those INEDs are still independent and should be re-elected.

Nomination Committee

The Bank has established a NC with specific written Terms of Reference which deal clearly with its authorities and duties. The Terms of Reference of the NC have included the specific duties set out in Code provision A.5.2 of the CG Code, with appropriate modifications where necessary.

The NC is responsible for recommending to the Board on relevant matters relating to appointments, re-appointment, removal and succession planning of Directors, Chief Executive, Senior Management, Division Heads, Chief Compliance Officer and Group Chief Auditor of the Bank; defining succession planning and diversity of the Board and performing evaluation of the Board performance and Directors' contribution to the effectiveness of the Board.

A majority of the members of the NC are INEDs. The Chairman of NC is David LI Kwok-po and the Deputy Chairman is Eric LI Fook-chuen. The other members are Allan WONG Chi-yun, Aubrey LI Kwok-sing, Isidro FAINÉ CASAS, Kenneth LO Chin-ming, KUOK Khoon-ean, Winston LO Yau-lai and KHOO Kay-peng (appointed on 9th January, 2015).

The number of meetings held by the NC and the attendance of individual members at NCM in 2014 is recorded on page 60.

The following is a summary of the work performed by the NC during and for the year 2014:

- Reviewed the size, structure, composition and diversity of the Board;
- Reviewed the Procedures for Nomination of Directors by shareholders;
- Reviewed the Terms of Reference of the NC;
- Reviewed the Management Succession Policy;
- Reviewed the Management Succession Plans;
- Reviewed the appointments of Adrian David LI Man-kiu and Brian David LI Man-bun as EDs and the resignation of Richard LI Tzar-kai as an INED;
- Reviewed the extension of employment contract for the Chief Executive;

- Assessed the independence status of current INEDs in particular that of WONG Chung-hin and Kenneth LO Chin-ming who have served the Board for more than 9 years and will seek re-election at the 2015 AGM;
- Considered re-election of WONG Chung-hin, Kenneth LO Chin-ming, Eric LI Fook-chuen, Valiant CHEUNG Kin-piu, Isidro FAINÉ CASAS, William DOO Wai-hoi, Adrian David LI Man-kiu and Brian David LI Man-bun as Directors of the Bank to be proposed for shareholders' approval at the 2015 AGM;
- Reviewed the Board Succession and Diversity Policy (the "Policy") including measurable objectives for implementing the Policy; and
- Assessed the Board performance and Directors' contribution to the effectiveness of the Board.

The NC has made available its Terms of Reference, on the websites of HKEx and the Bank, explaining its role and the authorities delegated to it by the Board.

The NC is provided with sufficient resources including the advice of independent professional firms, if necessary, to discharge its duties.

Evaluation of the Board and Directors

During the year, the NC had undertaken an in-house evaluation of the effectiveness of the Board as a whole and the contributions made by each Director to the effectiveness of the Board. The evaluation covered Board structure and composition; Board process; responsibilities of the Board; and duties and responsibilities of Directors. The evaluation revealed that performance of the Board is strong and Board process is effective during the year 2014. All Directors continue to perform effectively and demonstrate commitment to their roles.

The NC will continue to undertake an evaluation of the performance of the Board and Directors annually.

B. REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES

The level and make-up of remuneration and disclosure – Remuneration Committee

The Bank has established an RC with specific written Terms of Reference which deal clearly with its authority and duties. The Terms of Reference of the RC have included the specific duties set out in Code Provision B.1.2 of the CG Code, with appropriate modifications where necessary.

The RC is responsible for making recommendations to the Board regarding the Bank's remuneration policy, and for the formulation and review of the remuneration packages of the Directors, Chief Executive, Senior Management and Key Personnel of the Group.

提名委員會就獨立非執行董事的獨立性進行年度檢討，並向董事會確認其獨立性。有關獨立非執行董事不會參與評估本身的獨立性。對於已擔任董事超過9年並將會在股東周年常會上膺選連任的獨立非執行董事，將另作評估。並在股東周年常會通函內載列董事會為何認為該名獨立非執行董事仍屬獨立人士及應獲重選連任的原因。

提名委員會

本行已設立一個提名委員會，並以書面訂明具體的職權範圍，清楚說明委員會的職權和責任。提名委員會的職權範圍已包括載於《企業管治守則》守則條文第A.5.2條所指明的特定責任，惟因應需要而作出適當修改。

提名委員會負責就本行董事、行政總裁、高層管理人員、處級主管、法規監管總監及集團總稽核的委任、重選、撤職及繼任安排，向董事會提出建議；訂定董事會成員接任及董事會多元化計劃；評估董事會表現及董事對達致董事會有效運作的貢獻。

提名委員會的大部分成員為獨立非執行董事。提名委員會的主席為李國寶，副主席為李福全。其他成員包括黃子欣、李國星、范禮賢、駱錦明、郭孔演、羅友禮及邱繼炳（於2015年1月9日獲委任）。

提名委員會於2014年舉行的會議次數及個別成員的出席記錄載於第61頁。

提名委員會在年內及為2014年度所做的工作，摘要如下：

- 檢討董事會的人數、架構、組合及多元化；
- 檢討股東提名董事的程序；
- 檢討提名委員會的職權範圍；
- 檢討管理層繼任政策；
- 檢討管理層繼任安排；
- 檢討委任李民橋及李民斌為執行董事及調任李澤楷為獨立非執行董事；
- 審議延長行政總裁的服務合約；

- 評核現任獨立非執行董事的獨立性，尤其是對已擔任董事超過9年並將會在2015股東周年常會上膺選連任的黃頌顯及駱錦明；
- 考慮在2015股東周年常會上向股東提呈批准重選黃頌顯、駱錦明、李福全、張建標、范禮賢、杜惠愷、李民橋及李民斌為本行董事的建議；
- 檢討董事會繼任及多元化政策包括推行多元化政策的可計量目標；及
- 評估董事會的表現及董事對達致董事會有效運作的貢獻。

提名委員會的職權範圍登載於香港交易所及本行的網站上，解釋其角色，以及董事會所授予的權力。

提名委員會獲提供充足資源，包括獨立專業公司的意見（如需要），以履行其職責。

評估董事會及董事

年內，提名委員會已就董事會整體工作成效及每位董事對達致董事會有效運作的貢獻進行內部評估。評估範圍涵蓋董事會的架構及組成、董事會程序、董事會的責任，以及董事的職務及責任。評估顯示董事會表現極佳，而且董事會程序於2014年內行之有效。所有董事繼續有效履行責任及對職務的承擔。

提名委員會將繼續每年就董事會及董事的工作成效進行評估。

B. 董事及高級行政人員的薪酬

薪酬及披露的水平及組成 — 薪酬委員會

本行已設立一個薪酬委員會，並以書面訂明具體的職權範圍，清楚說明委員會的職權和責任。薪酬委員會的權責範圍已包括《企業管治守則》守則條文第B.1.2條所載的特定職責，惟因應需要而作出適當修改。

薪酬委員會負責就本行的薪酬政策，以及就訂立及審議集團董事、行政總裁、高層管理人員及主要管理人員的薪酬待遇，向董事會提出建議。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The basis of determining the emoluments payable by the Bank to its Directors and senior executives is by reference to the level of emoluments normally paid by comparable banks and listed companies in Hong Kong to directors and senior executives of comparable calibre and responsibilities so as to ensure a fair and competitive remuneration package. The Bank will also ensure that no Director, Chief Executive or any of their associates will be involved in deciding his own remuneration.

A majority of the members of the RC are INEDs. This Committee is chaired by Allan WONG Chi-yun. The other members are David LI Kwok-po (appointed on 2nd May, 2014), Aubrey LI Kwok-sing, Winston LO Yau-lai, Eric LI Fook-chuen, Valiant CHEUNG Kin-piu (appointed on 2nd May, 2014) and KHOO Kay-peng (appointed on 9th January, 2015).

The number of meetings held by the RC and the attendance of individual members at RCM in 2014 is recorded on page 60.

The following is a summary of work performed by the RC during and for the year 2014:

- Reviewed the Directors' and Committee Members' Fees;
- Reviewed the Variable Remuneration for the Chief Executive, Senior Management and Key Personnel for 2013;
- Reviewed the vesting of Deferred Variable Remuneration for the Awards of the Year 2010 to 2012;

- Considered Fourth Offer and Grant of share options under the 2011 Scheme to eligible employees including Chief Executive, Senior Management and Division Heads;
- Reviewed the list of Senior Management and other Key Personnel for 2014;
- Reviewed the Remuneration Package for the Chief Executive, Senior Management and Key Personnel for 2014;
- Reviewed Annual Salary Review for 2014;
- Reviewed Annual Salary Review for 2014 for the Local Staff of Overseas Branches and Subsidiaries;
- Reviewed the audit on the Bank's Remuneration System;
- Reviewed the Senior Executive Bonus Scheme;
- Reviewed the Terms of Reference of the RC; and
- Reviewed the Remuneration Policy.

The RC has made available its Terms of Reference, on the websites of the HKEx and the Bank, explaining its role and the authorities delegated to it by the Board.

The RC is provided with sufficient resources, including the advice of professional firms, if necessary, to discharge its duties.

The scales of Director's fees, and fees for membership of the AC, NC, RC and RIC are outlined below:

	Amount per annum	
	Before 1st July, 2014	On and after 1st July, 2014
<i>Board of Directors:</i>		
Chairman	HK\$400,000	HK\$460,000
Deputy Chairman	HK\$280,000	HK\$330,000
Other Directors	HK\$260,000	HK\$300,000
<i>Audit Committee:</i>		
Chairman	HK\$180,000	HK\$210,000
Other members	HK\$105,000	HK\$120,000
<i>Nomination Committee:</i>		
Chairman	HK\$66,000	HK\$80,000
Deputy Chairman	HK\$50,000	HK\$60,000
Other members	HK\$38,500	HK\$50,000
<i>Remuneration Committee:</i>		
Chairman	HK\$66,000	HK\$80,000
Other members	HK\$38,500	HK\$50,000
<i>Risk Committee:</i>		
Chairman	HK\$66,000	HK\$160,000
Other members	HK\$38,500	HK\$100,000

Information relating to the remuneration of each Director for 2014 is set out in Note 19 on the accounts on page 164.

企業管治報告 (續)

本行於釐定董事及高級行政人員的酬金時，將參照本港同級銀行及上市公司一般支付予具備同級水平及履行同類職責的董事及高級行政人員的酬金，以確保能提供既公平又具競爭力的薪酬予有關人士。本行亦確保任何董事、行政總裁或任何彼等聯繫人不能自行釐定薪酬。

薪酬委員會的大部分成員為獨立非執行董事。該委員會的主席為黃子欣，其他成員包括李國寶（由2014年5月2日起獲委任）、李國星、羅友禮、李福全、張建標（由2014年5月2日起獲委任）及邱繼炳（由2015年1月9日起獲委任）。

薪酬委員會於2014年舉行的會議次數及個別成員的出席記錄載於第61頁。

薪酬委員會在年內及為2014年度所做的工作，摘要如下：

- 檢討董事袍金，以及各委員會成員的酬金；
- 檢討2013年度行政總裁、高層管理人員及主要管理人員的浮動薪酬；
- 檢討2010至2012年度遞延浮動薪酬獎勵的歸屬；

- 考慮根據2011計劃，給予及授出第四批認股權予合資格僱員，包括行政總裁、高層管理人員和處級主管；
- 檢討2014年度高層管理人員及主要管理人員名單；
- 檢討2014年度行政總裁、高層管理人員及主要管理人員的薪酬組合；
- 檢討2014年度薪酬；
- 檢討2014年度海外分行及附屬公司當地員工的薪酬；
- 檢討本行的薪酬制度審核；
- 檢討高級行政人員賞金計劃；
- 檢討薪酬委員會的職權範圍；及
- 檢討薪酬政策。

薪酬委員會職權範圍登載於香港交易所及本行的網站上，當中解釋其角色及董事會所授予的權力。

薪酬委員會獲供給充足資源，包括專業公司的意見（如需要），以履行其職責。

董事袍金，以及審核委員會、提名委員會、薪酬委員會和風險委員會成員的酬金摘錄如下：

	年度金額	
	2014年7月1日前	2014年7月1日及之後
董事會：		
主席	港幣40萬元	港幣46萬元
副主席	港幣28萬元	港幣33萬元
其他董事	港幣26萬元	港幣30萬元
審核委員會：		
主席	港幣18萬元	港幣21萬元
其他成員	港幣10.5萬元	港幣12萬元
提名委員會：		
主席	港幣6.6萬元	港幣8萬元
副主席	港幣5萬元	港幣6萬元
其他成員	港幣3.85萬元	港幣5萬元
薪酬委員會：		
主席	港幣6.6萬元	港幣8萬元
其他成員	港幣3.85萬元	港幣5萬元
風險委員會：		
主席	港幣6.6萬元	港幣16萬元
其他成員	港幣3.85萬元	港幣10萬元

有關各董事2014年度的薪酬資料載於第164頁的賬項附註19。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Disclosure of Remuneration Policy

In accordance with the “Guideline on a Sound Remuneration System” (the “Guideline”) issued by the HKMA in March 2010, the Bank has reviewed and revised its remuneration policy for employees of the Group, including its overseas branches and subsidiaries. The remuneration policy covers all categories of employees, including the 4 described in paragraph 2.1.1 of the Guideline. The Bank’s annual review of its remuneration policy includes a reassessment of the principles applied in determining remuneration packages, as well as the structure and amount of compensation ultimately awarded.

General Principles

The remuneration policy of the Group promotes effective risk management, and is designed to encourage employee behaviour that supports the Group’s business objectives, long-term financial soundness, risk tolerance, and risk management framework.

Remuneration Structure

Employee remuneration packages may consist of a combination of fixed and variable remuneration. The appropriate proportion of fixed and variable remuneration shall vary according to an employee’s seniority, role, responsibilities, and activities within the Group, among other things.

Fixed remuneration refers to an employee’s annual salary (including year-end pay), while variable remuneration – comprising cash bonus payments and/or share options – is awarded based on the employee’s performance with a view to better aligning incentives with risk and longer-term value creation. Variable remuneration, which is awarded in the form of cash bonus payments and/or share options, is determined according to existing industry practice and takes into account an employee’s seniority, role and responsibilities, and the actual or potential risks that the employee’s activities may create for the Group and the extent to which they may affect its overall performance.

Separate bonus schemes apply to risk control personnel, whose awards are not linked to the performances of the business units that they oversee.

Employees’ Performance Measurements and the Award of Variable Remuneration

The RC determines the measures and the corresponding target levels of the Group’s performance with reference to corporate goals and objectives at the beginning of each financial year and when necessary.

Score-cards comprised of a set of pre-defined and assessable criteria are used to assess the performance of individual employees. The criteria are determined according to the individual’s areas of responsibility, as well as relevant financial and non-financial factors. To help ensure a balanced evaluation, a series of compliance and risk management ratings are also taken into account. The major types of risks covered are market, credit, interest rate, liquidity and operational risks. Other risks including legal, reputation and strategic risks are closely monitored at bank level by various risk management committees and adjustment will be made to an individual’s variable remuneration when appropriate. The award of variable remuneration to an employee is based on the overall performance of the Group, as well as the performance of the relevant business unit, and that individual employee. Poor performance (either financial or non-financial) will result in a reduction or elimination of variable remuneration. Moreover, performance in relation to non-financial factors, including risk and compliance, forms a significant part of the employee performance appraisal exercise, given that poor performance in these areas can be indicative of significant risks to the Group. Adverse performance in non-financial factors, where appropriate, should override outstanding financial achievements. The overall quality of an employee’s performance – as opposed to solely his/her financial performance – can therefore be accurately determined as an integral part of the assessment. This ultimately helps mitigate risk to the Group and ensures the deployment of suitable personnel based on competence.

Senior Executive Compensation

The RC annually reviews the remuneration packages of the Chief Executive, Senior Management, and Key Personnel. The Senior Management consists of the 4 Deputy Chief Executives while Key Personnel includes 13 Division Heads, the Executive Director & Chief Executive of BEA China, and the Head of Capital Markets & Liquidity Management Department. In determining the remuneration packages of the Chief Executive, Senior Management, and Key Personnel, the RC takes into account individual performances, performances of respective divisions and departments, and the Group’s overall business goals and objectives. In 2014, the Bank engaged an external consultant, Towers Watson, to review the remuneration packages of the Division Heads and the Executive Director & Chief Executive of BEA China to ensure that their pay positioning and pay level best reflect their respective scope of work and responsibilities in comparison to similar roles in the market. The Bank also reviewed and revised the Senior Executive Bonus Scheme which will take effect from January 2015.

The aggregate payouts for these 20 senior executives for 2014 are shown in the table below in accordance with the disclosure requirement 3.2.3 of the Guideline.

薪酬政策的披露

按照金管局於2010年3月發出的《穩健的薪酬制度指引》(「《指引》」)，本行已檢討並修訂對本集團(包括其海外分行及附屬公司)僱員的薪酬政策。薪酬政策適用於所有僱員，並包括依據《指引》第2.1.1段所述而劃分的四類員工。本行每年檢討薪酬政策，當中包括重新評估應用於薪酬組合，以及報酬的架構及最終所發放金額的釐定原則。

一般原則

本集團的薪酬政策以促進有效的風險管理為原則，旨在鼓勵僱員支持本集團達成業務目標，維持長期財政穩健，以及本集團在風險承擔、風險管理架構等方面的工作。

薪酬架構

僱員的薪酬組合包含固定薪酬和浮動薪酬，兩者之間的合適比例因應僱員的職級、職務、職責，以及其在本集團內所進行的業務等而有所不同。

固定薪酬乃指僱員的年薪(包括雙糧)，而浮動薪酬(包含現金花紅及/或認股權)則根據僱員的工作表現而發放，使其所獲得的報酬更能配合風險和較長期的價值創造。浮動薪酬(發放的形式包括現金花紅及/或認股權)是以業內現行標準為釐定準則，而其中亦考慮到僱員的職級、職務、職責和他們所進行的業務對本集團可能帶來的實質或潛在風險，以及該等風險對本集團整體表現的影響程度。

本集團亦設有獨立賞金計劃予風險控制人員，而發放的獎金並非與其所監管的業務部門表現掛鉤。

僱員表現的衡量和浮動薪酬的發放

薪酬委員會於各個財政年度開始時及必要時，參考公司的目的和目標以釐定本集團表現的有關措施及相應目標水平。

本集團使用計分卡來評核個別僱員的工作表現，當中包含一套預設和可供評核的準則。這些準則乃依照僱員的主要職責範圍、相關財務及非財務因素，以及一系列合規和風險管理評級而釐定，確保僱員的工作表現獲平衡考量。主要風險的種類涵蓋市場、信貸、利率、流動資金及營運風險。而其他風險包括法律、信譽及策略風險則由不同的風險管理委員會在銀行層面上作出緊密監察，並於適當時調整個別僱員的浮動薪酬。浮動薪酬乃根據本集團的整體表現，以及相關業務部門及個別僱員的表現發放。如僱員表現未如理想(根據財務或非財務因素衡量)，其浮動薪酬會有所下調甚至撤銷。由於非財務因素(包括風險和合規)相關的表現未如理想時，可能顯示對本集團帶來重大風險，因此該表現將視作為評核僱員表現的重要考量因素。再者，非財務方面表現欠佳(在適當情況下)將凌駕於其財務方面的傑出表現。此舉使僱員的整體表現(而非僅僅考核其財務指標的表現)能準確地反映於一次完整的考核之中，從而有助減低本集團承受的風險，及確保根據僱員的能力調配人力資源。

高級行政人員的薪酬

薪酬委員會於每個年度檢討行政總裁、高層管理人員及主要管理人員的薪酬組合。高層管理人員由4名副行政總裁組成，而主要管理人員則包括13名處級主管、東亞中國執行董事兼行長，以及資本市場及流動資金管理部門主管。薪酬委員會在釐定行政總裁、高層管理人員及主要管理人員的薪酬組合時所考慮的因素，包括個人工作表現、相關分處及部門的業績表現，以及本集團的整體業務目的和目標。本行於2014年委任外部顧問公司——韜睿惠悅——檢討各處級主管及東亞中國執行董事兼行長的薪酬組合，以確保其薪酬定位及薪酬水平能合適地反映其職務範圍及職責與市場上的同類職務相符。本行亦已檢討並修訂高級行政人員賞金計劃，並將由2015年1月起生效。

根據《指引》第3.2.3項的披露規定，此等合共20名高級行政人員於2014年度獲得的薪酬總額載於下表。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Total value of remuneration in 2014

Total value of remuneration awards for the current financial year	Non-deferred (HK\$ Million)	Deferred (HK\$ Million)
(i) Chief Executive		
<i>Fixed remuneration</i>		
• Cash-based	10.21	-
<i>Variable remuneration</i>		
• Cash-based	7.59	5.84
• Share Options	-	5.55
(ii) Senior Management		
<i>Fixed remuneration</i>		
• Cash-based	14.77	-
<i>Variable remuneration</i>		
• Cash-based	9.44	2.22
• Share Options	-	7.21
(iii) Key Personnel		
<i>Fixed remuneration</i>		
• Cash-based	35.06	-
<i>Variable remuneration</i>		
• Cash-based	16.73	6.99
• Share Options	-	4.16

Remarks:

- (i) For indicative purpose only, the value of share options is calculated based on the fair value of the Bank's shares on 27th February, 2015.
- (ii) No guaranteed bonuses, sign-on, or severance payments were made to the Chief Executive, Senior Management, and Key Personnel of the Group in 2014.

Total outstanding deferred remuneration in 2014

Outstanding deferred remuneration	Vested during the year 2014 (HK\$ Million)	Unvested as at the end of 2014 (HK\$ Million)
(i) Chief Executive		
• Cash-based	4.45	16.64
• Share Options	8.45	16.88
(ii) Senior Management		
• Cash-based	1.66	6.42
• Share Options	11.00	21.96
(iii) Key Personnel		
• Cash-based	6.35	15.93
• Share Options	4.91	10.75

Remarks:

- (i) No performance adjustments were made to the unvested deferred remuneration for the Chief Executive, Senior Management, and Key Personnel of the Group in 2014 due to their performance or any other factors.
- (ii) The values of share options are calculated based on the fair value on the respective Grant Dates.
- (iii) The vested cash bonuses and share options relate to the 2010 variable remuneration award granted in 2011 and vested in 2014, the 2011 variable remuneration award granted in 2012 and vested in 2014 and the 2012 variable remuneration award granted in 2013 and vested in 2014. The total number of share options granted in 2011, 2012 and 2013 are 5,950,000 shares, 5,950,000 shares and 5,650,000 shares respectively.
- (iv) The unvested cash bonuses and share options relate to the 2011, 2012 and 2013 variable remunerations.
- (v) The outstanding deferred remuneration of Key Personnel in 2014 includes the vested and unvested cash bonuses and share options of 3 Key Personnel who left the Group on 1st January, 2013 and 1st October, 2013 respectively.

Details of the remuneration payable to members of the Senior Management by band are disclosed in Note 20 on the accounts on page 166.

2014年度薪酬總值

本財政年度發放的薪酬總值	非遞延 (港幣百萬元)	遞延 (港幣百萬元)
(i) 行政總裁		
固定薪酬		
• 薪金	10.21	-
浮動薪酬		
• 現金花紅	7.59	5.84
• 認股權	-	5.55
(ii) 高層管理人員		
固定薪酬		
• 薪金	14.77	-
浮動薪酬		
• 現金花紅	9.44	2.22
• 認股權	-	7.21
(iii) 主要管理人員		
固定薪酬		
• 薪金	35.06	-
浮動薪酬		
• 現金花紅	16.73	6.99
• 認股權	-	4.16

註：

(i) 認股權價值乃參照本行股份於2015年2月27日的公平價值計算，僅供參考用途。

(ii) 集團於2014年度並無向行政總裁、高層管理人員及主要管理人員支付保證花紅、簽約受聘酬金或遣散費。

2014年度未發放的遞延薪酬總額

未發放的遞延薪酬	於2014年度已歸屬 (港幣百萬元)	於2014年底未歸屬 (港幣百萬元)
(i) 行政總裁		
• 現金花紅	4.45	16.64
• 認股權	8.45	16.88
(ii) 高層管理人員		
• 現金花紅	1.66	6.42
• 認股權	11.00	21.96
(iii) 主要管理人員		
• 現金花紅	6.35	15.93
• 認股權	4.91	10.75

註：

(i) 行政總裁、高層管理人員及主要管理人員的未歸屬遞延薪酬於2014年度並無因彼等工作表現或其他因素而作出調整。

(ii) 認股權價值乃根據各授予日的公平價值計算。

(iii) 已歸屬現金花紅及認股權為2011年授予並於2014年歸屬的2010年浮動薪酬、2012年授予並於2014年歸屬的2011年浮動薪酬和2013年授予並於2014年歸屬的2012年浮動薪酬。於2011、2012及2013年授予的認股權總額分別為5,950,000股、5,950,000股及5,650,000股。

(iv) 未歸屬現金花紅及認股權為2011、2012及2013年浮動薪酬。

(v) 2014年度之主要管理人員未發放的遞延薪酬含3名已分別於2013年1月1日及2013年10月1日離職之主要管理人員的已歸屬及未歸屬現金花紅及認股權。

按等級披露的高層管理人員的薪酬詳情載於第166頁的賬項附註20內。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Deferral Arrangements

The award of variable remuneration to the Chief Executive, Senior Management, and Key Personnel is subject to deferment in such a manner as determined by the RC. In general, the proportion of variable remuneration which is subject to deferment will increase in line with the seniority, scope of responsibilities, and other relevant factors pertinent to the Chief Executive, Senior Management, and Key Personnel.

The award of deferred remuneration is subject to a minimum vesting period and pre-defined vesting conditions as determined by the RC and communicated to all relevant employees. Deferred remuneration is awarded in such a manner so as to align employees' incentive awards with long-term value creation and the time horizons of risk. The future performance (both financial and non-financial) of the Group, relevant business units, and individual employees, as well as the creation of value for our shareholders, are taken into consideration when determining vesting conditions. Vesting and payment of deferred remuneration will be made gradually over a period of 3 years and no faster than on a pro-rata basis.

In circumstances where it is later established that any performance measurement for a particular year was based on data that is later proven to have been manifestly misstated, or it is later established that the relevant employee has committed fraud, malfeasance, or a violation of internal control policies, any unvested portions (i.e. both cash bonuses and/or share option tranches that have yet to be vested) of deferred variable remuneration (relating to that particular year in question) should be forgone, either in part or in whole, as determined by the RC. In certain circumstances, claw back of vested portion of the deferred variable remuneration of that particular year may apply.

Future Review

As a major financial institution in Hong Kong, the Group not only takes extensive measures to ensure that it complies with all the relevant guidelines, rules, and regulations, but also adopts positive steps to ensure that ethical, social, and environmental aspects are taken into account when determining remuneration policies and packages.

The Group will keep abreast of the latest development in the labour market, especially in the financial services sector, and will review and refine its compensation and remuneration policies whenever necessary to enable the provision of competitive remuneration packages to ensure the retention of talent.

C. ACCOUNTABILITY AND AUDIT

Financial reporting

It is the responsibility of the Board to present a balanced, clear and comprehensible assessment of the Bank's performance, position and prospects.

Management shall provide sufficient explanation and information to the Board as will enable the Board to make an informed assessment of the financial and other information presented before the Board for approval. It provides the Board with monthly updates giving a balanced and understandable assessment of the Bank's performance, position and prospects to assist the Board as a whole and each Director to discharge their duties.

The Directors are responsible for keeping proper accounting records and preparing accounts of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31st December, 2014, the Directors have:

- consistently applied appropriate accounting policies;
- made judgements and estimates that are prudent and reasonable; and
- prepared the accounts on the going concern basis.

The Bank has announced its annual and interim results within 2 months after the end of the relevant periods, which is earlier than the limit of three months (for annual results) and within the limit of two months (for interim results) as required by Rule 13.49(1) and (6) of the Listing Rules respectively.

A statement by the auditors about their reporting responsibilities is included in the Independent Auditor's Report on page 120.

The Board will present a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

Internal controls

It is the responsibility of the Board to ensure that the Bank maintains sound and effective internal controls to safeguard the shareholders' investment and the Bank's assets.

The internal control system of the Bank comprises comprehensive policies and standards under a well-established organisational structure. Areas of responsibilities of each business and operational unit are clearly defined to ensure effective checks and balances.

遞延安排

行政總裁、高層管理人員及主要管理人員的浮動薪酬依照薪酬委員會所定的遞延安排發放。一般而言，行政總裁、高層管理人員及主要管理人員可予遞延的浮動薪酬比例，會按其本身的職級、職責範圍和其他相關因素而增加。

遞延薪酬的發放受限於薪酬委員會所定並通知各有關僱員的最短歸屬期限和預設的歸屬條件。遞延薪酬的發放應能確保僱員所獲的報酬與長期的價值創造和風險的存在時間相配合。在釐定歸屬條件時，會考慮到集團、相關業務部門和僱員日後在財務及非財務方面的表現，以及為股東所創造的價值。遞延薪酬的歸屬和支付將會在3個年度內分階段及按比例進行。

若日後確定用以衡量某年度工作表現的數據被證實為明顯地錯誤陳述，或有關僱員曾作欺詐、違法或違反內部管控政策等行為，其於該年度內遞延浮動薪酬中的全部或部分未歸屬現金花紅及/或認股權將會按照薪酬委員會的決定予以取消。在若干情況下，該特定年度的已歸屬遞延浮動薪酬可予以收回。

未來檢討

本集團作為香港主要的金融機構，在釐定薪酬政策和組合時不但採取廣泛措施確保符合所有相關原則、規則和規例，並採取積極的措施以確保顧及道德、社會和環境各方面。

本集團將會密切留意勞工市場，尤其是金融服務界別的最新發展，並在必要時檢討及改善薪酬及報酬政策，藉此提供具競爭力的薪酬組合以留住人才。

C. 問責及稽核

財務匯報

董事會有責任對本行的表現、狀況及前景作出一個平衡、清晰及全面的評核。

管理層須向董事會提供足夠解釋及資料，讓董事會可以就提交予他們批核的財務及其他資料，作出有根據的評審。管理層每月向董事會提供更新資料，就有關本行的表現、財務狀況及前景的公正且易於理解的評估，以協助董事會及各董事履行彼等的職責。

董事負責備存適當的會計記錄及編製每個財政期間的賬項，使這些賬項能真實和公平地反映本集團在該段期間的財政狀況、業績及現金流量表現。在編製截至2014年12月31日止年度的賬項時，董事已：

- 貫徹地應用適當的會計政策；
- 作出審慎及合理的判斷及估計；及
- 按持續經營基準編製賬項。

本行一向在有關財政期間結束後2個月內公布年度及中期業績，較《上市規則》第13.49(1)條所規定3個月（年度業績）的期限為早，亦符合《上市規則》第13.49(6)條所規定2個月（中期業績）的期限。

核數師的申報責任聲明載於第121頁的獨立核數師報告內。

董事會在各方面將作出平衡、清晰及可理解的評審，包括：年度報告及中期報告、其他涉及股價敏感資料的公告及根據《上市規則》規定須予披露的其他財務資料，以及向監管者提交的報告書，以至根據法例規定須予披露的資料。

內部監控

董事會負責確保本行的內部監控系統穩健妥善而且有效，以保障股東的投資及本行的資產。

本行的內部監控系統包含一個完善的公司架構以及全面的政策及標準。各業務及營運單位的職責範圍清晰劃分，以確保有效監察和制衡。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The key procedures that the Board established to provide effective internal controls are as follows:

- A distinct organisation structure exists with defined lines of authority and control responsibilities.
- A comprehensive management accounting system is in place to provide financial and operational performance indicators to the management and the relevant financial information for reporting and disclosure purpose.
- Policies and procedures are designed for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for ensuring the reliability of financial information used within the business or for publication. The procedures provide reasonable but not absolute assurance against material errors, losses or fraud.
- Systems and procedures are also in place to identify, measure, manage, control and report risks including credit, market, operational, liquidity, interest rate, strategic, legal and reputation risks. Exposure to these risks is monitored by RIC, assisted by Risk Management Committee, Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee. In addition, procedures are designed to ensure compliance with applicable laws, rules and regulations.
- The AC reviews reports (including management letter) submitted by external auditors to the Group's management in connection with the annual audit and internal audit reports submitted by the Group Chief Auditor.
- A *Policy on Handling and Dissemination of Inside Information* is in place, setting out the guiding principles, procedures and internal controls for the handling and dissemination of inside information in a timely manner.
- A *Whistle-blowing Policy* is in place, which encourages employees to raise concerns, in confidence, with the AC about possible improprieties in any matter related to the Bank. The Bank treats all information received confidentially and protects the identity and the interests of all whistle-blowers.

The Board, through the AC, assesses the effectiveness of the Group's internal control system which covers all material controls, including financial, operational and compliance controls as well as risk management functions, on an annual basis. Pursuant to a risk-based approach, the Group's Internal Audit Department conducts independent reviews of risks associated with and controls over various operations and activities. Significant findings on internal controls are reported to the AC twice each year. During the year 2014, no major issue but areas for improvement have been identified and appropriate measures taken. The AC reports its work to the Board on a semi-annual basis.

Audit Committee

It is the responsibility of the Board to establish formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Bank's auditors.

The Bank has established an AC with specific written Terms of Reference which deal clearly with its authority and duties. The Terms of Reference of the AC have included the duties set out in Code Provisions C.3.3, C.3.7 and D.3.1 of the CG Code, with appropriate modifications where necessary.

The AC is delegated by the Board with the responsibility of monitoring and overseeing the corporate governance functions of the Bank as set out in Code Provision D.3.1 of the CG Code.

As laid down in the Terms of Reference, the AC is responsible for reviewing corporate governance functions, financial controls, internal control and risk management systems, the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting and financial reporting function, annual report and accounts, and half-year interim report.

All the members of the AC are INEDs. This Committee is chaired by Winston LO Yau-lai. The other members are Allan WONG Chi-yun, WONG Chung-hin, Kenneth LO Chin-ming, William DOO Wai-hoi and Valiant CHEUNG Kin-piu.

AC meetings are held at least 3 times a year. The Chairman & Chief Executive, Deputy Chief Executives, other Senior Executives, and the external auditors were invited to attend these meetings. During the year, the external auditors held meetings with the AC, without the presence of the Chairman & Chief Executive, Deputy Chief Executives and the other Senior Executives.

The AC is accountable to the Board and the minutes of the ACM are kept by the Company Secretary. Draft and final versions of minutes of the ACM will be sent to all members of the AC for their comment and record respectively, in both cases within a reasonable period after the meetings.

The number of meetings held by the AC and attendance of individual members at ACM in 2014 is recorded on page 60.

The following is a summary of the work performed by the AC during and for the year 2014:

- Reviewed and endorsed the policies and practices under the Bank's CG Framework, including the *Corporate Governance Policy* and made recommendations to the Board, where appropriate;

以下為董事會為提供有效的內部監控而建立的主要程序：

- 組織架構權責清晰，監控層次分明。
- 設立一個全面的管理會計系統，為管理層提供財務及營運表現的指標，以及用作匯報和披露的財務資料。
- 政策及程序的設計為保障資產不致被非授權挪用或處置；保存恰當的會計記錄；以及確保用作業務及公告上的財務資料的可靠性。有關程序提供合理（而非絕對）的保證，以防出現嚴重的錯誤、損失或舞弊。
- 設有系統及程序去識別、衡量、處理、控制及匯報風險，包括信貸、市場、營運、流動資金、利率、策略、法律以及信譽風險。風險委員會由風險管理委員會、信貸委員會、資產負債管理委員會和營運風險管理委員會協助，負責監察本集團面對風險的程度。此外，程序的設計均為確保遵守適用法例、規則及規例。
- 審核委員會審閱由外聘核數師提交予本集團管理層涉及年度核數的報告（包括致管理層的審核情況說明函件），及由集團總稽核呈交的內部稽核報告。
- 建立一套處理及發布內幕消息政策，列出指導性原則、程序及內部監控，使內幕消息得以適時處理及發布。
- 建立舉報政策，鼓勵僱員在保密情況下就有關本行的任何事宜向審核委員會舉報可能發生的不當行為。本行會對接獲的所有資料保密，並保護舉報人的身份及權益。

董事會透過審核委員會每年一次評核本集團內部監控系統的效能。該系統涵蓋所有重要監控，包括財務、營運及遵守法規的監控，以及風險管理的功能。本集團稽核部採用風險為本的評估方法，針對與各項運作和活動有關的風險及監控進行獨立審閱。有關內部監控的重要審閱結果，每年兩次向審核委員會匯報。2014年內並無發現重大事項，惟需要改進的地方已予確認並已作出相應措施。審核委員會每半年向董事會匯報其工作。

審核委員會

董事會負責就如何應用財務匯報及內部監控原則，及如何維持與本行核數師適當的關係，作出正規及具透明度的安排。

本行已設立一個審核委員會，並以書面訂明具體的職權範圍，清楚說明委員會的職權及責任。審核委員會的職權範圍已包括《企業管治守則》守則條文第C.3.3, C.3.7及D.3.1條所載的職責，惟因應需要而作適當修改。

董事會授權予審核委員會監管及監察本行的企業管治職能的職責，有關職責載於《企業管治守則》守則條文第D.3.1條。

根據其職權範圍，審核委員會負責檢討企業管治職能、財務監控、內部監控及風險管理系統、會計及財務匯報職能員工的資源、資歷和經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足，並負責檢討審閱年度報告、賬目和半年中期報告。

審核委員會的所有成員均為獨立非執行董事。委員會主席為羅友禮，其他成員包括黃子欣、黃頌顯、駱錦明、杜惠愷及張建標。

審核委員會會議每年召開最少3次。主席兼行政總裁、副行政總裁、其他高級行政人員及外聘核數師均獲邀參加會議。年內，在主席兼行政總裁、副行政總裁及其他高級行政人員避席的情況下，外聘核數師與審核委員會舉行會議。

審核委員會須向董事會負責，而審核委員會的會議記錄由公司秘書保存。審核委員會會議記錄的初稿及最後定稿通常在會議後合理期間內先後發送予委員會全體成員，初稿供成員表達意見，最後定稿作記錄之用。

審核委員會於2014年舉行的會議次數及個別成員的出席記錄載於第61頁。

審核委員會在年內及為2014年度所做的工作，摘要如下：

- 檢討及批准本行企業管治架構下的政策及常規，包括企業管治政策，並於適當情況下向董事會提出建議；

CORPORATE GOVERNANCE REPORT (CONTINUED)

- Reviewed the training and continuous professional development of Directors and Senior Management;
- Reviewed the policies and practices on compliance with legal and regulatory requirements;
- Reviewed the code of conduct and compliance manual applicable to employees and Directors;
- Reviewed the status of compliance with the CG Code and disclosure in the Corporate Governance Report;
- Met with the external auditors to discuss the general scope of their audit work;
- Reviewed External Auditors' 2014 annual audit plan;
- Reviewed external auditor's management letter and management's response;
- Reviewed and approved the appointment of external auditors for providing non-audit services to the Group;
- Reviewed the Auditors' Independent Assurance Reports in respect of the Bank's financial disclosures under the Banking (Disclosure) Rules for 2013 and six months ended 30th June, 2014;
- Reviewed and recommended to the Board for approval of the audit fee proposal for the Group for 2014;
- Recommended to the Board to re-appoint KPMG as the Group's external auditors for 2014;
- Reviewed the internal audit reports covering the evaluation of internal controls, including the adequacy of resources, qualifications and experience of the staff of the Bank's accounting and financial reporting function, and their training programmes and budget; internal control systems; and compliance with the CG Code;
- Reviewed the Auditor's Report regarding the internal control systems for 2013 prepared under section 63(3A) of the Banking Ordinance;
- Reviewed the on-site examination reports of the HKMA;
- Reviewed the Interim Report and the interim results announcement for the six months ended 30th June 2014;
- Reviewed the audited accounts and final results announcement for 2014;
- Reviewed and approved Group internal audit plan for 2015; and
- Met with the HKMA to exchange views.

All matters raised by the AC have been addressed by the Management. The work and findings of the AC have been reported to the Board. During the year, no issues brought to the attention of the Management and the Board were of sufficient importance to require disclosure in the Annual Report.

The Board agreed with the AC's proposal for the re-appointment of KPMG as the Group's external auditor for 2015. The recommendation will be presented for the approval of shareholders at the 2015 AGM.

No former partners of the Bank's external auditors is acting as a member of the AC before expiry of a period of one year commencing the later of the date of his ceasing to be a partner of the firm or to have any financial interest in the firm.

The AC has made available its Terms of Reference, on the websites of the HKEx and the Bank, explaining its role and the authorities delegated to it by the Board.

The AC is provided with sufficient resources, including the advice of external auditors and Internal Audit Department, to discharge its duties.

The Bank has established the *Policy on Appointment of External Auditor for Provision of Non-Audit Services*, setting out the principles by which an external auditor may be appointed to provide non-audit services, with a view to ensuring the independence of the external auditor.

Auditor's Remuneration

During 2014, the fees paid or payable to KPMG, the Bank's external auditor, and its associates for providing non-audit services amounted to approximately HK\$14 million, which included the following items:

- Review and consultancy services: HK\$11 million;
- Services made at the request of regulators: HK\$1 million;
- Taxation services: HK\$1 million; and
- Other services: HK\$1 million.

The fee paid or payable to KPMG for providing audit service of the Group is HK\$17 million.

Risk Committee

The Bank has established an RIC with specific written Terms of Reference which deal clearly with its authorities and duties. The RIC is responsible for dealing with the Bank's risk management related issues, in particular strategic issues, of the Group, including risk appetite, risk management strategies, risk management framework, risk management policies and risk profiles.

企業管治報告（續）

- 檢討董事及高層管理人員的培訓及持續專業發展；
- 檢討在遵守法律及監管規定方面的政策及常規；
- 檢討僱員及董事的操守準則及合規手冊；
- 檢討遵守《企業管治守則》的情況及在企業管治報告內的披露；
- 會見外聘核數師以商討其核數工作的一般範圍；
- 審閱外聘核數師的2014年度稽核計劃；
- 審閱外聘核數師致管理層的審核情況說明函件及管理層的回應；
- 審閱及批准聘用外聘核數師向本集團提供非核數服務；
- 審閱外聘核數師就本行根據《銀行業（披露規則）》作出有關2013年度及2014年6月30日止6個月的財務披露的獨立確認報告；
- 審閱及向董事會推薦批准2014年集團的核數費用建議；
- 向董事會建議提呈續聘畢馬威會計師事務所為本集團2014年度的外聘核數師；
- 審閱涵蓋內部監控評估的內部稽核報告，包括本行會計及財務匯報職能員工的資源、資歷和經驗，以及有關職能的培訓計劃和預算是否充裕；內部監控系統；遵守《企業管治守則》的情況；
- 審閱《銀行業條例》63(3A)條下2013年度內部監控系統核數師報告；
- 審閱金管局發出的現場審查報告；
- 審閱截至2014年6月30日止6個月的中期報告及中期業績公告；
- 審閱2014年度經審核賬目及全年業績公告；
- 審閱及批准2015年度集團的內部稽核計劃；及
- 與金管局會面交換意見。

審核委員會所提出的事項已交回管理層處理。審核委員會的工作情況及審閱結果已向董事會報告。年內，已提交管理層及董事會所需留意的事項，其重要性不足以需在年報內披露。

董事會同意審核委員會續聘畢馬威會計師事務所為本集團2015年度外聘核數師的建議。推薦建議將在2015股東周年常會上提呈予股東批准。

本行核數公司並無前任合夥人在其終止成為該核數公司合夥人當日起計一年內或其享有該核數公司財務利益的情況下，成為審核委員會成員。

審核委員會的職權範圍登載於香港交易所及本行的網站上，解釋其角色，以及董事會所授予的權力。

審核委員會獲供給充足的資源，包括外聘核數師及內部稽核部的意見，以履行其職責。

本行已訂立委任外聘核數師提供非核數服務政策，訂明委任外聘核數師提供非核數服務的原則，以確保外聘核數師的獨立性。

核數師酬金

2014年內支付或需支付予本行的外聘核數師 — 畢馬威會計師事務所 — 及其聯營公司提供非核數服務的費用約為港幣1,400萬元，其中包括以下事項：

- 審查及顧問服務：港幣1,100萬元；
- 按監管機構要求所作的服務：港幣100萬元；
- 稅務服務：港幣100萬元；及
- 其他服務：港幣100萬元。

為集團提供核數服務的已支付或須支付予畢馬威會計師事務所的費用為港幣1,700萬元。

風險委員會

本行已設立一個風險委員會，並以書面訂明具體的職權範圍，清楚說明委員會的職權及責任。風險委員會負責處理本行的風險管理相關事宜，尤其是本集團的策略事宜，涵蓋風險偏好、風險管理策略、風險管理架構、風險管理政策及風險狀況。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The RIC is assisted by the Risk Management Committee and specialised risk management committees, namely Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee, to deal with daily management of risk-related issues; and by the Crisis Management Committee to deal with crisis management.

A majority of the members of the RIC are NEDs (including INEDs). The Committee is chaired by David LI Kwok-po. The other members are Arthur LI Kwok-cheung (appointed on 2nd May, 2014), Aubrey LI Kwok-sing, Winston LO Yau-lai, Eric LI Fook-chuen and Valiant CHEUNG Kin-piu.

The number of meetings held by the RIC and the attendance of individual members at RICM in 2014 is recorded on page 60.

The following is a summary of the work performed by the RIC during and for the year 2014:

- Reviewed the Group's Risk Appetite Statement;
- Reviewed the Group's risk management strategies;
- Reviewed and monitored the Group's risk profiles;
- Reviewed the Group's risk management framework;
- Reviewed the *Group Risk Management Policy*;
- Reviewed the Internal Capital Adequacy Assessment Process;
- Reviewed the stress-testing results for major risks;
- Reviewed the *Group Recovery Plan*;
- Reviewed the Risk Committee Report;
- Reviewed regulatory updates on risk management related issues and considered their probable material implications to the Group;
- Reviewed the Terms of Reference of the RIC, Crisis Management Committee, Risk Management Committee, Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee; and
- Oversaw the implementation of risk management policies and compliance with respective statutory rules and regulations.

The RIC has made available its Terms of Reference, on the websites of the Bank, explaining its role and the authorities delegated to it by the Board.

The RIC is provided with sufficient resources including the advice of independent professional firms, if necessary, to discharge its duties.

D. DELEGATION BY THE BOARD

Board Committees

Board Committees are established to deal with matters as sufficiently prescribed in respective terms of reference. Apart from the AC (particulars are disclosed under section C), the RC (particulars are disclosed under section B), the NC (particulars are disclosed under section A), and the RIC (particulars are disclosed under section C), the Board has also established the following specialised Board Committees, each of which has specific roles and responsibilities delegated by the Board:

1. Sealing Committee is responsible for directing the usage and custody of the Bank's common seal;
2. Executive Committee is responsible for reviewing all major functions and critical issues relating to the businesses and operations of the Group;
3. Policy Committee is responsible for discussing and formulating various strategies and policies for managing businesses and operations of the Group;
4. Risk Management Committee is responsible for assisting the RIC in the daily management of risk-related issues of the Group including risk appetites, risk profiles, regulatory updates and stress-testing;
5. Credit Committee is responsible for dealing with all credit risk related issues of the Group;
6. Operational Risk Management Committee is responsible for dealing with all issues related to operational, legal and reputation risks of the Group;
7. Asset and Liability Management Committee is responsible for dealing with all issues related to market, interest rate, liquidity, strategic risks and capital management of the Group;
8. Crisis Management Committee is responsible for dealing with the Group's management of crisis scenarios which jeopardise or have the potential to jeopardise the Group in its reputation, liquidity/ financial position and business continuity; and
9. Investment Committee is responsible for reviewing and formulating investment strategies as well as making investment decisions in respect of fixed income, equity and equity related investments for the Bank, and The Bank of East Asia, Limited Employees' Provident Fund.

The Terms of Reference of AC, RC, NC, and RIC require such Board Committees to report back to the Board on their decisions or recommendations. Material matters will be reported to the Board by the other Board Committees according to their respective Terms of Reference.

風險委員會由風險管理委員會及專責風險管理委員會(包括信貸委員會、資產負債管理委員會和營運風險管理委員會)協助,負責處理風險相關事項的日常管理事宜,並且由危機管理委員會協助,處理危機管理事宜。

風險委員會大部分成員均為非執行董事(包括獨立非執行董事)。委員會主席為李國寶,其他成員包括李國章(於2014年5月2日獲委任)、李國星、羅友禮、李福全及張建標。

風險委員會於2014年舉行的會議次數及個別成員的出席記錄載於第61頁。

風險委員會在年內及為2014年度所做的工作,摘要如下:

- 檢討本集團的風險偏好報告書;
- 檢討本集團的風險管理策略;
- 檢討及監察本集團的風險狀況;
- 檢討本集團的風險管理架構;
- 檢討本集團的風險管理政策;
- 檢討內部資本充足評估程序;
- 審閱主要風險的壓力測試結果;
- 審閱本集團的恢復計劃;
- 審閱風險委員會報告;
- 審閱與風險管理相關的新監管規定,並考慮其可能對本集團造成的重大影響;
- 審閱風險委員會、危機管理委員會、風險管理委員會、信貸委員會、資產負債管理委員會和營運風險管理委員會的職權範圍;及
- 監督本集團執行風險管理政策及遵守相關法例及法規。

風險委員會的職權範圍登載於本行的網站上,解釋其角色,以及董事會所授予的權力。

風險委員會獲提供充足資源,包括獨立專業公司的意見(如需要),以履行其職責。

D. 董事會權力的轉授

董事會轄下的委員會

董事會轄下的委員會負責處理相關職權範圍內訂明的事宜。除審核委員會(詳情在C項下披露)、薪酬委員會(詳情在B項下披露)、提名委員會(詳情在A項下披露)及風險委員會(詳情在C項下披露)外,董事會亦設立以下專責委員會,每個專責委員會均獲董事會授予特定的角色及職責:

1. 印章委員會負責監督本行之法定印章的使用及保管;
2. 執行委員會負責檢討集團各項有關業務及運作的主要功能和重大事宜;
3. 政策委員會負責商討及制訂策略和政策以管理集團各類業務及運作;
4. 風險管理委員會負責協助風險委員會處理集團風險相關事項的日常管理事宜,包括風險偏好、風險狀況、新監管規定及壓力測試;
5. 信貸委員會負責處理集團所有與信貸風險有關的事宜;
6. 營運風險管理委員會負責處理集團所有與營運、法律及信譽風險有關的事宜;
7. 資產負債管理委員會負責處理集團所有與市場、利率、流動資金、策略風險及資本管理有關的事宜;
8. 危機管理委員會在發生或有可能發生危害集團聲譽、流動資金/財政狀況及持續業務運作的事件時負責處理集團的危機事故管理事宜;及
9. 投資委員會負責檢討及制訂本行及東亞銀行有限公司僱員公積金就有關定息債券、股票及其他股票相關投資工具的投資策略。

審核委員會、薪酬委員會、提名委員會及風險委員會的職權範圍規定該等委員會要向董事會匯報其決定或建議。而其他董事會轄下的委員會亦會根據其職權範圍向董事會匯報重要事項。

CORPORATE GOVERNANCE REPORT (CONTINUED)

Management functions

While the Board is responsible for formulating overall strategy to guide and monitor the performance of the Group, the management of day-to-day operation of the Group's businesses and implementation of the strategy and direction set by the Board has been delegated to the Management.

The Bank has established a *Schedule of Matters Reserved to the Board for Decision* ("Schedule") to formalise the matters reserved for the Board's approval and delegation of power to the Management and Board Committees. The Schedule will be reviewed periodically to ensure that it remains appropriate to the Bank's needs.

E. COMPANY SECRETARY

The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed, and that the Bank's articles of association, relevant rules and regulations, including requirements of the Listing Rules, Companies Ordinance and Disclosures of Interests under the SFO, are complied with. The Company Secretary assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes of the Bank. All Directors have access to the advice and services of the Company Secretary.

The Company Secretary assists the Chairman in ensuring efficient information flow within the Board and Board Committees and between Directors and Senior Management. The Company Secretary is responsible for facilitating induction programme of new Directors and the continuous professional development of existing Directors. The Company Secretary assists the Chairman of the Board and Chairmen of the Board Committees⁹ in the development of the agendas for the Board and Board Committee⁹ meetings. He also attends and prepares minutes for Board and Board Committee⁹ meetings.

The Company Secretary is an employee of the Bank and reports directly to the Chairman & Chief Executive. The Board approves the selection, appointment or dismissal of the Company Secretary. During the year, the Company Secretary undertook over 15 hours of professional training.

F. SHAREHOLDERS' RIGHTS & INVESTOR RELATIONS

Communication with Shareholders

The Bank recognises the importance of maintaining continuous communication with shareholders and has in place a *Shareholders Communication Policy* which sets

out the practices in relation to communication with the shareholders and the investment community. Such Policy which is published on the website of the Bank, shall be reviewed by the AC and the Board on a regular basis to ensure its effectiveness.

In order to ensure shareholders and investors have fair, timely and simultaneous access to the Bank's information, the Bank through various channels, including its website (www.hkbea.com), provide shareholders and investors timely access and continuous disclosure of the Bank's announcements, financial results, and press release. The Bank also hold press conference to present half-year and full-year financial results to the media and analysts.

The Bank welcomes shareholders' views and concerns relating to the Group's management and governance. Shareholders may at any time send their enquiries to the Board by addressing to the Bank's Company Secretary at the Bank's registered address or email at info@hkbea.com.

General Meetings

The Board endeavours to maintain an ongoing dialogue with shareholders and, in particular, uses the AGMs or other general meetings which provide a useful forum for shareholders to exchange views with the Board. The Chairman of each of the AC, NC, RC and RIC, external auditors, Senior Management and legal advisors, are also present to answer shareholders' questions.

Shareholders are informed of details about the AGM through published notices or circulars sent to all shareholders and are requested to participate and openly communicate their views on matters relating to the Bank. Separate resolutions are proposed at general meetings for each substantial issue, including the election and re-election (as the case may be) of individual Directors. An explanation of the detailed procedures of conducting a poll will be provided to shareholders at the AGM, to ensure that shareholders are familiar with such procedures.

The Bank has provided detailed information on the Bank's 2014 AGM in a circular to shareholders which included Notice of the AGM, information on the retiring Directors who were eligible for re-election at the 2014 AGM, deletion of Memorandum of Association and amendments to the Articles of Association and explanatory statement on repurchase of shares. All the resolutions were proposed on each substantially separate issue and were voted on by poll and approved by the shareholders of the Bank. The Bank has engaged KPMG to act as the scrutineer for the poll voting. The results of the poll voting were posted on the websites of HKEx and the Bank on the same day of the 2014 AGM.

⁹ The Company Secretary is the appointed secretary of such Board Committees.

管理功能

董事會的職責在於制訂整體策略來指導及監察集團的表現，至於集團業務日常營運管理，以及實施董事會制定的策略和方向等職能則授權管理層進行。

本行已訂立一份保留予董事會決定的事項表（「事項表」），以界定保留予董事會決定及授權管理層和董事會轄下委員會權力的事項，並定期檢討該事項表以確保符合本行的需要。

E. 公司秘書

公司秘書的責任為（其中包括）確保本行遵守董事會程序、本行的組織章程細則、相關規則及規例（包括《上市規則》的規定、《公司條例》及《證券及期貨條例》下披露權益的規定）。公司秘書須協助主席及董事會執行及加強本行的企業管治實務及程序。所有董事均可取得公司秘書的意見和享用其服務。

公司秘書協助主席確保董事會及董事會轄下委員會之間，以及董事與高層管理人員之間的資訊有效率地交流。公司秘書負責安排新任董事就職培訓及現任董事的持續專業發展。公司秘書協助董事會主席及各董事會轄下委員會⁹主席制訂會議的議程。公司秘書亦出席所有董事會及其轄下委員會⁹會議，並負責編寫會議記錄。

公司秘書為本行僱員，直接向主席兼行政總裁匯報。公司秘書的遴選、委任或解僱由董事會批准。年內，公司秘書已接受超過 15 個小時的專業培訓。

F. 股東權利及投資者關係

與股東的溝通

本行深明與股東保持持續溝通的重要性，並已制訂股東通訊政策（登載於本行網站），訂明有關與股東及投資人士溝通的政策，並由審核委員會及董事會定期檢討，以確保其成效。

為確保股東及投資者能夠公平、適時及同步地獲取本行最新資訊，本行利用不同渠道，包括本行網站（www.hkbea.com），適時及持續地向股東及投資者提供本行的公告、財務業績及新聞稿。本行亦舉行新聞發布會，向傳媒及分析員公布半年及全年業績表現。

本行歡迎股東提出有關本集團管理及企業管治的意見及關注事項。股東如有查詢，可隨時郵寄至本行註冊地址，或電郵至本行郵箱 info@hkbea.com，並註明公司秘書收。

股東常會

董事會致力與股東保持對話，尤其藉股東周年常會或其他股東大會作為一個有效平台與股東直接溝通。審核委員會、提名委員會、薪酬委員會及風險委員會的主席、外聘核數師、高層管理人員及法律顧問須出席並回答股東提問。

股東可透過寄發予全體股東的通告或通函了解股東周年常會的詳情，並參與股東大會表達其對有關本行事務的意見。每項重要之議題包括選舉及重選（視乎情況而定）個別董事，會以獨立決議案形式提呈股東批准。本行亦會於股東周年常會上，向各股東講解有關按點算股數形式進行投票表決之程序，以確保各股東明白有關安排。

有關本行 2014 年股東周年常會詳情的通函已向股東發出，當中載有股東周年常會通告、於 2014 股東周年常會退任而有資格重選的董事的資料、刪除組織章程大綱及修訂組織章程細則及購回股份授權建議的說明函件。各重要議題均以獨立決議案提呈各股東及以投票方式表決，並獲本行股東批准通過。本行已聘請畢馬威會計師事務所擔任監票員。投票結果已於 2014 股東周年常會同日在香港交易所及本行網站刊登。

⁹ 公司秘書獲委任為該委員會的秘書。

CORPORATE GOVERNANCE REPORT (CONTINUED)

The Bank's 2015 AGM will be held on Friday, 8th May, 2015 at 11:30 a.m., the notice of which will be sent to shareholders at least 20 clear business days before the meeting. Please refer to the circular to shareholders for the 2015 AGM which will be despatched to the shareholders on or around 26th March, 2015 for further details.

Convening of general meeting on requisition

Subject to the Companies Ordinance, Directors of the Bank shall on the request of shareholders of the Bank who represent at least 5% of the total voting rights of all the members having a right to vote at general meetings, forthwith proceed to convene a general meeting of the Bank. Each request must state the general nature of the business to be dealt with at the meeting, the name and contact details of the person making the request, must be authenticated by the person making it and may be sent to the Bank in hard copy form or in electronic form. Shareholders may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The Bank will take appropriate actions and make necessary arrangements in accordance with the requirements of the Companies Ordinance once a valid request is received.

For further details, shareholders may refer to the requirements as set out in the Companies Ordinance.

Nomination of Directors by Shareholders

Shareholders are allowed to propose a person other than a retiring Director of the Bank to be elected as a Director at a general meeting. A notice in writing shall be given to the Company Secretary of the Bank by the shareholder (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his/her intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. Such notice must be sent to the Company Secretary of the Bank within 7 days after the day of despatch of the notice of the general meeting (or such other period, being a period of not less than 7 days, commencing no earlier than the day after the despatch of the notice of such meeting and ending no later than 7 days prior to the date appointed for such meeting). The *Procedures for Nomination of Directors by Shareholders* are published on the website of the Bank.

Handling and Dissemination of Inside Information

The Bank has in place a *Policy on Handling and Dissemination of Inside Information* ("Policy") which sets out the procedures and internal controls for handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Bank with the latest available information.

This Policy also provides guidelines to staff of the Bank to ensure proper safeguards exist to prevent the Bank from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information.

Dissemination of inside information of the Bank shall be conducted by publishing the relevant information on the websites of HKEx and the Bank, according to the requirements of the Listing Rules.

Investors Relations

In accordance with the *Shareholders Communication Policy*, the Bank maintains an open and regular dialogue with institutional and individual shareholders, fund managers, analysts and the media through an effective corporate communication system which provides transparent, regular and timely public disclosures on the Group's latest developments and strategies through different means. Apart from the AGMs, other communication channels include:

- the Group's website at www.hkbea.com;
- annual and interim reports, and press releases;
- announcements, notices and circulars;
- press conferences after the announcement of interim and final results for media and analysts;
- meetings with analysts; and
- roadshows.

G. RELATED PARTY TRANSACTIONS

Details of the significant related party transactions are provided under Note 48 on the accounts. These transactions were entered into by the Bank in the ordinary and usual course of business and on normal commercial terms and, if constituted connected transactions or continuing connected transactions, are exempt from the relevant disclosure requirements under Chapter 14A of the Listing Rules.

H. RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Bank acknowledged that they are responsible for the preparation of the consolidated financial statements of the Bank. During the year, in strict compliance with relevant provisions, the Bank published the 2013 Annual Report and the 2014 Interim Report as scheduled.

本行2015年股東周年常會將於2015年5月8日(星期五)上午11時30分舉行,其通告將於會議前最少20個營業日寄出。詳情請參閱將於2015年3月26日寄發予股東之2015股東周年常會通函。

要求召開股東大會

按《公司條例》的規定,本行董事在接獲本行股東的要求時,須安排召開股東大會,而該等股東須佔全體有權在股東大會上投票表決的股東的總表決權最少5%。每項要求均必須述明將於會上處理事務的一般性質、該股東姓名及聯絡資料,並且必須由該股東認證及可透過印本形式或電子形式送交本行。要求可包含可在該大會上恰當地動議並擬在該大會上動議的決議的文本。一旦接獲有效的請求,本行將根據《公司條例》的規定採取適當措施及作出必要安排。

股東欲了解詳情,可參閱《公司條例》所載的規定。

股東提名董事

股東可於股東大會上推薦(本行即將退任董事除外)某位人士參選董事。該股東應向本行公司秘書發出一份由該名有權出席並可於會上投票的股東(不得為被推舉者)書面通知書,表明有意推舉某人為董事,並提供該人士簽署同意被推舉的書面通知。該通知書必須於發送股東會議通告後7天內(或其他期限,該期限不少於7天,由發送股東會議通告之後開始計算及不得遲於該股東會議訂定舉行日期之前7天結束)寄發予本行公司秘書。股東提名董事的程序已於本行網站刊載。

處理及發布內幕消息

本行已訂立一項處理及發布內幕消息政策(「政策」)列出處理及發布內幕消息的程序及內部監控,使內幕消息得以適時處理及發布,而不會導致任何人士在證券交易上處於佔優的地位,亦讓市場有時間定出能反映現有實況的本行上市證券價格。

該政策亦為本行員工提供指引,確保設有適當的措施,以預防本行違反法定披露規定。該政策亦載有適當的內部監控及匯報制度,識別及評估潛在的內幕消息。

根據《上市規則》規定,本行發布內幕消息,會透過香港交易所及本行網站刊登相關消息。

投資者關係

根據股東通訊政策,本行透過一個有效的企業傳訊系統與機構及個人股東、基金經理、分析員及傳媒維持開放及定期對話;利用不同渠道提供透明、定期及適時的集團最新發展及策略的公開披露。除股東周年常會外,其他傳訊渠道包括:

- 本集團網址 www.hkbea.com;
- 年報及中期報告,以及新聞稿;
- 公告、通告及通函;
- 在中期及年度業績公告後舉行傳媒及分析員新聞發布會;
- 與分析員會面;及
- 巡迴推介。

G. 關聯人士交易

關聯人士的重大交易列於賬項附註48。該等交易為本行於一般及日常業務過程中按正常商業條款訂立,並在如構成關連交易或持續關連交易時,獲豁免《上市規則》第14A章項下的相關披露規定。

H. 董事就綜合財務報表須承擔的責任

本行董事承認有編製本行的綜合財務報表的責任。本行嚴格遵守有關規定,在年內本行已按時刊發2013年年報及2014年中期報告。

CORPORATE SOCIAL RESPONSIBILITY REPORT

The Bank of East Asia Group is committed to integrating environmental, social, and governance concerns into its business and operations.

The following report highlights BEA's major CSR achievements during the period under review. The Group will provide a more comprehensive review of its 2014 CSR performance in the first half of 2015 in the form of a standalone report. All CSR reports are available via BEA's homepage at www.hkbea.com.

In 2014, BEA included additional Group members in the scope of its CSR reporting, namely BEA Union Investment Management Limited and Blue Care Medical Services Limited. BEA also became the first bank in Hong Kong to adopt the new fourth iteration (G4) of the Global Reporting Initiative guidelines, which will become required for all reports that adhere to GRI's guidelines published after 31st December, 2015.

THE BANK OF EAST ASIA, LIMITED

Employees

To ensure that staff members are well informed about corporate and employee issues, the Bank issues two regular e-newsletters, namely the staff e-newsletter and the BEA CSR e-newsletter.

During the year, more than 130 proposals were submitted by the Bank's staff in the "Smart Suggestion" Award Programme. Winning suggestions were implemented or will be implemented at the appropriate time in the future.



To help staff members develop skills for their current and future roles within the Bank, BEA organises a wide range of training programmes throughout the year. During the period under review, BEA became the first bank in Hong Kong to obtain qualification from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications to conduct programmes at Qualifications Framework Level 4. In recognition of its achievements in developing Specification of Competency Standards-based courses, the Bank received a Certificate of Commendation from the Education Bureau of the Hong Kong government in December 2014.

Recruitment and Outreach Programmes

Throughout the year, BEA helps secondary school and university students gain work experience by holding career talks and recruitment days in conjunction with schools and non-governmental organisations. For a third straight year, in July 2014, BEA joined hands with ARCH Community Outreach to provide training on financial products, customer service, and professionalism to a group of secondary school students.

Community Involvement

BEA supports the communities it serves through donations, volunteering, and other actions.

Education

BEA supports the pursuit of knowledge at every stage of education. The Bank once again sponsored the 2014 Hong Kong Children Storytelling Competition organised by The Boys' and Girls' Clubs Association of Hong Kong, providing cash prizes in Kid Master Savings Accounts to the winners.

BEA's New York Branch invited high school students to visit the branch for an introduction to the banking industry and to discuss their academic interests and career plans. In March 2014, representatives of the branch visited Brooklyn's Primary School #204 to introduce basic banking concepts to fifth grade students.

To help new mothers balance breastfeeding and work responsibilities, the Bank set up lactation rooms in its Head Office Building and BEA Tower in 2014.

為讓新任母親在母乳餵哺與工作責任之間取得平衡，本行於2014年在總行大廈和東亞銀行中心設立哺乳室。

企業責任報告

In 2014, the Bank introduced a scholarship programme for university-bound children of staff members.

於 2014 年，本行為員工子女設立大學獎學金計劃。



東亞銀行集團致力將環境、社會和管治的考量融入業務及營運之中。

以下報告概述回顧期內東亞銀行在企業社會責任方面的主要成果。本集團將於 2015 年上半年以獨立報告的形式全面回顧 2014 年的企業社會責任表現。所有企業社會責任報告可於本行網頁 www.hkbea.com 下載。

於 2014 年，東亞銀行將本集團其他成員機構（即東亞聯豐投資管理有限公司及寶康醫療服務有限公司）也納入企業社會責任報告範圍內。東亞銀行亦成為香港首間採用全球報告倡議組織全新第四代指引的銀行。2015 年 12 月 31 日後按全球報告倡議組織指引刊發的報告，均須遵從第四代指引。

東亞銀行有限公司

僱員

為確保員工得悉企業及僱員資訊，本行會定期刊發員工通訊及東亞 CSR 通訊兩份電子刊物。

年內，本行員工共提交超過 130 份「精明建議獎勵計劃」建議書。得獎建議均已落實或將適時推行。



In March 2014, BEA and The Hong Kong University of Science and Technology hosted a luncheon talk by Professor Ching W. Tang, IAS Bank of East Asia Professor at HKUST's Institute for Advanced Study.

2014 年 3 月，東亞銀行及香港科技大學舉辦午餐講座，該講座由香港科技大學高等研究院東亞銀行教授鄧青雲主講。

為協助本行員工發展技能，以勝任當前和未來的的工作，東亞銀行在本年度舉辦了各類培訓課程。回顧年內，東亞銀行成為香港首間獲香港學術及職業資歷評審局認可開辦資歷架構第四級課程的銀行。為表揚東亞銀行在開辦「能力標準說明」為本課程的成就，香港特別行政區政府教育局於 2014 年 12 月向本行頒發了嘉許狀。

招聘及延伸計劃

本年度，東亞銀行與學校及非政府機構合辦職業講座及招聘日活動，協助中學生和大學生獲取工作經驗。2014 年 7 月，東亞銀行連續第三年與 ARCH Community Outreach 合作，為一群中學生提供有關金融產品、客戶服務及專業素養的培訓。

參與社區事務

東亞銀行透過捐款、義工活動及其他參與形式，為所服務的社群貢獻一分力量。

教育事務

東亞銀行支持學生於每個教育階段對知識的探索和追求。為此，本行再次贊助香港小童群益會舉辦的 2014 年全港兒童故事演講比賽，送出理財小博士儲蓄賬戶獎金予得獎者。

東亞銀行紐約分行邀請高中學生參觀該行，以介紹當地銀行業，並與學生討論其學術興趣和就業計劃。2014 年 3 月，分行代表參觀了 Brooklyn's Primary School #204，向五年級學生講解銀行業的基本概念。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)



In November 2014, more than 70 representatives of BEA and Tricor participated in the UNICEF Charity Run 2014.

於2014年11月，逾70名東亞銀行和卓佳的代表參加了聯合國兒童基金會慈善跑2014。

Health

Health remained a core focus of BEA's CSR efforts in 2014. During the period under review, the Bank supported a wide range of organisations including the Hong Kong Cancer Fund, the Hong Kong Committee for UNICEF, and the Hospital Authority Charitable Foundation.

Staff members of BEA's Los Angeles Branch participated in the Los Angeles 5K Run in support of The Parkinson Alliance's Team Parkinson on 8th March. In addition, the branch's staff volunteered at a free health screening held at Arcadia Methodist Hospital for low income residents in November.

Social Welfare

A longstanding supporter of The Community Chest of Hong Kong, BEA was actively involved in many programmes organised by the Chest in 2014, including The Community Chest Wheelock Swim for a Million together with Tricor Holdings Limited. Other events supported by BEA during the year included Changing Young Lives Foundation's Festival of Trees 2014, Fu Hong Society's 10th Charity Walkathon, Po Leung Kuk's annual fundraising programme, and the Senior Citizen Home Safety Association's 16th Secret Angel Programme.

In August 2014, staff members of BEA's Labuan Branch and Kuala Lumpur Representative Office visited abandoned children living at My Father's House Children's Home in Port Dickson outside Kuala Lumpur.

The London Branch was a major sponsor of the London Hong Kong Dragon Boat Festival in June 2014. Net proceeds raised through the event's activities were donated to charity.

倫敦分行為2014年6月倫敦香港龍舟同樂日的主要贊助商。活動籌得的款項在扣除開支後，全數淨額撥捐慈善機構。



Arts & Culture

BEA sponsored a variety of arts and cultural events in 2014 including "Le French May", a major event on Hong Kong's cultural calendar organised by the Association Culturelle France – Hong Kong. BEA has supported the event for 11 years.

Staff Volunteering

In 2014, BEA's Volunteer Team comprising more than 250 staff members recorded over 6,200 staff volunteering hours in more than 40 charitable activities. Major projects included:

- painting and renovation work at Cho Yiu Catholic Primary School as part of the "World Habitat" Campus Beautification Programme organised by Habitat for Humanity Hong Kong;
- the donation of 150 pairs of legwarmers knitted by more than 80 staff volunteers to the elderly living in the Hong Kong Chinese Christian Churches Union's Kwun Tong Kwong Yum Home for the Aged; and
- the removal of invasive Mikania vines at the Mai Po Nature Reserve organised by the World Wide Fund for Nature on 24th May.

健康

社區健康仍是2014年東亞銀行企業社會責任工作的重點。回顧年內，本行向香港癌症基金會、聯合國兒童基金香港委員會及醫院管理局慈善基金等多間機構提供資助。

3月8日，東亞銀行洛杉磯分行員工參加了洛杉磯馬拉松5公里慈善跑，以支持帕金森症聯盟的帕金森症團隊。此外，於11月，該分行的員工在亞凱迪亞美以美醫院義務為低收入居民進行免費健康檢查。

社會福利

多年來，東亞銀行一直熱心支持香港公益金，於2014年積極參與由公益金籌辦的多項活動，包括與卓佳集團有限公司一同參與「公益金會德豐百萬泳」。東亞銀行於年內支持的其他活動包括成長希望基金會的2014年度「愛心樹慈善晚會」、扶康會主辦的第10屆「甜蜜心連心」步行籌款活動、保良局的年度籌款活動及長者安居服務協會第16屆秘密天使計劃。

2014年8月，東亞銀行納閩分行和吉隆坡代表處的員工前往吉隆坡以外的波德申，探訪了住在我的父兒童之家被遺棄的兒童。



BEA's Volunteer Team took part in The Community Chest Wheelock Swim for a Million in September 2014.

2014年9月，東亞銀行義工隊參與公益金會德豐百萬泳活動。

文化藝術

東亞銀行於2014年贊助了一系列文化藝術節目，包括由Association Culturelle France – Hong Kong舉辦的本地文化盛事「法國五月」。東亞銀行已連續11年贊助該活動。

義工活動

2014年，擁有250多名成員的東亞銀行義工隊，一共參與了40多項慈善活動，年內義工服務時數逾6,200小時，主要活動包括：

- 參與香港仁人家園舉辦的「世界家園」校園美化計劃，為祖堯天主教小學進行油漆和翻新工作；
- 由80多名義工編織共150雙暖腿套並送贈予香港華人基督教聯會觀塘廣蔭老人院的長者；以及
- 於5月24日參與由世界自然基金會在米埔自然保護區舉辦的清除入侵植物薇甘菊活動。



In May 2014, BEA's Volunteer Team organised a food drive to collect dry and canned food in the Bank's staff canteens for the People's Food Bank of St. James' Settlement.

2014年5月，東亞銀行的義工隊組織了食物捐贈行動，在員工飯堂收集乾糧及罐頭食物，贈予聖雅各福群會的眾膳坊食物銀行。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)

Sharing Our Expertise

During the year under review, representatives of the Bank shared their financial knowledge pro bono to disadvantaged members of the community. BEA organised two financial education workshops as part of the Hong Kong Association of Banks' 2014 CSR Programme for low income families, at the Methodist Epworth Village Community Centre in July and Hong Kong Children & Youth Services agency in November.

Staff members of BEA's New York Branch visited the city's Chinatown Senior Citizen Center in November to educate elderly members of the community on common fraud schemes and how to avoid becoming a victim of fraudsters.

Environment

In 2014, the Bank completed the replacement of all conventional fluorescent tubes with LED light tubes in its branches in Hong Kong. More than 6,200 fluorescent tubes had been replaced by the end of the project, which will enable the Bank to reduce its energy consumption by 183,000 kWh each year. BEA also installed an automatic tube cleaning system for the water cooled chiller in its Head Office building during the year under review. This will allow the Bank to save 65,200 kWh of energy each year. By the end of December 2014, BEA had reduced energy consumption at its two main office buildings in Hong Kong by 2.9% year on year, well exceeding its original target of 1.1%.

For the sixth consecutive year, members of the BEA Group participated in "Earth Hour" organised by WWF. For one hour on 29th March, all non-essential lighting was switched off in the offices and selected branches of BEA in Hong Kong, Macau, Taipei, Singapore, Birmingham, and Manchester; as well as those of The Bank of East Asia (China) Limited; BEA Wealth Management Services (Taiwan) Limited; Shaanxi Fuping BEA Rural Bank Corporation; Blue Cross (Asia-Pacific) Insurance Limited; and Credit Gain Finance Company Limited.

BEA continued to carry out corporate recycling efforts throughout the year, particularly during festive seasons.

The Bank of East Asia Charitable Foundation Limited

In April 2014, the BEA Foundation renewed its commitment to the development of palliative care for elderly residents in Hong Kong suffering from terminal illness by signing a new 3-year agreement with "la Caixa" Foundation and The Salvation Army Hong Kong and Macau Command. In addition to providing direct palliative and holistic care to participating residents and their families, Phase II of the "Palliative Care in Residential Care Homes for the Elderly" Programme will focus on strengthening collaboration between residential homes and other important entities, namely public hospitals and the government.

Top among the design goals of the Bank's new office building at 33 Des Voeux Road Central was low environmental impact. Upon completion, the building has achieved a provisional Gold Standard rating in accordance with The Building Environmental Assessment Method for New Buildings.

位於德輔道中33號的新辦公大樓首要設計目標是盡量減少對環境的影響。該大樓於竣工時榮獲香港「建築環境評估法」授予金級別。



企業責任報告 (續)



For a second consecutive year, the BEA Foundation served as title sponsor of the BEA Parent-Child Reading Programme organised by Sheng Kung Hui's Religious Education Resource Centre. In view of the strong response to the previous programme, the number of students participating in the 2014/2015 programme has been increased from 1,200 to 2,000.

東亞銀行慈善基金連續第二年冠名贊助聖公會宗教教育中心主辦的「東亞銀行親子閱讀證書獎勵計劃」。由於過往活動反應熱烈，2014/2015年度計劃的學生參予名額將由1,200人增至2,000人。

In November 2014, the BEA Foundation launched the BEA "High Five" Club together with St. James' Settlement in Tai Kok Tsui. Children from disadvantaged families participating in the programme will receive after-school care, homework assistance, hot meals, and opportunities to join various arts and recreational activities.

2014年11月，東亞銀行慈善基金與聖雅各福群會於大角咀成立了「東亞培賢社」。參加該計劃的基層家庭學童將獲課後託管、功課輔導、膳食及參加各類藝術康樂活動的機會。



分享專業知識

回顧年內，本行同事向弱勢社群免費講授金融知識。東亞銀行參與由香港銀行公會為低收入家庭舉辦的2014年企業社會責任活動，分別於7月在循道愛華村服務中心及於11月在香港青少年服務處舉辦理財教育工作坊。

東亞銀行紐約分行員工於11月探訪了紐約華埠老人中心，向長者講述常見的詐騙個案，並教導長者如何避免受騙。

環境保護

於2014年，本行更換了香港分行的所有傳統光管，並以高效能的發光二極管代替。在完成整個項目後，逾6,200支光管被更換，讓本行每年減少183,000度耗電量。回顧年內，東亞銀行亦在總行大廈安裝了水冷式製冷機的管道自動清潔系統，此系統將有助本行每年節省65,200度耗電量。於2014年12月底，東亞銀行於香港兩座主要辦公大樓按年減少2.9%能源消耗，遠超於原定之1.1%目標。

東亞銀行集團成員連續第六年參加由世界自然基金會主辦的「地球一小時」活動。於3月29日，東亞銀行位於香港、澳門、台北、新加坡、伯明翰及曼徹斯特的辦公室和部分分行；以及東亞銀行（中國）有限公司、東亞證券有限公司、陝西富平東亞村鎮銀行有限責任公司、藍十字（亞太）保險有限公司和領達財務有限公司的辦公室及部分分行將非必要使用的燈光關掉一小時。

年內，特別是在傳統節日期間，東亞銀行繼續展開各類型回收工作。

東亞銀行慈善基金有限公司

2014年4月，東亞銀行慈善基金與“la Caixa”基金會及救世軍港澳軍區簽訂全新的三年協議，繼續為香港患有末期疾病的院舍長者提供安老紓緩照顧計劃。安老院舍完善人生關顧計劃第二階段除了為參與的長者及其家人提供全面的紓緩照顧外，亦將集中加強安老院與其他重要機構（即公立醫院和政府）之間的合作。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)

THE BANK OF EAST ASIA (CHINA) LIMITED

BEA China, the Bank's wholly-owned subsidiary on the Mainland, continued to contribute to a wide range of charitable causes on the Mainland during the year under review.

Shanghai Soong Ching Ling Foundation – BEA Charity Fund

Jointly established by BEA China and the Shanghai Soong Ching Ling Foundation, the Shanghai Soong Ching Ling Foundation – BEA Charity Fund is committed to improving educational opportunities for underprivileged children in rural areas on the Mainland.

On 10th December, 2014, BEA China and the Shanghai Soong Ching Ling Foundation jointly held the 6th annual Firefly Charity Night in Shanghai and raised CNY7.5 million for the Charity Fund. As at 31st December, 2014, the Charity Fund had raised nearly CNY44 million since its establishment in 2009.

Firefly Project

In 2014, eight new Firefly Centres were established, bringing the total number of Firefly Centres opened nationwide to 39 by the end of the year under review. More than 25,000 "Firefly 60" Backpacks containing stationery and books have been distributed to children since the establishment of the Charity Fund. The Charity Fund also arranged for volunteers to provide training programmes for 120 schoolmasters and teachers in six cities in China in July and August 2014.

Funding Plan for NGOs

In 2014, the Charity Fund continued to provide financial support to various programmes under the Funding Plan for NGOs, including the relocation of a school building, the organisation of art lessons for early autistic children by the Shanghai Qingcongquan Training Centre for Children with Special Needs, and the provision of rehabilitation services for children with cerebral palsy by the Shanggong Community Health Service Centre.

BEA University Scholarship Programme

In 2014, the Charity Fund awarded scholarships to 45 outstanding students of Fudan University, Sun Yat-sen University, and Shenzhen Tourism College of Jinan University in need of financial aid.



Staff members of BEA and BEA China participated in a teaching programme arranged for the students of Jianchang Hope School in Lixin County, Bozhou, Anhui Province in October 2014.

2014年10月，東亞銀行及東亞中國的員工前往安徽省亳州市利辛縣嶸場希望學校，為學童安排教學活動。

企業責任報告 (續)



For the second consecutive year, BEA China held the "Bank of East Asia Cup Financial Education School Tour" to enhance financial literacy among teenagers. Approximately 8,000 students from 85 secondary schools participated in the programme.

東亞中國連續第二年舉辦「東亞銀行杯金融教育校園行」，以豐富青少年的金融知識。約8,000名來自85間中學的學生參加了這項活動。

For the fourth year, BEA China sponsored the performance of the Asian Youth Orchestra in Shanghai on 9th August. The concert enabled outstanding young musicians to gain performance experience and helped promote classical music in the community.

東亞中國第四年贊助亞洲青年管弦樂團於8月9日在上海的演出。該音樂會讓出色的年輕音樂家汲取更多表演經驗，並有助於社區推廣古典音樂。



東亞銀行（中國）有限公司

回顧年內，本行在內地的全資附屬公司東亞中國繼續在內地各類公益事務上作出貢獻。

上海宋慶齡基金會 — 東亞銀行公益基金

東亞中國和上海宋慶齡基金會共同成立的上海宋慶齡基金會—東亞銀行公益基金（「公益基金」）致力為內地偏遠地區的貧困兒童提供教育機會。

2014年12月10日，東亞中國和上海宋慶齡基金會於上海合辦了第六屆「螢火蟲慈善之夜」，為公益基金籌得人民幣750萬元。截至2014年12月31日，公益基金自2009年成立以來共籌得近人民幣4,400萬元。

螢火蟲計劃

2014年，共有8所全新的「螢火蟲樂園」先後落成，截至2014年，公益基金已於全國共捐建了39所「螢火蟲樂園」。自公益基金成立以來，已捐贈逾25,000個內含書籍和文具的「螢火蟲60背包」予內地學童。於2014年7月及8月，公益基金亦安排義工為內地6個城市的120名校長和教師提供培訓課程。

民間公益組織資助計劃

2014年，公益基金繼續為民間公益組織的各類項目提供資助，包括上海青聰泉兒童智能訓練中心校舍搬遷計劃及早期自閉症兒童藝術課堂項目，以及上鋼社區衛生服務中心小兒康復基地項目（腦癱康復）。

東亞銀行大學生助學金計劃

2014年，公益基金向復旦大學、中山大學及暨南大學深圳旅遊學院45名需要經濟援助的傑出學生提供助學金。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)



In September and October 2014, BEA China's Volunteer Team visited the elderly at welfare centres in 16 cities around the country as part of the "Warm the Hearts of the Elderly" campaign.

2014年9月及10月，東亞中國義工隊參與「暖心暖夕陽」敬老活動，前往國內16個城市的福利院探訪長者。



From March to April 2014, approximately 500 staff volunteers, family members, and customers of BEA China participated in the Arbour Day campaign "Tree-planting to Protect the Environment" by planting over 600 saplings in 20 cities nationwide.

2014年3月至4月期間，約500位東亞中國的義工與家屬及客戶參與了「全家一起來植樹，保護環境減霧霾」的植樹節活動，在全國20個城市種植逾600棵樹苗。

BEA China's Other Charitable Activities

Social Welfare

From February to April 2014, over 100 volunteers from BEA China and its stakeholders took part in the "Share the Joy Donating Books in the New Year" campaign, delivering books, fruit, toys, and learning tools to children of primary schools and orphanages in 15 cities nationwide. In May and June 2014, BEA China conducted the "Get Close to Nature and Grow Healthily" programme in celebration of Children's Day on 1st June, 2014. Different activities including visits to aquariums and botanical gardens were organised for underprivileged and autistic children in 18 cities nationwide.

Poverty and Disaster Relief

In April 2014, BEA China launched a programme together with the Shanghai Soong Ching Ling Foundation and Hongyu Specialised Pig Farmers Cooperation in Lushan County to help farmers recover from the devastating earthquake that struck Ya'an City in Sichuan Province in 2013. The programme provides farmers with financial assistance to start up pig farming businesses.

In August 2014, BEA China donated CNY300,000 to the Yunnan Charity Federation in support of relief efforts for victims affected by the earthquake that struck Ludian County, Zhaotong City in Yunnan Province on 3rd August.

Staff Volunteering

In June 2014, BEA China's Volunteer Team sold a wide variety of consumer goods donated by staff members in the "No More Idle Items, Be a Low-carbon Person" campaign to raise funds for the Charity Fund to purchase "Firefly 60" Backpacks for students in rural areas.

Macau & Taiwan

In August, nearly 30 staff members of the Macau Branch visited Asilo de Santa Maria of Caritas Macau and distributed moon cakes to the elderly in celebration of the Mid-Autumn Festival. In October, staff members donated more than 250 books to the Caritas Macau library.

Staff members in Taipei and Kaohsiung supported a number of charitable activities organised by the Sunshine Social Welfare Foundation in May 2014 including "Face Equality Day" at the Taipei Zoo, which was held to promote the importance of treating everyone fairly and with kindness, regardless of physical appearance.

東亞中國的其他慈善活動

社會福利

2014年2月至4月，逾100名東亞中國的義工及其持份者參加了「新春送好書，馬上有歡樂」活動，向全國15個城市的小學及孤兒院的兒童派發書籍、水果、玩具及學習用品。為慶祝2014年6月1日兒童節，東亞中國於2014年5月及6月舉辦了「親近自然，快樂成長」活動，為全國18個城市的貧困和自閉症兒童舉辦各類活動包括參觀水族館和植物園。

扶貧與賑災

2014年4月，東亞中國聯同上海宋慶齡基金會及蘆山縣鴻宇養豬農民專業合作社推出一項為農民提供經濟援助以建立養豬業務的計劃，協助2013年四川省雅安市地震受災的農民恢復生產。

2014年8月，東亞中國向雲南省慈善總會捐款人民幣30萬元，以援助8月3日雲南省昭通市魯甸縣的地震災民。

義工活動

2014年6月，東亞中國義工隊於「讓閒置『活』起來，做低碳公益達人」活動中出售員工捐贈的各種消費品，為公益基金籌集資金，以購買「螢火蟲60背包」給偏遠地區的學童。

澳門及台灣

近30名澳門分行的員工於8月探訪澳門明愛聖瑪利亞安老院，並向長者送贈月餅，共賀中秋節。此外，員工亦在10月向澳門明愛圖書館捐贈了250多本書籍。

2014年5月，台北和高雄的員工支持陽光社會福利基金會舉辦的一系列慈善活動，包括於台北市立動物園舉行的「臉部平權日」。該活動旨在宣揚無論外表如何，每個人都應被公平及友善對待的理念。



In April 2014, the Macau Branch and World Vision of Macau Association jointly organised the "Skip a Meal" programme to raise funds for starving children in the world by donating amounts that would have been used to pay for meals. Staff members also sent warm wishes to children in Zimbabwe, Africa in "Love Connects" greeting cards purchased from World Vision (Macau).

2014年4月，澳門分行與世界宣明會澳門分會攜手合辦「飢饉一餐」活動，透過捐出膳食費用為全球捱餓兒童籌款。員工亦自費購買世界宣明會澳門分會的「用愛拉近世界」賀卡，向非洲津巴布韋的兒童送上溫暖的祝福。



Staff members of BEA's Taipei Branch and their family members helped wash cars at the Sunshine Carwash Centre, a social enterprise established by the Sunshine Foundation to employ burn victims and those with facial disfigurement.

東亞銀行台北分行的員工及其家屬於陽光汽車美容中心協助清洗汽車。該汽車美容中心是陽光基金會成立的社會企業，特別聘用燒傷者及臉部有缺陷的人。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)

**BLUE CROSS (ASIA-PACIFIC)
INSURANCE LIMITED**

During the year under review, Blue Cross continued to collaborate with the Hong Kong PHAB Association in promoting the integration of teenagers with and without disabilities into society. In January 2014, Blue Cross took part in the “PHAB Walk for Integration” for the third straight year, helping to raise funds for the Association’s projects. In recognition of its fundraising efforts, Blue Cross was named “gold sponsor”.

**CREDIT GAIN FINANCE
COMPANY LIMITED**

For the fourth consecutive year, Credit Gain worked closely with the Evangelical Lutheran Church Social Service-Hong Kong and the Lok Sin Tong Benevolent Society, Kowloon to help disadvantaged members of society. Credit Gain volunteers spent time with underprivileged children and elderly residents of Kwai Tsing district at events organised by ELCSS-HK during the year. Volunteers also participated in two home visits organised by LST in Wong Tai Sin district and distributed food and other daily necessities to elderly residents.

TRICOR HOLDINGS LIMITED

Tricor places great importance on the health, well-being, and career development of its staff members. Throughout the year under review, luncheon talks were organised on a wide range of topics including health care and personal soft skills enhancement. To help college and university students gain valuable working experience, Tricor also continued to provide internships throughout the year. In November 2014, the Company held its free annual corporate governance seminar in Hong Kong, which was attended by nearly 1,200 people.

In 2014, Tricor Hong Kong established a CSR committee with broad internal representation to drive the ongoing development of the Company’s CSR programme. In April, Tricor Hong Kong helped organise the donation of more than 600 books to the needy in the “Books for Love 2014” campaign organised by Swire Properties and BGCA. In August, Tricorians in Hong Kong donated approximately 300 toys to The Salvation Army’s Family Stores in Hong Kong and Macau in support of the charity’s community programmes. Tricor Malaysia also participated in the Locks of Hope Charity Fun Run – “Run with a Wig, Run for Cancer” organised by the National Cancer Society Malaysia and others in support of cancer patients and their caregivers.



For the third straight year, Blue Cross participated in the “Happy Teens, Full of Fun Programme”, which provided practical training to young job seekers who in turn provided volunteer services to more than 800 needy people.

藍十字連續第三年參與「樂TEEN滿FUN計劃」，為青年求職者提供實用培訓。之後，參加者更為逾800位有需要人士提供服務，回饋社會。

In September 2014, Credit Gain volunteers distributed food and other daily necessities to disadvantaged elderly residents in Wong Tai Sin district.

2014年9月，領達財務的義工向黃大仙區的基層長者派發食物及其他日用品。





More than 70 staff members participated in Tricor Hong Kong's first blood drive in August 2014.
2014年8月，逾70名員工參與卓佳香港首次舉行的捐血活動。

藍十字 (亞太) 保險有限公司

回顧年內，藍十字繼續與香港傷健協會合作，致力向傷、健青少年推廣「傷健共融」信息。2014年1月，藍十字連續第三年參與「傷健共融步行日」，為協會項目籌款，並獲大會嘉許為「金贊助商」，以表揚藍十字為籌款所付出的努力。

領達財務有限公司

領達財務連續第四年與基督教香港信義會社會服務部及九龍樂善堂緊密合作，幫助弱勢社群。年內，領達財務的義工參與了由基督教香港信義會社會服務部為葵青區基層兒童及長者舉辦的活動，亦兩度參與由樂善堂於黃大仙區舉行的探訪活動，並向長者派發食物及其他日用品。

卓佳集團有限公司

卓佳十分重視員工的健康、福祉及事業發展。回顧年內，卓佳舉辦了員工午餐講座，講授保健和提升個人軟技能等知識。此外，卓佳亦一如既往，於本年度繼續為大專院校學生及大學生提供實習機會，幫助他們獲取寶貴的工作經驗。2014年11月，卓佳在香港舉辦一年一度的免費企業管治研討會，吸引了近1,200人出席參加。

2014年，卓佳香港成立具有廣泛內部代表性的企業社會責任委員會，以推動卓佳的企業社會責任計劃持續發展。太古地產及香港小童群益會在4月舉辦「2014年書出愛心」活動，卓佳香港亦協助向有需要的人士捐贈逾600本書籍。此外，卓佳香港的員工在8月向救世軍於香港及澳門的家品店捐贈約300件玩具，以支持其社區計劃。卓佳馬來西亞亦參與由馬來西亞國家癌症協會與其他機構合辦的Locks of Hope Charity Fun Run「Run with a Wig, Run for Cancer」慈善跑，以支持癌症病人及其照顧者。

CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)



BEA GROUP'S CSR ACHIEVEMENTS 東亞銀行集團的企業社會責任成果

BEA 東亞銀行

- | | | |
|----|--|---|
| 1 | <p>“President’s Award” (for the 15th consecutive year)
- <i>The Community Chest of Hong Kong</i></p> | <p>香港公益金頒發「公益榮譽獎」(連續第15年)</p> |
| 2 | <p>Named “Caring Company” (for the 11th consecutive year); Blue Cross and Credit Gain were named “Caring Company” for the sixth and fourth year, respectively
- <i>Hong Kong Council of Social Service</i></p> | <p>榮獲香港社會服務聯會嘉許為「商界展關懷」機構(連續第11年)，藍十字及領達財務亦分別為第6年和第4年榮獲該項嘉許</p> |
| 3 | <p>“Best-in-Class for Corporate Citizenship – Banking” in the BENCHMARK Wealth Management Awards 2014
- <i>BENCHMARK Magazine</i></p> | <p>《指標》雜誌舉辦之「2014《指標》年度財富管理大獎」中頒發「企業公民(銀行業)最佳表現獎」</p> |
| 4 | <p>“Bronze Award” in Enterprise Category and “Certificate of Merit” in Volunteer Team Category in the 5th Hong Kong Outstanding Corporate Citizenship Awards
- <i>Hong Kong Productivity Council and the Committee on the Promotion of Civic Education</i></p> | <p>香港生產力促進局及公民教育委員會在第五屆香港傑出企業公民大獎中頒發企業組別「銅獎」及義工隊組別「優異獎」</p> |
| 5 | <p>“Distinguished Corporate Social Responsibility Award” in the Green China Award Programme 2014
- <i>Wen Wei Po, the United Nations Environment Programme Foundation, and various environmental protection associations</i></p> | <p>文匯報、聯合國環境規劃基金會及多個環保協會合辦的「綠色中國大獎2014」中榮獲「企業社會責任傑出企業獎」</p> |
| 6 | <p>“Class of Excellence” Energywise Label in the Hong Kong Awards for Environmental Excellence programme (for BEA’s Head Office Building and BEA Tower)</p> | <p>獲頒發「香港環保卓越計劃」內之「卓越級別」節能標誌(中環總行大廈及觀塘東亞銀行中心)</p> |
| 7 | <p>“Class of Excellence” Wastewise Label in the HKAEE programme (for BEA’s Head Office Building and BEA Tower)</p> | <p>獲頒發「香港環保卓越計劃」內之「卓越級別」減廢標誌(中環總行大廈及觀塘東亞銀行中心)</p> |
| 8 | <p>Indoor Air Quality Certificate – Good Class (for BEA’s Head Office) and Excellent Class (for BEA Tower)
- <i>Hong Kong Government’s Environmental Protection Department</i></p> | <p>香港政府環境保護署頒發室內空氣質素證書 — 良好級(中環總行)及卓越級(觀塘東亞銀行中心)</p> |
| 9 | <p>Certificate of Commendation for joining the Carbon Footprint Repository for Listed Companies in Hong Kong
- <i>Environment Bureau and Environmental Protection Department</i></p> | <p>環境局及環境保護署頒發香港上市公司碳足跡資料庫嘉許狀</p> |
| 10 | <p>Silver Award in the Web Accessibility Recognition Scheme
- <i>The Office of the Government Chief Information Officer and the Equal Opportunities Commission</i></p> | <p>政府資訊科技總監辦公室及平等機會委員會合辦的「無障礙網頁嘉許計劃」中榮獲「銀獎」</p> |
| 11 | <p>“Distinguished Family-Friendly Employer 2013/14” and “Innovation Award 2013/14”
- <i>Family Council, an advisory body to the Hong Kong government</i></p> | <p>香港政府諮詢組織的家庭議會之「2013/14年度傑出家庭友善僱主」及「2013/14年度家庭友善創意獎」</p> |



12 Named “Manpower Developer”
- *Employees Retraining Board*

榮獲僱員再培訓局嘉許為「人才企業」

13 “U Choice Award 2014 – Green Living Selection (Digital Banking Services)”
- *Metro Info Channel of Metro Broadcast*

新城知訊台頒發「U Choice 你的至愛生活品牌大獎 2014 — 綠色生活之選 (你的至愛智能銀行服務)」

BEA China 東亞中國

14 2013 Best Practice of Social Responsibility Award (for the third consecutive year)
- *China Banking Association*

中國銀行業協會頒發「2013 年度最佳社會責任實踐案例獎」(連續第三年)

15 “Outstanding Corporate Social Responsibility Award” in the 7th Shanghai Public Relations Excellence Award
- *Shanghai Public Relations Association*

上海市公共關係協會之上海市第七屆優秀公共關係案列評選中榮獲「優秀企業社會責任獎」

16 “Industry Practice Award” in the China Business News - Corporate Social Responsibility Ranking in China
- *China Business News*

第一財經日報頒發「第一財經 • 中國企業社會責任榜」之「行業實踐獎」

Blue Cross 藍十字

17 “2013-14 Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme – Partnering Inclusive Organisation”
- *The Labour and Welfare Bureau in collaboration with the Rehabilitation Advisory Committee, HKCSS, and the Hong Kong Joint Council for People with Disabilities*

榮獲勞工及福利局、康復諮詢委員會、社聯及香港復康聯會頒發「2013-14《有能者 • 聘之約章》及共融機構嘉許計劃 — 同心共融機構獎」

Credit Gain 領達財務

18 “Consumer Caring Scheme – Consumer Caring Company” (for the third consecutive year)
- *GS1 Hong Kong*

香港貨品編碼協會頒發「貼心企業」嘉許計劃之貼心企業 (連續第三年)

19 “Caring Agency Award 2013 - One-star certificate”
- *Tsuen Wan and Kwai Tsing District Co-ordinating Committee on Elderly Services of Social Welfare Department*

社會福利署荃灣及葵青區安老服務協調委員會頒發「關愛長者機構嘉許計劃 2013 — 一星級證書」

20 “Caring Enterprise Award” (for the third consecutive year)
- *LST*

樂善堂頒發「愛心企業獎」(連續第三年)

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their annual report together with the audited accounts for the year ended 31st December, 2014.

PRINCIPAL PLACE OF BUSINESS

The Bank of East Asia, Limited is a licensed bank incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 10 Des Voeux Road Central, Hong Kong.

PRINCIPAL ACTIVITIES

The Bank and its subsidiaries are engaged in the provision of banking and related financial services, and business, corporate and investor services.

ACCOUNTS

The profit attributable to equity holders of the Group for the year ended 31st December, 2014 and the state of the Bank's and the Group's affairs as at that date are set out in the accounts on pages 122 to 283.

TRANSFER TO RESERVES

Profit attributable to equity holders of the Group, before dividends, of HK\$6,661 million (2013: HK\$6,613 million) has been transferred to reserves. Other movements in reserves are set out in Note 40 on the accounts.

An interim dividend of HK\$0.43 per share (2013: HK\$0.43 per share) was paid on 12th September, 2014. The Directors have declared the payment of a second interim dividend of HK\$0.68 per share (2013: a second interim dividend of HK\$0.68 per share) in respect of the financial year ended 31st December, 2014.

ISSUE OF DEBENTURES

During the year, the following notes were issued by the Bank under its Medium Term Note ("MTN") Programmes and U.S. Commercial Paper ("CP") Programme to raise funds for general corporate purposes:

Class	Issued under	Amount Issued (HK\$ equivalent)	Consideration received (HK\$ equivalent)
Senior Notes	MTN Programmes	26,206,174,050.00	26,177,199,979.53
Subordinated Notes	MTN Programmes	3,878,000,000.00	3,855,602,611.00
CP Notes	CP Programme	1,202,360,000.00	1,201,194,903.41
Total		31,286,534,050.00	31,233,997,493.94

MAJOR CUSTOMERS

The Directors believe that the five largest customers of the Group accounted for less than 30% of the total of interest income and other operating income of the Group for the year.

DONATIONS

Donations made by the Group during the year for charitable and community purposes amounted to approximately HK\$5 million (2013: HK\$19 million).

FIXED ASSETS

Details of the movements in fixed assets are set out in Note 33 on the accounts.

SHARE CAPITAL

During the year, 37,716,451 ordinary shares were issued at HK\$29.051 each and 17,799,036 ordinary shares were issued at HK\$31.9105 each to shareholders who had elected to receive new shares in lieu of cash dividend in respect of the 2013 second interim dividend and the 2014 interim dividend respectively.

During the year, 1,827,000 ordinary shares were issued for cash of HK\$49,517,830 on the exercise of options granted under the approved Staff Share Option Schemes.

DEALINGS IN LISTED SECURITIES OF THE BANK

There was no purchase, sale or redemption by the Bank or any of its subsidiaries, of listed securities of the Bank during the year ended 31st December, 2014.

董事會報告書

董事會全寅現謹向各股東發表年度報告書及截至2014年12月31日止年度的已審核賬項。

主要營業地點

東亞銀行有限公司乃一間在香港成立及註冊的持牌銀行，其註冊辦事處和主要營業地點為香港德輔道中10號。

主要業務

本行及其附屬公司的主要業務為提供銀行及有關的金融服務，以及商務、企業及投資者服務。

賬項

本集團截至2014年12月31日止年度的股東應佔溢利，及本行和本集團於當日的財政狀況，載列於第122頁至283頁的賬項內。

撥入儲備

本集團除股息前的股東應佔溢利中的港幣66.61億元（2013年：港幣66.13億元）已予撥入儲備。至於儲備的其他變動，則載於賬項附註40。

中期股息每股港幣0.43元（2013年：每股港幣0.43元）已於2014年9月12日派發。董事會現宣布派發截至2014年12月31日止年度第二次中期股息每股港幣0.68元（2013年：第二次中期股息每股港幣0.68元）。

發行債權證

年內，本行根據其中期票據計劃及美國商業票據計劃發行以下票據，藉以籌集資金用作一般企業用途：

類別	根據以下計劃發行	發行款額 (港元等值)	收取的代價 (港元等值)
高級票據	中期票據計劃	26,206,174,050.00	26,177,199,979.53
後償票據	中期票據計劃	3,878,000,000.00	3,855,602,611.00
商業票據	美國商業票據計劃	1,202,360,000.00	1,201,194,903.41
合共		31,286,534,050.00	31,233,997,493.94

主要客戶

董事會認為，本集團5位最大客戶所佔是年度本集團總利息收入及其他經營收入少於30%。

捐款

本集團本年內所作出的慈善及公益捐款約為港幣500萬元（2013年：港幣1,900萬元）。

固定資產

固定資產的變動詳情載於賬項附註33。

股本

年內，本行分別以每股港幣29.051元發行37,716,451股普通股及以每股港幣31.9105元發行17,799,036股普通股，派發予選擇以新股代替現金收取2013年度第二次中期股息及2014年度中期股息的股東。

本年內，在認可僱員認股計劃認股權方面，發行1,827,000股普通股，所得現金為港幣49,517,830元。

買賣本行上市證券

截至2014年12月31日止的年度內，本行或其任何附屬公司並無購入、出售或贖回本行的上市證券。

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS

The present Directors of the Bank are shown on page 54.

In accordance with the Articles of Association, the terms of office of Mr. WONG Chung-hin, Mr. Kenneth LO Chin-ming, Mr. Eric LI Fook-chuen, Mr. Valiant CHEUNG Kin-piu and Dr. Isidro FAINÉ CASAS will expire at the forthcoming AGM and, being eligible, offer themselves for re-election at the 2015 AGM.

In the Bank's circular to shareholders dated 25th March, 2014, Mr. William DOO Wai-hoi indicated that subject to his re-election at the 2014 AGM, it was his intention that he would continue to serve as an INED for a term of approximately one year up to (and including) the day immediately preceding the date of the 2015 AGM. Mr. Doo was re-elected as a Director at the 2014 AGM. Mr. Doo has notified the Bank that he will continue to serve as an INED of the Bank and offer himself for re-election at the 2015 AGM for a term of not more than approximately three years expiring at the conclusion of the AGM of the Bank held in the third year following the year of his re-election.

Mr. Adrian David LI Man-kiu and Mr. Brian David LI Man-bun were appointed EDs of the Bank on 2nd August, 2014. They will retire under the provisions of the Articles of Association and, being eligible, offer themselves for re-election at the 2015 AGM.

Details of the Directors to be re-elected at the 2015 AGM are set out in the circular to the shareholders sent together with this Annual Report.

No Director proposed for re-election at the 2015 AGM has a service contract that is not determinable by the Bank or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

Dr. the Hon. Sir David LI Kwok-po is employed as the Chief Executive of the Bank. His existing three-year term service contract commenced in April 2012 and will expire in March 2015. The service contract has been extended for a further term of 3 years commencing from 1st April, 2015 and expiring on 31st March, 2018. The extension of the term of the service contract has been endorsed by the NC and approved by the Board.

No contracts of significance to which the Bank or any of its subsidiaries was a party and in which a Director of the Bank had a material interest subsisted at the end of the year or at any time during the year.

None of the Directors of the Bank is interested in any business apart from the Bank's business that competes or is likely to compete, either directly or indirectly, with the Bank's business.

At no time during the year was the Bank or any of its subsidiaries a party to any arrangement to enable the Directors or Chief Executive of the Bank or their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate with the exception of the Staff Share Option Schemes, details of which are set out in the following section under the heading "Information on Share Options", and Notes 2(q)(iv) and 38 on the accounts.

The Bank has received independence confirmations from the current INEDs, namely: Dr. Allan WONG Chi-yun, Mr. WONG Chung-hin, Mr. Winston LO Yau-lai, Dr. KHOO Kay-peng, Mr. Kenneth LO Chin-ming, Mr. William DOO Wai-hoi, Mr. KUOK Khoon-ean and Mr. Valiant CHEUNG Kin-piu and considers them to be independent.

Dr. Thomas KWOK Ping-kwong tendered his resignation as an INED of the Bank with effect from 19th December, 2014.

The Chairman received HK\$460,000 (HK\$400,000 per annum prior to 1st July, 2014), each of the Deputy Chairmen received HK\$330,000 (HK\$280,000 per annum prior to 1st July, 2014) and each of the other Directors (including the INEDs) received HK\$300,000 (HK\$260,000 per annum prior to 1st July, 2014), as director's fees for the year ended 31st December, 2014.

The fees to the Director who resigned or was appointed during 2014 were paid in accordance with their length of service.

CORPORATE GOVERNANCE

Being the largest independent local bank in Hong Kong, the Bank is committed to maintaining high corporate governance standards. Information on the corporate governance practices adopted by the Bank is set out in the Corporate Governance Report.

董事會

本行現任董事的名單載於第54頁。

根據組織章程細則規定，黃頌顯先生、駱錦明先生、李福全先生、張建標先生及范禮賢博士將於2015股東周年常會上卸任，並願膺選連任。

本行於2014年3月25日就有關2014年股東周年常會寄予股東函件中披露，杜惠愷先生表示，如獲得重選，他有意繼續擔任獨立非執行董事，為期約一年直至（並包括）緊接本行在2015股東周年常會當日的前一天為止。杜先生於2014年股東周年常會上獲重選連任董事。杜先生已通知本行他會繼續擔任本行獨立非執行董事並願於2015股東周年常會上膺選連任，任期不得超過約3年，於其獲重選連任後第3年的股東周年常會結束時屆滿。

李民橋先生及李民斌先生於2014年8月2日獲委任為執行董事。根據組織章程細則規定，他們將於2015股東周年常會上卸任並願膺選連任。

所有在2015股東周年常會重選的董事的資料，載於連同本年報寄發予股東的股東通函內。

所有擬在2015股東周年常會上膺選連任的董事，並沒有本行或其附屬公司在1年內不可在不予賠償（法定賠償除外）的情況下終止的服務合約。

李國寶爵士受聘為本行的行政總裁。他現行為期3年的服務合約已於2012年4月起生效，並將於2015年3月屆滿。其服務合約的任期現予延長3年，由2015年4月1日起生效，並將於2018年3月31日屆滿。延長行政總裁的服務合約的任期已由提名委員會審議，並已獲董事會通過。

本年內凡與本行或其任何附屬公司業務有重大關係的合約，本行各董事均無佔有任何實質上的權益。

除本行業務外，本行各董事並無在其他直接或間接與本行的業務構成競爭或可能構成競爭的業務中佔有權益。

除於下列「認股權資料」項下及賬項附註2(q)(iv)及38所詳載的僱員認股計劃外，本年內本行或其任何附屬公司並無作任何安排，以致本行各董事或行政總裁或他們的配偶或18歲以下子女從中取得本行或其他法人團體的股份或債券而獲益。

本行已收到現任獨立非執行董事：黃子欣博士、黃頌顯先生、羅友禮先生、邱繼炳博士、駱錦明先生、杜惠愷先生、郭孔演先生及張建標先生的獨立性確認函。本行對他們的獨立性表示認同。

郭炳江博士已辭任本行獨立非執行董事一職，由2014年12月19日生效。

本行主席獲港幣46萬元（2014年7月1日前每年港幣40萬元），副主席各獲港幣33萬元（2014年7月1日前每年港幣28萬元）；而其他董事包括獨立非執行董事各獲得港幣30萬元（2014年7月1日前每年港幣26萬元），作為截至2014年12月31日止財政年度的董事袍金。

在年內退任或獲委任的董事袍金按其服務期支付。

企業管治

作為本港最大的獨立本地銀行，本行致力維持良好的企業管治標準。有關本行所採納的企業管治常規的資料，載列於企業管治報告內。

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31st December, 2014, the interests and short positions of the Directors and Chief Executive of the Bank in the shares, underlying shares and debentures of the Bank and its associated corporations as recorded in the register required to be kept under section 352 of the SFO (the "Register") were as follows:

I. Long positions in ordinary shares of the Bank:

Name	Capacity and nature	No. of shares	Total	% of issued shares
David LI Kwok-po	Beneficial owner	63,472,434	65,522,260 ¹	2.79
	Interest of spouse	1,878,757		
	Interest of corporation	171,069		
Arthur LI Kwok-cheung	Beneficial owner	11,042,194	26,533,989 ²	1.13
	Founder of discretionary trust	15,491,795		
Allan WONG Chi-yun	Beneficial owner	393,765	15,160,372 ³	0.65
	Interest of spouse	136		
	Founder and beneficiary of discretionary trust	14,766,471		
WONG Chung-hin	Beneficial owner	51,491	430,035 ⁴	0.02
	Interest of spouse	378,544		
Aubrey LI Kwok-sing	Beneficial owner	421,908	36,945,714 ⁵	1.57
	Interest of spouse	21,073		
	Beneficiary of discretionary trust	35,143,349		
	Executor of estate	1,359,384		
Winston LO Yau-lai	-	-	Nil	Nil
KHOO Kay-peng	-	-	Nil	Nil
Richard LI Tzar-kai	Interest of corporation	1,400	1,400 ⁶	0.0001
Kenneth LO Chin-ming	-	-	Nil	Nil
Eric LI Fook-chuen	Beneficial owner	4,117,430	38,430,715 ⁷	1.64
	Founder and beneficiary of discretionary trust	24,901,408		
	Interest of corporation	9,411,877		
Stephen Charles LI Kwok-sze	Beneficial owner	12,152,958	16,446,059 ⁸	0.70
	Interest of children	587,584		
	Beneficiary of discretionary trusts	2,522,317		
	Administrator of estate	1,183,200		
William DOO Wai-hoi	-	-	Nil	Nil
KUOK Khoon-ean	-	-	Nil	Nil
Valiant CHEUNG Kin-piu	-	-	Nil	Nil
Isidro FAINÉ CASAS	-	-	Nil	Nil
Peter LEE Ka-kit	Interest of corporation	679,000	1,779,000 ⁹	0.08
	Beneficiary of discretionary trust	1,100,000		
Adrian David LI Man-kiu	Beneficial owner	853,501	2,002,606 ¹⁰	0.09
	Interest of child	6,582		
	Settlor/Founder of discretionary trust	1,142,523		
Brian David LI Man-bun	Beneficial owner	1,395,200	5,717,452 ¹¹	0.24
	Interest of corporation	4,322,252		

董事及行政總裁權益

於2014年12月31日，根據《證券及期貨條例》第352條須予備存的登記冊（「該登記冊」）所記錄，本行各董事及行政總裁於本行及其相聯法團的股份、相關股份及債權證中擁有的權益及淡倉如下：

I. 本行普通股股份權益的好倉：

姓名	身分及性質	股份數目	總數	佔已發行股份的百分率
李國寶	實益擁有人	63,472,434	65,522,260 ¹	2.79
	配偶的權益	1,878,757		
	法團的權益	171,069		
李國章	實益擁有人	11,042,194	26,533,989 ²	1.13
	酌情信託的成立人	15,491,795		
黃子欣	實益擁有人	393,765	15,160,372 ³	0.65
	配偶的權益	136		
	酌情信託的成立人及受益人	14,766,471		
黃頌顯	實益擁有人	51,491	430,035 ⁴	0.02
	配偶的權益	378,544		
李國星	實益擁有人	421,908	36,945,714 ⁵	1.57
	配偶的權益	21,073		
	酌情信託的受益人	35,143,349		
	遺產執行人	1,359,384		
羅友禮	-	-	無	無
邱繼炳	-	-	無	無
李澤楷	法團的權益	1,400	1,400 ⁶	0.0001
駱錦明	-	-	無	無
李福全	實益擁有人	4,117,430	38,430,715 ⁷	1.64
	酌情信託的成立人及受益人	24,901,408		
	法團的權益	9,411,877		
李國仕	實益擁有人	12,152,958	16,446,059 ⁸	0.70
	子女的權益	587,584		
	酌情信託的受益人	2,522,317		
	遺產管理人	1,183,200		
杜惠愷	-	-	無	無
郭孔演	-	-	無	無
張建標	-	-	無	無
范禮賢	-	-	無	無
李家傑	法團的權益	679,000	1,779,000 ⁹	0.08
	酌情信託的受益人	1,100,000		
李民橋	實益擁有人	853,501	2,002,606 ¹⁰	0.09
	子女的權益	6,582		
	酌情信託的財產授予人/成立人	1,142,523		
李民斌	實益擁有人	1,395,200	5,717,452 ¹¹	0.24
	法團的權益	4,322,252		

REPORT OF THE DIRECTORS (CONTINUED)

Notes:

- 1 David Li Kwok-po was the beneficial owner of 63,472,434 shares and he was deemed to be interested in 1,878,757 shares through the interests of his spouse, Penny POON Kam-chui. He was also deemed to be interested in 171,069 shares held by David Li Kwok-po Charitable Foundation Limited, a charitable institution of which David Li Kwok-po is a director and the sole member.
- 2 Arthur Li Kwok-cheung was the beneficial owner of 11,042,194 shares. Arthur Li Kwok-cheung made a voluntary disclosure of 15,491,795 shares held by a discretionary trust of which he is the founder but has no influence on how the trustee exercises his discretion.
- 3 Allan WONG Chi-yun was the beneficial owner of 393,765 shares and he was deemed to be interested in 136 shares through the interests of his spouse, Margaret KWOK Chi-wai (deceased). He was also deemed to be interested in 14,766,471 shares held by a discretionary trust, Allan Wong 2011 Trust, of which Allan WONG Chi-yun is a founder and an eligible beneficiary.
- 4 WONG Chung-hin was the beneficial owner of 51,491 shares and he was deemed to be interested in 378,544 shares through the interests of his spouse, LAM Mei-lin.
- 5 Aubrey Li Kwok-sing was the beneficial owner of 421,908 shares and he was deemed to be interested in 21,073 shares through the interests of his spouse, Elizabeth WOO. He was also deemed to be interested in 1,359,384 shares held by an estate of which he is one of the co-executors. The remaining 35,143,349 shares were held by The Fook Wo Trust, a discretionary trust in which Aubrey Li Kwok-sing is one of the discretionary beneficiaries.
- 6 Richard Li Tzar-kai was deemed to be interested in 1,400 shares which were held by PineBridge Investments LLC ("PBI LLC") in its capacity as an investment manager. PBI LLC is an indirect subsidiary of Chiltonlink Limited which is 100% owned by Richard Li Tzar-kai.
- 7 Eric Li Fook-chuen was the beneficial owner of 4,117,430 shares. Of the 24,901,408 shares, 17,807,082 shares were held by New Jerico Limited and 7,094,326 shares were held by Ejeeco Limited, a wholly-owned subsidiary of New Jerico Limited. Eric Li Fook-chuen is the sole director of New Jerico Limited. The only one share in New Jerico Limited is held by The New Elico Trust, of which Eric Li Fook-chuen is the founder and a discretionary beneficiary. Eric Li Fook-chuen was also deemed to be interested in 9,411,877 shares held by The Kowloon Dairy Limited of which he is the Chairman and Chief Executive Officer.
- 8 Stephen Charles Li Kwok-sze was the beneficial owner of 12,152,958 shares, and he was deemed to be interested in 587,584 shares through the interests of his children under the age of 18. He was also deemed to be interested in 1,183,200 shares held by an estate of which he is one of the Administrators. Of the remaining 2,522,317 shares, (i) 2,309,000 shares were held by a discretionary trust, Settlement of Dr. Simon F. S. Li, of which Stephen Charles Li Kwok-sze, his spouse and his children were beneficiaries and (ii) 213,317 shares were held by a discretionary trust, Longevity Trust, of which his children were beneficiaries.
- 9 Of these 1,779,000 shares, 679,000 shares were owned by Golf Limited which in turn is wholly-owned by Peter LEE Ka-kit. He was also deemed to be interested in 1,100,000 shares ("Deemed Shares"). The Deemed Shares were beneficially owned by a subsidiary of The Hong Kong and China Gas Company Limited ("HKCG") and Peter LEE Ka-kit is a discretionary beneficiary of the discretionary trusts which indirectly control more than one third of the voting power at the general meeting of HKCG.
- 10 Adrian David Li Man-kiu was the beneficial owner of 853,501 shares, and he was deemed to be interested in 6,582 shares through the interests of his child under the age of 18. Adrian David Li Man-kiu has made a voluntary disclosure of 1,142,523 shares indirectly held by a discretionary trust of which he was the settlor/founder but has no influence on how the trustee exercises its discretion.
- 11 Brian David Li Man-bun was the beneficial owner of 1,395,200 shares. He was also deemed to be interested in 3,575,490 shares held by Belltrees Enterprises Inc. and 746,762 shares held by Triple Kingdom Limited. Both companies are wholly-owned by Brian David Li Man-bun.

II. Long positions (in respect of equity derivatives) in underlying shares of the Bank:

Share options, being unlisted physically settled equity derivatives, to subscribe for the ordinary shares of the Bank were granted to Dr. the Hon. Sir David Li Kwok-po, Mr. Adrian David Li Man-kiu and Mr. Brian David Li Man-bun pursuant to the approved Staff Share Option Schemes. Information in relation to these share options during the year ended 31st December, 2014 was shown in the following section under the heading "Information on Share Options".

III. Interests in Hybrid Tier I Capital Instruments:

Allan WONG Chi-yun was the beneficial owner of the following capital instruments^{Note:}

Issuer	Type/Class of securities	Amount of debentures	No. of shares
The Bank of East Asia, Limited	Subordinated Notes	US\$7,000,000	-
Innovate Holdings Limited	Preference Shares	-	7,000
The Bank of East Asia, Limited	Substitute Preference Shares (unissued)	-	7,000

Note: In November 2009, the Bank issued capital instruments qualifying as hybrid tier 1 capital with a face value of US\$500 million. The capital instruments comprise 8.5% step-up subordinated notes due 2059 issued by the Bank (the "2059 Notes") stapled with perpetual non-cumulative step-up preference shares issued by Innovate Holdings Limited, a wholly-owned subsidiary of the Bank (the "Innovate Preference Shares"). The 2059 Notes and the Innovate Preference Shares are listed as stapled units on the Singapore Stock Exchange. The Substitute Preference Shares (being perpetual non-cumulative step-up preference shares) are created, and to be issued by the Bank upon the occurrence of a Substitution Event (as defined in the circular to shareholders of the Bank dated 11th November, 2009) as one of the terms of the issue of the 2059 Notes and the Innovate Preference Shares.

Save as disclosed above, no other interest or short position in the shares, underlying shares or debentures of the Bank or any of its associated corporations were recorded in the Register.

董事會報告書 (續)

附註：

- 1 李國寶為63,472,434股的實益擁有人。由於其配偶潘金翠擁有1,878,757股之權益，他亦被視為擁有該等股份。他亦被視為擁有由李國寶慈善基金有限公司持有的171,069股，李國寶為該慈善機構的董事兼唯一成員。
- 2 李國章為11,042,194股的實益擁有人。李國章自願披露其作為成立人的一個酌情信託所持有的15,491,795股，由於他不可以影響受託人如何行使其酌情權，有關披露純屬自願性質。
- 3 黃子欣為393,765股的實益擁有人。由於其配偶郭志蕙(已歿)擁有136股之權益，黃子欣被視為擁有該等股份。而由於黃子欣為一個酌情信託Allan Wong 2011 Trust的成立人及一位合資格受益人，他亦被視為擁有該酌情信託所持有的14,766,471股。
- 4 黃頌顯為51,491股的實益擁有人。由於其配偶林美蓮擁有378,544股之權益，他亦被視為擁有該等股份。
- 5 李國星為421,908股的實益擁有人。由於其配偶吳伊莉擁有21,073股之權益，他亦被視為擁有該等股份。李國星作為一個遺產的其中一位執行人，因而被視為擁有該遺產所持有的1,359,384股。餘下之35,143,349股由一個酌情信託The Fook Wo Trust持有，李國星為該信託的其中一位酌情受益人。
- 6 李澤楷被視為擁有由PineBridge Investments LLC (「PBI LLC」) 以投資經理身分所持有的1,400股。PBI LLC是李澤楷全資擁有的Chiltonlink Limited的間接附屬公司。
- 7 李福全為4,117,430股的實益擁有人。24,901,408股當中，17,807,082股由New Jerico Limited持有，而7,094,326股則由New Jerico Limited的全資附屬公司Ejeeco Limited持有。李福全是New Jerico Limited的唯一董事。The New Elico Trust持有New Jerico Limited的全部(一股)股份，而李福全為The New Elico Trust的成立人及一位酌情受益人。他亦被視為擁有由九龍維記牛奶有限公司持有的9,411,877股股份，李福全為該公司的主席兼行政總裁。
- 8 李國仕為12,152,958股的實益擁有人。他亦被視為擁有由其18歲以下子女持有的587,584股。李國仕作為一個遺產的其中一位管理人，因而被視為擁有該遺產持有的1,183,200股。餘下的2,522,317股當中：(i) 2,309,000股由一個酌情信託— Settlement of Dr. Simon F. S. Li持有，李國仕、其配偶及其子女皆為該酌情信託的受益人；及(ii) 213,317股由一個酌情信託— Longevity Trust持有，而李國仕的子女為該酌情信託的受益人。
- 9 該1,779,000股中，679,000股由李家傑全資擁有的公司Golf Limited持有。他亦被視為擁有1,100,000股(「該等被視為擁有之股份」)。該等被視為擁有之股份乃由中華煤氣有限公司(「中華煤氣」)之一間附屬公司實益擁有，而李家傑為全權信託之可能受益人，而該等信託間接控制中華煤氣股東大會超過三分之一投票權。
- 10 李民橋為853,501股的實益擁有人。他亦被視為擁有由其18歲以下子女持有的6,582股。李民橋自願披露其作為財產授予人/成立人的一個酌情信託間接持有的1,142,523股，由於他不可以影響受託人如何行使其酌情權，有關披露純屬自願性質。
- 11 李民斌為1,395,200股的實益擁有人。他亦被視為擁有由Belltrees Enterprises Inc. 持有的3,575,490股及Triple Kingdom Limited持有的746,762股，該兩間公司為李民斌全資擁有。

II. 本行相關股份(就股本衍生工具而言)的好倉：

根據本行的認可僱員認股計劃，李國寶爵士、李民橋先生及李民斌先生獲授予認股權，以認購本行普通股股份。該等認股權屬於非上市以實物交收的期權。有關此等認股權在截至2014年12月31日止年度內的資料，見於下列「認股權資料」項下。

III. 混合一級資本工具的權益：

黃子欣為下列資本工具的實益擁有人^{附註：}

發行人	證券種類/類別	債權證數額	股份數目
東亞銀行有限公司	後償票據	7,000,000美元	-
Innovate Holdings Limited	優先股	-	7,000
東亞銀行有限公司	替代優先股(尚未發行)	-	7,000

附註：本行於2009年11月發行面值為5億美元的混合一級資本工具。該資本工具包括由本行發行並於2059年到期的步陞後償票據(票據息率為年利率8.5%)(「2059票據」)，以及由本行全資附屬公司Innovate Holdings Limited發行之無面值永久非累積步陞優先股(「Innovate優先股」)。2059票據連同Innovate優先股以不可分拆單位形式於新加坡交易所上市。替代優先股(永久非累積步陞優先股)由本行設立及將於發生替代事件(定義見日期為2009年11月11日本行發出之股東通函)時發行以作為發行2059票據及Innovate優先股的條款之一。

除上述披露外，概無其他本行或其任何相聯法團的股份、相關股份或債權證的權益或淡倉載於該登記冊內。

REPORT OF THE DIRECTORS (CONTINUED)

INFORMATION ON SHARE OPTIONS

Information in relation to share options disclosed in accordance with the Listing Rules was as follows:

(1) Movement of share options during the year ended 31st December, 2014:

Name	Date of Grant	Number of Share Options				Outstanding at 31/12/2014
		Outstanding at 1/1/2014	Granted	Exercised	Lapsed	
David LI Kwok-po	05/5/2011 ^b	666,000 ^{T1}	-	-	-	666,000
	05/5/2011 ^b	666,000 ^{T2}	-	-	-	666,000
	05/5/2011 ^b	668,000 ^{T3}	-	-	-	668,000
	10/5/2012 ^b	566,000 ^{T1}	-	566,000 ^d	-	Nil
	10/5/2012 ^b	666,000 ^{T2}	-	666,000 ^d	-	Nil
	10/5/2012 ^b	668,000 ^{T3}	-	-	-	668,000
	03/5/2013 ^b	666,000 ^{T1}	-	-	-	666,000
	03/5/2013 ^b	666,000 ^{T2}	-	-	-	666,000
	03/5/2013 ^b	668,000 ^{T3}	-	-	-	668,000
	02/5/2014 ^c	-	666,000 ^{T1}	-	-	666,000
	02/5/2014 ^c	-	666,000 ^{T2}	-	-	666,000
	02/5/2014 ^c	-	668,000 ^{T3}	-	-	668,000
Adrian David LI Man-kiu	06/7/2010 ^a	650,000	-	-	-	650,000
	05/5/2011 ^b	216,000 ^{T1}	-	-	-	216,000
	05/5/2011 ^b	216,000 ^{T2}	-	-	-	216,000
	05/5/2011 ^b	218,000 ^{T3}	-	-	-	218,000
	10/5/2012 ^b	216,000 ^{T1}	-	-	-	216,000
	10/5/2012 ^b	216,000 ^{T2}	-	-	-	216,000
	10/5/2012 ^b	218,000 ^{T3}	-	-	-	218,000
	03/5/2013 ^b	216,000 ^{T1}	-	-	-	216,000
	03/5/2013 ^b	216,000 ^{T2}	-	-	-	216,000
	03/5/2013 ^b	218,000 ^{T3}	-	-	-	218,000
	02/5/2014 ^c	-	216,000 ^{T1}	-	-	216,000
	02/5/2014 ^c	-	216,000 ^{T2}	-	-	216,000
02/5/2014 ^c	-	218,000 ^{T3}	-	-	218,000	
Brian David LI Man-bun	06/7/2010 ^a	650,000	-	-	-	650,000
	05/5/2011 ^b	216,000 ^{T1}	-	-	-	216,000
	05/5/2011 ^b	216,000 ^{T2}	-	-	-	216,000
	05/5/2011 ^b	218,000 ^{T3}	-	-	-	218,000
	10/5/2012 ^b	216,000 ^{T1}	-	-	-	216,000
	10/5/2012 ^b	216,000 ^{T2}	-	-	-	216,000
	10/5/2012 ^b	218,000 ^{T3}	-	-	-	218,000
	03/5/2013 ^b	216,000 ^{T1}	-	-	-	216,000
	03/5/2013 ^b	216,000 ^{T2}	-	-	-	216,000
	03/5/2013 ^b	218,000 ^{T3}	-	-	-	218,000
	02/5/2014 ^c	-	216,000 ^{T1}	-	-	216,000
	02/5/2014 ^c	-	216,000 ^{T2}	-	-	216,000
02/5/2014 ^c	-	218,000 ^{T3}	-	-	218,000	

董事會報告書 (續)

認股權資料

根據《上市規則》所披露有關認股權的資料如下：

(1) 截至2014年12月31日止年度內認股權的變動：

姓名	授予日期	認股權數目				
		於 1/1/2014 尚未行使	授出	行使	失效	於 31/12/2014 尚未行使
李國寶	05/5/2011 ^b	666,000 ^{T1}	-	-	-	666,000
	05/5/2011 ^b	666,000 ^{T2}	-	-	-	666,000
	05/5/2011 ^b	668,000 ^{T3}	-	-	-	668,000
	10/5/2012 ^b	566,000 ^{T1}	-	566,000 ^d	-	無
	10/5/2012 ^b	666,000 ^{T2}	-	666,000 ^d	-	無
	10/5/2012 ^b	668,000 ^{T3}	-	-	-	668,000
	03/5/2013 ^b	666,000 ^{T1}	-	-	-	666,000
	03/5/2013 ^b	666,000 ^{T2}	-	-	-	666,000
	03/5/2013 ^b	668,000 ^{T3}	-	-	-	668,000
	02/5/2014 ^c	-	666,000 ^{T1}	-	-	666,000
	02/5/2014 ^c	-	666,000 ^{T2}	-	-	666,000
	02/5/2014 ^c	-	668,000 ^{T3}	-	-	668,000
李民橋	06/7/2010 ^a	650,000	-	-	-	650,000
	05/5/2011 ^b	216,000 ^{T1}	-	-	-	216,000
	05/5/2011 ^b	216,000 ^{T2}	-	-	-	216,000
	05/5/2011 ^b	218,000 ^{T3}	-	-	-	218,000
	10/5/2012 ^b	216,000 ^{T1}	-	-	-	216,000
	10/5/2012 ^b	216,000 ^{T2}	-	-	-	216,000
	10/5/2012 ^b	218,000 ^{T3}	-	-	-	218,000
	03/5/2013 ^b	216,000 ^{T1}	-	-	-	216,000
	03/5/2013 ^b	216,000 ^{T2}	-	-	-	216,000
	03/5/2013 ^b	218,000 ^{T3}	-	-	-	218,000
	02/5/2014 ^c	-	216,000 ^{T1}	-	-	216,000
	02/5/2014 ^c	-	216,000 ^{T2}	-	-	216,000
02/5/2014 ^c	-	218,000 ^{T3}	-	-	218,000	
李民斌	06/7/2010 ^a	650,000	-	-	-	650,000
	05/5/2011 ^b	216,000 ^{T1}	-	-	-	216,000
	05/5/2011 ^b	216,000 ^{T2}	-	-	-	216,000
	05/5/2011 ^b	218,000 ^{T3}	-	-	-	218,000
	10/5/2012 ^b	216,000 ^{T1}	-	-	-	216,000
	10/5/2012 ^b	216,000 ^{T2}	-	-	-	216,000
	10/5/2012 ^b	218,000 ^{T3}	-	-	-	218,000
	03/5/2013 ^b	216,000 ^{T1}	-	-	-	216,000
	03/5/2013 ^b	216,000 ^{T2}	-	-	-	216,000
	03/5/2013 ^b	218,000 ^{T3}	-	-	-	218,000
	02/5/2014 ^c	-	216,000 ^{T1}	-	-	216,000
	02/5/2014 ^c	-	216,000 ^{T2}	-	-	216,000
02/5/2014 ^c	-	218,000 ^{T3}	-	-	218,000	

REPORT OF THE DIRECTORS (CONTINUED)

Name	Date of Grant	Number of Share Options				Outstanding at 31/12/2014
		Outstanding at 1/1/2014	Granted	Exercised	Lapsed	
Aggregate of other Employees*	05/5/2009 ^a	435,000	-	435,000 ^d	-	Nil
	06/7/2010 ^a	2,150,000	-	10,000 ^d	-	2,140,000
	05/5/2011 ^b	732,000 ^{T1}	-	-	-	732,000
	05/5/2011 ^b	732,000 ^{T2}	-	-	-	732,000
	05/5/2011 ^b	736,000 ^{T3}	-	-	-	736,000
	10/5/2012 ^b	732,000 ^{T1}	-	-	-	732,000
	10/5/2012 ^b	732,000 ^{T2}	-	-	-	732,000
	10/5/2012 ^b	736,000 ^{T3}	-	-	-	736,000
	03/5/2013 ^b	732,000 ^{T1}	-	-	-	732,000
	03/5/2013 ^b	732,000 ^{T2}	-	-	-	732,000
	03/5/2013 ^b	736,000 ^{T3}	-	-	-	736,000
	02/5/2014 ^c	-	894,000 ^{T1}	-	-	894,000
	02/5/2014 ^c	-	894,000 ^{T2}	-	-	894,000
	02/5/2014 ^c	-	899,500 ^{T3}	-	-	899,500
Other Participants**	06/7/2010 ^a	150,000	-	150,000 ^d	-	Nil
	05/5/2011 ^b	100,000 ^{T1}	-	-	-	100,000
	05/5/2011 ^b	100,000 ^{T2}	-	-	-	100,000
	05/5/2011 ^b	100,000 ^{T3}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T1}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T2}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T3}	-	-	-	100,000
	03/5/2013 ^b	50,000 ^{T1}	-	-	-	50,000
	03/5/2013 ^b	50,000 ^{T2}	-	-	-	50,000
	03/5/2013 ^b	50,000 ^{T3}	-	-	-	50,000

* Employees working under employment contracts that were regarded as "Continuous Contracts" for the purpose of the Hong Kong Employment Ordinance.

** Other Participants refer to two former employees who ceased to be employees of the Bank in 2013. The share options were granted to them prior to their cessation as employees of the Bank.

Notes:

a Particulars of share options granted in years 2009 and 2010:

Date of Grant	Vesting Period	Exercise Period	Exercise Price Per Share HK\$
05/5/2009	05/5/2009 – 04/5/2010	05/5/2010 – 05/5/2014	21.25
06/7/2010	06/7/2010 – 05/7/2011	06/7/2011 – 06/7/2015	28.49

b Particulars of share options granted in year 2011 to 2013:

Date of Grant	Tranche	Vesting Period	Exercise Period	Exercise Price Per Share HK\$
05/5/2011	T1	05/5/2011 – 04/5/2012	05/5/2012 – 05/5/2017	32.00
05/5/2011	T2	05/5/2011 – 04/5/2013	05/5/2013 – 05/5/2018	32.00
05/5/2011	T3	05/5/2011 – 04/5/2014	05/5/2014 – 05/5/2019	32.00
10/5/2012	T1	10/5/2012 – 09/5/2013	10/5/2013 – 10/5/2018	28.99
10/5/2012	T2	10/5/2012 – 09/5/2014	10/5/2014 – 10/5/2019	28.99
10/5/2012	T3	10/5/2012 – 09/5/2015	10/5/2015 – 10/5/2020	28.99
03/5/2013	T1	03/5/2013 – 02/5/2014	03/5/2014 – 03/5/2019	31.40
03/5/2013	T2	03/5/2013 – 02/5/2015	03/5/2015 – 03/5/2020	31.40
03/5/2013	T3	03/5/2013 – 02/5/2016	03/5/2016 – 03/5/2021	31.40

c Share options granted in year 2014:

(i) Particulars:

Date of Grant	Tranche	Vesting Period	Exercise Period	Exercise Price Per Share HK\$
02/5/2014	T1	02/5/2014 – 01/5/2015	02/5/2015 – 02/5/2020	32.50
02/5/2014	T2	02/5/2014 – 01/5/2016	02/5/2016 – 02/5/2021	32.50
02/5/2014	T3	02/5/2014 – 01/5/2017	02/5/2017 – 02/5/2022	32.50

董事會報告書(續)

姓名	授予日期	認股權數目				
		於 1/1/2014 尚未行使	授出	行使	失效	於 31/12/2014 尚未行使
其他僱員的總數*	05/5/2009 ^a	435,000	-	435,000 ^d	-	無
	06/7/2010 ^a	2,150,000	-	10,000 ^d	-	2,140,000
	05/5/2011 ^b	732,000 ^{T1}	-	-	-	732,000
	05/5/2011 ^b	732,000 ^{T2}	-	-	-	732,000
	05/5/2011 ^b	736,000 ^{T3}	-	-	-	736,000
	10/5/2012 ^b	732,000 ^{T1}	-	-	-	732,000
	10/5/2012 ^b	732,000 ^{T2}	-	-	-	732,000
	10/5/2012 ^b	736,000 ^{T3}	-	-	-	736,000
	03/5/2013 ^b	732,000 ^{T1}	-	-	-	732,000
	03/5/2013 ^b	732,000 ^{T2}	-	-	-	732,000
	03/5/2013 ^b	736,000 ^{T3}	-	-	-	736,000
	02/5/2014 ^c	-	894,000 ^{T1}	-	-	894,000
	02/5/2014 ^c	-	894,000 ^{T2}	-	-	894,000
	02/5/2014 ^c	-	899,500 ^{T3}	-	-	899,500
其他參與人**	06/7/2010 ^a	150,000	-	150,000 ^d	-	無
	05/5/2011 ^b	100,000 ^{T1}	-	-	-	100,000
	05/5/2011 ^b	100,000 ^{T2}	-	-	-	100,000
	05/5/2011 ^b	100,000 ^{T3}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T1}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T2}	-	-	-	100,000
	10/5/2012 ^b	100,000 ^{T3}	-	-	-	100,000
	03/5/2013 ^b	50,000 ^{T1}	-	-	-	50,000
	03/5/2013 ^b	50,000 ^{T2}	-	-	-	50,000
	03/5/2013 ^b	50,000 ^{T3}	-	-	-	50,000

* 按香港《僱傭條例》所指的「連續合約」工作的僱員。

** 其他參與人指本行兩位於2013年終止為本行僱員的前僱員。在其終止為本行僱員前已獲授予該等認股權。

附註：

a 由2009年及2010年授予的認股權詳情：

授予日期	有效期	行使期	每股行使價 港幣(元)
05/5/2009	05/5/2009 – 04/5/2010	05/5/2010 – 05/5/2014	21.25
06/7/2010	06/7/2010 – 05/7/2011	06/7/2011 – 06/7/2015	28.49

b 於2011年至2013年授予的認股權詳情：

授予日期	部分	有效期	行使期	每股行使價 港幣(元)
05/5/2011	T1	05/5/2011 – 04/5/2012	05/5/2012 – 05/5/2017	32.00
05/5/2011	T2	05/5/2011 – 04/5/2013	05/5/2013 – 05/5/2018	32.00
05/5/2011	T3	05/5/2011 – 04/5/2014	05/5/2014 – 05/5/2019	32.00
10/5/2012	T1	10/5/2012 – 09/5/2013	10/5/2013 – 10/5/2018	28.99
10/5/2012	T2	10/5/2012 – 09/5/2014	10/5/2014 – 10/5/2019	28.99
10/5/2012	T3	10/5/2012 – 09/5/2015	10/5/2015 – 10/5/2020	28.99
03/5/2013	T1	03/5/2013 – 02/5/2014	03/5/2014 – 03/5/2019	31.40
03/5/2013	T2	03/5/2013 – 02/5/2015	03/5/2015 – 03/5/2020	31.40
03/5/2013	T3	03/5/2013 – 02/5/2016	03/5/2016 – 03/5/2021	31.40

c 於2014年授予的認股權：

(i) 詳情：

授予日期	部分	有效期	行使期	每股行使價 港幣(元)
02/5/2014	T1	02/5/2014 – 01/5/2015	02/5/2015 – 02/5/2020	32.50
02/5/2014	T2	02/5/2014 – 01/5/2016	02/5/2016 – 02/5/2021	32.50
02/5/2014	T3	02/5/2014 – 01/5/2017	02/5/2017 – 02/5/2022	32.50

REPORT OF THE DIRECTORS (CONTINUED)

- (ii) The closing price of the shares of the Bank on 30th April, 2014 (being the business day immediately preceding 2nd May, 2014 on which the options were granted) was HK\$31.95.
- (iii) Fair value of share options granted during the year ended 31st December, 2014 and the assumptions are set out in Note 38 on the accounts.
- d The annual weighted average ("AWA") closing price of the shares of the Bank immediately before the date on which the Options were exercised during the year ended 31st December, 2014:

Date of Grant	Tranche	No. of Options Exercised	Exercise Price Per Share		AWA Closing Price	
			HK\$		HK\$	
05/5/2009	-	435,000	21.25		31.54	
06/7/2010	-	160,000	28.49		33.22	
10/5/2012	T1	566,000	28.99		32.85	
10/5/2012	T2	666,000	28.99		33.25	

(2) No share options were cancelled during the year ended 31st December, 2014.

(3) The accounting policy adopted for share options is set out in Note 2(q)(iv) on the accounts.

Save as disclosed above, as at 31st December, 2014, none of the Directors or Chief Executive of the Bank or their spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Bank or any of its associated corporations.

INFORMATION ON SHARE OPTION SCHEME

The following is a summary of the 2011 Scheme disclosed in accordance with the Listing Rules:

1. Purpose of the 2011 Scheme:

- (a) The 2011 Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that eligible persons had made or may make to the Group.
- (b) The 2011 Scheme will provide the eligible persons with an opportunity to have a personal stake in the Bank with the view to motivating the eligible persons to optimise their performance and efficiency for the benefit of the Group.

2. Participants of the 2011 Scheme:

The Board may at its discretion grant options to any employees including Executive Directors and Chief Executive of the Group.

3. Total number of shares available for issue under the 2011 Scheme and % of issued shares at 31st December, 2014:

The total number of shares available for issue under the 2011 Scheme is 102,251,616 ordinary shares representing 4.36% of the issued shares at 31st December, 2014.

4. Maximum entitlement of each participant under the 2011 Scheme:

No options may be granted to any eligible persons, which if exercised in full would result in the total number of shares issued and to be issued upon exercise of the share options already granted or to be granted to such eligible person under the 2011 Scheme or any other schemes (which are subject to regulation under Chapter 17 of the Listing Rules) of the Bank (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such new grant exceeding 1% of the issued share capital as at the date of such new grant. Any grant of further options above this limit shall be subject to certain requirements as stipulated in the rules of the 2011 Scheme.

5. The period within which the shares must be taken up under an option:

Beginning on the vesting date of such options, the date on which such option is vested and becomes exercisable, and ending on the fifth anniversary of the vesting date thereof, except as provided otherwise in the rules of the 2011 Scheme.

6. The minimum period for which an option must be held before it can be exercised:

From the Date of Grant of such options up to the day immediately before the vesting date thereof.

董事會報告書（續）

(ii) 本行股份在2014年4月30日（即2014年5月2日授出認股權當日之前一個營業日）的收市價為港幣31.95元。

(iii) 在截至2014年12月31日止年度內授出認股權的公平價值及假設載於賬項附註38。

d 在截至2014年12月31日止年度內本行股份在緊接有關認股權行使日期之前的全年加權平均收市價：

授予日期	部分	行使認股權數目	每股行使價 港幣(元)	全年加權平均收市價 港幣(元)
05/5/2009	-	435,000	21.25	31.54
06/7/2010	-	160,000	28.49	33.22
10/5/2012	T1	566,000	28.99	32.85
10/5/2012	T2	666,000	28.99	33.25

(2) 截至2014年12月31日止年度內並無認股權被註銷。

(3) 有關認股權的會計政策載於賬項附註2(q)(iv)。

除上述所披露外，於2014年12月31日，本行的董事或行政總裁或他們的配偶或18歲以下子女概無獲授或行使任何權利以認購本行或其任何相聯法團的股本或債務證券。

認股權計劃資料

根據《上市規則》披露的有關2011計劃的摘要如下：

1. 2011計劃的目的：

- 2011計劃屬於一項股份獎勵計劃，設立的目的是在於肯定合資格人士對本集團作出或可能作出的貢獻。
- 2011計劃為合資格人士提供機會持有本行的股權，藉此鼓勵僱員努力工作，提高效率，為本集團賺取更多利益。

2. 2011計劃的參與人：

董事會可按其酌情權，向本集團任何僱員，包括執行董事和行政總裁，授予認股權。

3. 2011計劃中可予發行的股份數目及其於2014年12月31日佔已發行股份的百分率：

2011計劃中可予發行的股份數目為102,251,616股普通股，佔本行於2014年12月31日已發行股份的4.36%。

4. 2011計劃中每名參與人可獲授權益上限：

凡合資格人士在行使全部認股權後，會導致該位合資格人士在截至獲授新認股權之日（包括當日）止十二個月內，因行使已經根據或將會根據2011計劃及本行任何其他計劃（該計劃受《上市規則》第17章的規定所規限）獲授的認股權（包括已行使、已註銷及尚未行使的認股權）時，所獲發行及將予發行的股份總數超出新認股權授出當日的已發行股份的1%，則不得向該位合資格人士再授出新認股權。再度授出超出該上限的認股權，須受載於2011計劃的規則內的若干規定所約束。

5. 可根據認股權認購股份的期限：

除2011計劃的規則另有規定外，由該認股權歸屬日（該認股權被歸屬並變為可行使之日期）開始截至歸屬日的第5周年止。

6. 認股權行使之前必須持有的最短期限：

由認股權授出之日起直至歸屬日之前一日。

REPORT OF THE DIRECTORS (CONTINUED)

7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid:

N/A

8. The basis of determining the exercise price:

The exercise price is determined by the Directors and being not less than the highest of:

- the closing price of the Bank's ordinary shares in the Stock Exchange's daily quotations sheet on the date of grant of the relevant options; and
- an amount equivalent to the average closing price of the Bank's ordinary shares as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant of the relevant options.

9. Vesting of Options:

Save as provided otherwise in the rules of the 2011 Scheme, an option granted under the 2011 Scheme shall be vested and become exercisable as follows:

- not more than one third of the option shall be vested and become exercisable on the first anniversary of the Date of Grant;
- not more than one third of the option shall be vested and become exercisable on the second anniversary of the Date of Grant; and
- the remaining balance of the option shall be vested and become exercisable on the third anniversary of the Date of Grant.

10. The remaining life of the 2011 Scheme:

The Scheme Period will end on 18th April, 2016.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 31st December, 2014, the interests or short positions of substantial shareholders and other persons in the shares and underlying shares of the Bank as recorded in the register required to be kept under section 336 of the SFO (the "Register") were as follows:

Long positions in ordinary shares of the Bank:

Name	Capacity and nature	No. of shares	% of issued share capital
CaixaBank, S.A.	Beneficial owner	422,842,385 ¹	18.02
Criteria CaixaHolding, S.A., Sociedad Unipersonal	Interest of corporation	422,842,385 ¹	18.02
Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa"	Interest of corporation	422,842,385 ¹	18.02
Guoco Management Company Limited	Beneficial owner	339,766,793 ^{2,3}	15.02 ⁴
Guoco Group Limited	Interest of corporation	339,766,793 ²	15.02
GuoLine Overseas Limited	Interest of corporation	339,766,793 ²	15.02 ⁴
GuoLine Capital Assets Limited	Interest of corporation	339,766,793 ²	15.02 ⁴
Hong Leong Company (Malaysia) Berhad	Interest of corporation	339,766,793 ^{2,3}	15.02
HL Holdings Sdn Bhd	Interest of corporation	339,766,793 ²	15.02
QUEK Leng Chan	Interest of corporation	339,766,793 ²	15.02
Hong Leong Investment Holdings Pte. Ltd.	Interest of corporation	339,766,793 ³	15.02
Davos Investment Holdings Private Limited	Interest of corporation	339,766,793 ³	15.02
KWEK Leng Kee	Interest of corporation	339,766,793 ³	15.02
Sumitomo Mitsui Banking Corporation	Beneficial owner	211,553,938 ⁵	9.50
Sumitomo Mitsui Financial Group, Inc.	Interest of Corporation	211,553,938 ⁵	9.50

7. 申請或接受認股權須付金額以及付款或通知付款的期限或償還申請期權貸款的期限：

不適用

8. 行使價的釐定基準：

行使價由董事會釐定，但不少於下列的較高價：

- (a) 於授出有關認股權當日，本行普通股股份於聯交所日報表的收市價；及
- (b) 相等於緊接授出有關認股權當日之前5個營業日，本行普通股股份於聯交所日報表的平均收市價。

9. 認股權的歸屬：

除2011計劃的規則另有規定外，按2011計劃授出的認股權將被歸屬及成為可行使如下：

- (a) 不多於三分之一的認股權將於授予日的第1周年被歸屬及成為可行使；
- (b) 不多於三分之一的認股權將於授予日的第2周年被歸屬及成為可行使；及
- (c) 餘下的認股權將於授予日的第3周年被歸屬及成為可行使。

10. 2011計劃尚餘的有效期：

計劃期間於2016年4月18日終止。

主要股東及其他人士的權益

於2014年12月31日，根據《證券及期貨條例》第336條須予備存的登記冊（「該登記冊」）所記錄，主要股東及其他人士擁有本行的股份及相關股份的權益如下：

本行普通股股份權益的好倉：

姓名	身分及性質	股份數目	佔已發行股份的百分率
CaixaBank, S.A.	實益擁有人	422,842,385 ¹	18.02
Criteria CaixaHolding, S.A., Sociedad Unipersonal	法團的權益	422,842,385 ¹	18.02
Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa"	法團的權益	422,842,385 ¹	18.02
國浩管理有限公司	實益擁有人	339,766,793 ^{2,3}	15.02 ⁴
國浩集團有限公司	法團的權益	339,766,793 ²	15.02
GuoLine Overseas Limited	法團的權益	339,766,793 ²	15.02 ⁴
GuoLine Capital Assets Limited	法團的權益	339,766,793 ²	15.02 ⁴
Hong Leong Company (Malaysia) Berhad	法團的權益	339,766,793 ^{2,3}	15.02
HL Holdings Sdn Bhd	法團的權益	339,766,793 ²	15.02
郭令燦	法團的權益	339,766,793 ²	15.02
Hong Leong Investment Holdings Pte. Ltd.	法團的權益	339,766,793 ³	15.02
Davos Investment Holdings Private Limited	法團的權益	339,766,793 ³	15.02
KWEK Leng Kee	法團的權益	339,766,793 ³	15.02
三井住友銀行	實益擁有人	211,553,938 ⁵	9.50
三井住友金融集團	法團的權益	211,553,938 ⁵	9.50

REPORT OF THE DIRECTORS (CONTINUED)

Notes:

- 1 As at 31st December, 2014, Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa" owned a 100% interest in Criteria CaixaHolding, S.A., Sociedad Unipersonal which held a controlling interest in CaixaBank, S.A. Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa" and Criteria CaixaHolding, S.A. Sociedad Unipersonal were deemed to be interested in the 422,842,385 shares of the Bank held by CaixaBank, S.A.

The Bank had been notified that the shareholdings of the above 3 corporations had been increased such that, as at 31st December, 2014, they stood at 438,453,985 shares (equivalent to approximately 18.68% of the issued shares of the Bank as at 31st December, 2014). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

- 2 The references to 339,766,793 shares of the Bank in Notes 2 and 3 relate to the same block of shares. Guoco Management Company Limited was the beneficial owner of 339,766,793 shares (equivalent to approximately 15.02% of the issued shares of the Bank at the time of disclosure, i.e. 26th June, 2013, pursuant to Part XV of the SFO). Hong Leong Company (Malaysia) Berhad was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of its 100% interest in GuoLine Capital Assets Limited which owned a 100% interest in GuoLine Overseas Limited. GuoLine Overseas Limited held a 74.10% interest in Guoco Group Limited which in turn owned a 100% interest in Guoco Management Company Limited. GuoLine Capital Assets Limited, GuoLine Overseas Limited and Guoco Group Limited were all deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited.

Quek Leng Chan was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of his 100% interest in HL Holdings Sdn Bhd ("HLH"). Hong Leong Company (Malaysia) Berhad was 49.27% owned by Quek Leng Chan as to 2.424% under his personal name, 46.534% via HLH which was wholly-owned by him and 0.311% via Newton (L) Limited.

- 3 The references to 339,766,793 shares of the Bank in Notes 2 and 3 relate to the same block of shares. Hong Leong Company (Malaysia) Berhad was 34.69% held by Hong Leong Investment Holdings Pte. Ltd. which was in turn 33.59% held by Davos Investment Holdings Private Limited. Hong Leong Investment Holdings Pte. Ltd. and Davos Investment Holdings Private Limited were deemed to be interested in the 339,766,793 shares (equivalent to approximately 15.02% of the issued shares of the Bank at the time of disclosure, i.e. 26th June, 2013, pursuant to Part XV of the SFO) held by Guoco Management Company Limited by virtue of their interests in Hong Leong Company (Malaysia) Berhad.

KWEK Leng Kee was deemed to be interested in the 339,766,793 shares held by Guoco Management Company Limited by virtue of his 41.92% interest in Davos Investment Holdings Private Limited.

- 4 GuoLine Overseas Limited and GuoLine Capital Assets Limited are wholly-owned subsidiaries of Hong Leong Company (Malaysia) Berhad and Guoco Management Company Limited is a wholly-owned subsidiary of Guoco Group Limited. With the filing of the substantial shareholder notices by Hong Leong Company (Malaysia) Berhad and Guoco Group Limited, GuoLine Overseas Limited, GuoLine Capital Assets Limited and Guoco Management Company Limited do not need to file their respective substantial shareholder notices under the "wholly-owned group exemption" as provided in the SFO.

- 5 Sumitomo Mitsui Financial Group, Inc. owned a 100% interest in Sumitomo Mitsui Banking Corporation. Sumitomo Mitsui Financial Group, Inc. was deemed to be interested in the 211,553,938 shares of the Bank held by Sumitomo Mitsui Banking Corporation.

The Bank had been notified that the shareholdings of the above two corporations had been increased such that, as at 31st December, 2014, they stood at 227,404,614 shares (equivalent to approximately 9.69% of the issued shares of the Bank as at 31st December, 2014). Such increases in shareholdings were not required to be disclosed under Part XV of the SFO.

Save as disclosed above, no other interest or short position in the shares or underlying shares of the Bank were recorded in the Register.

PUBLIC FLOAT

As at the date of this Report, the Bank has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Bank and within the knowledge of the Directors.

COMPLIANCE

The financial statements for the financial year ended 31st December, 2014 comply fully with the applicable disclosure provisions of the Banking (Disclosure) Rules.

AUDITORS

A resolution for the re-appointment of KPMG as auditors of the Bank is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board
David Li Kwok-po
 Chairman & Chief Executive

Hong Kong, 12th February, 2015

附註：

- 1 於2014年12月31日，Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa" 全資擁有 Criteria CaixaHolding, S.A., Sociedad Unipersonal，而 Criteria CaixaHolding, S.A., Sociedad Unipersonal 則為 CaixaBank, S.A. 的控股股東。Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona "la Caixa" 及 Criteria CaixaHolding, S.A., Sociedad Unipersonal 因此而被視為擁有 CaixaBank, S.A. 所持有的422,842,385股的權益。

本行已收到通知上述3個法團的持股量於2014年12月31日持股量已增加至438,453,985股（佔本行於2014年12月31日已發行股份約18.68%）。根據《證券及期貨條例》第XV部，彼等增持有關股份無須作出披露。

- 2 附註2及3所指之339,766,793股本行股份為同一批股份。國浩管理有限公司為339,766,793股（相等於2013年6月26日根據《證券及期貨條例》第XV部作出披露時本行已發行股份約15.02%）之實益擁有人。由於 Hong Leong Company (Malaysia) Berhad 全資擁有 GuoLine Capital Assets Limited、GuoLine Capital Assets Limited 全資擁有 GuoLine Overseas Limited、GuoLine Overseas Limited 持有國浩集團有限公司的74.10% 權益及國浩集團有限公司全資擁有國浩管理有限公司，Hong Leong Company (Malaysia) Berhad 因此而被視為擁有國浩管理有限公司所持有的339,766,793股的權益。GuoLine Capital Assets Limited、GuoLine Overseas Limited 和國浩集團有限公司均被視為擁有國浩管理有限公司所持有的339,766,793股的權益。

郭令燦擁有 HL Holdings Sdn Bhd (「HLH」) 的全部權益，而郭令燦分別以其個人名義及透過其全資擁有的 HLH 持有 Hong Leong Company (Malaysia) Berhad 的2.424% 及46.534% 權益，以及透過 Newton (L) Limited 持有0.311%（合共49.27% 權益），因此郭令燦被視為擁有國浩管理有限公司持有的339,766,793股股份的權益。

- 3 附註2及3所指之339,766,793股本行股份為同一批股份。Davos Investment Holdings Private Limited 持有 Hong Leong Investment Holdings Pte. Ltd. 的33.59% 權益，Hong Leong Investment Holdings Pte. Ltd. 則持有 Hong Leong Company (Malaysia) Berhad 的34.69% 權益。Davos Investment Holdings Private Limited 和 Hong Leong Investment Holdings Pte. Ltd. 因持有 Hong Leong Company (Malaysia) Berhad 的權益而被視為擁有國浩管理有限公司所持有的339,766,793股（相等於2013年6月26日根據《證券及期貨條例》第XV部作出披露時本行已發行股份約15.02%）的權益。

KWEK Leng Kee 因持有 Davos Investment Holdings Private Limited 的41.92% 權益而被視為擁有國浩管理有限公司所持有之339,766,793股的權益。

- 4 GuoLine Overseas Limited 及 GuoLine Capital Assets Limited 為 Hong Leong Company (Malaysia) Berhad 的全資附屬公司；而國浩管理有限公司則為國浩集團有限公司的全資附屬公司。由於 Hong Leong Company (Malaysia) Berhad 及國浩集團有限公司已將大股東權益的通知存檔，GuoLine Overseas Limited、GuoLine Capital Assets Limited 及國浩管理有限公司根據《證券及期貨條例》中「全資集團豁免條文」毋須將其大股東權益通知存檔。

- 5 三井住友金融集團全資擁有三井住友銀行。三井住友金融集團因此而被視為擁有三井住友銀行所持有的211,553,938股的權益。

本行已收到通知上述2個法團的持股量佔本行於2014年12月31日已增加至227,404,614股（佔本行於2014年12月31日已發行股份約9.69%）。根據《證券及期貨條例》第XV部，彼等增持有關股份無須作出披露。

除上述所披露外，概無其他本行股份或相關股份的權益或淡倉載於該登記冊內。

公眾持股量

基於公開予本行查閱之資料及據董事所知悉，截至本報告日期為止，本行一直維持《上市規則》所訂明之公眾持股量。

符合指引

截至2014年12月31日止年度賬項已完全符合《銀行業（披露）規則》中所適用的披露規定。

核數師

在即將召開的股東周年常會中，將提請通過續聘畢馬威會計師事務所為本行核數師的議案。

主席兼行政總裁

李國寶

香港，2015年2月12日

INDEPENDENT AUDITOR'S REPORT



TO THE SHAREHOLDERS OF THE BANK OF EAST ASIA, LIMITED

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of The Bank of East Asia, Limited ("the Bank") and its subsidiaries (together "the Group") set out on pages 122 to 283, which comprise the consolidated and the Bank's statements of financial position as at 31st December, 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Bank are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 80 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap.622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Bank and of the Group as at 31st December, 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

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

Hong Kong, 12th February, 2015

獨立核數師報告



致東亞銀行有限公司各股東

(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第122頁至第283頁東亞銀行有限公司(「貴銀行」)及其附屬公司(統稱「集團」)的綜合財務報表，此綜合財務報表包括於2014年12月31日的綜合財務狀況表及 貴銀行的財務狀況表，截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表以及主要會計政策概要及其他附註解釋資料。

董事就綜合財務報表須承擔的責任

貴銀行的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》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見。我們是按照新香港《公司條例》(第622章)附表11第80條的規定，僅向整體股東報告。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。

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。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否存在重大錯誤陳述。

審計涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括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。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序。但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而公平地反映 貴銀行及 貴集團於2014年12月31日的事務狀況及截至該日止年度的集團利潤及現金流量，並已按照香港《公司條例》妥為編製。

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

香港，2015年2月12日

CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31st December, 2014 截至2014年12月31日止年度

			2014	2013
		Notes 附註	HK\$ Mn 港幣百萬元	Restated 重報 HK\$ Mn 港幣百萬元
Interest income	利息收入	4	27,732	25,179
Interest expense	利息支出	5	(15,079)	(12,917)
Net interest income	淨利息收入		12,653	12,262
Fee and commission income	服務費及佣金收入	6	5,023	4,779
Fee and commission expense	服務費及佣金支出		(877)	(882)
Net fee and commission income	服務費及佣金收入淨額		4,146	3,897
Net trading profits	交易溢利淨額	7	892	878
Net result from financial instruments designated at fair value through profit or loss	指定為通過損益以反映公平價值金融工具的淨表現	8	(130)	(387)
Net hedging profit/(loss)	對沖溢利/(虧損)淨額	9	3	(22)
Other operating income	其他經營收入	10	668	625
Non-interest income	非利息收入		5,579	4,991
Operating income	經營收入		18,232	17,253
Operating expenses	經營支出	11	(9,849)	(9,583)
Operating profit before impairment losses	未扣除減值損失之經營溢利		8,383	7,670
Impairment losses on loans and advances	貸款及墊款減值損失	12	(990)	(458)
Write back of impairment losses on held-to-maturity investments	持至到期投資減值損失回撥	29	3	-
Impairment losses on available-for-sale financial assets	可供出售金融資產減值損失		(14)	(69)
Impairment losses	減值損失		(1,001)	(527)
Operating profit after impairment losses	已扣除減值損失後之經營溢利		7,382	7,143
Net loss on sale of held-to-maturity investments	出售持至到期投資之淨虧損		(2)	-
Net profit on sale of available-for-sale financial assets	出售可供出售金融資產之淨溢利	13	101	80
Net (loss)/profit on disposal of subsidiaries/associates	出售附屬公司/聯營公司之淨(虧損)/溢利		(4)	27
Net profit on disposal of fixed assets	出售固定資產之淨溢利	14	74	164
Valuation gains on investment properties	重估投資物業盈利	33	228	388
Share of profits less losses of associates	應佔聯營公司溢利減虧損		645	684
Profit for the year before taxation	年度內除稅前溢利		8,424	8,486
Income tax	所得稅	15	(1,650)	(1,779)
Profit for the year after taxation	年度內除稅後溢利		6,774	6,707
Attributable to:	可歸屬於:			
Owners of the parent	本集團股東		6,661	6,613
Non-controlling interests	非控股權益		113	94
Profit after taxation	除稅後溢利		6,774	6,707
Earnings per share	每股盈利		HK\$港幣元	HK\$港幣元
Basic	基本	18	2.72	2.78
Diluted	攤薄	18	2.72	2.78

The notes on pages 130 to 283 form part of these financial statements. Details of dividends payable to equity shareholders of the Bank attributable to the profit for the year are set out in Note 17.

第130至283頁之附註屬本財務報表之一部分。有關屬年度內溢利並應付予本行股東之股息詳情已詳載於附註17。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31st December, 2014 截至2014年12月31日止年度

		2014		2013		
		Notes 附註	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元		
Net Profit	淨溢利		6,774			6,707
Other comprehensive income for the year (after taxation and reclassification adjustments):	年內其他全面收益 (經除稅及分類調整後):					
Item that will not be reclassified to income statement:	不可轉回收益表的項目:					
Premises:	行址:					
– unrealised surplus on revaluation of premises	– 重估行址所產生的未實現盈餘	40(c)	2			670
– exchange differences	– 匯兌差額	40(c)	(3)			2
Items that may be reclassified subsequently to income statement:	以後可能轉回收益表的項目:					
Premises:	行址:					
– deferred taxes	– 遞延稅項	40(c)	1			1
Available-for-sale investment revaluation reserve:	可供出售投資的重估儲備:					
– fair value changes recognised to/(from) equity	– 計入/(轉自)股東權益的公平價值變動	40(h)	915			(46)
– fair value changes reclassified from/(to) income statement:	– 轉自/(轉入)收益表的公平價值變動:					
– on impairment and amortisation	– 減值及攤銷	40(h)	8			84
– on disposal	– 出售	40(h)	(79)			(142)
– deferred taxes	– 遞延稅項	40(h)	(164)			71
– exchange differences	– 匯兌差額	40(h)	2			(1)
Share of changes in equity of associates	應佔聯營公司權益的變動	40(i)	(9)			(18)
Exchange differences on other reserves	其他儲備所產生的匯兌差額	40(d)	(80)			64
Exchange differences on translation of:	因折算產生的匯兌差額:					
– accounts of overseas branches, subsidiaries and associates	– 海外分行、附屬公司及聯營公司的賬項		(909)			105
Other comprehensive income	其他全面收益		(316)			790
Total comprehensive income	全面收益總額		6,458			7,497
Total comprehensive income attributable to:	全面收益總額可歸屬於:					
Owners of the parent	本集團股東		6,350			7,403
Non-controlling interests	非控股權益		108			94
			6,458			7,497

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st December, 2014 2014年12月31日

		Notes 附註	2014 HK\$ Mn 港幣百萬元	2013 HK\$ Mn 港幣百萬元
ASSETS	資產			
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	22	70,358	68,777
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	23	50,769	57,372
Trade bills	貿易票據	24	60,675	59,932
Trading assets	交易用途資產	25	2,885	5,331
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	26	8,713	11,606
Positive fair value of derivatives	衍生工具的正公平價值	44(b)(ii)	3,537	3,625
Advances to customers and other accounts	客戶墊款及其他賬項	27	482,140	448,255
Available-for-sale financial assets	可供出售金融資產	28	86,816	71,589
Held-to-maturity investments	持至到期投資	29	6,747	5,048
Investments in associates	聯營公司投資	31	6,083	4,779
Fixed assets	固定資產	33	13,117	13,530
– Investment properties	– 投資物業		4,544	4,400
– Other property and equipment	– 其他物業及設備		8,573	9,130
Goodwill and intangible assets	商譽及無形資產	32	3,955	3,990
Deferred tax assets	遞延稅項資產	35(b)	96	120
Total Assets	資產總額		795,891	753,954
EQUITY AND LIABILITIES	股東權益及負債			
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘		33,323	28,923
Deposits from customers	客戶存款		548,184	534,971
Trading liabilities	交易用途負債	36(a)	21	11
Negative fair value of derivatives	衍生工具的負公平價值	44(b)(ii)	4,823	4,545
Certificates of deposit issued	已發行存款證		44,398	42,929
– At fair value through profit or loss	– 通過損益以反映公平價值		14,444	8,509
– At amortised cost	– 攤銷成本		29,954	34,420
Current taxation	本期稅項	35(a)	1,172	1,353
Debt securities issued	已發行債務證券		22,424	4,728
– At fair value through profit or loss	– 通過損益以反映公平價值		7,595	150
– At amortised cost	– 攤銷成本		14,829	4,578
Deferred tax liabilities	遞延稅項負債	35(b)	686	647
Other accounts and provisions	其他賬項及準備	36(b)	50,081	53,981
Loan capital – at amortised cost	借貸資本 – 攤銷成本	37	17,335	13,632
Total Liabilities	負債總額		722,447	685,720
Capital and reserves	資本及儲備			
Share capital – nominal value	股本 – 票面值		–	5,724
Other statutory capital reserves	其他法定資本儲備		–	17,770
Share capital and other statutory capital reserves	股本及其他法定資本儲備	39, 40(a)	25,217	23,494
Other reserves	其他儲備	40	43,663	40,188
Total equity attributable to owners of the parent	歸屬於本集團股東權益總額		68,880	63,682
Non-controlling interests	非控股權益	41	4,564	4,552
Total Equity	股東權益總額		73,444	68,234
Total Equity and Liabilities	股東權益及負債總額		795,891	753,954

Approved and authorised for issue by the Board on 12th February, 2015.

Chairman and Chief Executive
DirectorsDavid LI Kwok-po
Allan WONG Chi-yun
WONG Chung-hin
Winston LO Yau-lai

董事會於2015年2月12日核准及授權發布。

主席兼行政總裁 李國寶
董事 黃子欣
黃頌顯
羅友禮

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

STATEMENT OF FINANCIAL POSITION

財務狀況表

As at 31st December, 2014 2014年12月31日

	Notes 附註	2014 HK\$ Mn 港幣百萬元	2013 HK\$ Mn 港幣百萬元
ASSETS	資產		
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存 22	26,952	22,212
Placements with banks and other financial institutions	在銀行及其他金融機構的存款 23	8,031	13,399
Trade bills	貿易票據 24	51,609	52,739
Trading assets	交易用途資產 25	1,642	1,925
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產 26	8,287	11,199
Positive fair value of derivatives	衍生工具的正公平價值 44(b)(ii)	2,440	1,729
Advances to customers and other accounts	客戶墊款及其他賬項 27	299,967	266,925
Amounts due from subsidiaries	附屬公司欠款 34	22,690	24,124
Available-for-sale financial assets	可供出售金融資產 28	60,175	47,330
Held-to-maturity investments	持有到期投資 29	3,474	3,940
Investments in subsidiaries	附屬公司投資 30	17,315	15,270
Investments in associates	聯營公司投資 31	3,203	2,505
Fixed assets	固定資產 33	7,675	7,609
– Investment properties	– 投資物業	3,957	3,738
– Other property and equipment	– 其他物業及設備	3,718	3,871
Goodwill and intangible assets	商譽及無形資產 32	1,460	1,460
Deferred tax assets	遞延稅項資產 35(b)	74	101
Total Assets	資產總額	514,994	472,467
EQUITY AND LIABILITIES	股東權益及負債		
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	21,988	23,507
Deposits from customers	客戶存款	342,979	323,114
Trading liabilities	交易用途負債 36(a)	21	11
Negative fair value of derivatives	衍生工具的負公平價值 44(b)(ii)	3,758	2,766
Certificates of deposit issued	已發行存款證	45,353	45,129
– At fair value through profit or loss	– 通過損益以反映公平價值	14,444	8,509
– At amortised cost	– 攤銷成本	30,909	36,620
Amounts due to subsidiaries	欠附屬公司款項 34	1,803	3,108
Current taxation	本期稅項 35(a)	960	1,097
Debt securities issued	已發行債務證券	21,173	3,448
– At fair value through profit or loss	– 通過損益以反映公平價值	7,595	150
– At amortised cost	– 攤銷成本	13,578	3,298
Deferred tax liabilities	遞延稅項負債 35(b)	580	596
Other accounts and provisions	其他賬項及準備 36(b)	6,169	6,330
Loan capital	借貸資本 37	21,848	18,110
– At fair value through profit or loss	– 通過損益以反映公平價值	4,513	4,478
– At amortised cost	– 攤銷成本	17,335	13,632
Total Liabilities	負債總額	466,632	427,216
Capital and reserves	資本及儲備		
Share capital – nominal value	股本 – 票面值	–	5,724
Other statutory capital reserves	其他法定資本儲備	–	17,770
Share capital and other statutory capital reserves	股本及其他法定資本儲備 39, 40(a)	25,217	23,494
Other reserves	其他儲備 40	23,145	21,757
Total equity attributable to owners of the Bank	歸屬於本行股東權益總額	48,362	45,251
Total Equity and Liabilities	股東權益及負債總額	514,994	472,467

Approved and authorised for issue by the Board on 12th February, 2015.

Chairman and Chief Executive
DirectorsDavid LI Kwok-po
Allan WONG Chi-yun
WONG Chung-hin
Winston LO Yau-lai

董事會於2015年2月12日核准及授權發布。

主席兼行政總裁 李國寶
董事 黃子欣
黃頌顯
羅友禮

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st December, 2014 截至2014年12月31日止年度

		Share capital	Share premium	Capital reserve – staff share options issued	Exchange revaluation reserve	Investment revaluation reserve	Revaluation reserve of bank premises	Capital reserve	General reserve	Other reserves*	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本儲備 – 已發行僱員認股權	匯兌重估儲備	投資重估儲備	行址重估儲備	資本儲備	一般儲備	其他儲備*	留存溢利	總額	非控股權益	權益總額
		HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
At 1st January, 2014	於2014年1月1日	5,724	17,770	69	2,874	978	1,642	200	13,877	3,770	16,778	63,682	4,552	68,234
Changes in equity	權益變動													
Profit for the year	年度內溢利	-	-	-	-	-	-	-	-	-	6,661	6,661	113	6,774
Other comprehensive income	其他全面收益	-	-	-	(904)	682	-	-	-	(89)	-	(311)	(5)	(316)
Total comprehensive income	全面收益總額	-	-	-	(904)	682	-	-	-	(89)	6,661	6,350	108	6,458
Shares issued in lieu of dividend	以股代息發行的股份	1,664	-	-	-	-	-	-	-	-	-	1,664	-	1,664
Shares issued under Staff Share Option Schemes	根據僱員認股計劃發行的股份	50	-	-	-	-	-	-	-	-	-	50	-	50
Shares issued expense	發行股份支出	-	-	-	-	-	-	(2)	-	-	-	(2)	-	(2)
Equity settled share-based transaction	以股份為基礎作支付之交易	-	-	24	-	-	-	-	-	-	-	24	-	24
Transfer	轉賬	9	-	(9)	-	-	-	30	53	619	(702)	-	-	-
Dividends declared or approved during the year	年度內已宣布或核准派發股息	-	-	-	-	-	-	-	-	-	(2,888)	(2,888)	(96)	(2,984)
Transition to no-par value regime on 3rd March, 2014 (Note 39)	過渡至於2014年3月3日之無票面值制度(附註39)	17,770	(17,770)	-	-	-	-	-	-	-	-	-	-	-
At 31st December, 2014	於2014年12月31日	25,217	-	84	1,970	1,660	1,642	228	13,930	4,300	19,849	68,880	4,564	73,444

* Other reserves include statutory reserve and other reserves.

* 其他儲備包括法定儲備及其他儲備。

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31st December, 2013 截至2013年12月31日止年度

		Share	Share	Capital	Exchange	Investment	Revaluation	Capital	General	Other	Retained	Non-	Total	
		capital	premium	reserve – staff share options issued	revaluation reserve	revaluation reserve	reserve of bank premises							reserve
		股本	股份溢價	資本儲備— 已發行權證	匯兌重估 儲備	投資重估 儲備	行址重估 儲備	資本儲備	一般儲備	其他儲備*	留存溢利	總額	非控股權益	權益總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
At 1st January, 2013	於2013年1月1日	5,568	16,083	135	2,769	1,012	976	130	13,823	2,611	14,046	57,153	4,486	61,639
Changes in equity	權益變動													
Profit for the year	年度內溢利	-	-	-	-	-	-	-	-	-	6,613	6,613	94	6,707
Other comprehensive income	其他全面收益	-	-	-	105	(34)	673	-	-	46	-	790	-	790
Total comprehensive income	全面收益總額	-	-	-	105	(34)	673	-	-	46	6,613	7,403	94	7,497
Shares issued in lieu of dividend	以股代息發行的股份	144	1,550	-	-	-	-	-	-	-	-	1,694	-	1,694
Shares issued under Staff Share Option Schemes	根據權證認股計劃發行的股份	12	106	-	-	-	-	-	-	-	-	118	-	118
Equity settled share-based transaction	以股份為基礎作支付之交易	-	-	21	-	-	-	-	-	-	-	21	-	21
Transfer	轉賬	-	31	(87)	-	-	(7)	70	54	1,113	(1,174)	-	-	-
Dividends declared or approved during the year	年度內已宣布或核准派發股息	-	-	-	-	-	-	-	-	-	(2,707)	(2,707)	(64)	(2,771)
Purchase of interests in businesses from non-controlling interests investors	向非控股權益投資者購入商業權益	-	-	-	-	-	-	-	-	-	-	-	33	33
Exchange adjustments	匯兌調整	-	-	-	-	-	-	-	-	-	-	-	3	3
At 31st December, 2013	於2013年12月31日	5,724	17,770	69	2,874	978	1,642	200	13,877	3,770	16,778	63,682	4,552	68,234

* Other reserves include statutory reserve and other reserves.

The notes on pages 130 to 283 form part of these financial statements.

* 其他儲備包括法定儲備及其他儲備。

第130至283頁之附註屬本財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st December, 2014 截至2014年12月31日止年度

			2014	2013
		Notes 附註	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
OPERATING ACTIVITIES	經營業務活動			
Profit for the year before taxation	年度內除稅前溢利		8,424	8,486
Adjustments for:	調整：			
Charge for impairment losses on loans and advances	貸款及墊款減值損失支銷	12	990	458
Charge for impairment allowances on held-to-maturity investments and available-for-sale financial assets	持至到期投資和可供出售金融資產之減值準備支銷		11	69
Share of profits less losses of associates	應佔聯營公司溢利減虧損		(645)	(684)
Net loss on sale of held-to-maturity investments	出售持至到期投資之淨虧損		2	-
Net profit on sale of available-for-sale financial assets	出售可供出售金融資產之淨溢利		(101)	(80)
Net loss/(profit) on disposal of subsidiaries and associates	出售附屬公司及聯營公司之淨虧損/(溢利)		4	(27)
Net profit on disposal of fixed assets	出售固定資產之淨溢利		(74)	(164)
Interest expense on certificates of deposit and loan capital issued	已發行存款證及借貸資本利息支出		1,855	1,579
Depreciation on fixed assets	固定資產折舊	11, 33	664	670
Dividend income from available-for-sale financial assets	可供出售金融資產股息收入		(28)	(43)
Amortisation of intangible assets	無形資產攤銷	11	32	32
Amortisation of premium/discount on certificates of deposit and loan capital issued	已發行存款證及借貸資本的溢價/折扣攤銷		218	132
Revaluation gains on certificates of deposit and loan capital issued	重估已發行存款證及借貸資本盈利		(5)	(487)
Valuation gains on investment properties	重估投資物業盈利	33	(228)	(388)
Equity-settled share-based payment expenses	以股份為基礎作支付費用		24	21
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	營運資金變動前的經營溢利		11,143	9,574
(Increase)/decrease in operating assets:	經營資產(增)/減額：			
Cash and balances with banks with original maturity beyond three months	原本期限為3個月以上的現金及其他銀行存款的結存		926	(5,178)
Placements with banks and other financial institutions with original maturity beyond three months	原本期限為3個月以上的銀行及其他金融機構存款		(10,544)	10,390
Trade bills	貿易票據		(735)	(4,191)
Trading assets	交易用途資產		2,420	(1,092)
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產		2,893	3,563
Positive fair value of derivatives	衍生工具的正公平價值		88	(500)
Advances to customers	客戶墊款		(38,559)	(55,000)
Advances to banks and other financial institutions	銀行及其他金融機構墊款		(50)	141
Held-to-maturity debt securities	持至到期債務證券		(1,319)	(623)
Available-for-sale financial assets	可供出售金融資產		(17,789)	(12,087)
Other accounts and accrued interest	其他賬項及應計利息		3,829	(6,591)
Increase/(decrease) in operating liabilities:	經營負債增/(減)額：			
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘		4,400	(1,674)
Deposits from customers	客戶存款		13,213	36,201
Trading liabilities	交易用途負債		10	(10)
Negative fair value of derivatives	衍生工具的負公平價值		278	739
Other accounts and provisions	其他賬項及準備		(4,139)	8,684
Exchange adjustments	匯兌調整		(962)	728
NET CASH OUTFLOW FROM OPERATIONS	經營活動現金流出淨額		(34,897)	(16,926)
Income tax paid	已付所得稅			
Hong Kong profits tax paid	已付香港利得稅		(919)	(537)
Outside Hong Kong profits tax paid	已付海外利得稅		(982)	(767)
NET CASH USED IN OPERATING ACTIVITIES	用於經營業務活動之現金淨額		(36,798)	(18,230)

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

綜合現金流量表(續)

For the year ended 31st December, 2014 截至2014年12月31日止年度

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
INVESTING ACTIVITIES	投資活動		
Dividends received from associates	收取聯營公司股息	172	151
Dividends received from available-for-sale equity securities	收取可供出售股份證券股息	28	43
Purchase of equity securities	購入股份證券	(1,985)	(1,293)
Proceeds from sale of equity securities	出售股份證券所得款項	1,780	1,336
Purchase of fixed assets	購入固定資產	(305)	(750)
Purchase of investment properties	購入投資物業	(44)	(154)
Proceeds from disposal of fixed assets	出售固定資產所得款項	130	591
Purchase of shareholding in associates	購入聯營公司權益	(1,139)	(71)
Proceeds from disposal of an associate	出售一間聯營公司所得款項	-	160
Purchase of subsidiaries	購入附屬公司	(23)	-
Purchase of interests in business from non-controlling interests investors	向非控股權益投資者購入商業權益	-	33
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(用於)/源自投資活動之現金淨額	(1,386)	46
FINANCING ACTIVITIES	融資活動		
Ordinary dividends paid	支付普通股股息	(991)	(747)
Distribution to Hybrid Tier 1 issue holders	派發予混合一級資本工具持有人	(330)	(330)
Issue of ordinary share capital	發行普通股股本	50	118
Issue of certificates of deposit	發行存款證	67,798	68,516
Issue of debt securities	發行債務證券	26,426	4,002
Issue of loan capital	發行借貸資本	3,863	-
Redemption of certificates of deposit issued	贖回已發行存款證	(66,414)	(53,274)
Redemption of debt securities issued	贖回已發行債務證券	(8,621)	(8,173)
Interest paid on loan capital	支付借貸資本利息	(755)	(752)
Interest paid on certificates of deposit issued	支付已發行存款證利息	(620)	(537)
Interest paid on debt securities issued	支付已發行債務證券利息	(243)	(370)
NET CASH GENERATED FROM FINANCING ACTIVITIES	源自融資活動之現金淨額	20,163	8,453
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金項目淨減額	(18,021)	(9,731)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	於1月1日之現金及等同現金項目	90,007	99,738
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	於12月31日之現金及等同現金項目	71,986	90,007
Cash flows from operating activities included:	源自經營業務活動的現金流量包括:		
Interest received	利息收入	27,469	25,131
Interest paid	利息支出	14,357	12,698
Dividend received	股息收入	71	78

The notes on pages 130 to 283 form part of these financial statements.

第130至283頁之附註屬本財務報表之一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1. PRINCIPAL ACTIVITIES 主要業務

The Bank and its subsidiaries (the "Group") are engaged in the provision of banking and related financial services, and business, corporate and investor services.

本行及其附屬公司(「本集團」)的主要業務為提供銀行及有關的金融服務、以及商務、企業及投資者服務。

2. SIGNIFICANT ACCOUNTING POLICIES 主要會計政策

(a) Statement of Compliance

These financial statements have been prepared in accordance with all applicable HKFRS, which collective term includes all applicable individual HKFRS, HKAS and Interpretations issued by the HKICPA and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable requirements of the Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. These financial statements also comply with the applicable disclosure provisions of the Listing Rules on the Stock Exchange. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRS that are first effective or available for early adoption for the current accounting period of the Group and the Bank. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of Preparation of the Financial Statements

The financial statements for the year ended 31st December, 2014 comprise the Group and the Group's interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as trading, designated at fair value through profit or loss and available-for-sale (Note 2(f)(ii));
- derivative financial instruments (Notes 2(f)(ii), (vi) and 2(g)); and
- investment properties (Note 2(h)(ii)).

(a) 符合指引聲明

本財務報表乃按照香港會計師公會頒布所有適用的《香港財務報告準則》，其整體已包括個別適用的《香港財務報告準則》、《香港會計準則》及詮釋，及香港一般採用的會計原則。本財務報表亦符合《公司條例》的適用要求，其中包括根據新《公司條例》(第622章)附表11第76條至第87條為該條例第9部「帳目及審計」就前香港《公司條例》(第32章)繼續就本財政年度和比較期間而適用的部分作的過渡性安排及保留安排。本財務報表亦符合《上市規則》有關的披露規定。本集團採納的主要會計政策簡列如下。

香港會計師公會已頒布數項新增及經修訂的《香港財務報告準則》，並於本年度本集團及本行的會計期首次生效或可被提早採納。附註3提供因首次應用該等準則而引致會計政策變動的資料，而該等資料只包括與本集團有關而須反映在本期及去年會計期的財務報表。

(b) 財務報表編製基準

截至2014年12月31日止年度的財務報表包括本集團及其應佔聯營公司之權益。

除以下資產及負債是以公平價值列賬外，本財務報表是以原值成本作為計量基準。有關詳情載列於下列會計政策：

- 分類作交易用途、指定通過損益以反映公平價值及可供出售的金融工具(附註2(f)(ii))；
- 衍生金融工具(附註2(f)(ii), (vi)及2(g))；及
- 投資物業(附註2(h)(ii))。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The preparation of financial statements in conformity with HKFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 judgements made by management in the application of HKFRS that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 51.

(c) Basis of Consolidation

These consolidated financial statements cover the consolidated position of the Bank and all subsidiaries unless otherwise stated and the Group's interest in associates. For information required to be reported in accordance with the Banking (Disclosures) Rules, the basis of consolidation is set out in the Notes (1) and (2) in the Unaudited Supplementary Financial Information.

(i) Subsidiaries and Non-controlling interests

The consolidated financial statements include the financial statements of the Bank and all its subsidiaries made up to 31st December each year. 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.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Bank, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

按《香港財務報告準則》之要求，在編製財務報表時，管理層須作判斷、估計及假設從而影響政策實施及資產及負債、及收入與支出之呈報金額。有關估計及假設乃按在既定情況下可合理地相信，根據過往之經驗及其他因素，作出判斷那些未能從其他來源確定的資產及負債的賬面值。實際結果可能與此等估計不盡相同。

有關估計及假設須持續作檢討。若修訂只影響該修訂期，會計估計的修訂於該修訂期內確認；或如該修訂影響本期及未來會計期，則於修訂期及未來會計期內確認。

在附註51內，管理層已解釋實施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。

(c) 綜合基準

除另外陳述外，本綜合財務報表包括本行及其所有附屬公司及本集團所佔聯營公司之權益的綜合狀況。根據《銀行業(披露)規則》所要求匯報的資料，所採納的綜合基準已在未經審核補充財務資料附註(1)及附註(2)列載。

(i) 附屬公司及非控股權益

本綜合財務報表包括本行及其所有附屬公司截至各相關年度之12月31日止的財務報表。附屬公司為本集團所控制之實體。當透過不同程度的參與從而令本集團蒙受或獲取不同之回報，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)。

附屬公司之投資由控制權生效日起至控制權失效日止在綜合財務報表內計算。在編製綜合財務報表時，集團之間的結餘，交易及現金流及任何因集團之間交易所產生的未實現溢利均被抵銷。跟未實現盈利相同，因集團之間交易所產生的未實現虧損亦同樣被抵銷，但只局限於未有減值證據。

非控股權益指無論是直接或間接並不歸屬於本行之附屬公司的權益部分，及本集團並未與該等權益持有者達成附加協議，致令本集團整體上對該等權益產生符合金融負債定義的法定義務。就每一業務合併而言，本集團可選擇按公平價值或非控股權益按比例應佔該附屬公司的可辨識淨資產以計量非控股權益。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to equity shareholders of the Bank. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the net profit and total comprehensive income for the year between non-controlling interests and equity shareholders of the Bank.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (Note 2(f)) or, when appropriate, the cost on initial recognition of an investment in an associate (Note 2(c)(ii)).

In the Bank's statement of financial position, its investments in subsidiaries are stated at cost less any impairment losses, if any (Note 2(k)).

(ii) Associates

The consolidated financial statements include the attributable share of the results and reserves of associates based on financial statements prepared at dates not earlier than three months prior to 31st December, 2014. An associate is a company in which the Group or the Bank has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method unless it is classified as held-for-sale. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the associate's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the associate's net assets and any impairment loss relating to the investment (Note 2(j) and 2(k)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the associates and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the associate's other comprehensive income is recognised in the consolidated statement of comprehensive income.

非控股權益在綜合財務狀況表內的股東權益中列示，但與可歸屬於本集團股東權益分開。非控股權益佔本集團之業績，在綜合收益表內以分配年度溢利之形式列示，而在綜合全面收益表則以分配年度全面收益總額予非控股權益與及可歸屬於本集團股東權益之形式列示。

本集團將不導致喪失控股權之附屬公司權益的變動按權益交易方式入賬，即只調整在綜合權益內之控股及非控股權益的金額以反映其相關權益的變動，但不調整商譽及確認盈虧。

當本集團喪失對一附屬公司之控股權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧確認為損益。任何在喪失控股權日仍保留該前度附屬公司之權益按公平價值確認，而此金額被視為初始確認一金融資產(附註2(f))的公平價值，或(如適用)按成本初始確認一聯營公司投資(附註2(c)(ii))。

在本行的財務狀況表中，附屬公司投資是以成本減除任何減值損失(附註2(k))列賬。

(ii) 聯營公司

本綜合財務報表包括根據截至2014年12月31日止之前不超過三個月的財務報表所編製應佔聯營公司的業績及儲備。聯營公司是指本集團或本行可對其管理發揮重大影響力，包括參予其財務及經營政策的決策，但並不控制或共同控制其管理層。

除非分類為持有作出售用途，聯營公司投資是以權益會計法在綜合財務報表內入賬。根據權益會計法，投資的入賬方法是先以成本另調整本集團於購入後應佔該聯營公司的可辨識淨資產所超出成本之任何金額。往後，需調整在收購後本集團應佔聯營公司淨資產之變動及在(附註2(j)和2(k))所載有關投資的減值損失。任何超出於收購日之成本、本集團應佔聯營公司收購後和已除稅的業績及年度內的任何減值損失均在綜合收益表內確認，而本集團應佔聯營公司收購後和已除稅之其他全面收益項目則在綜合全面收益表內確認。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

When the Group's share of losses exceeds its interest in the associates, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For these purposes, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, except when unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that associate, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former associate at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (Note 2(f)).

The Bank accounts for the results of associates to the extent of dividends received. Investments in associates are stated in the Bank's statement of financial position at cost less any impairment losses (Note 2(k)).

An associate is considered material if it is material to either income statement or statement of financial position of the Group in two consecutive years.

(d) Translation of Foreign Currencies

Foreign currencies transactions during the year are translated into Hong Kong dollars at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the end of the reporting period. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Hong Kong dollars using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

Exchange differences relating to investments at fair value through profit or loss and derivative financial instruments are included in gains less losses from trading securities or financial instruments designated at fair value through profit or loss. All other exchange differences relating to monetary items are presented as gains less losses from dealing in foreign currencies in the income statement. Differences arising on translation of available-for-sale equity instruments are recognised in other comprehensive income and accumulated separately in equity.

除本集團對該聯營公司所作具法律或推定義務或替該公司償付的承擔外，當本集團應佔該聯營公司的虧損超出本集團應佔該聯營公司之權益時，超出的虧損將不被確認，而本集團應佔該聯營公司之權益將被減值至零。因此，本集團應佔該聯營公司權益即按權益會計法計算投資賬面值，及實質上構成本集團應佔該聯營公司淨資產的長期權益。

本集團與聯營公司交易而產生之未實現溢利及虧損，按本集團應佔該聯營公司之權益為限作沖銷。若有證據顯示未實現虧損屬資產轉讓的減值損失，則須立即於損益賬內確認。

當本集團喪失對一聯營公司之重大影響力，將按出售該聯營公司之所有權益入賬，而所產生的盈虧確認為損益。任何在喪失控股權日仍保留該前度聯營公司之權益按公平價值確認，而此金額被視為初始確認一金融資產(附註2(f))的公平價值。

本行按照已收取股息計算應佔聯營公司業績。在本行的財務狀況表中，聯營公司投資是以成本減除任何減值損失(附註2(k))列賬。

若連續兩年對於本集團的收益表或財務狀況表有重大影響，該聯營公司會被視為重大。

(d) 外幣換算

年度內的外幣交易按交易日的匯率折算為港幣。以外幣為單位的貨幣性資產及負債按報告期結束日的匯率折算為港幣。匯兌盈虧則計入收益表內。

以原值成本列賬但以外幣為單位的非貨幣性資產及負債按交易日的匯率折算為港幣。以外幣為單位及按公平價值列賬的非貨幣性資產及負債按釐定其公平價值日的匯率折算。

有關通過損益以反映公平價值投資及衍生金融工具的匯兌差額分別包括於交易用途證券淨盈虧或指定通過損益以反映公平價值投資淨盈虧。其他有關貨幣性資產及負債的匯兌差額則於收益表之外幣買賣溢利項下列示。因折算可供出售股份證券而產生的差額則於其他全面收益內確認，並在股東權益內分開累計。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Items of statement of financial position, including goodwill arising on consolidation of foreign operations acquired on or after 1st January, 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised directly in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1st January, 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to the income statement when the profit or loss on disposal is recognised.

(e) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

(i) Interest income

Interest income for all interest-bearing financial instruments is recognised in the income statement on an accruals basis using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument 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.

For impaired loans, the accrual of interest income based on the original terms of the loan is discontinued, but any increase in the present value of impaired loans due to the passage of time is reported as interest income.

(ii) Net income from financial instruments designated at fair value through profit or loss and net trading income

Net income from financial instruments designated at fair value through profit or loss and net trading income comprises all gains and losses from changes in fair value (net of accrued coupon) of such financial assets and financial liabilities, together with foreign exchange differences and dividend income attributable to those financial instruments.

海外業務之業績按交易日相約的匯率折算為港幣。資產負債表項目，財務狀況表的項目中，包括於2005年1月1日或以後因收購海外業務而在綜合時所產生的商譽，按報告期結束日的匯率折算為港幣。產生的匯兌差額直接在其他全面收益內確認，並在股東權益之匯兌儲備內分開累計。因於2005年1月1日以前收購海外業務而在綜合時所產生的商譽按收購海外業務日的匯率折算。

當確認出售海外業務的損益時，因該海外業務產生的累計匯兌差額由股東權益計入收益表。

(e) 收入確認

收入按已收或應收價款的公平價值釐定。假設經濟利益有可能流向本集團及收入和支出(如適用)屬可靠計量的，在收益表內確認收入的方法如下：

(i) 利息收入

所有帶息金融工具的利息收入按有效利率方法於收益表內以應計基準列作利息收入。

有效利率方法是一種計算攤銷成本及分配利息收入於相關期間的方法。有效利率是可準確將金融工具在預計年期內產生之未來現金支出或收入折算為現值，或在較短期內折算為該金融工具賬面值的利率(如適用)。當計算有效利率時，本集團在估計現金流須考慮金融工具的所有合約條款，但不包括未來信貸損失。有效利率組成部分的計算包括所有合約對手之間的費用及基點支出或收入、交易成本及其他所有溢價或折扣。

就減值貸款而言，根據貸款原本條款計算的應計利息收入終止，但因隨時間過去令致減值貸款之現值增加則列作利息收入。

(ii) 指定通過損益以反映公平價值金融工具的淨收入及淨交易收入

指定通過損益以反映公平價值金融工具的淨收入及淨交易收入包括所有金融資產及金融負債之公平價值變動產生的盈虧(減除應計利息)，以及應歸屬於該等金融工具的匯兌差額及股息收入。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(iii) Fee and commission income

Fee and commission income is recognised in the income statement when the corresponding service is provided, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised as income in the accounting period in which the costs or risk is incurred and is accounted for as interest income.

Origination or commitment fees received/paid by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. If the commitment expires without the Group making a loan, the fee is recognised as revenue on a straight-line basis over the commitment period.

(iv) Finance income from finance leases

Finance income implicit in finance leases is recognised as interest income over the period of the lease so as to produce an approximately constant periodic rate of return of the outstanding net investment in the leases for each accounting period.

(v) Rental income from operating leases

Rental income received under operating leases is recognised as other operating income in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable. Contingent rentals receivable are recognised as income in the accounting period in which they are earned.

(vi) Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established unconditionally. Dividend income from listed investments is recognised when the share price of the investment is quoted ex-dividend.

(f) Financial Instruments

(i) Initial recognition

The Group classifies its financial instruments into different categories at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred. The categories are: fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets and other financial liabilities.

Financial instruments are measured initially at fair value, which normally will be equal to the transaction price plus, in case of a financial asset or financial liability not held at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

(iii) 服務費及佣金收入

服務費及佣金收入在有關服務提供時確認為收益表內，但如服務費是為彌補持續為客戶提供一項服務的成本或承受風險而收取或費用性質為利息則除外。在此情況下，服務費在成本或風險產生的會計期內列作收入，並按利息收入入賬。

因本集團開展或購入金融資產而產生之開立或承擔服務費收入／支出須遞延及確認為有效利率之調整。如承擔期滿而本集團毋須貸款，該服務費按承擔期限以直線法列作收入。

(iv) 融資租賃收入

融資租賃隱含財務收入按租賃年期確認為利息收入，以令每個會計年度期間剩餘的淨租賃投資回報大致相同。

(v) 經營租賃租金收入

除非有更具有代表性的基準衡量從租賃資產獲取利益的模式，其經營租賃之租金收入按該租期所涵蓋的年期以等額分期確認為其他經營收入。經營租賃協議所涉及的激勵措施均在收益表中確認為租賃淨收款總額的組成部分。或有租金以賺取該收入的會計期間列作收入。

(vi) 股息收入

非上市投資股息收入在股東收取權被無條件確立時才予以確認。上市投資股息收入則在該投資的股價除息時才被確認。

(f) 金融工具

(i) 初始確認

本集團根據於初始期購入資產或產生負債時之原定用途，以分類其金融工具。種類包括通過損益以反映公平價值、貸款和應收賬款、持至到期投資、可供出售金融資產及其他金融負債。

金融工具於初始期按公平價值計量，而公平價值大致與交易價相同。如金融資產或金融負債不屬於通過損益以反映公平價值，則包括直接歸屬於購入之金融資產或發行金融負債的交易成本。通過損益以反映公平價值的金融資產或金融負債的交易成本立即作費用支銷。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets at fair value through profit or loss, available for sales or held to maturity and financial liabilities at fair value through profit or loss or debts issued are recognised using trade date accounting. Other financial assets and financial liabilities are recognised using settlement date accounting. From these date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities measured at fair value are recorded.

(ii) Categorisation

Fair value through profit or loss

This category comprises financial assets and financial liabilities held for trading, and those designated at fair value through profit or loss upon initial recognition, but excludes those investments in equity instruments that do not have a quoted market price and whose fair value cannot be reliably measured.

Trading financial instruments are financial assets or financial liabilities which are acquired or incurred principally for the purpose of trading, or are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are recognised initially, and are subsequently remeasured, at fair value, and classified as assets when their fair value is positive, or as liabilities when their fair value is negative. Derivatives that do not qualify for hedge accounting (Note 2(g)) are accounted for as trading instruments.

Financial instruments are designated at fair value through profit or loss upon initial recognition when:

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise;
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract; or
- the separation of the embedded derivatives from the financial instrument is not prohibited.

Financial assets and financial liabilities under this category are carried at fair value. Changes in the fair value are included in the income statement in the period in which they arise. Upon disposal or repurchase, the difference between the net sale proceeds or the net payment and the carrying value is included in the income statement.

當本集團成為金融工具合約其中一方時，確認金融資產和金融負債。以有規律方式購買或出售通過損益以反映公平價值、可供出售或持至到期金融資產及通過損益以反映公平價值的金融負債俱按交易日會計法計算。其他金融資產和金融負債則按結算日會計法計算。該等金融資產及金融負債因公平價值變動而產生的盈利及虧損由該日起計算。

(ii) 分類

通過損益以反映公平價值

此類別包括持有作交易用途和初始被指定為通過損益以反映公平價值的金融資產及金融負債，但不包括沒有市場報價的股份證券投資，及其公平價值是不能夠可靠計量的。

作交易用途的金融工具包括購入金融資產或產生金融負債，主要是作短期出售或屬可辨識金融工具組合的一部分，該組合是整體管理的，及有證據顯示近期有短期出售以賺取利潤的模式。衍生工具於初始確認，及後按公平價值重新計量，以及當公平價值為正值時分類為資產，或當公平價值為負值時分類為負債。不符合會計對沖法(附註2(g))的衍生工具列作交易工具。

在以下情況於初始確認為指定為通過損益以反映公平價值的金融工具：

- 該資產或負債是按公平價值作內部管理、評估及呈報；
- 該指定可抵銷或重大地減低可能產生的會計錯配；
- 該資產或負債包含嵌入衍生工具，而該嵌入衍生工具可重大地改變按合約產生的現金流；或
- 將嵌入衍生工具從金融工具內分開是不被禁止的。

屬於此類別的金融資產及金融負債按公平價值入賬。因公平價值變動產生之未實現盈利和虧損計入在期內發生的收益表。於出售或重購時，出售所得或支付淨額與賬面值的差額計入收益表。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than (a) those that the Group intends to sell immediately or in the near term, which will be classified as held for trading; (b) those that the Group, upon initial recognition, designates as at fair value through profit or loss or as available-for-sale; or (c) those where the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which will be classified as available-for-sale. Loans and receivables mainly comprise placements with banks and other financial institutions, trade bills and loans and advances to customers.

Securities classified as loans and receivables typically comprise securities issued by the same customers with whom the Group has a lending relationship that are not quoted in an active market. Investment decisions for credit substitute securities are subject to the same credit approval processes as loans, and the Group bears the same customer risk as it does for loans extended to those customers. Additionally the yield and maturity terms are generally directly negotiated by the Group with the issuer. These securities include commercial paper, short term debentures and preference shares issued by the borrower.

Loans and receivables and securities classified as loans and receivables are carried at amortised cost using the effective interest method, less impairment losses, if any (Note 2(k)).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity which the Group has the positive intention and ability to hold to maturity, other than (a) those that the Group, upon initial recognition, designates as at fair value through profit or loss or available-for-sale; and (b) those that meet the definition of loans and receivables.

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment losses, if any (Note 2(k)).

If, as a result of a change in intention or ability, it is no longer appropriate to classify an investment as held-to-maturity, it shall be reclassified as available-for-sale and remeasured at fair value.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other three categories above. They include financial assets intended to be held for an indefinite period of time, but which may be sold in response to needs for liquidity or changes in the market environment.

Available-for-sale financial assets are carried at fair value. Unrealised gains and losses arising from changes in the fair value are recognised in other comprehensive income and accumulated separately in equity, except for impairment losses and foreign exchange gains and losses on monetary items such as debt securities which are recognised in the income statement.

貸款和應收賬款

貸款和應收賬款為固定或可確定付款金額及沒有活躍市場報價的非衍生金融資產，但不包括(a)本集團有計劃於短期內出售而被區分為持有作交易用途；(b)本集團於初始期已指定為通過損益以反映公平價值或可供出售；或(c)本集團可能不能收回大部分初始投資(但不包括因信貸轉壞的原因)，則須分類為可供出售。貸款和應收賬款主要包括在銀行及其他金融機構的存款、貿易票據及客戶貸款及墊款。

分類為貸款和應收賬款的證券中，較具代表性的包括由客戶發行而在活躍市場沒有報價的證券，而該客戶是本集團在其批發銀行業務中有借貸關係的相同客戶。作出代替信貸之證券的投資決定與貸款的信貸審批程序相同，尤如本集團須承擔等同借款予同一客戶的風險。另外，回報及到期日條款普遍是透過本集團與客戶直接磋商。此類證券包括商業票據、短期債券及由借款人發行的優先股份。

貸款和應收賬款及分類為貸款和應收賬款的證券按有效利率方法計算攤銷成本並減除任何減值損失入賬(附註2(k))。

持至到期投資

持至到期投資包括有固定或可確定付款金額及有固定期限的非衍生金融資產而本集團有明確意向和能力持至到期日，但不包括(a)本集團於初始期已指定為通過損益以反映公平價值或可供出售，及(b)符合貸款和應收賬款之定義。

持至到期投資採用有效利率方法計算攤銷成本並減除任何減值損失入賬(附註2(k))。

若因意向或能力改變而引致不再適合分類為持至到期投資，則將重新分類為可供出售並按公平價值計量。

可供出售金融資產

可供出售金融資產是被指定為可供出售的非衍生金融資產，或並非分類為以上三種類別的金融資產。它包括計劃作不定期限持有的金融資產，但可能因應流動資金之需要或市場環境轉變而出售。

可供出售金融資產按公平價值列賬。除減值損失和貨幣性資產之外匯盈虧(如債務證券)在收益表內確認外，因公平價值的變動所產生的未實現盈虧於其他全面收益內確認，並在股東權益內分開累計。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be measured reliably, and derivatives that are linked to and must be settled by delivery of such unquoted equity securities are carried at cost less impairment losses, if any (Note 2(k)).

When the available-for-sale financial assets are sold, gains or losses on disposal include the difference between the net sale proceeds and the carrying value, and the accumulated fair value adjustments which are previously recognised in other comprehensive income shall be reclassified from equity to the income statement.

Other financial liabilities

Financial liabilities, other than trading liabilities and those designated at fair value through profit or loss, are measured at amortised cost using the effective interest method.

(iii) Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

If there is no publicly available latest traded price nor a quoted market price on a recognised stock exchange or a price from a broker/dealer for non-exchange-traded financial instruments or if the market for it is not active, the fair value of the instrument is estimated using valuation techniques that provide a reliable estimate of prices which could be obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the end of the reporting period.

(iv) Derecognition

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset, together with substantially all the risks and rewards of ownership, have been transferred.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

The Group uses the weighted average or first-in first-out method, where appropriate, to determine realised gains and losses to be recognised in the income statement on derecognition.

在活躍市場中沒有市場報價而其公平價值是不能夠可靠計量的股份證券投資，及與之掛勾及在結算時須交出該無報價股份證券的衍生工具，按成本減除任何減值損失(附註2(k))列賬。

當出售可供出售金融資產時，出售盈虧包括出售所得款項淨額與賬面值的差額，以及曾經確認為其他全面收益之累計公平價值調整須由股東權益重新分類而轉入收益表。

其他金融負債

除作交易用途及通過損益以反映公平價值的金融負債外，金融負債按有效利率方法計算攤銷成本入賬。

(iii) 計量公平價值之原則

金融工具的公平價值是於報告期結束日根據其市場報價但未減除將來的估計出售成本。

如沒有公眾知悉的最後交易價格或在認可交易所的市場報價，或從經紀/交易員獲得屬於非交易所買賣的金融工具報價，又或該市場並不活躍，此工具的公平價值按估值模式估值，而該估值模式可根據實際市場交易提供可靠的估計價格。

當採用現金流折讓價格模式，估計將來現金流按管理層的最佳估計及採用的貼現率是在報告期結束日適用於相同條款工具的市場利率。當採用其他價格模式時，參數是在報告期結束日的市場價格資料。

(iv) 終止確認

當從金融資產獲得現金流的法定權利屆滿或已將重大風險及回報擁有權同時轉移後，本集團終止確認金融資產。

當合約的義務已被履行、取消或期滿，本集團終止確認金融負債。

本集團採用加權平均法或先進先出法(如適用)以釐定在終止確認時須在收益表確認的已實現盈利和虧損。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position only where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(vi) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that includes both the derivative and a host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. The embedded derivatives are separated from the host contract and accounted for as a derivative when (a) the economic characteristics and risks of the embedded derivative are not closely related to the host contract; and (b) the hybrid (combined) instrument is not measured at fair value with changes in fair value recognised in the income statement.

When the embedded derivative is separated, the host contract is accounted for in accordance with note (ii) above.

(g) Hedging

Hedge accounting recognises the offsetting effects on the income statement of changes in the fair values of the hedging instrument and the hedged item. The Group assesses and documents whether the financial instruments that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items attributable to the hedged risks both at hedge inception and on an ongoing basis. The Group discontinues prospectively hedge accounting when (a) the hedging instrument expires or is sold, terminated or exercised; (b) the hedge no longer meets the criteria for hedge accounting; or (c) the Group revokes the designation.

(i) Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, or the foreign currency risk of a committed future transaction, the effective part of any gain or loss on remeasurement of the derivative financial instrument to fair value is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in the income statement.

If the hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is reclassified from equity to be included in the initial cost or other carrying amount of the non-financial asset or liability. If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gain or loss is reclassified from equity to the income statement in the same period or periods during which the asset acquired or liability assumed affects the income statement (such as when interest income or expense is recognised).

(v) 抵銷

只有具法定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，並在財務狀況表內以淨額列示。

(vi) 嵌入衍生工具

嵌入衍生工具屬於一種混合(結合)式工具的組成部分，該工具包括衍生工具及一主合約，並可改變該結合式工具的現金流，其作用類似一張獨立的衍生工具。當(a)該嵌入衍生工具的經濟特性及風險與主合約並非緊密關連的；及(b)混合(結合)式工具並非按公平價值計量及將公平價值變動於收益表內確認，嵌入衍生工具將與主合約分開並按衍生工具入賬。

當嵌入衍生工具被分開處理，主合約根據上述附註(ii)入賬。

(g) 對沖

對沖會計法是確認因用作對沖工具與被對沖項目因公平價值變動而在收益表內產生之相互抵銷損益的影響。於衍生工具開始列作對沖工具及在對沖期間，本集團會評估及記錄用作對沖交易的金融工具是否有效地對沖相關項目的公平價值變動或現金流之風險。當(a)該用作對沖工具到期或已出售、終止或行使；(b)該對沖交易不再符合對沖會計法的要求；或(c)本集團取消對沖指定，本集團會停止繼續採用對沖會計法。

(i) 現金流量對沖

當衍生金融工具被指定對沖已確認資產或負債的不既定現金流量，或是甚有可能發生的預計交易，或已承諾未來交易之外匯風險，其有效對沖部分的盈利或虧損或重新計量衍生金融工具至公平價值會在其他全面收益內確認，並在股東權益中的對沖儲備內分開累計。而無效對沖部份的盈利或虧損則立即在收益表內確認。

如因對沖預計交易而其後須確認為非金融資產或非金融負債，其相關之盈虧由股東權益重新分類並包括在該非金融資產或負債的初始成本或其他賬面值內。如因對沖一項預計交易而其後須確認為金融資產或金融負債，其相關之盈虧由股東權益重新分類並計入相同期間或當購入資產或引起負債而影響該期間之收益表(如當確認為利息收入或支出)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

For cash flow hedges, other than those covered by the preceding two policy statements, the associated gain or loss is reclassified from equity to the income statement in the same period or periods during which the hedged forecast transaction affects the income statement. When a hedging instrument expires or is sold, terminated or exercised, or the Group revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity until the transaction occurs and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss is reclassified from equity to the income statement immediately.

(ii) Fair value hedges

A fair value hedge seeks to offset risks of changes in the fair value of recognised asset or liability that will give rise to a gain or loss being recognised in the income statement.

The hedging instrument is measured at fair value, with fair value changes recognised in the income statement. The carrying amount of the hedged item is adjusted by the amount of the changes in fair value of hedging instrument attributable to the risk being hedged. This adjustment is recognised in the income statement to offset the effect of the gain or loss on the hedging instrument.

When a hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting, or the Group revokes designation of the hedge relationship, any adjustment up to that point, to a hedged item for which the effective interest method is used, is amortised to the income statement as part of the recalculated effective interest rate of the item over its remaining life.

(iii) Hedge effectiveness testing

In order to qualify for hedge accounting, the Group carries out prospective effectiveness testing to demonstrate that it expects the hedge to be highly effective at the inception of the hedge and throughout its life. Actual effectiveness (retrospective effectiveness) is also demonstrated on an ongoing basis.

The documentation of each hedging relationship sets out how the effectiveness of the hedge is assessed. The method which the Group adopts for assessing hedge effectiveness will depend on its risk management strategy.

For fair value hedge relationships, the Group utilises the cumulative dollar offset method or regressive analysis as effectiveness testing methodologies. For cash flow hedge relationship, the Group utilises the change in variable cash flow method or the cumulative dollar offset method using the hypothetical derivative approach.

就現金流量對沖而言，除以上兩段政策已涵蓋外，其相關之盈虧由股東權益重新分類並包括在相同期間或受對沖預計交易所影響期間的收益表。當用作對沖工具已到期或出售，終止或行使，或當本集團取消指定對沖關係但對沖預計交易預期仍會發生，截至此期間所累計的盈利或虧損仍保留在股東權益內，直至交易發生時按以上的政策確認。如預計對沖交易不會發生，在股東權益內的累計盈利或虧損會立即由股東權益轉入收益表。

(ii) 公平價值對沖

公平價值對沖用作抵銷已確認資產或負債因公平價值變動產生須在收益表內入賬的盈利和虧損的風險。

對沖工具按公平價值列賬，而公平價值的變動在收益表內入賬。被對沖項目的賬面值按對沖工具所對沖之風險的價格變動予以調整。此調整在收益表內入賬以抵銷對沖工具產生的盈利和虧損。

當用作對沖工具到期或已出售，終止或行使，或當對沖不再符合對沖會計法的要求，或本集團取消對沖指定關係，所有截至此期間內按有效利率方式調整的被對沖項目，會按該項目餘下年期當作重新計算有效利率在收益表內攤銷。

(iii) 對沖效用測試

為符合對沖會計法，本集團必須進行兩種測試：在開始對沖時進行「預計效用」測試，顯示預期成效極高；在對沖期內持續進行「追溯效用」測試，證明實際有效。

有關各對沖關係之文件載有如何評估對沖效用。本集團採納之對沖效用評估方法，是按照既定風險管理策略而實施。

對於公平價值對沖關係，本集團採用累計價值抵銷法作為效用測試之方法。對於現金流量對沖關係，本集團會測試現金流量的變動或對沖組合的規模是否充足，或以模擬衍生工具方式，運用累計價值抵銷法測試。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

For prospective effectiveness, the hedging instrument must be expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated. For actual effectiveness, the changes in fair value or cash flows must offset each other in the range of 80 per cent to 125 per cent for the hedge to be deemed effective.

就預計效用而言，對沖工具必須被預期為在劃定對沖期間內，能高度有效地抵銷對沖風險之公平價值或現金流量之變動。就實際效用而言，公平價值或現金流量之變動抵銷額在80%至125%範圍才被視為有效。

(h) Properties

- (i) Bank premises are stated in the statement of financial position at cost or at Directors' valuation, by reference to an independent professional valuation, less accumulated depreciation and accumulated impairment loss (Note 2(k)).

When a deficit arises on revaluation, it will be charged to the income statement, to the extent that it exceeds the amount held in the bank premises revaluation reserve in respect of that same asset immediately prior to the revaluation; and when a surplus arises on revaluation, it will be credited to the income statement, to the extent that a deficit on revaluation in respect of that same asset had previously been charged to the income statement.

In preparing these financial statements, advantage has been taken of the transitional provisions set out in paragraph 80A of HKAS 16 "Property, Plant and Equipment" issued by the HKICPA, with the effect that bank premises have not been revalued to fair value at the end of the reporting period.

(h) 物業

- (i) 行址是按成本或董事參照獨立專業評估作出的估值，減除累計折舊及減值損失(附註2(k))後於財務狀況表中列賬。

當重估出現虧損時，於收益表支銷的金額，只限於超過以往因重估相同行址而存入行址重估儲備的結餘；當重估出現盈餘時，存入收益表內的金額不可超過以往因重估相同行址曾於收益表支銷的重估虧損。

在編製此等財務報表時，由於可採用香港會計師公會頒布的《香港會計準則》第16號「物業、廠房及設備」第80A段所載的過渡條款，故行址並未在報告期結束日重估至公平價值。

- (ii) Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. Investment properties are valued semi-annually by external independent valuation companies, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued. No allowance has been made in the valuations for any charges, mortgages or amounts owing on the properties nor any expenses or taxation which may be incurred in effecting a sale.

Any gain or loss arising from a change in fair value is recognised in the income statement. Rental income from investment property is accounted for as described in Note 2(e).

When a bank property is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the bank property immediately prior to transfer and its fair value is recognised as a revaluation of bank premises as described in Note 2(h)(i).

If an investment property becomes owner-occupied, it is reclassified as bank premises and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

A property interest under an operating lease is classified and accounted for as an investment property when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value. Lease payments are accounted for as described in Note 2(l).

- (ii) 投資物業是持有用作賺取租金收益或資本增值或二者皆是的物業。投資物業按公平價值列賬。投資物業由外來獨立估價公司每半年作估值，該公司擁有適當認可專業資格及對估物業的所在地和類別有近期經驗。估值並未計算任何抵押、按揭、欠款、及在出售時可能產生的任何費用或稅項。

因公平價值變動而產生的損益在收益表內入賬。投資物業租金收入按附註2(e)所載計算。

如附註2(h)(i)所載，當一項物業因其用途改變而須轉作投資物業時，該物業於轉賬日前的賬面值與公平價值之差額視作行址重估。

如一投資物業轉為自用，該物業須重新分類為行址。於重新分類日的公平價值視作日後作會計用途的成本值。

本集團以經營租賃方式持有用作租金收入或資本增值或二者皆是的物業權益分類為投資物業。此等以經營租賃方式持有的物業權益按公平價值列賬。租金支出按附註2(l)所載入賬。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

(iii) Profit or loss on disposal of bank premises and investment properties is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the income statement upon disposal. Any surplus that is included in the bank premises revaluation reserve related to the bank premises disposed is transferred to the general reserve.

(i) Amortisation and Depreciation**(i) Bank premises**

Freehold land is not amortised. Leasehold land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease. Leasehold land is amortised on a straight line basis over the remaining term of the lease. Buildings are depreciated on a straight line basis at rates calculated to write off the cost or valuation of each building over its estimated useful life of 50 years or the remaining lease period of the land on which it is situated, whichever is the shorter.

Investment properties are not depreciated.

(ii) Other fixed assets

Other fixed assets are stated in the statement of financial position at cost less accumulated depreciation and impairment losses, which is calculated on a straight line basis to write off the assets over their estimated useful lives from 4 to 20 years.

(j) Goodwill

Goodwill represents the excess of

(i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over

(ii) the Group's interest in the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (Note 2(k)).

On disposal of a cash generating unit, or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit and loss on disposal.

Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

(iii) 出售行址及投資物業的損益是以出售所得款項淨額與資產賬面值的差價計算，並在出售時於收益表內入賬。任何有關之重估行址盈餘於出售時從行址重估儲備撥入一般儲備內。

(i) 攤銷及折舊**(i) 行址**

永久業權之土地不予攤銷。用作經營租賃的租賃土地，而其公平價值是不能夠與租賃於初始時已存在之建築物的公平價值分開計量，則當作持有融資租賃入賬。租賃土地以直線法按租賃剩餘年期攤銷。建築物的成本或估值以直線法按其預計使用年限50年或其座落土地剩餘租賃期兩者中的較短期限計算折舊。

投資物業是不予折舊。

(ii) 其他固定資產

其他固定資產是按成本減累計折舊及減值損失於財務狀況表中列賬。該等資產是以直線法按照由4年至20年的預計使用年期計算折舊。

(j) 商譽

商譽指

(i) 對價轉讓的公平價值、任何被購入者的非控股權益金額及以往本集團曾經持有該被購入者的股東權益公平價值的總和；超出

(ii) 本集團在收購日計量應佔該被購入者之可辨識資產及負債的公平價值淨額。

當(ii)是大於(i)時，此超出金額立即在損益賬確認為一項議價收購的盈利。

商譽按成本減除累計減值損失列賬。因商業合併而產生的商譽被分配予每一現金生產單位，或一組合之現金生產單位，而預計該現金生產單位是可從商業合併中獲得協同效應，以及須每年接受減值測試(附註2(k))。

在年度內出售單一現金生產單位或聯營公司，計算出售溢利時計入任何可歸屬購入商譽的金額。

由內部產生之商譽及品牌的開支按在發生期間內確認為支出。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(k) Impairment of Assets

At each end of the reporting period, the carrying amount of the Group's assets are reviewed to determine whether there is objective evidence of impairment. If internal and external sources of information indicate such evidence exists, the carrying amount is reduced to the estimated recoverable amount and an impairment loss is recognised in the income statement.

(i) Loans and receivables

The impairment losses of loans and receivables are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets). Receivables with a short duration are not discounted if the effect of discounting is immaterial.

The total allowance for impairment losses consists of two components: individual impairment allowances, and collective impairment allowances.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The individual impairment allowance is based upon management's best estimate of the present value of the cash flows which are expected to be received discounted at the original effective interest rate. In estimating these cash flows, management makes judgements about the borrower's financial situation and the net realisable value of any underlying collateral or guarantees in favour of the Group. Each impaired asset is assessed on its own merits.

In assessing the need for collective impairment allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, the Group makes assumptions both to define the way the Group models inherent losses and to determine the required input parameters, based on historical experience and current economic conditions.

The accuracy of the impairment allowances the Group makes depends on how well the Group can estimate future cash flows for individually assessed impairment allowances and the model assumptions and parameters used in determining collective impairment allowances. While this necessarily involves judgment, the Group believes that the impairment allowances on loans and advances to customers are reasonable and supportable.

(k) 資產減值損失

本集團須於報告期結束日檢討資產的賬面值以判斷是否有客觀減值證據。如對內及對外資料來源均顯示減值證據存在，須減低賬面值至可收回金額，而減值損失於收益表內入賬。

(i) 貸款和應收賬款

貸款和應收賬款的減值損失，是根據資產賬面值及估計未來現金流按資產原本之有效利率(即於初始時確認該等資產之有效利率)折算為現值，以二者之差額計算。如果折算現值後的影響不大，不會折算短期應收賬款。

減值損失準備總額包括兩部分：個別減值準備，及整體減值準備。

本集團首先評估客觀減值證據是否個別存在於個別重大金融資產，及整體存在於非個別重大金融資產。若本集團判斷客觀減值證據並不存在於個別評估金融資產，無論重大與否，本集團將有相同風險特性的金融資產歸類，及作整體減值評估。已作個別減值評估的資產而減值損失已持續確認，該資產不會包括於整體減值評估內。

個別減值準備是根據管理層的最佳估計將可能收回之現金流按原本的有效利率折算為現值。在估計現金流時，管理層須判斷借款人的財政狀況及給予本集團的抵押品或擔保之可變現淨值。並須評估每宗減值資產的自身價值。

當評估所需的整體減值準備時，管理層須考慮的因素包括信貸質素、組合規模、信貸集中、及經濟因素。為求估計所需的準備，本集團根據過往之經驗和現時之經濟情況作假設以模擬潛在損失及判斷所需之參數。

撥備的準確性，須視乎本集團能否在評估個別準備時準確估計交易對手的未來現金流及在判斷整體減值準備時所採用的假設模式及參數。雖然視乎判斷而定，本集團相信貸款損失準備是合理和足夠的。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

All loans and receivables are reviewed and analysed periodically. Any subsequent changes to the amounts and timing of the expected future cash flows compared to the prior estimates that can be linked objectively to an event occurring after the write-down, will result in a change in the impairment allowances on loans and receivables and will be charged or credited to the income statement. A reversal of impairment losses is limited to the loans and receivables' carrying amount that would have been determined had no impairment loss been recognised in prior years.

Where there is no reasonable prospect of recovery, the loan and the related interest receivables are written off.

Loans and receivables with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Group has made concessions that it would not otherwise consider. Renegotiated loans and receivables are subject to ongoing monitoring to determine whether they remain impaired or past due.

(ii) Held-to-maturity investments

Impairment on held-to-maturity investments is considered at both an individual and collective level. The individual impairment allowance is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at asset's original effective interest rate, where the effect of discounting is material.

All significant assets found not to be individually impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets with similar risk characteristics.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the income statement. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

(iii) Available-for-sale financial assets

When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that had been recognised in the fair value reserve is reclassified to the income statement. The amount of the cumulative loss that is recognised in the income statement is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the income statement.

所有貸款和應收賬款須定期作檢討及分析。在較後期間，任何因估計未來現金流的金額及時間與先前估計的有所轉變，而該轉變是可客觀地與撇銷後發生的事件有關連，從而導致貸款和應收賬款之減值損失準備亦需改變，該轉變會支銷或存入收益表。減值損失之轉回只限於假設該貸款和應收賬款於過往從來未有確認減值損失的賬面值。

倘再無合理預期可收回時，則貸款及相關的應收利息會被撇銷。

經重訂條款的貸款和應收賬款是因借款人的財政狀況惡化而須重組的貸款，而本集團已顧及借款人的財政狀況而有所讓步，否則會不作此考慮。經重訂的貸款和應收賬款須持續受監控以判斷它們是否仍然已減值或逾期。

(ii) 持至到期投資

持至到期投資之減值按個別及整體層面考慮。當折算的效果是重大的，個別減值準備按資產賬面值，及估計未來現金流按資產原本之有效利率折算為現值，以二者之差額計算減值損失。

如所有重大資產毋須作個別減值，則須為已發生而未被發現的減值作整體評估。非個別重大資產按相同風險特性歸類及作整體減值評估。

若在較後期間，減值損失的金額減少而該減少是可客觀地與確認減值損失後發生的事件有關連，減值損失轉回收益表內。減值損失轉回收益表的金額不能超過假設該資產於往年從來未有確認減值損失的賬面值。

(iii) 可供出售金融資產

當有客觀證據顯示可供出售金融資產已減值，已直接確認在公平價值儲備內的累計虧損會被轉入收益表內。須於損益賬內入賬的累計虧損金額，是購入成本（減除任何本金償還及攤銷）與現時公平價值二者之差額，再減除往年已於收益表內入賬的減值損失。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

For unquoted available-for-sale equity securities that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the equity securities and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset, where the effect of discounting is material.

Impairment losses recognised in the income statement in respect of available-for-sale equity securities are not reversed through the income statement. Any subsequent increase in the fair value of such assets is recognised directly in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in the income statement.

(iv) Other assets

Internal and external sources of information are reviewed at each end of the reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property and equipment (other than properties carried at revalued amounts);
- investments in subsidiaries and associates;
- goodwill; and
- intangible assets

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. 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 time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

按成本列賬之無報價可供出售股份證券，當折算的效果是重大的，股份證券的賬面值及估計未來現金流按相同金融資產的現時市場回報率折算為現值，以二者之差額計算減值損失。

已確認於收益表之可供出售股份證券的減值損失是不能轉回收益表。其後該資產之公平價值增加則直接確認在其他全面收益。

而可供出售債務證券之公平價值增加，而該增加是可客觀地與已確認減值損失後發生的事件有關連，減值損失可轉回。在此情況下，轉回減值損失於收益表內入賬。

(iv) 其他資產

在報告期結束日，須檢討對內及對外資料來源以辨識以下資產是否有減值徵兆或，除商譽外，以往已確認之減值損失是否仍然存在或可能已經減少：

- 物業及設備(以重估金額列賬的物業除外)；
- 附屬及聯營公司投資；
- 商譽；及
- 無形資產

如任何該等徵兆存在，須估計該資產的可收回金額。此外，商譽須每年估計可收回金額以確定是否有減值徵兆。

可收回金額之計算

可收回金額是公平價值減出售成本及使用值二者中之較高者。在評估使用值時，會採用一項當時市場評估的時間值及相對於該資產的風險的稅前折扣率將估計未來現金流量折實為現在價值。當某資產未能大部分地獨立於其他資產產生現金流量，其可收回金額取決於可獨立地產生現金流量的最小資產組合(即單一現金生產單位)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

Recognition of impairment losses

An impairment loss is recognised in the income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, if measurable, or value in use, if determinable.

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(v) Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the year (Note 2(k)(i) to (iv)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not the income statement.

減值損失之確認

當資產的賬面值或其所屬的現金生產單位超過可收回金額時，須於收益表內確認減值損失。有關確認現金生產單位減值損失時，首先減低分配予現金生產單位(或其單位群組)之賬面值，其後再按比例減低在該單位(或其單位群組)其他資產的賬面值，但該資產的賬面值不可低過其個別公平價值減出售成本(如可計量的話)或使用值(如可確定的話)。

減值損失之轉回

除商譽外的有關資產，如在用來釐定可收回金額的估計發生有利的變化，則減值損失會被轉回。商譽的減值損失不可轉回。

減值損失轉回只局限至該資產的賬面值，猶如該等減值損失從未在往年被確認。

減值損失轉回在該被確認的年度計入收益表內。

(v) 中期財務報告及減值

根據《上市規則》，本集團須按《香港會計準則》第34號「中期財務報告」編製有關年度首6個月的中期財務報告。於中期期末，本集團採用等同年末的減值測試、確認、及轉回標準(附註2(k)(i)至(iv))。

商譽、可供出售股份證券及無報價的股份證券所確認於中期期間的減值損失，均不能在較後期間轉回。就算假如該減值只在與該中期期間有關之年底作評估而該減值損失是不會發生、或損失之金額會較小，在此情況下亦不可轉回。因此，如可供出售股份證券的公平價值在每年餘下期間、或後期的其他任何期間增加，增加的金額只能在其他全面收益而非收益表內確認。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(l) Leased Assets

Leases of assets under which the lessee assumes substantially all the risks and rewards of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and rewards of ownership are classified as operating leases.

(i) Assets held under finance leases

The amounts due from lessees in respect of finance leases are recorded in the statement of financial position as advances to customers at the amounts of net investment which represent the total rentals receivable under finance leases less unearned income. Revenue arising from finance leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 2(e).

(ii) Assets held for use in operating leases

Where the Group leases out assets under operating leases, the leased assets are included in the statement of financial position according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in Note 2(i) except where the asset is classified as an investment property. Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2(k). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 2(e).

(iii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

(m) Repossession of Assets

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(k), impairment allowances for impaired loans and advances are maintained after taking into account the net realisable value of the collateral assets, usually resulting in a partial write-off of the loans and advances against impairment allowances. Repossessed assets are reported under other assets if it is highly probable that their carrying amount will be recovered through a sale transaction rather than through continuing use and the assets are available for sale in their present condition. Related loans and advances are then written off.

Repossessed assets are recorded at the lower of the amount of the related loans and advances and fair value less costs to sell at the date of exchange. They are not depreciated or amortised.

Impairment losses on initial classification and on subsequent remeasurement are recognised in the income statement.

(l) 租賃資產

由承租人承擔絕大部分擁有權的相關風險及報酬的資產租賃列為融資租賃。出租人並未轉讓擁有權的所有風險及報酬的資產租賃列為經營租賃。

(i) 以融資租賃購入的資產

當本行為融資出租人時，按融資租賃而租出資產的投資淨額，即應收租金總額減未賺取收入，在財務狀況表列作客戶貸款。來自融資租賃的收入會根據本行的收入確認政策附註2(e)所載計算。

(ii) 用作經營租賃的資產

除該資產已分類為投資物業，當本集團以經營租賃方式租出資產，該資產根據其性質包括在財務狀況表內，及按附註2(i)所載(如適用者)本集團的折舊會計政策計算折舊。減值損失是根據會計政策附註2(k)所載計算。來自經營租賃的收入是根據本行的收入確認政策附註2(e)所載計算。

(iii) 經營租賃費用

當本集團使用經營租賃資產，除非有其他更具代表性的基準以衡量從該等經營租賃資產獲得利益的模式，其租賃付款按該租賃期所涵蓋的會計年期以等額分期記入收益表。經營租賃協議所涉及的激勵措施均在收益表中確認為租賃淨付款的組成部分。或有租金在其產生的會計期內在收益表支銷。

(m) 收回資產

在收回減值貸款時，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(k)所載的會計政策，計算減值貸款之減值準備已顧及抵押品資產之可變現淨值，通常引致須在減值準備內撇銷部分貸款。如大有可能須透過變賣而不是持續使用該資產，及該資產可在現況下出售，收回資產視作其他資產列賬。有關貸款及墊款隨後撇銷。

收回資產按有關貸款的金額或於轉換日已減除出售成本後之公平價值，按兩者之較低者入賬。收回資產毋須計算折舊或攤銷。

在初始期分類及後期再計量所引致的減值損失於收益表確認。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

(n) Income Tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing deductible temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

(n) 所得稅

- (i) 本年度所得稅包括本期及遞延稅項資產和負債的變動。除該稅款與其他全面收益或股東權益有關而須在其他全面收益或股東權益確認的金額外，本期稅項及遞延稅項資產和負債的變動計入收益表內。
- (ii) 本期稅項為年度應課稅收入按報告期結束日已生效或基本上已生效的稅率計算的預計應付稅項，並已包括以往年度的應付稅項的任何調整。
- (iii) 遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面值之間的差異而分別產生的可扣稅及應課稅的暫時性差異。遞延稅項資產也包括未使用的稅損及稅項抵免。

除了若干有限的例外情況外，所有遞延稅項負債及未來可能有應課稅溢利予以抵銷的遞延稅項資產均予確認。未來有應課稅溢利可支持由可扣稅之暫時性差異引致遞延稅項資產之確認，包括現存之應課稅暫時性差異的轉回，但該等差異須屬於同一稅務機關及應課稅實體，以及預計在同期內該可扣稅之暫時性差異轉回或在若干期限內由該遞延稅項資產產生的稅損可以收回或留存。相同標準應用在判斷現時可扣稅暫時性差異能否支持由未使用的稅損或稅免產生的遞延稅項資產確認，即如果是屬於同一稅務機關及應課稅實體，以及預計在某期間內因該稅損或稅免可使用而轉回時，會計入該等差異。

在有限例外情況下，不確認遞延稅項資產及負債的暫時性差異包括不可扣稅的商譽、初始時已確認不影響會計及應課稅溢利的資產或負債（須不是商業合併的一部分）、及有關投資附屬公司的暫時性差異，就應課稅差異而言，當本集團可控制該差異轉回的時間而該差異在可見將來不會轉回；而就可扣稅差異而言，除非該差異在可見將來可以轉回。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2(h)(ii), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

- (iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Bank or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:
- in the case of current tax assets and liabilities, the Bank or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
 - in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(o) Insurance Reserves and Provisions for Outstanding Claims

Insurance reserves, except those attributable to long term business, represent the proportion of retained premiums written in the year relating to the period of risk from 1st January in the following year to the subsequent date of expiry of policies which is carried forward as a provision for unearned premiums and calculated on a daily basis.

The insurance reserve for long term business is ascertained by actuarial valuation.

當投資物業根據附註2(h)(ii)所載按公平價值列賬，除該物業是需折舊的及以一商業模式持有，而其目的是要透過時間使用而並非出售該物業以獲取隱含於該物業之重大經濟利益，確認遞延稅項的金額按該物業於結算日假設以賬面值出售的稅率計算。在其他情況下，確認遞延稅項的金額是根據預期變現或償還該資產及負債的賬面值的方式，按在報告日已生效或基本上已生效的稅率計算。遞延稅項資產及負債不作折讓。

於報告期結束日，本行須重新檢視有關的遞延稅項資產的賬面金額，對預期不再有足夠的應課稅溢利以實現相關稅務利益予以扣減。可轉回之金額不可超過預期將來出現足夠可供扣減的應課稅溢利。

由派發股息引起的額外所得稅在有關股息的支付責任獲確立時確認。

- (iv) 本期稅項與遞延稅項結餘及其變動之金額會分別列示而不會相互抵銷。本行或本集團只有在有合法權利對本期稅項資產及負債抵銷及符合以下附帶條件的情況下，才對本期及遞延稅項資產及負債作出抵銷：
- 就本期稅項資產及負債而言，本行或本集團計劃支付淨額或同時間收回資產及償還負債；或
 - 有關的遞延稅項資產及負債屬同一稅務機關對以下機構徵收所得稅而產生：
 - 同一個應課稅實體；或
 - 不同的應課稅實體，並預計在未來期間會償還或收回重大遞延稅項負債或資產，該實體計劃以淨額形式變現本期稅項資產及償還本期稅項負債，或同時變現及償還。

(o) 保險基金及未付索償準備

不包括長期業務部分，保險基金指年度內收取但已作保留的保金部分，而有關的風險是屬於下年度1月1日至保單到期日為止，該保留保金視作未賺取保費準備並按每日計算。

長期業務的保險基金是按精算估值。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

Full provision is made for the estimated cost of claims notified but not settled at the end of the reporting period and for the estimated cost of claims incurred but not reported by that date, after deducting the amounts due from reinsurers. Provision has also been made for the estimated cost of servicing claims notified but not settled at the end of the reporting period and to meet expenses on claims incurred but not reported at the end of the reporting period.

These reserves and provisions are classified as other accounts and provisions.

(p) Provisions and Contingent Liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Bank has a legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(q) Employee Benefits

(i) Salaries, bonuses and leave benefits

Employee entitlements to salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are recognised when the absences occur.

(ii) Performance-related bonus plan

Liabilities for performance-related bonus plan, which are due wholly within twelve months after the end of the reporting period, are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(iii) Retirement benefits

Retirement benefits are provided to eligible staff of the Group. Hong Kong employees enjoy retirement benefits under either the Mandatory Provident Fund Exempted ORSO Scheme ("MPFEOS") or the Mandatory Provident Fund Scheme ("MPFS"). Both are defined contribution schemes. The employer's monthly contributions to both schemes are at a maximum of 10% of each employee's monthly salary.

本集團已就在報告期結束日只已通知但未償付以及已發生但未匯報的索償，經扣除了分保人欠款，作出了充足的準備。此外，已就在報告期結束日已通知但未償付的索償及已發生但未匯報索償而引致的估計費用作出了充足的準備。

此等基金及準備分類為其他賬項及準備。

(p) 準備及或然負債

當負債的限期或金額不確定，但有可能因過去事項構成法律或推定義務而須付出經濟利益以償責任，並能對此作可靠估計，此負債便確認為準備。當金額的時間值屬重大的，準備金額須按估計清償負債支出的現值列賬。

倘可能不需要付出經濟利益，或不能對金額作可靠估計，除非付出的機會是極微，則此項責任會視作或然負債披露。如潛在義務的存在須視乎會否發生一項或多項未來事件才獲確定，除非付出經濟利益的機會是極微，此潛在義務亦視作或然負債披露。

(q) 僱員福利

(i) 薪酬、花紅及假期福利

僱員應享有的薪酬、年終花紅、有薪年假、旅行假期及其他同種類之非金錢性質福利於確立時確認。至報告期結束日已撥備因僱員提供服務所享有之年假的估計負債。

僱員應享有的病假及分娩假於發生時確認。

(ii) 表現獎勵花紅計劃

因僱員提供服務而本集團有現存法律或推定義務於報告期結束日後12個月內須全數支付表現獎勵花紅計劃的負債，對此並能作可靠估計，便須予以確認為負債。

(iii) 退休福利

本集團為其合資格的員工提供退休福利。香港員工可獲得強積金豁免的職業退休計劃或強制性公積金計劃的保障。此兩個計劃同時是定額供款計劃。僱主對兩項計劃的每月供款，上限是每位僱員月薪的10%。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The pension schemes covering all the Group's PRC and overseas employees are defined contribution schemes at various funding rates, and are in accordance with local practices and regulations.

The cost of all these schemes is charged to the income statement for the period concerned and the assets of all these schemes are held separately from those of the Group. Under the MPFEOS, the employer's contribution is not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Under the MPFS, the employer's contribution is reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

(iv) Share based payments

The option exercise price is equal to the higher of:

- (a) the closing price of the Bank's shares in the Stock Exchange's daily quotation sheet on the date of grant of the relevant options; and
- (b) an amount equivalent to the average closing price of the Bank's shares as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant of the relevant options.

When the options are exercised, equity is increased by the amount of the proceeds received. The fair value of share options granted to employees is recognised as an expense in the income statement with a corresponding increase in a capital reserve within equity. The fair value is measured at the grant date using the trinomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to those share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged or credited to the income statement for the year of the review unless the original expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Bank's shares.

The equity amount is recognised in capital reserve until either the option is exercised and new shares allotted (when it is transferred to share capital) or the option expires (when it is released directly to retained profits).

本集團為所有國內及海外員工而設的退休計劃是定額供款計劃，供款率按當地慣例及規定而制定。

上述所有計劃的成本計算在相關期間的收益表內。所有此類計劃的資產均與本集團的資產分開處理。強積金豁免的退休保障計劃中，僱主的供款不會因某些僱員於未完全享有僱主的供款前離開計劃所沒收的供款而減少。而強制性公積金計劃方面，僱主的供款則會因某些僱員於未完全享有僱主的供款前離開計劃所沒收的供款而減少。

(iv) 以股份為基礎作支付

認股權的行使價為以下之最高者：

- (a) 於授出認股權當日日本行股份在聯交所日報表的收市價；及
- (b) 相等於緊接授出有關認股權當日之前五個營業日，本行股份在聯交所日報表的平均收市價。

當認股權被行使時，所得款項計入股東權益。授予僱員之認股權的公平價值於收益表內確認為支出，而在股東權益賬內的資本儲備作相應的增加。公平價值乃採用三項式期權定價模式，按認股權授予日計算，並顧及授予認股權的條款。當僱員須符合歸屬期條件才可無條件享有該等認股權，估計公平價值總額在歸屬期內攤分入賬，並已考慮認股權歸屬的或然率。

估計可歸屬認股權的數目須在歸屬期內作出檢討。除非原本支出符合資產確認之要求，任何已在往年確認的累積公平價值之所需調整須在檢討期內的收益表支銷或回撥，並在資本儲備作相應調整。在歸屬日，除非因未能符合歸屬條件引致權利喪失純粹與本行股份的市價有關，確認為支出之金額按歸屬認股權的實際數目作調整（並在資本儲備作相應調整）。

屬股東權益金額確認為資本儲備內，直至當認股權被行使及分配新股時（轉入股本），或當認股權之有效期屆滿時（轉入留存溢利）。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 主要會計政策(續)

(r) Related Parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (a) A person, or a close member of that person's family, is related to the Group if 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.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint venture 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).

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.

(r) 關聯人士

在編製本財務報表時，與本集團關聯人士是指：

- (a) 個人或該個人之近親家庭成員，如該個人在以下情況下視為與本集團有關聯：
 - (i) 可控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 是本集團或本集團之母公司的主要管理人員之成員。
- (b) 在以下任何情況下，一實體會視為與本集團有關聯：
 - (i) 該實體及本集團皆是同一集團成員（即每一間母公司、附屬公司及同系附屬公司與其他有關聯）。
 - (ii) 一實體是另一實體的聯營公司或合營公司（或該聯營公司或合營公司與該另一實體均屬同一集團）。
 - (iii) 兩個實體是同一第三者的合營公司。
 - (iv) 一實體是一第三者的合營公司而另一實體則是該第三者的聯營公司。
 - (v) 該實體是提供福利予本集團或與本集團有關聯之實體的僱員離職後之福利計劃。
 - (vi) 該實體受在(a)項中所辨識的個人所控制或共同控制。
 - (vii) 在(a)(i)項中所辨識的個人而該個人對該實體有重大影響力，或該個人是該實體（或是該實體的母公司）的主要管理人員之成員。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(s) Segment Reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(t) Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition including cash, balances with banks and other financial institutions, treasury bills, other eligible bills and certificates of deposit that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(u) Deposits, Debt Securities Issued and Subordinated Liabilities

Deposits, debt securities issued and subordinated liabilities are the Group's sources of debt funding.

The Group classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Group's redeemable preference shares bear non-discretionary coupons and are redeemable by the holder, and are therefore included within subordinated liabilities.

Subsequent to initial recognition deposits, debt securities issued and subordinated liabilities are measured at their amortised cost using the effective interest method, except where the Group designates liabilities at fair value through profit or loss.

(s) 分部報告

營運分部，及在財務報表列報的每一分部項目金額，是從財務資料中辨識出來的，並定期地提供予本集團的最高行政管理層作為資源分配，以及評核本集團各業務部分和區域所在地的表現。

除非分部有相同經濟特性及在產品和服務之性質、生產程序之性質、客戶類別和等級、用作銷售產品和提供服務之方法、及監管環境之性質是相同的，個別重大的營運分部不會在財務報表內合計。如它們擁有以上大部份的標準，並非個別重大的營運分部可能會被合計。

(t) 現金及等同現金項目

就編製現金流量表而言，現金及等同現金項目包括由購入日起少於3個月到期日的結餘，包括現金、銀行及其他金融機構結餘、國庫債券、及其他受較低風險影響價值及隨時可轉換成預知金額的合格票據及存款證。

(u) 存款、已發行債務證券及後償負債

存款、已發行債務證券及後償負債是本集團籌募資金的來源。

本集團按該工具合約條款的實質分類資本工具為金融負債或股本權益。本集團之可贖回優先股的票面息率是無附帶條件的並可由持有人贖回，所以，該等優先股列作後償負債。

在初始確認後，除本集團指定為通過損益的負債外，存款、已發行債務證券及後償負債按有效利率方式計算攤銷成本。

3. CHANGES IN ACCOUNTING POLICIES 會計政策之變動

The HKICPA has issued the following amendments to HKFRS and one new Interpretation that are first effective for the current accounting period of the Group and the Bank:

- Amendments to HKFRS 10, HKFRS 12 and HKAS 27, *Investment entities*
- Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*
- Amendments to HKAS 36, *Recoverable amount disclosures for non-financial assets*

香港會計師公會已頒布數項對本集團及本行本期會計期可首次生效之修訂《香港財務報告準則》及一項新增詮釋。

- 修訂《香港財務報告準則》第十號、第十二號及《香港會計準則》第二十七號「投資實體」
- 修訂《香港會計準則》第三十二號「金融資產及金融負債之抵銷」
- 修訂《香港會計準則》第三十六號「非金融資產的可收回金額之披露」

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

3. CHANGES IN ACCOUNTING POLICIES (CONTINUED) 會計政策之變動(續)

- Amendments to HKAS 39, *Novation of derivatives and continuation of hedge accounting*
- HK(IFRIC) 21, *Levies*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the new or amended HKFRS are discussed below:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27, Investment entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on these financial statements as the Bank does not qualify to be an investment entity.

Amendments to HKAS 32, Offsetting financial assets and financial liabilities

The amendments to HKAS 32 clarify the offsetting criteria in HKAS 32. The amendments do not have an impact on these financial statements as they are consistent with the policies already adopted by the Group.

Amendments to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or CGU whose recoverable amount is based on fair value less costs of disposal. The amendments do not have an impact on these financial statements as the Group has no impaired non-financial assets.

Amendments to HKAS 39, Novation of derivatives and continuation of hedge accounting

The amendments to HKAS 39 provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments do not have an impact on these financial statements as the Group has not novated any of its derivatives.

HK(IFRIC) 21, Levies

The Interpretation provides guidance on when a liability to pay a levy imposed by a government should be recognised. The amendments do not have an impact on these financial statements as the guidance is consistent with the Group's existing accounting policies.

- 修訂《香港會計準則》第三十九號「衍生工具之更替及對沖會計法之延續」
- 香港《國際財務報告詮釋委員會》第二十一號「徵費」

本集團並未採納任何於本會計期尚未生效的新準則或詮釋。採納新增或修訂《香港財務報告準則》的影響闡釋如下：

修訂《香港財務報告準則》第十號、第十二號及《香港會計準則》第二十七號「投資實體」

該修訂是為按《香港財務報告準則》第十號被定義為投資實體的母公司提供綜合緩解。投資實體須按通過損益以反映公平價值以計量其附屬公司。因本行並不符合投資實體的定義，該修訂對本財務報表並無任何影響。

修訂《香港會計準則》第三十二號「金融資產及金融負債之抵銷」

該對《香港會計準則》第三十二號之修訂為釐清《香港會計準則》第三十二號之抵銷要求。因本集團已採納相同政策，該修訂對本財務報表並無任何影響。

修訂《香港會計準則》第三十六號「非金融資產的可收回金額之披露」

該對《香港會計準則》第三十六號之修訂為修訂對減值非金融資產之披露要求。其中，該修訂擴大對減值資產或按公平價值減出售成本計算現金生產單位的可收回金額之披露要求。因本集團並無減值非金融資產，該修訂對本財務報表並無任何影響。

修訂《香港會計準則》第三十九號「衍生工具之更替及對沖會計法之延續」

該對《香港會計準則》第三十九號之修訂為當更替一張指定作為對沖工具的衍生工具符合若干條件之情況下須停止對沖會計法而提供緩解。因本集團並無更替任何衍生工具，該修訂對本財務報表並無任何影響。

香港《國際財務報告詮釋委員會》第二十一號「徵費」

該詮釋為當一項須支付予政府之徵費須確認為負債時提供指引。因該詮釋與本集團已採納的會計政策相同，該修訂對本財務報表並無任何影響。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

4. INTEREST INCOME 利息收入

		2014	2013
		HK\$ Mn 港幣百萬元	Restated 重報 HK\$ Mn 港幣百萬元
Securities classified as held-to-maturity or available-for-sale	分類為持至到期或可供出售的證券		
– listed	– 上市	883	692
– unlisted	– 非上市	1,490	1,116
Trading assets	交易用途資產		
– listed	– 上市	8	16
– unlisted	– 非上市	116	241
Interest rate swaps	利率掉期合約	2,002	1,670
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值金融資產		
– listed	– 上市	256	401
– unlisted	– 非上市	175	184
Loans, deposits with banks and financial institutions, and trade bills	貸款、在銀行和其他金融機構的存款、及貿易票據	22,802	20,859
		27,732	25,179

Included above is interest income accrued on impaired financial assets of HK\$133 million (2013: HK\$88 million) which includes interest income on unwinding of discount on loan impairment losses of HK\$20 million (2013: HK\$14 million) (Note 27(b)) for the year ended 31st December, 2014.

以上包括截至2014年12月31日止年度減值金融資產的應計利息港幣1.33億元(2013年：港幣8,800萬元)，其中包括釋放貸款減值損失之折扣的利息收入港幣2,000萬元(2013年：港幣1,400萬元)(附註27(b))。

5. INTEREST EXPENSE 利息支出

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Customer deposits, deposits of banks and other financial institutions and certificates of deposit issued which are stated at amortised cost	按攤銷成本列賬的客戶存款、銀行及其他金融機構的存款及已發行存款證	11,692	10,019
Debt securities issued	已發行債務證券	333	272
Subordinated notes carried at amortised cost	按攤銷成本列賬的後償票據	771	751
Interest rate swaps	利率掉期合約	2,018	1,736
Financial instruments designated at fair value through profit or loss	指定為通過損益以反映公平價值金融工具	258	138
Other borrowings	其他借款	7	1
		15,079	12,917

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

6. FEE AND COMMISSION INCOME 服務費及佣金收入

Fee and commission income arises from the following services:

源自下列服務的服務費及佣金收入：

		2014	2013
		HK\$ Mn 港幣百萬元	Restated 重報 HK\$ Mn 港幣百萬元
Corporate services	企業服務	1,132	1,064
Loans, overdrafts and guarantees	貸款、透支及擔保	946	970
Credit cards	信用卡	905	902
Trade finance	貿易融資	576	458
Other retail banking services	其他零售銀行服務	447	417
Securities and brokerage	證券及經紀	357	345
Trust and other fiduciary activities	信託及其他代理業務	182	202
Others	其他	478	421
Total fee and commission income	服務費及佣金收入總額	5,023	4,779
of which:	其中：		
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 designated at fair value through profit or loss	由非持作交易用途或指定為通過損益以反映公平價值列賬之金融資產或負債所產生之淨服務費收入(不包括用作計算有效利率之金額)	4,168	3,916
Fee income	服務費收入	5,023	4,779
Fee expenses	服務費支出	(855)	(863)

7. NET TRADING PROFITS 交易溢利淨額

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Profit on dealing in foreign currencies	外幣買賣溢利	1,584	287
Profit on trading securities	交易用途證券溢利	139	38
Net (loss)/gain on derivatives	衍生工具淨(虧損)/溢利	(874)	518
Dividend income from listed trading securities	交易用途上市證券的股息收入	43	35
		892	878

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

8. NET RESULT FROM FINANCIAL INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS 指定為通過損益以反映公平價值金融工具的淨表現

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Revaluation gain on debts issued	重估已發行債務盈利	40		16	
Profit on sale of debts issued	出售已發行債務溢利	5		4	
Net loss on sale of other financial assets	出售其他金融資產淨虧損	(3)		(91)	
Revaluation loss on other financial assets	重估其他金融資產虧損	(172)		(316)	
		(130)		(387)	

9. NET HEDGING PROFIT/(LOSS) 對沖溢利/(虧損)淨額

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Fair value hedges	公平價值對沖				
– Net gain on hedged items attributable to the hedged risk	– 可歸屬於被對沖項目之對沖風險產生的淨盈利	96		299	
– Net loss on hedging instruments	– 用作對沖工具的淨虧損	(93)		(321)	
		3		(22)	

There was insignificant ineffectiveness recognised in the Group's income statement arising from cash flow hedge for the year 2014 and 2013.

於2014年及2013年，因現金流對沖所產生並已在本集團收益表內確認之無效部分是不重大的。

10. OTHER OPERATING INCOME 其他經營收入

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Dividend income from available-for-sale financial assets	可供出售金融資產股息收入				
– listed	– 上市	11		8	
– unlisted	– 非上市	17		35	
Rental from safe deposit boxes	保險箱租金收入	80		77	
Net revenue from insurance activities	保險業務淨收入	323		277	
Rental income on properties	物業租金收入	149		127	
Others	其他	88		101	
		668		625	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

11. OPERATING EXPENSES 經營支出

		2014	2013
		HK\$ Mn 港幣百萬元	Restated 重報 HK\$ Mn 港幣百萬元
Contributions to defined contribution plan*	定額供款公積金供款*		
– Hong Kong	– 香港	152	146
– Outside Hong Kong	– 香港以外	363	315
Equity-settled share-based payment expenses	以股份為基礎作支付的費用	24	21
Salaries and other staff costs	薪金及其他員工成本	4,945	4,816
Total staff costs	員工成本總額	5,484	5,298
Premises and equipment expenses excluding depreciation	不包括折舊的物業及設備支出		
– Rental of premises	– 物業租金	671	652
– Maintenance, repairs and others	– 保養、維修及其他	570	585
Total premises and equipment expenses excluding depreciation	不包括折舊的物業及設備支出總額	1,241	1,237
Depreciation on fixed assets (Note 33)	固定資產折舊(附註33)	664	670
Amortisation of intangible assets (Note 32(b))	無形資產攤銷(附註32(b))	32	32
Other operating expenses	其他經營支出		
– Stamp duty, overseas and PRC business taxes, and value added taxes	– 印花稅、海外及中華人民共和國營業稅，及增值稅	727	680
– Legal and professional fees	– 法律及專業服務費	414	375
– Communications, stationery and printing	– 通訊、文具及印刷	340	316
– Advertising expenses	– 廣告費	261	264
– Business promotions and business travel	– 業務推廣及商務旅遊	206	203
– Card related expenses	– 有關信用卡支出	102	101
– Insurance expenses	– 保險費	37	29
– Audit fee	– 核數師酬金	17	15
– Membership fees	– 會員費	17	15
– Administration expenses of corporate services	– 企業服務的行政費	15	14
– Bank charges	– 銀行收費	10	10
– Donations	– 捐款	5	19
– Bank licence	– 銀行牌照費	4	4
– Others	– 其他	273	301
Total other operating expenses	其他經營支出總額	2,428	2,346
Total operating expenses**	經營支出總額**	9,849	9,583

* Forfeited contributions totalling HK\$15 million (2013: HK\$13 million) were utilised to reduce the Group's contribution during the year. There were no forfeited contributions available for reducing future contributions at the year end (2013: Nil).

** Included in operating expenses are direct operating expenses of HK\$32 million (2013: HK\$39 million) in respect of investment properties which generated rental income during the year.

* 年內沒收之供款共港幣1,500萬元(2013年：港幣1,300萬元)已被用作減少本集團的供款。於年末並無任何被沒收而可用作減低將來之供款(2013年：無)。

** 年度內經營支出中包括由有租金收益的投資物業產生的直接經營支出，金額為港幣3,200萬元(2013年：港幣3,900萬元)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

12. IMPAIRMENT LOSSES ON LOANS AND ADVANCES 貸款及墊款減值損失

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Net charge for impairment losses on loans and advances	貸款及墊款減值損失 支銷淨額		
Individual impairment loss	個別減值損失		
– new provisions	– 新撥備	927	492
– releases	– 回撥	(118)	(70)
– recoveries	– 收回	(224)	(106)
		585	316
Collective impairment loss	整體減值損失		
– new provisions (Note 27(b))	– 新撥備(附註27(b))	405	142
Net charge to income statement	於收益表支銷淨額	990	458

13. NET PROFIT ON SALE OF AVAILABLE-FOR-SALE FINANCIAL ASSETS 出售可供出售金融資產之淨溢利

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Net revaluation gain transferred from reserves (Note 40(h))	由儲備轉撥的重估盈利淨額 (附註40(h))	79	142
Profit/(loss) arising in current year	年度內產生的溢利/(虧損)	22	(62)
		101	80

14. NET PROFIT ON DISPOSAL OF FIXED ASSETS 出售固定資產之淨溢利

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Net profit on disposal of investment properties	出售投資物業之淨溢利	–	84
Net profit on disposal of bank premises, furniture, fixtures and equipment	出售行址、傢俬、裝修及設備之 淨溢利	74	80
		74	164

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

15. INCOME TAX 所得稅

(a) Taxation in the consolidated income statement represents:

(a) 綜合收益表內的稅項指：

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Current tax – Hong Kong (Note 35(a))	本期稅項—香港(附註35(a))		
Tax for the year	本年度稅項	777	691
Under-provision in respect of prior years	往年度撥備不足	35	17
		812	708
Current tax – outside Hong Kong	本期稅項—香港以外		
Tax for the year	本年度稅項	942	1,009
Write back of over-provision in respect of prior years	往年度撥備過剩的回撥	(21)	(51)
		921	958
Deferred tax (Note 35(b))	遞延稅項(附註35(b))		
Origination and reversal of temporary differences	暫時性差異的產生及轉回	(83)	113
		1,650	1,779

The provision for Hong Kong profits tax is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year.

香港利得稅稅款是以年度預計應課稅溢利按稅率16.5%(2013年：16.5%)計算。

Taxation for overseas branches and subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

海外分行及附屬公司的稅款亦按其經營所在國家現行稅率計算。

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 稅項支出與會計溢利按適用稅率計算稅項的對賬：

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Profit before tax	除稅前溢利	8,424	8,486
Notional tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	根據相關國家適用之利得稅稅率按除稅前溢利計算的名義稅款	1,608	1,732
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	296	365
Tax effect of non-taxable revenue	毋須課稅收入的稅項影響	(264)	(302)
Tax effect of tax losses not recognised	未確認的稅損的稅項影響	15	18
Recognition of deferred tax assets on prior year tax losses	往年稅損確認為遞延稅項資產	(15)	(8)
Under-provision/(Write back of over-provision) in respect of prior years	往年度撥備不足/(撥備過剩的回撥)	14	(34)
Others	其他	(4)	8
Actual tax expense	實際稅項支出	1,650	1,779

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

16. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT 可歸屬於本集團股東溢利

The consolidated profit attributable to owners of the parent includes a profit of HK\$3,534 million (2013: HK\$3,277 million) which has been dealt with in the financial statements of the Bank.

可歸屬於本集團股東綜合溢利包括已計入本行財務報表內的溢利港幣35.34億元(2013年:港幣32.77億元)。

Reconciliation of the above amount to the Bank's profit for the year

本行年度內溢利與上述金額之對賬

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Amount of consolidated profit attributable to equity holders dealt with in the Bank's financial statements	已計入本行財務報表之可歸屬於本集團股東綜合溢利	3,534	3,277
Final dividends from subsidiaries and associates attributable to the profits of the previous financial year and general reserves, approved and paid during the year	來自往年度附屬公司及聯營公司溢利及一般儲備之末期股息, 並在年度內核准及派發	195	109
Bank's profit for the year	本行年度內溢利	3,729	3,386

17. DIVIDENDS 股息

(a) Dividends attributable to the year

(a) 應屬本年度股息

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Interim dividend declared and paid of HK\$0.43 per share on 2,329 million shares (2013: HK\$0.43 per share on 2,264 million shares) (Note 40(j))	已宣布派發及支付中期股息予23.29億股每股港幣0.43元(2013年:22.64億股每股港幣0.43元)(附註40(j))	1,001	973
Second interim dividend paid in respect of the previous financial year on shares issued under the share option schemes subsequent to the end of the reporting period and before the close of the Register of Members of the Bank, of HK\$0.68 per share (2013: HK\$0.63 per share)	已支付在報告期結束後及本行股票過戶登記截止日前根據認股計劃發行股份屬上年度每股港幣0.68元的第二次中期股息(2013年:每股港幣0.63元)	-	1
Second interim dividend of HK\$0.68 per share on 2,347 million shares (2013: HK\$0.68 per share on 2,290 million shares)	第二次中期股息予23.47億股每股港幣0.68元(2013年:22.90億股每股港幣0.68元)	1,596	1,557
		2,597	2,531

The second interim dividend has not been recognised as a liability at the end of the reporting period.

於報告期結束後擬派發第二次中期股息並未確認為負債。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

17. DIVIDENDS (CONTINUED) 股息(續)

(b) Dividends attributable to the previous financial year, approved and paid during the year

(b) 於年度核准及支付屬上年度股息

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Second interim dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.68 per share on 2,290 million shares (2013: HK\$0.63 per share on 2,227 million shares)	年度內核准及支付予22.90億股每股港幣0.68元(2013年: 22.27億股每股港幣0.63元)的上年度第二次中期股息		1,557		1,403

(c) Distribution to holders of Hybrid Tier 1 capital instruments

(c) 派發予混合一級資本工具持有人

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Interest payable on the Hybrid Tier 1 capital instruments, the details of which are disclosed in Note 37 and Note 40(j)	應付予混合一級資本工具持有人的利息, 詳情已在附註37及附註40(j)內披露		330		330

18. EARNINGS PER SHARE 每股盈利

(a) Basic earnings per share

The calculation of basic earnings per share is based on earnings of HK\$6,331 million (2013: HK\$6,283 million) after the distribution of HK\$330 million (2013: HK\$330 million) to Hybrid Tier 1 issue holders and on the weighted average of 2,324 million (2013: 2,261 million) ordinary shares outstanding during the year, calculated as follows:

Weighted average number of ordinary shares

(a) 每股基本盈利

每股基本盈利乃按照已派發予混合一級資本工具持有人港幣3.30億元(2013年: 港幣3.30億元)後之溢利港幣63.31億元(2013年: 港幣62.83億元)及年度內已發行普通股份的加權平均數23.24億股(2013年: 22.61億股), 計算之方法如下:

普通股份的加權平均數

		2014		2013	
		Number of shares 股份數目 million 百萬	Number of shares 股份數目 million 百萬	Number of shares 股份數目 million 百萬	Number of shares 股份數目 million 百萬
Issued ordinary shares at 1st January	於1月1日的已發行普通股	2,290		2,227	
Effect of share options exercised and shares issued in lieu of dividends	已行使認股權及以股代息發行新股的影響	34		34	
Weighted average number of ordinary shares at 31st December	於12月31日普通股份的加權平均數	2,324		2,261	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on earnings of HK\$6,331 million (2013: HK\$6,283 million) after the distribution of HK\$330 million (2013: HK\$330 million) to Hybrid Tier 1 issue holders and on 2,325 million (2013: 2,262 million) ordinary shares, being the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of all dilutive potential shares.

Weighted average number of ordinary shares (diluted)

(b) 每股攤薄盈利

每股攤薄盈利乃按照已派發予混合一級資本工具持有人港幣3.30億元(2013年: 港幣3.30億元)後之溢利港幣63.31億元(2013年: 港幣62.83億元)及就所有具備潛在攤薄影響的普通股作出調整得出的普通股份的加權平均數23.25億股(2013年: 22.62億股)計算。

普通股份的加權平均數(攤薄)

		2014	2013
		Number of shares	Number of shares
		股份數目	股份數目
		million 百萬	million 百萬
Weighted average number of ordinary shares at 31st December	於12月31日普通股份的加權平均數	2,324	2,261
Effect of deemed issue of ordinary shares under the Bank's share option schemes for nil consideration	假設按認股權計劃發行但不計價款的普通股份之影響	1	1
Weighted average number of ordinary shares (diluted) at 31st December	於12月31日普通股份的加權平均數(攤薄)	2,325	2,262

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

19. DIRECTORS' REMUNERATION 董事酬金

Directors' remuneration disclosed pursuant to Section 78 of Schedule 11 to the new Companies Ordinance (Cap. 622), with reference to Section 161 of the predecessor Hong Kong Companies Ordinance (Cap. 32), is as follows:

根據新《公司條例》(第622章)附表11第78條，並參照前香港《公司條例》(第32章)第161條之規定披露董事酬金如下：

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Share options	Retirement scheme contributions	2014 Total
	袍金	薪金、津貼及實物收益	酌情花紅	認股權	退休計劃供款	總額
	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Chairman and Chief Executive 主席兼行政總裁						
Dr. the Hon. Sir David Li Kwok-po 李國寶爵士	0.6	10.2	13.4	8.3	1.0	33.5
Executive Director and Deputy Chief Executive 執行董事兼副行政總裁						
Mr. Adrian David Li Man-kiu ¹ 李民橋先生 ¹	0.2	1.5	1.2	1.2	0.1	4.2
Mr. Brian David Li Man-bun ¹ 李民斌先生 ¹	0.2	1.5	1.2	1.2	0.1	4.2
Non-executive Directors 非執行董事						
Prof. Arthur Li Kwok-cheung 李國章教授	0.4	-	-	-	-	0.4
Mr. Aubrey Li Kwok-sing 李國星先生	0.4	-	-	-	-	0.4
Mr. Richard Li Tzar-kai 李澤楷先生	0.3	-	-	-	-	0.3
Mr. Eric Li Fook-chuen 李福全先生	0.4	-	-	-	-	0.4
Mr. Stephen Charles Li Kwok-sze 李國仕先生	0.3	-	-	-	-	0.3
Dr. Isidro FAINÉ CASAS 范禮賢博士	0.3	-	-	-	-	0.3
Mr. Peter LEE Ka-kit 李家傑先生	0.3	-	-	-	-	0.3
Independent Non-executive Directors 獨立非執行董事						
Dr. Allan WONG Chi-yun 黃子欣博士	0.5	-	-	-	-	0.5
Mr. WONG Chung-hin 黃頌顯先生	0.4	-	-	-	-	0.4
Mr. Winston LO Yau-lai 羅友禮先生	0.6	-	-	-	-	0.6
Tan Sri Dr. KHOO Kay-peng 丹斯里邱繼炳博士	0.3	-	-	-	-	0.3
Dr. Thomas KWOK Ping-kwong 郭炳江博士	0.4	-	-	-	-	0.4
Mr. Kenneth LO Chin-ming 駱錦明先生	0.4	-	-	-	-	0.4
Mr. William DOO Wai-hoi 杜惠愷先生	0.4	-	-	-	-	0.4
Mr. KUOK Khoon-ean 郭孔演先生	0.3	-	-	-	-	0.3
Mr. Valiant CHEUNG Kin-piu 張建標先生	0.7	-	-	-	-	0.7
	7.4	13.2	15.8	10.7	1.2	48.3

¹ Appointed Executive Director of the Bank with effect from 2nd August, 2014.

¹ 由2014年8月2日起委任為執行董事。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Share options	Retirement scheme contributions	2013 Total	
	袍金	薪金、津貼及實物收益	酌情花紅	認股權	退休計劃供款	總額	
	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	
Chairman and Chief Executive	主席兼行政總裁						
Dr. the Hon. Sir David LI Kwok-po	李國寶爵士	0.5	9.8	22.1	7.5	1.0	40.9
Non-executive Directors	非執行董事						
Prof. Arthur LI Kwok-cheung	李國章教授	0.3	–	–	–	–	0.3
Mr. Aubrey LI Kwok-sing	李國星先生	0.4	–	–	–	–	0.4
Mr. Richard LI Tzar-kai	李澤楷先生	0.3	–	–	–	–	0.3
Mr. Eric LI Fook-chuen	李福全先生	0.4	–	–	–	–	0.4
Mr. Stephen Charles LI Kwok-sze	李國仕先生	0.3	–	–	–	–	0.3
Dr. Isidro FAINÉ CASAS	范禮賢博士	0.3	–	–	–	–	0.3
Mr. Peter LEE Ka-kit	李家傑先生	0.3	–	–	–	–	0.3
Independent Non-executive Directors	獨立非執行董事						
Dr. Allan WONG Chi-yun	黃子欣博士	0.5	–	–	–	–	0.5
Mr. WONG Chung-hin	黃頌顯先生	0.3	–	–	–	–	0.3
Mr. Winston LO Yau-lai	羅友禮先生	0.5	–	–	–	–	0.5
Tan Sri Dr. KHOO Kay-peng	丹斯里邱繼炳博士	0.3	–	–	–	–	0.3
Dr. Thomas KWOK Ping-kwong	郭炳江博士	0.3	–	–	–	–	0.3
Mr. Kenneth LO Chin-ming	駱錦明先生	0.4	–	–	–	–	0.4
Mr. William DOO Wai-hoi	杜惠愷先生	0.4	–	–	–	–	0.4
Mr. KUOK Khoon-ean	郭孔演先生	0.3	–	–	–	–	0.3
Mr. Valiant CHEUNG Kin-piu	張建標先生	0.6	–	–	–	–	0.6
		6.4	9.8	22.1	7.5	1.0	46.8

Included in the above remuneration were share options granted to ED under the Bank's Staff Share Option Schemes. The details of these benefits in kind are disclosed under the paragraph "Information on Share Options" in the Report of the Directors and Note 38.

上述酬金包括執行董事根據本行的僱員認股計劃獲授予認股權。有關此等實物收益的詳情載於董事會報告書的「認股權資料」及賬項附註38內。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

20. FIVE TOP-PAID EMPLOYEES 5名薪酬最高的僱員

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Salaries and other emoluments	薪金及其他酬金	26		25	
Performance-related bonuses	表現獎勵花紅	25		41	
Share options	認股權	19		17	
Pension contributions	退休金供款	3		2	
		73		85	

The remuneration of the five top-paid employees is within the following bands:

5名薪酬最高的僱員的金額範圍如下：

	2014		2013	
	Number of employees	僱員人數	Number of employees	僱員人數
HK\$港幣				
9,500,001 – 10,000,000	4		–	
11,000,001 – 11,500,000	–		4	
33,000,001 – 33,500,000	1		–	
40,500,001 – 41,000,000	–		1	

Included in the emoluments of the five top-paid employees were the emoluments of 3 (2013: 1) Directors and 2 (2013: 4) senior management members. Their director's emoluments have been included in Note 19 above.

5名薪酬最高的僱員中包括3位(2013年：1位)董事及2位(2013年：4位)高層管理人員。他們的董事酬金已包括於上述附註19內。

21. SEGMENT REPORTING 分部報告

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's senior management for the purposes of resource allocation and performance assessment, the Group has presented the following nine reportable segments. No operating segments have been aggregated to form the following reportable segments.

(a) Business segments

The Group has identified the following nine reportable segments.

Personal banking, which includes branch operations, personal internet banking, consumer finance, property loans and credit card business in Hong Kong.

Corporate banking, which includes corporate lending and loan syndication, asset based lending, commercial lending and securities lending in Hong Kong.

Treasury markets, which include treasury operations and securities dealing in Hong Kong.

本集團按分處管理其業務，而分處則由業務及地區混合組成。分部資料的列報與內部匯報予本集團的高層管理人員作為資源分配及表現評核的方式是一致的。本集團列報以下九個可匯報分部。營運分部並未包括在以下的可匯報分部內。

(a) 營業分部

本集團已辨識以下九個可匯報分部。

個人銀行包括在香港之分行營運、個人電子網絡銀行、消費貸款、按揭貸款及信用卡業務。

企業銀行包括在香港之企業借貸及銀團貸款、資產融資、商業貸款及證券業務貸款。

財資市場包括在香港之財資運作及證券買賣。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Wealth management, which includes private banking business and related assets in Hong Kong.

財富管理包括提供予在香港之私人銀行業務及相關資產。

Financial institutions, which includes trade financing activities with correspondent banks in Hong Kong.

金融機構包括在香港之全球同業間的銀行代理行及金融貿易業務。

Other Hong Kong banking operations, which include insurance business, trust business, securities & futures broking, money lender activities and corporate financial advisory in Hong Kong.

其他香港銀行業務包括在香港之保險業務、信託業務、證券及期貨經紀、放債人業務及企業財務諮詢。

China operations include the back office unit for China operations in Hong Kong, all branches, subsidiaries and associates operated in China, except those subsidiaries carrying out corporate services, data processing and other back office operations in China.

中國業務包括在香港支援中國業務的後勤單位、所有在中國經營的分行、附屬公司及聯營公司，但不包括在中國經營企業服務和資料處理及其他後勤支援之附屬公司。

Overseas operations include the back office unit for overseas banking operations in Hong Kong, all branches, subsidiaries and associates operated in overseas, except those subsidiaries carrying out corporate services in overseas.

國際業務包括在香港支援國際銀行業務的後勤單位、所有在海外經營的分行、附屬公司及聯營公司，但不包括在海外經營企業服務之附屬公司。

Corporate services include company secretarial services, share registration and business services, and offshore corporate and trust services.

企業服務包括公司秘書服務、股票登記及商業服務、以及離岸企業及信託服務。

Other businesses include property-related business, supporting units of Hong Kong operations, investment properties, bank premises, the net results of other subsidiaries in Hong Kong except for those subsidiaries which are included in other Hong Kong banking operations.

其他業務包括與地產有關的業務、香港業務之後勤單位、投資物業、行址及在香港之其他附屬公司的業績(除已包括在其他香港銀行業務內的附屬公司)。

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

在評估分部表現及分配分部間的資源時，集團的高層管理人員根據以下基準監控可歸屬於每一可匯報分部之業績、資產及負債：

Segment assets include all tangible assets, intangible assets and financial assets with the exception of interests in associates, deferred tax assets and other corporate assets. Segment liabilities include deposits, financial liabilities and other liabilities attributable to the individual segments.

分部資產包括所有有形資產、無形資產及金融資產(聯營公司之權益除外)、遞延稅項資產及其他企業資產。分部負債包括存款、金融負債及可歸屬於個別分部的其他負債。

Revenue and expenses are allocated to the reportable segments with reference to interest and fee and commission income generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses do not include the Group's share of revenue and expenses arising from the activities of the Group's associates. Other than reporting inter-segment income, assistance provided by one segment to another, including sharing of assets, is not measured.

收入與支出按有關分部所產生的利息及服務費用和佣金收入、及由有關分部引致的支出或可歸屬於有關分部產生之折舊或攤銷來分配予可匯報分部。分部收入與支出並不包括集團之聯營公司的活動所產生集團應佔之收入與支出。除匯報分部間的收入外，由一分部提供協助予另一分部，包括分享資產，並未計算在內。

In addition to receiving segment information concerning profit before taxation, management is provided with segment information concerning revenue (including inter-segment lending), interest expense, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations.

除接收有關稅前溢利的分部資料外，有關分部收入(包括分部間之借款)、利息支出、折舊、攤銷及減值損失和提供予分部營運之非流動分部資產的增置等資料亦提供予管理層。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

21. SEGMENT REPORTING (CONTINUED) 分部報告(續)

(a) Business segments (continued)

(a) 營業分部(續)

		2014												
		Hong Kong banking operations 香港銀行業務									Total reportable segments 分部總額	Inter-segment elimination 分部間之交易抵銷		Total 總額
		Personal banking 個人銀行	Corporate banking 企業銀行	Treasury markets 財資市場	Wealth management 財富管理	Financial institutions 金融機構	Others 其他	China operations 中國業務	Overseas operations 國際業務	Corporate services 企業服務	Others 其他	Others 其他	Inter-segment elimination 交易抵銷	Total 總額
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Net interest income/(expense)	淨利息收入/(支出)	2,572	2,168	(11)	271	154	264	5,981	1,077	6	12,482	170	1	12,653
Non-interest income	非利息收入	753	669	49	354	25	635	1,436	196	1,141	5,258	667	(346)	5,579
Operating income	經營收入	3,325	2,837	38	625	179	899	7,417	1,273	1,147	17,740	837	(345)	18,232
Operating expenses	經營支出	(1,653)	(201)	(143)	(193)	(13)	(607)	(4,318)	(484)	(803)	(8,415)	(1,779)	345	(9,849)
Operating profit/(loss) before impairment losses	未扣除減值損失之經營溢利/(虧損)	1,672	2,636	(105)	432	166	292	3,099	789	344	9,325	(942)	-	8,383
(Charge for)/Write back of impairment losses on loans and advances and other accounts	貸款及墊款及其他賬項的減值損失(支銷)/回撥	(114)	(74)	1	(2)	-	(32)	(877)	113	(4)	(989)	(1)	-	(990)
Impairment losses on held-to-maturity investments and available-for-sale financial assets	持至到期投資及可供出售金融資產之減值損失	-	-	(11)	-	-	-	-	-	-	(11)	-	-	(11)
Operating profit/(loss) after impairment losses	已扣除減值損失後之經營溢利/(虧損)	1,558	2,562	(115)	430	166	260	2,222	902	340	8,325	(943)	-	7,382
Profit/(Loss) on sale of fixed assets, held-to-maturity investments and available-for-sale financial assets	出售固定資產、持至到期投資及可供出售金融資產之溢利/(虧損)	-	27	74	-	-	4	69	-	(1)	173	-	-	173
Loss on sale of subsidiaries	出售附屬公司之虧損	-	-	-	-	-	-	-	(4)	-	(4)	-	-	(4)
Valuation gains on investment properties	重估投資物業盈利	-	-	-	-	-	-	-	-	-	-	228	-	228
Share of profits less losses of associates	應佔聯營公司溢利減虧損	-	-	-	-	-	(5)	223	426	1	645	-	-	645
Profit/(Loss) before taxation	除稅前溢利/(虧損)	1,558	2,589	(41)	430	166	259	2,514	1,324	340	9,139	(715)	-	8,424
Depreciation for the year	年內折舊	(71)	(2)	(4)	(4)	(1)	(28)	(322)	(20)	(26)	(478)	(186)	-	(664)
Segment assets	分部資產	58,929	173,050	140,170	29,917	9,813	17,536	372,623	102,380	2,222	906,640	18,030	(134,862)	789,808
Investments in associates	聯營公司投資	-	-	-	-	-	55	972	5,036	20	6,083	-	-	6,083
Total assets	資產總額	58,929	173,050	140,170	29,917	9,813	17,591	373,595	107,416	2,242	912,723	18,030	(134,862)	795,891
Total liabilities	負債總額	278,557	1,164	94,513	23,218	4	13,355	328,698	91,134	387	831,030	2,379	(110,962)	722,447
Capital expenditure incurred during the year	年度內資本開支	28	1	2	7	-	33	116	9	42	238	85	-	323

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		2013 Restated 重報												
		Hong Kong banking operations 香港銀行業務										Total 可匯報 分部總額	Inter- segment elimination 分部間之 交易抵銷	Total
		Personal banking	Corporate banking	Treasury markets	Wealth management	Financial institutions	Others	China operations	Overseas operations	Corporate services	Others	Others	Total	
		個人銀行 HK\$ Mn 港幣百萬元	企業銀行 HK\$ Mn 港幣百萬元	財資市場 HK\$ Mn 港幣百萬元	財富管理 HK\$ Mn 港幣百萬元	金融機構 HK\$ Mn 港幣百萬元	其他 HK\$ Mn 港幣百萬元	中國業務 HK\$ Mn 港幣百萬元	國際業務 HK\$ Mn 港幣百萬元	企業服務 HK\$ Mn 港幣百萬元	其他 HK\$ Mn 港幣百萬元	其他 HK\$ Mn 港幣百萬元	總額 HK\$ Mn 港幣百萬元	
Net interest income/(expense)	淨利息收入/(支出)	2,130	2,435	(27)	295	93	201	5,962	986	5	12,080	180	2	12,262
Non-interest income	非利息收入	704	620	80	313	22	588	1,014	279	1,069	4,689	638	(336)	4,991
Operating income	經營收入	2,834	3,055	53	608	115	789	6,976	1,265	1,074	16,769	818	(334)	17,253
Operating expenses	經營支出	(1,592)	(194)	(129)	(179)	(14)	(541)	(4,263)	(449)	(784)	(8,145)	(1,772)	334	(9,583)
Operating profit/(loss) before impairment losses	未扣除減值損失之經營溢利/(虧損)	1,242	2,861	(76)	429	101	248	2,713	816	290	8,624	(954)	-	7,670
(Charge for)/Write back of impairment losses on loans and advances and other accounts	貸款及墊款及其他賬項的減值損失(支銷)/回撥	(91)	(68)	2	(1)	-	(10)	(280)	(5)	(5)	(458)	-	-	(458)
Impairment losses on available-for-sale financial assets	可供出售金融資產之減值損失	-	-	(68)	-	-	(1)	-	-	-	(69)	-	-	(69)
Operating profit/(loss) after impairment losses	已扣除減值損失後之經營溢利/(虧損)	1,151	2,793	(142)	428	101	237	2,433	811	285	8,097	(954)	-	7,143
Profit on sale of fixed assets and available-for-sale financial assets	出售固定資產及可供出售金融資產之溢利	-	4	62	-	-	7	131	22	-	226	18	-	244
Profit on sale of subsidiaries/associates	出售附屬公司/聯營公司之溢利	-	-	-	-	-	-	27	-	-	27	-	-	27
Valuation gains on investment properties	重估投資物業盈利	-	-	-	-	-	-	-	164	-	164	224	-	388
Share of profits less losses of associates	應佔聯營公司溢利減虧損	-	-	-	-	-	1	182	502	(1)	684	-	-	684
Profit/(Loss) before taxation	除稅前溢利/(虧損)	1,151	2,797	(80)	428	101	245	2,773	1,499	284	9,198	(712)	-	8,486
Depreciation for the year	年內折舊	(72)	(2)	(6)	(3)	(1)	(22)	(343)	(19)	(31)	(499)	(171)	-	(670)
Segment assets	分部資產	52,808	163,639	121,734	25,895	9,945	15,801	357,153	79,518	2,968	829,461	30,334	(110,620)	749,175
Investments in associates	聯營公司投資	-	-	-	-	-	59	536	4,164	20	4,779	-	-	4,779
Total assets	資產總額	52,808	163,639	121,734	25,895	9,945	15,860	357,689	83,682	2,988	834,240	30,334	(110,620)	753,954
Total liabilities	負債總額	260,517	1,631	75,166	21,171	1	11,600	330,958	67,928	745	769,717	2,218	(86,215)	685,720
Capital expenditure incurred during the year	年度內資本開支	35	1	3	2	-	37	318	59	161	616	97	-	713

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

21. SEGMENT REPORTING (CONTINUED) 分部報告(續)

(b) Geographical segments

The information concerning geographical analysis has been classified by the location of the principal operations of the subsidiaries, or in the case of the Bank itself, by the location of the branches of the Bank responsible for reporting the results or booking the assets.

(b) 地區分部

按地區分部之資料是根據附屬公司的主要業務所在地點，或就本行而言，則按負責報告業績或將資產入賬之分行地點予以劃分。

		2014					
		Hong Kong	People's Republic of China	Other Asian Countries	Others	Inter-segment elimination	Total
		香港	中華人民共和國	其他亞洲國家	其他	分部間之交易抵銷	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
The Group	集團						
Operating income	經營收入	9,081	7,716	1,052	795	(412)	18,232
Profit before taxation	除稅前溢利	4,130	2,735	847	712	-	8,424
Total assets	資產總額	465,465	361,094	58,701	46,233	(135,602)	795,891
Total liabilities	負債總額	413,374	328,728	52,201	39,462	(111,318)	722,447
Contingent liabilities and commitments	或然負債及承擔	71,153	168,579	4,808	4,028	-	248,568
Capital expenditure during the year	年度內資本開支	158	129	29	7	-	323

		2013					
		Hong Kong	People's Republic of China	Other Asian Countries	Others	Inter-segment elimination	Total
		香港	中華人民共和國	其他亞洲國家	其他	分部間之交易抵銷	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
The Group	集團						
Operating income	經營收入	8,719	7,150	1,019	760	(395)	17,253
Profit before taxation	除稅前溢利	3,898	2,892	929	767	-	8,486
Total assets	資產總額	421,996	359,850	56,588	40,940	(125,420)	753,954
Total liabilities	負債總額	372,375	332,523	50,997	33,851	(104,026)	685,720
Contingent liabilities and commitments	或然負債及承擔	72,240	152,792	5,653	4,431	-	235,116
Capital expenditure during the year	年度內資本開支	229	332	93	59	-	713

22. CASH AND BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (NOTE 45(b))
現金及在銀行和其他金融機構的結存(附註45(b))

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Cash in hand	現金		1,597		1,714	1,203		1,201	
Balances with central banks	在中央銀行的結存		48,274		50,553	8,913		7,661	
Balances with banks and other financial institutions	在銀行和其他金融機構的結存		20,487		16,510	16,836		13,350	
			70,358		68,777	26,952		22,212	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

23. PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (NOTE 45(b)) 在銀行及其他金融機構的存款(附註45(b))

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Placements with banks and authorised institutions	在銀行及認可金融機構的存款	50,769		57,372		8,031		13,399	
Placements with central banks	在中央銀行的存款	-		-		-		-	
		50,769		57,372		8,031		13,399	
Maturing	到期期限								
- within one month	- 1個月內	26,536		38,290		6,845		11,279	
- between one month and one year	- 1個月至1年內	24,233		19,082		1,186		2,120	
		50,769		57,372		8,031		13,399	

24. TRADE BILLS 貿易票據

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gross trade bills	貿易票據總額	60,679		59,936		51,613		52,743	
Less: Individual impairment allowances	減：個別減值準備	(4)		(4)		(4)		(4)	
		60,675		59,932		51,609		52,739	

Movement of individual impairment allowances

個別減值準備的變動

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
At 1st January	於1月1日	4		4		4		4	
Net provisions released back to income statement	撥回收益表的準備淨額	(8)		(1)		-		(1)	
Recoveries	收回額	8		1		-		1	
At 31st December	於12月31日	4		4		4		4	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

25. TRADING ASSETS 交易用途資產

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Treasury bills (including Exchange Fund Bills) (Note 45(b))	國庫債券(包括外匯基金票據) (附註45(b))	78	26	78	26
Debt securities (Note 45(b))	債務證券(附註45(b))	1,412	3,876	169	470
Equity securities	股份證券	1,374	1,407	1,374	1,407
Investment funds	投資基金	21	22	21	22
		2,885	5,331	1,642	1,925
Issued by:	發行機構:				
Central governments and central banks	中央政府和中央銀行	129	236	90	45
Public sector entities	公營機構	52	58	52	7
Banks and other financial institutions	銀行及其他金融機構	1,170	2,864	329	309
Corporate entities	企業實體	1,501	2,117	1,138	1,508
Other entities	其他實體	33	56	33	56
		2,885	5,331	1,642	1,925
Analysed by place of listing:	按上市地區分析:				
Debt securities	債務證券				
Listed in Hong Kong	在香港上市	13	19	13	19
Listed outside Hong Kong	在香港以外地區上市	113	281	113	281
		126	300	126	300
Unlisted	非上市	1,364	3,602	121	196
		1,490	3,902	247	496
Equity securities	股份證券				
Listed in Hong Kong	在香港上市	1,131	1,119	1,131	1,119
Listed outside Hong Kong	在香港以外地區上市	243	288	243	288
		1,374	1,407	1,374	1,407
Investment funds	投資基金				
Listed in Hong Kong	在香港上市	7	7	7	7
Listed outside Hong Kong	在香港以外地區上市	14	15	14	15
		21	22	21	22
		2,885	5,331	1,642	1,925

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

26. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS
指定為通過損益以反映公平價值的金融資產

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Certificates of deposit held (Note 45(b))	持有的存款證(附註45(b))	1,495	128	1,495	128
Debt securities (Note 45(b))	債務證券(附註45(b))	6,792	11,071	6,792	11,071
Equity securities	股份證券	353	354	-	-
Investment funds	投資基金	73	53	-	-
		8,713	11,606	8,287	11,199
Issued by:	發行機構:				
Central governments and central banks	中央政府和中央銀行	94	355	94	355
Banks and other financial institutions	銀行及其他金融機構	5,072	5,894	5,048	5,868
Corporate entities	企業實體	3,474	5,303	3,145	4,976
Other entities	其他實體	73	54	-	-
		8,713	11,606	8,287	11,199
Analysed by place of listing:	按上市地區分析:				
Debt securities	債務證券				
Listed in Hong Kong	在香港上市	1,093	1,520	1,093	1,520
Listed outside Hong Kong	在香港以外地區上市	3,597	5,887	3,597	5,887
		4,690	7,407	4,690	7,407
Unlisted	非上市	3,597	3,792	3,597	3,792
		8,287	11,199	8,287	11,199
Equity securities	股份證券				
Listed in Hong Kong	在香港上市	128	115	-	-
Listed outside Hong Kong	在香港以外地區上市	225	239	-	-
		353	354	-	-
Investment funds	投資基金				
Listed outside Hong Kong	在香港以外地區上市	9	-	-	-
Unlisted	非上市	64	53	-	-
		73	53	-	-
		8,713	11,606	8,287	11,199

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS 客戶墊款及其他賬項

(a) Advances to customers and other accounts

(a) 客戶墊款及其他賬項

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
(i)	Advances to customers 客戶墊款	443,287	405,357	292,365	259,483
	Less: Impairment allowances 減: 減值準備				
	– Individual – 個別	(419)	(323)	(188)	(171)
	– Collective – 整體	(935)	(699)	(445)	(450)
		441,933	404,335	291,732	258,862
(ii)	Other accounts 其他賬項				
	Advances to banks and other financial institutions 銀行及其他金融機構墊款	55	5	4	5
	Less: Impairment allowances 減: 減值準備				
	– Individual – 個別	(1)	(2)	(1)	(2)
		54	3	3	3
	Notes and bonds (Note 45(b)) 債券(附註45(b))	1	1	–	–
	Certificates of deposit held (Note 45(b)) 持有的存款證(附註45(b))	116	116	116	116
	Accrued interest 應計利息	2,904	2,641	1,512	1,404
	Customer liability under acceptance 承兌客戶負債	26,460	31,393	359	312
	Other accounts 其他賬項	10,703	9,796	6,246	6,229
		40,184	43,947	8,233	8,061
	Less: Impairment allowances 減: 減值準備				
	– Individual – 個別	(13)	(13)	(1)	(1)
	– Collective – 整體	(18)	(17)	–	–
		40,153	43,917	8,232	8,060
		482,140	448,255	299,967	266,925

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(b) Impairment allowances against advances and other accounts for 2014 (b) 2014年墊款及其他賬項之減值準備

		The Group 集團							
		Advances to customers 客戶墊款		Advances to banks 銀行墊款		Other accounts 其他賬項		Total 總額	
		Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	323	699	2	-	13	17	338	716
New provisions charged to income statement	收益表內支銷的新準備	863	403	-	-	64	2	927	405
Net provisions released back to income statement	撥回收益表的準備淨額	(308)	-	(1)	-	(5)	-	(314)	-
Amounts written off	撇銷額	(691)	(153)	-	-	(5)	-	(696)	(153)
Recoveries	收回額	215	-	-	-	1	-	216	-
Effect of discounting (Note 4)	計算折扣的影響(附註4)	(20)	-	-	-	-	-	(20)	-
Transfer	轉賬	54	-	-	-	(54)	-	-	-
Exchange adjustments	匯兌調整	(17)	(14)	-	-	(1)	(1)	(18)	(15)
At 31st December	於12月31日	419	935	1	-	13	18	433	953

		The Bank 銀行							
		Advances to customers 客戶墊款		Advances to banks 銀行墊款		Other accounts 其他賬項		Total 總額	
		Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	171	450	2	-	1	-	174	450
New provisions charged to income statement	收益表內支銷的新準備	270	130	-	-	-	-	270	130
Net provisions released back to income statement	撥回收益表的準備淨額	(208)	-	(1)	-	-	-	(209)	-
Amounts written off	撇銷額	(199)	(128)	-	-	-	-	(199)	(128)
Recoveries	收回額	174	-	-	-	-	-	174	-
Effect of discounting	計算折扣的影響	(10)	-	-	-	-	-	(10)	-
Exchange adjustments	匯兌調整	(10)	(7)	-	-	-	-	(10)	(7)
At 31st December	於12月31日	188	445	1	-	1	-	190	445

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS (CONTINUED) 客戶墊款及其他賬項(續)

(b) Impairment allowances against advances and other accounts for 2013 (b) 2013年墊款及其他賬項之減值準備

		The Group 集團							
		Advances to customers 客戶墊款		Advances to banks 銀行墊款		Other accounts 其他賬項		Total 總額	
		Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	238	681	4	-	28	3	270	684
New provisions charged to income statement	收益表內支銷的新準備	469	131	-	-	23	11	492	142
Net provisions released back to income statement	撥回收益表的準備淨額	(149)	-	(2)	-	(10)	-	(161)	-
Amounts written off	撇銷額	(353)	(115)	-	-	(5)	-	(358)	(115)
Recoveries	收回額	105	-	-	-	-	-	105	-
Effect of discounting (Note 4)	計算折扣的影響(附註4)	(14)	-	-	-	-	-	(14)	-
Transfer	轉賬	22	-	-	-	(22)	-	-	-
Exchange adjustments	匯兌調整	5	2	-	-	(1)	3	4	5
At 31st December	於12月31日	323	699	2	-	13	17	338	716

		The Bank 銀行							
		Advances to customers 客戶墊款		Advances to banks 銀行墊款		Other accounts 其他賬項		Total 總額	
		Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體	Individual 個別	Collective 整體
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	128	474	4	-	3	-	135	474
New provisions charged to income statement	收益表內支銷的新準備	194	83	-	-	-	-	194	83
Net provisions released back to income statement	撥回收益表的準備淨額	(99)	-	(2)	-	(2)	-	(103)	-
Amounts written off	撇銷額	(110)	(103)	-	-	-	-	(110)	(103)
Recoveries	收回額	67	-	-	-	-	-	67	-
Effect of discounting	計算折扣的影響	(8)	-	-	-	-	-	(8)	-
Exchange adjustments	匯兌調整	(1)	(4)	-	-	-	-	(1)	(4)
At 31st December	於12月31日	171	450	2	-	1	-	174	450

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(c) Advances to customers – by industry sectors

The analysis of gross advances to customers and the percentage of secured advances by industry sector is based on the categories and definitions used by the HKMA.

(c) 客戶墊款 – 按行業分類

按行業分類的客戶墊款總額及有抵押墊款的百分比是按照金管局所採用的類別和定義。

		2014		2013	
		Gross advances	% of secured advances	Gross advances	% of secured advances
		墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率	墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率
The Group	集團				
Loans for use in Hong Kong	在香港使用的貸款				
Industrial, commercial and financial	工商金融				
– Property development	– 物業發展	17,177	71.40	13,743	71.01
– Property investment	– 物業投資	38,906	86.53	37,574	87.51
– Financial concerns	– 金融企業	15,562	82.32	13,780	81.80
– Stockbrokers	– 股票經紀	1,901	95.94	1,222	88.85
– Wholesale and retail trade	– 批發與零售業	21,070	56.15	14,296	34.11
– Manufacturing	– 製造業	7,090	50.93	6,963	37.04
– Transport and transport equipment	– 運輸與運輸設備	6,835	67.01	5,954	66.01
– Recreational activities	– 娛樂活動	138	56.53	96	33.02
– Information technology	– 資訊科技	836	15.53	1,063	8.88
– Others	– 其他	19,113	69.23	10,189	50.34
– Sub-total	– 小計	128,628	73.10	104,880	68.31
Individuals	個人				
– Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	– 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」樓宇的貸款	1,058	100.00	1,096	100.00
– Loans for the purchase of other residential properties	– 購買其他住宅物業的貸款	33,052	100.00	28,537	99.99
– Credit card advances	– 信用卡墊款	5,079	0.00	4,137	0.00
– Others	– 其他	19,181	82.12	19,453	68.64
– Sub-total	– 小計	58,370	85.42	53,223	80.76
Total loans for use in Hong Kong	在香港使用的貸款總額	186,998	76.95	158,103	72.50
Trade finance	貿易融資	5,527	59.14	5,895	39.60
Loans for use outside Hong Kong*	在香港以外使用的貸款*	250,762	71.38	241,359	71.02
Total advances to customers	客戶墊款總額	443,287	73.57	405,357	71.14

* Loans for use outside Hong Kong include the following loans for use in Mainland China.

* 在香港以外使用的貸款包括以下在中國內地使用的貸款。

		2014		2013	
		Gross advances	% of secured advances	Gross advances	% of secured advances
		墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率	墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率
Property development	物業發展	40,010	60.01	33,980	52.70
Property investment	物業投資	32,701	98.51	29,801	98.45
Wholesale and retail trade	批發與零售業	32,072	80.53	35,088	79.84
Manufacturing	製造業	11,224	61.73	12,081	47.34
Others	其他	73,200	61.45	68,844	66.67
		189,207	70.80	179,794	70.57

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS (CONTINUED) 客戶墊款及其他賬項(續)

(c) Advances to customers – by industry sectors (continued)

(c) 客戶墊款 – 按行業分類(續)

		2014		2013	
		Gross advances	% of secured advances	Gross advances	% of secured advances
		墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率	墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率
The Bank	銀行				
Loans for use in Hong Kong	在香港使用的貸款				
Industrial, commercial and financial	工商金融				
– Property development	– 物業發展	17,167	71.45	13,733	71.06
– Property investment	– 物業投資	38,811	86.50	37,491	87.49
– Financial concerns	– 金融企業	15,561	82.32	13,779	81.80
– Stockbrokers	– 股票經紀	1,901	95.94	1,222	88.85
– Wholesale and retail trade	– 批發與零售業	20,990	55.99	14,207	33.69
– Manufacturing	– 製造業	7,080	50.85	6,926	36.70
– Transport and transport equipment	– 運輸與運輸設備	6,835	67.01	5,930	65.87
– Recreational activities	– 娛樂活動	138	56.53	96	33.02
– Information technology	– 資訊科技	836	15.53	1,062	8.88
– Others	– 其他	18,396	68.03	9,473	46.59
– Sub-total	– 小計	127,715	72.92	103,919	68.02
Individuals	個人				
– Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	– 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」樓宇的貸款	1,058	100.00	1,096	100.00
– Loans for the purchase of other residential properties	– 購買其他住宅物業的貸款	33,049	100.00	28,533	99.99
– Credit card advances	– 信用卡墊款	5,079	0.00	4,137	0.00
– Others	– 其他	17,952	82.41	18,123	68.11
– Sub-total	– 小計	57,138	85.58	51,889	80.88
Total loans for use in Hong Kong	在香港使用的貸款總額	184,853	76.83	155,808	72.31
Trade finance	貿易融資	5,429	59.52	5,504	36.19
Loans for use outside Hong Kong*	在香港以外使用的貸款*	102,083	60.07	98,171	57.31
Total advances to customers	客戶墊款總額	292,365	70.66	259,483	65.87

* Loans for use outside Hong Kong include the following loans for use in Mainland China.

* 在香港以外使用的貸款包括以下在中國內地使用的貸款。

		2014		2013	
		Gross advances	% of secured advances	Gross advances	% of secured advances
		墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率	墊款總額 HK\$ Mn 港幣百萬元	有抵押墊款 的百分比 % 百分率
Property development	物業發展	13,807	8.81	15,603	8.80
Property investment	物業投資	2,050	79.36	803	49.75
Wholesale and retail trade	批發與零售業	7,374	75.06	7,561	93.70
Manufacturing	製造業	4,371	60.84	4,523	42.09
Others	其他	13,454	43.69	10,321	11.58
		41,056	41.20	38,811	30.81

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Individually impaired loans, as well as relevant information, in respect of industry sectors which constitute 10% or more of total advances to customers are as follows:

以下按行業分類並佔客戶墊款總額百分之十或以上的墊款中已個別減值的貸款、以及相關資料如下：

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
(i) Property development	(i) 物業發展				
a. Individually impaired loans	a. 已個別減值的貸款	42	131	-	94
b. Individual impairment allowance	b. 個別減值準備	10	16	-	6
c. Collective impairment allowance	c. 整體減值準備	116	62	39	35
d. Provision charged to income statement	d. 於收益表支銷的準備				
- individual impairment loss	- 個別減值損失	1	-	1	-
- collective impairment loss	- 整體減值損失	67	22	10	8
e. Written off	e. 撇銷	-	-	-	-
(ii) Property investment	(ii) 物業投資				
a. Individually impaired loans	a. 已個別減值的貸款	299	242	65	122
b. Individual impairment allowance	b. 個別減值準備	3	5	-	5
c. Collective impairment allowance	c. 整體減值準備	175	140	85	97
d. Provision charged to income statement	d. 於收益表支銷的準備				
- individual impairment loss	- 個別減值損失	13	-	-	-
- collective impairment loss	- 整體減值損失	67	35	12	27
e. Written off	e. 撇銷	9	-	-	-
(iii) Loans for purchase of residential properties	(iii) 購買其他住宅物業的貸款				
a. Individually impaired loans	a. 已個別減值的貸款	236	169	97	111
b. Individual impairment allowance	b. 個別減值準備	12	2	-	-
c. Collective impairment allowance	c. 整體減值準備	82	55	27	28
d. Provision charged to income statement	d. 於收益表支銷的準備				
- individual impairment loss	- 個別減值損失	23	3	1	2
- collective impairment loss	- 整體減值損失	29	12	4	5
e. Written off	e. 撇銷	11	2	1	2
(iv) Wholesale and retail trade	(iv) 批發與零售業				
a. Individually impaired loans	a. 已個別減值的貸款	633	314	49	64
b. Individual impairment allowance	b. 個別減值準備	74	106	17	24
c. Collective impairment allowance	c. 整體減值準備	124	109	52	68
d. Provision charged to income statement	d. 於收益表支銷的準備				
- individual impairment loss	- 個別減值損失	318	120	105	43
- collective impairment loss	- 整體減值損失	57	38	17	23
e. Written off	e. 撇銷	286	72	104	43

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS (CONTINUED) 客戶墊款及其他賬項(續)

(d) Advances to customers – by geographical areas

The information concerning the breakdown of the gross amount of advances to customers by countries or geographical areas 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.

(d) 客戶墊款 – 按區域分類

客戶墊款總額按國家或區域的分類，是根據交易對手的所在地，並已顧及轉移風險因素。一般而言，有關墊款的債權獲得並非交易對手所在地的國家的一方擔保，或該債權的履行對象是某銀行的海外分行，而該銀行的總辦事處並非設於交易對手的所在地，風險便確認為由一個國家轉移到另一個國家。

		The Group 集團 2014				
		Total advances to customers 客戶墊款 總額 HK\$ Mn 港幣百萬元	Advances overdue for over three months 逾期3個月以上 的客戶墊款 HK\$ Mn 港幣百萬元	Impaired advances to customers 減值客戶 墊款 HK\$ Mn 港幣百萬元	Individual impairment allowance 個別減值 準備 HK\$ Mn 港幣百萬元	Collective impairment allowance 整體減值 準備 HK\$ Mn 港幣百萬元
Hong Kong	香港	186,000	226	404	95	248
People's Republic of China	中華人民共和國	213,984	1,784	2,108	307	563
Other Asian Countries	其他亞洲國家	20,813	79	143	17	68
Others	其他	22,490	7	81	-	56
Total	總額	443,287	2,096	2,736	419	935
% of total advances to customers	佔客戶墊款總額的 百分比			0.62%		
Market value of security held against impaired advances to customers	減值墊款抵押品市值			4,680		

		The Group 集團 2013				
		Total advances to customers 客戶墊款 總額 HK\$ Mn 港幣百萬元	Advances overdue for over three months 逾期3個月以上 的客戶墊款 HK\$ Mn 港幣百萬元	Impaired advances to customers 減值客戶 墊款 HK\$ Mn 港幣百萬元	Individual impairment allowance 個別減值 準備 HK\$ Mn 港幣百萬元	Collective impairment allowance 整體減值 準備 HK\$ Mn 港幣百萬元
Hong Kong	香港	172,436	188	384	81	210
People's Republic of China	中華人民共和國	189,924	653	840	159	316
Other Asian Countries	其他亞洲國家	22,124	18	120	72	106
Others	其他	20,873	65	237	11	67
Total	總額	405,357	924	1,581	323	699
% of total advances to customers	佔客戶墊款總額的 百分比			0.39%		
Market value of security held against impaired advances to customers	減值墊款抵押品市值			3,779		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Bank 銀行 2014				
		Total advances to customers 客戶墊款 總額 HK\$ Mn 港幣百萬元	Advances overdue for over three months 逾期3個月以上 的客戶墊款 HK\$ Mn 港幣百萬元	Impaired advances to customers 減值客戶 墊款 HK\$ Mn 港幣百萬元	Individual impairment allowance 個別減值 準備 HK\$ Mn 港幣百萬元	Collective impairment allowance 整體減值 準備 HK\$ Mn 港幣百萬元
Hong Kong	香港	174,774	221	387	85	214
People's Republic of China	中華人民共和國	75,459	119	144	86	111
Other Asian Countries	其他亞洲國家	20,413	79	143	17	67
Others	其他	21,719	7	81	-	53
Total	總額	292,365	426	755	188	445
% of total advances to customers	佔客戶墊款總額的 百分比			0.26%		
Market value of security held against impaired advances to customers	減值墊款抵押品市值			1,063		

		The Bank 銀行 2013				
		Total advances to customers 客戶墊款 總額 HK\$ Mn 港幣百萬元	Advances overdue for over three months 逾期3個月以上 的客戶墊款 HK\$ Mn 港幣百萬元	Impaired advances to customers 減值客戶 墊款 HK\$ Mn 港幣百萬元	Individual impairment allowance 個別減值 準備 HK\$ Mn 港幣百萬元	Collective impairment allowance 整體減值 準備 HK\$ Mn 港幣百萬元
Hong Kong	香港	158,402	184	367	70	188
People's Republic of China	中華人民共和國	58,888	126	130	18	90
Other Asian Countries	其他亞洲國家	21,838	18	120	72	106
Others	其他	20,355	64	237	11	66
Total	總額	259,483	392	854	171	450
% of total advances to customers	佔客戶墊款總額的 百分比			0.33%		
Market value of security held against impaired advances to customers	減值墊款抵押品市值			2,312		

Impaired loans and advances are individually assessed loans with objective evidence of impairment on an individual basis. The above information by countries or geographical areas is derived according to the location of the counterparties after taking into account any transfer of risk.

減值貸款及墊款是個別出現客觀減值證據而須個別評估的貸款。以上按國家或區域分類的資料，是根據交易對手的所在地並已顧及轉移風險因素。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

27. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS (CONTINUED) 客戶墊款及其他賬項(續)

(e) Advances to customers – net investment in finance leases

Advances to customers include net investment in equipment leased under finance leases. The total minimum lease payments receivable under finance leases and their present values at the year end are as follows:

(e) 客戶墊款－融資租賃的淨投資額

客戶墊款包括以融資租賃形式租出的設備。根據融資租賃應收的最低租賃付款總額，及其現值如下：

		The Group and The Bank 集團及銀行					
		2014			2013		
		Present value of the minimum lease payments	Interest relating to future periods	Total minimum lease payments	Present value of the minimum lease payments	Interest relating to future periods	Total minimum lease payments
		最低租賃付款現值	相關未來利息收入	最低租賃付款總額	最低租賃付款現值	相關未來利息收入	最低租賃付款總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Amounts receivable:	應收賬款：						
Within one year	1年以內	1,336	181	1,517	1,349	186	1,535
After one year but within five years	1年以後至5年內	1,694	295	1,989	1,672	269	1,941
After five years	5年以後	2,594	427	3,021	2,367	380	2,747
		5,624	903	6,527	5,388	835	6,223
Less: Individual impairment allowances	減：個別減值準備	(8)			(7)		
Net investment in finance leases	融資租賃的淨投資額	5,616			5,381		

The net investment in finance leases is carried on the statement of financial position as a receivable. No accrual is made for the interest income relating to future periods.

融資租賃的淨投資額被視作應收賬在財務狀況表中列賬，未來期間的利息收入並無計算。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

28. AVAILABLE-FOR-SALE FINANCIAL ASSETS 可供出售金融資產

		The Group 集團		The Bank 銀行	
		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Treasury bills (including Exchange Fund Bills) (Note 45(b))	國庫債券(包括外匯基金票據)(附註45(b))	27,906	18,797	27,906	18,796
Certificates of deposit held (Note 45(b))	持有的存款證(附註45(b))	1,626	2,386	468	1,205
Debt securities (Note 45(b))	債務證券(附註45(b))	54,116	47,499	30,142	25,818
Equity securities	股份證券	2,895	2,722	1,423	1,327
Investment funds	投資基金	273	185	236	184
		86,816	71,589	60,175	47,330
Issued by:	發行機構:				
Central governments and central banks	中央政府和中央銀行	28,238	19,694	26,848	18,100
Public sector entities	公營機構	691	2,273	645	324
Banks and other financial institutions	銀行及其他金融機構	27,788	25,350	9,226	11,150
Corporate entities	企業實體	29,788	24,048	23,220	17,573
Other entities	其他實體	311	224	236	183
		86,816	71,589	60,175	47,330
Analysed by place of listing:	按上市地區分析:				
Debt securities	債務證券				
Listed in Hong Kong	在香港上市	12,511	8,165	9,722	6,276
Listed outside Hong Kong	在香港以外地區上市	11,391	12,292	8,683	9,603
		23,902	20,457	18,405	15,879
Unlisted	非上市	59,746	48,225	40,111	29,940
		83,648	68,682	58,516	45,819
Equity securities	股份證券				
Listed in Hong Kong	在香港上市	766	580	236	140
Listed outside Hong Kong	在香港以外地區上市	1,376	1,318	467	403
		2,142	1,898	703	543
Unlisted	非上市	753	824	720	784
		2,895	2,722	1,423	1,327
Investment funds	投資基金				
Listed outside Hong Kong	在香港以外地區上市	29	1	-	-
Unlisted	非上市	244	184	236	184
		273	185	236	184
		86,816	71,589	60,175	47,330

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

29. HELD-TO-MATURITY INVESTMENTS (NOTE 45(b)) 持至到期投資 (附註45(b))

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Treasury bills (including Exchange Fund Bills)	國庫債券(包括外匯基金票據)	737		649		737		649	
Certificates of deposit held	持有的存款證	2,710		1,186		873		1,186	
Debt securities	債務證券	3,300		3,213		1,864		2,105	
		6,747		5,048		3,474		3,940	
Issued by:	發行機構:								
Central governments and central banks	中央政府和中央銀行	1,546		1,745		1,546		1,741	
Public sector entities	公營機構	22		153		-		50	
Banks and other financial institutions	銀行及其他金融機構	2,495		803		210		263	
Corporate entities	企業實體	2,684		2,347		1,718		1,886	
		6,747		5,048		3,474		3,940	
Analysed by place of listing:	按上市地區分析:								
Debt securities	債務證券								
Listed in Hong Kong	在香港上市	1,905		1,119		1,094		782	
Listed outside Hong Kong	在香港以外地區上市	1,590		1,777		1,473		1,522	
		3,495		2,896		2,567		2,304	
Unlisted	非上市	3,252		2,152		907		1,636	
		6,747		5,048		3,474		3,940	
Fair value:	公平價值:								
Listed securities	上市證券	3,516		2,983		2,556		2,378	
Unlisted securities	非上市證券	3,218		2,152		906		1,637	
		6,734		5,135		3,462		4,015	

Movement of impairment allowances

減值準備的變動

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
At 1st January	於1月1日	-		-		-		-	
Net provisions released back to income statement	撥回收益表的準備淨額	(3)		-		(3)		-	
Recoveries	收回額	3		-		3		-	
At 31st December	於12月31日	-		-		-		-	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

30. INVESTMENTS IN SUBSIDIARIES 附屬公司投資

		The Bank 銀行	
		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Unlisted shares, at cost	非上市股份(原值)	17,594	15,494
Less: Impairment allowances	減: 減值準備	(279)	(224)
		17,315	15,270

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary.

以下摘要只包括對本集團的業績、資產或負債有重大影響的附屬公司。此等股份屬普通股股份。

Details of these companies are as follows:

此等公司的詳情如下：

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	Issued and paid-up capital 已發行及繳足股本	% Held by		Nature of business 業務性質
			The Bank 銀行 所佔權益	The Group 集團 所佔權益	
Ample Delight Limited 承悅有限公司	Hong Kong 香港	HK\$港幣450,000,000元		100%	Investment holding 投資控股
Bank of East Asia (Trustees) Limited 東亞銀行(信託)有限公司	Hong Kong 香港	HK\$港幣150,000,000元	100%		Trustee 信託服務
* BEA Blue Sky Real Estate Fund L.P.	Cayman Islands 開曼群島	NIL		50.5%	Acting as a Limited Partner to BEA/AGRE China Real Estate Fund, L.P. 出任BEA/ARGE China Real Estate Fund, L.P.有限責任合夥人
BEA Life Limited 東亞人壽保險有限公司	Hong Kong 香港	HK\$港幣500,000,000元	100%		Life insurance 人壽保險
Blue Care JV (BVI) Holdings Limited	BVI 英屬處女群島	HK\$港幣20,000,000元		80%	Investment holding 投資控股
Blue Cross (Asia-Pacific) Insurance Limited 藍十字(亞太)保險有限公司	Hong Kong 香港	HK\$港幣625,000,000元	100%		Insurance 保險
BEA Union Investment Management Limited 東亞聯豐投資管理有限公司	Hong Kong 香港	HK\$港幣374,580,000元	51%		Asset management 資產管理
BEA Wealth Management Services (Taiwan) Limited 東亞證券股份有限公司	Taiwan, Republic of China 台灣·中華民國	NTD新台幣283,200,000元		100%	Wealth management services 財富管理服务

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

30. INVESTMENTS IN SUBSIDIARIES (CONTINUED) 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	Issued and paid-up capital 已發行及繳足股本	% Held by		Nature of business 業務性質
			The Bank 銀行 所佔權益	The Group 集團 所佔權益	
Caribbean Corporate Services Ltd.	Barbados 巴巴多斯	BDS\$2,000巴巴多斯元		60.49%	Corporate secretarial and accounting services 法人團體秘書及會計服務
Central Town Limited 滙中興業有限公司	Hong Kong 香港	HK\$港幣2元	100%		Property investment 物業投資
Century Able Limited 階潤有限公司	Hong Kong 香港	HK\$港幣929,752,849元		100%	Investment holding 投資控股
Chongqing Dongrong Business Consultancy Company Limited 重慶市東榮商務諮詢有限公司	PRC 中華人民共和國	HK\$港幣6,300,000元		100%	Business consultancy services 商業諮詢服務
Chongqing Liangjiang New Area Credit Gain Finance Company Limited 重慶兩江新區領達小額貸款有限公司	PRC 中華人民共和國	US\$50,000,000美元	100%		Micro-finance Loan 小額貸款
Corona Light Limited	BVI 英屬處女群島	HK\$港幣929,752,849元		100%	Investment holding 投資控股
Credit Gain Finance Company Limited 領達財務有限公司	Hong Kong 香港	HK\$港幣390,000,000元	100%		Money lenders 放債人
Crystal Gleaming Limited	BVI 英屬處女群島	HK\$港幣929,752,849元	100%		Investment holding 投資控股
East Asia Electronic Data Processing (Guangzhou) Limited (Note 1) 東亞電子資料處理(廣州)有限公司 (附註1)	PRC 中華人民共和國	US\$3,000,000美元		100%	Servicing 服務
East Asia Facility Management Limited 東亞設施管理有限公司	Hong Kong 香港	HK\$港幣10,000元		100%	Facility management 設施管理
* East Asia Holding Company, Inc.	U.S.A. 美國	US\$5美元	100%		Bank holding company 銀行控股公司
East Asia Indonesian Holdings Limited	Seychelles 塞舌爾	US\$100,000美元		100%	Investment holding 投資控股
East Asia International Trustees Limited	BVI 英屬處女群島	US\$1,301,000美元		100%	Trustee services 信託服務

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	Issued and paid-up capital 已發行及繳足股本	% Held by		Nature of business 業務性質
			The Bank 銀行 所佔權益	The Group 集團 所佔權益	
East Asia Investments Holdings (BVI) Ltd.	BVI 英屬處女群島	HK\$港幣186,038,725元	100%		Investment holding 投資控股
East Asia Property Agency Company Limited 東亞物業代理有限公司	Hong Kong 香港	HK\$港幣1,000,000元	100%		Property agency 物業代理
East Asia Property Holdings (Jersey) Limited	BVI 英屬處女群島	GBP英鎊9元	100%		Property holding 物業持有
East Asia Secretaries (BVI) Limited	BVI 英屬處女群島	HK\$港幣300,000,000元		75.61%	Investment holding 投資控股
East Asia Securities Company Limited 東亞證券有限公司	Hong Kong 香港	HK\$港幣25,000,000元	100%		Securities broking 證券買賣
East Asia Strategic Holdings Limited	BVI 英屬處女群島	US\$50,000,000美元	100%		Investment holding 投資控股
Innovate Holdings Limited	BVI 英屬處女群島	US\$1美元 (Ordinary 普通股) US\$500,000,000美元 (with a liquidation preference of US\$1,000 per share 附有每股1,000美元之 清盤優先權)	100%		Special purpose vehicle company 特定目的投資工具
Keen Sight Development Limited	BVI 英屬處女群島	US\$29,490,000美元	100%		Investment holding 投資控股
Powerhouse Worldwide Limited	BVI 英屬處女群島	US\$29,490,000美元		100%	Investment holding 投資控股
Shaanxi Fuping BEA Rural Bank Corporation (Note 1) 陝西富平東亞村鎮銀行有限責任公司 (附註1)	PRC 中華人民共和國	CNY人民幣20,000,000元	100%		Banking and other financial businesses 銀行及有關的金融 服務
Shenzhen Credit Gain Finance Company Limited (Note 1) 深圳市領達小額貸款有限公司 (附註1)	PRC 中華人民共和國	CNY人民幣300,000,000元	100%		Micro-finance loan 小額貸款
Skyray Holdings Limited	BVI 英屬處女群島	HK\$港幣450,000,000元	100%		Investment holding 投資控股
Speedfull Limited	BVI 英屬處女群島	HK\$港幣450,000,000元		100%	Investment holding 投資控股

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

30. INVESTMENTS IN SUBSIDIARIES (CONTINUED) 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	Issued and paid-up capital 已發行及繳足股本	% Held by		Nature of business 業務性質
			The Bank 銀行 所佔權益	The Group 集團 所佔權益	
The Bank of East Asia (China) Limited (Note 1) 東亞銀行(中國)有限公司(附註1)	PRC 中華人民共和國	CNY人民幣10,000,000,000元	100%		Banking and related financial services 銀行及有關的金融服務
Tricor Consultancy (Beijing) Limited (Note 1) 東亞卓佳諮詢(北京)有限公司 (附註1)	PRC 中華人民共和國	US\$1,850,000美元		75.61%	Business consultancy in China 國內商業諮詢
Tricor Holdings Limited	BVI 英屬處女群島	US\$7,001美元		75.61%	Investment holding 投資控股
Tricor Holdings Pte. Ltd.	Singapore 新加坡	S\$新加坡幣5,000,002元		75.61%	Investment holding 投資控股
Tricor Investor Services Limited 卓佳證券登記有限公司	Hong Kong 香港	HK\$港幣2元		75.61%	Investor services 投資者服務
Tricor Japan Holdings GK	Japan 日本	JPY1,000,000日元		52.93%	Nominee company 受託代管公司
Tricor Services Limited 卓佳專業商務有限公司	Hong Kong 香港	HK\$港幣2元		75.61%	Business, corporate and investor services 商務、企業及投資者服務
Tricor Services (BVI) Limited	BVI 英屬處女群島	US\$250,000美元		75.61%	Registered agent and trustee services 註冊代理及信託服務
Tricor Services (Malaysia) Sdn. Bhd.	Malaysia 馬來西亞	RM馬幣5,672,484元		68.05%	Investment holding 投資控股
Tung Shing Holdings Company Limited 東盛控股有限公司	BVI 英屬處女群島	US\$20,000,000美元	100%		Investment holding 投資控股

Notes:

1. Represents a wholly foreign owned enterprise registered under the PRC laws.
 2. The above subsidiaries have no non-controlling interests material to the Group.
- * Companies not audited by KPMG. The financial statements of the subsidiaries not audited by KPMG reflect total net assets and total income constituting approximately 0.9% and 0.1% respectively of the related consolidated totals.

附註:

1. 指一根據中華人民共和國法例註冊之全資擁有外資企業。
 2. 以上附屬公司之非控制性權益對本集團並不重大。
- * 非由畢馬威會計師事務所審核的公司。非由畢馬威會計師事務所審核的附屬公司財務報表之資產總額及收入總額分別佔相關綜合總額的0.9%及0.1%。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31. INVESTMENTS IN ASSOCIATES 聯營公司投資

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Listed shares, at cost	上市股份(原值)	-	-	-	-	2,738	2,040		
Unlisted shares, at cost	非上市股份(原值)	-	-	-	-	465	465		
Share of net assets	應佔淨資產	5,711	4,407			-	-		
Goodwill	商譽	372	372			-	-		
		6,083	4,779			3,203	2,505		
Less: Impairment allowances	減: 減值準備	-	-			-	-		
		6,083	4,779			3,203	2,505		

Loans to associates amounting to HK\$233 million (2013: HK\$233 million) are included under placements with banks and other financial institutions.

聯營公司貸款共港幣2.33億元(2013年: 港幣2.33億元)已包括在在銀行及其他金融機構的存款。

Share of associates' taxation for the year amounted to HK\$192 million (2013: HK\$205 million).

年度內應佔聯營公司稅項為港幣1.92億元(2013年: 港幣2.05億元)。

Shareholdings in associates held by the Bank include listed investments of HK\$2,738 million (2013: HK\$2,040 million). As at the end of the reporting period, the fair value of these investments held by the Group, based on quoted market prices, was HK\$2,940 million (2013: HK\$3,449 million).

本行持有之聯營公司股權包括上市投資港幣27.38億元(2013年: 港幣20.40億元)。於報告期結束日, 本集團所持此等投資按市場報價計算之公平價值為港幣29.40億元(2013年: 港幣34.49億元)。

The following list contains only the particulars of associates which principally affected the results or assets of the Group:

以下摘要只包括對本集團的業績或資產有重大影響的聯營公司:

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	% of ordinary shares 普通股 held by		Nature of business 業務性質
		The Bank 銀行所佔權益	The Group 集團所佔權益	
Listed 上市				
AFFIN Holdings Berhad	Malaysia 馬來西亞	23.52%		Investment holding 投資控股
Unlisted 非上市				
Dolford Property Holdings Limited	BVI 英屬處女群島		30%	Investment holding 投資控股
Founder BEA Trust Company Limited 方正東亞信託有限公司	PRC 中華人民共和國	19.99%		Trust and other financial businesses 信託及其他金融資產
Industrial and Commercial Bank of China (Canada) 中國工商銀行(加拿大)有限公司	Canada 加拿大	20%		Banking services 銀行服務

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31. INVESTMENTS IN ASSOCIATES (CONTINUED) 聯營公司投資(續)

Name of company 公司名稱	Place of incorporation and operation 註冊及營業地點	% of ordinary shares 普通股 held by		Nature of business 業務性質
		The Bank 銀行所佔權益	The Group 集團所佔權益	
Industrial and Commercial Bank of China (USA) N.A. 中國工商銀行(美國)	U.S.A. 美國		20%	Banking services 銀行服務
Platinum Holdings Company Limited	Cayman Islands 開曼群島	29.99%		Investment holding 投資控股
PT. Bank Resona Perdania	Indonesia 印尼		30%	Banking and related financial services 銀行及有關金融服務

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Aggregate information of associates that are not individually material	個別不重大聯營公司之總和資料		
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	個別不重大聯營公司在綜合財務報表 之總和賬面值	6,083	4,779
Aggregate amounts of the Group's share of those associates'	本集團佔該等聯營公司之總和 金額		
Profit from continuing operations	源自持續營運溢利	645	684
Post-tax profit or loss from discontinued operations	源自已停止營運之除稅後溢利或虧損	-	-
Other comprehensive income	其他全面收益	(310)	(370)
Total comprehensive income	全面收益總額	335	314
Reconciliation of carrying amounts to the Group's total interest in the associates	賬面值與本集團於聯營公司的 權益對賬		
Carrying amount of material associates	重大聯營公司之賬面值	-	-
Carrying amount of individual immaterial associates	個別不重大聯營公司之賬面值	6,083	4,779
Interest in associates in the consolidated financial statements	在綜合財務報表中聯營公司權益	6,083	4,779

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

32. GOODWILL AND INTANGIBLE ASSETS 商譽及無形資產

Goodwill and intangible assets include goodwill arising on business combinations and acquired intangible assets. Acquired intangible assets are amortised over their estimated economic useful life.

商譽及無形資產包括因業務合併產生的商譽及購入無形資產。購入無形資產按其估計經濟使用期攤銷。

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Goodwill	商譽	2,722	2,724	1,460	1,460
Acquired intangible assets	購入無形資產	1,233	1,266	-	-
		3,955	3,990	1,460	1,460

(a) Goodwill

(a) 商譽

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	2,724	2,743	1,460	1,460
Additions through acquisition of subsidiaries	經收購附屬公司的增置	17	1	-	-
Exchange adjustments	匯兌調整	(19)	(20)	-	-
At 31st December	於12月31日	2,722	2,724	1,460	1,460

Impairment tests for cash-generating units containing goodwill

包含商譽的現金生產單位之減值測試

Goodwill is allocated to the Group's cash-generating units (CGU) identified according to business segments as follows:

本集團按業務分部分配商譽予可辨識的現金生產單位如下：

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Personal banking	個人銀行	849	849
Corporate banking	企業銀行	453	453
Treasury markets	財資市場	158	158
Corporate services	企業服務	1,214	1,216
Others	其他	48	48
		2,722	2,724

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

32. GOODWILL AND INTANGIBLE ASSETS (CONTINUED) 商譽及無形資產(續)

(a) Goodwill (continued)

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The pre-tax discount rate used for value-in-use calculations is 11.34%–11.50% (2013: 11.50%–12.95%) and the long-term growth rate is 3.5%–10% (2013: 4%–10%).

Management determined the budgeted net profit based on past performance and its expectation for market development. The weighted average growth rates used are consistent with the internal forecasts.

(b) Intangible assets (other than goodwill)

Intangible assets consist of building naming rights only. Intangible assets are stated at cost less accumulated amortisation and impairment loss (Note 2(k)(iv)).

Amortisation of intangible assets with finite useful lives is charged to the income statement over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available to use and their estimated useful lives are as follows:

Naming rights: Over the shorter of the lease period of building or land

Both the period and method of amortisation are reviewed annually.

(a) 商譽(續)

現金生產單位的可收回金額則根據使用價值計算。計算方法按照管理層已核准的5年財務預算的現金流作估計。超過5年期間的現金流按下述的估計利率作推斷。增長率不可超過該現金生產單位所經營業務的長期平均增長率。

用於計算使用價值的除稅前折扣率為11.34%–11.50% (2013: 11.50%–12.95%) 及長期增長率為3.5%–10% (2013: 4%–10%)。

管理層根據過往表現及預計市場發展以釐定預算淨溢利。所採用的加權平均增長率與內部預測是一致的。

(b) 無形資產(商譽除外)

無形資產只包括建築物命名權。無形資產按成本減除累計攤銷及減值損失列賬(附註2(k)(iv))。

有限定可用期的無形資產按其估計可用期於收益表內攤銷。以下有限定可用期的無形資產由可供使用日起按以下的估計可用期攤銷：

命名權按建築物或土地兩者較短的租賃期

每年須檢討其期限及攤銷方法。

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Cost	成本				
At 1st January	於1月1日	1,419	1,419	-	-
At 31st December	於12月31日	1,419	1,419	-	-
Accumulated amortisation	累計攤銷				
At 1st January	於1月1日	(153)	(121)	-	-
Amortisation charge for the year (Note 11)	年度內攤銷 (附註11)	(32)	(32)	-	-
Exchange adjustments	匯兌調整	(1)	-	-	-
At 31st December	於12月31日	(186)	(153)	-	-
Carrying amount at 31st December	於12月31日賬面值	1,233	1,266	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS 固定資產

		2014 The Group 集團				
		Investment properties	Bank premises	Furniture, fixtures and equipment 傢俬、裝修 及設備	Sub-total	Total
		投資物業 HK\$ Mn 港幣百萬元	行址 HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	小計 HK\$ Mn 港幣百萬元	總額 HK\$ Mn 港幣百萬元
Cost or valuation	成本或估值					
At 1st January, 2014	於2014年1月1日	4,400	8,875	5,057	13,932	18,332
Additions	增置	1	10	295	305	306
Additions through acquisition	經收購的增置	-	-	6	6	6
Revaluation surplus	重估盈餘	228	-	-	-	228
Revaluation of bank premises transferred to investment properties	行址重估轉入投資物業	3	(3)	-	(3)	-
Revaluation surplus on bank premises	行址重估盈餘	-	2	-	2	2
Transfer from investment properties to bank premises	由投資物業轉入行址	(84)	84	-	84	-
Transfer from furniture, fixtures and equipment to bank premises	由傢俬、裝修及設備轉入行址	-	49	(49)	-	-
Reclassify to other accounts	重新分類至其他賬項	(30)	(72)	-	(72)	(102)
Redevelopment cost	重建成本	43	-	-	-	43
Disposals	出售	-	(65)	(245)	(310)	(310)
Exchange adjustments	匯兌調整	(17)	(151)	(61)	(212)	(229)
At 31st December, 2014	於2014年12月31日	4,544	8,729	5,003	13,732	18,276
Accumulated depreciation and amortisation	累計折舊及攤銷					
At 1st January, 2014	於2014年1月1日	-	1,314	3,488	4,802	4,802
Additions through acquisition	經收購的增置	-	-	5	5	5
Charge for the year (Note 11)	年度內支銷(附註11)	-	178	486	664	664
Transfer from furniture, fixtures and equipment to bank premises	由傢俬、裝修及設備轉入行址	-	36	(36)	-	-
Written off on disposal	出售時撇銷	-	(19)	(235)	(254)	(254)
Exchange adjustments	匯兌調整	-	(18)	(40)	(58)	(58)
At 31st December, 2014	於2014年12月31日	-	1,491	3,668	5,159	5,159
Net book value at 31st December, 2014	賬面淨值於2014年12月31日	4,544	7,238	1,335	8,573	13,117
The gross amounts of the above assets are stated:	上述資產的總額列示如下:					
At cost	按成本	-	7,917	5,003	12,920	12,920
At Directors' valuation - 1989	按董事估值 - 1989年	-	812	-	812	812
At professional valuation - 2014	按專業估值 - 2014年	4,544	-	-	-	4,544
		4,544	8,729	5,003	13,732	18,276

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS (CONTINUED) 固定資產(續)

		2014 The Bank 銀行 Furniture, fixtures and equipment 傢俬、裝修 及設備				
		Investment properties 投資物業 HK\$ Mn 港幣百萬元	Bank premises 行址 HK\$ Mn 港幣百萬元		Sub-total 小計 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Cost or valuation	成本或估值					
At 1st January, 2014	於2014年1月1日	3,738	3,681	2,775	6,456	10,194
Additions	增置	-	-	127	127	127
Revaluation surplus	重估盈餘	235	-	-	-	235
Revaluation of bank premises transferred to investment properties	行址重估轉入 投資物業	3	(3)	-	(3)	-
Revaluation surplus on bank premises	行址重估盈餘	-	2	-	2	2
Transfer from investment properties to bank premises	由投資物業轉入 行址	(51)	51	-	51	-
Redevelopment cost	重建成本	32	-	-	-	32
Disposals	出售	-	(7)	(160)	(167)	(167)
Exchange adjustments	匯兌調整	-	(29)	(9)	(38)	(38)
At 31st December, 2014	於2014年12月31日	3,957	3,695	2,733	6,428	10,385
Accumulated depreciation and amortisation	累計折舊及 攤銷					
At 1st January, 2014	於2014年1月1日	-	534	2,051	2,585	2,585
Charge for the year	年度內支銷	-	49	244	293	293
Written off on disposal	出售時撇銷	-	(1)	(159)	(160)	(160)
Exchange adjustments	匯兌調整	-	(1)	(7)	(8)	(8)
At 31st December, 2014	於2014年12月31日	-	581	2,129	2,710	2,710
Net book value at 31st December, 2014	賬面淨值 於2014年12月31日	3,957	3,114	604	3,718	7,675
The gross amounts of the above assets are stated:	上述資產的總額列示 如下:					
At cost	按成本	-	2,883	2,733	5,616	5,616
At Directors' valuation - 1989	按董事估值 - 1989年	-	812	-	812	812
At professional valuation - 2014	按專業估值 - 2014年	3,957	-	-	-	3,957
		3,957	3,695	2,733	6,428	10,385

Including total redevelopment cost of an investment property for HK\$229 million as at 31st December, 2014 and HK\$197 million as at 31st December, 2013.

包括一項投資物業於2014年12月31日(港幣2.29億元)及於2013年12月31日(港幣1.97億元)之總重建成本。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		2013 The Group 集團				
		Investment properties	Bank premises	Furniture, fixtures and equipment 傢俬、裝修 及設備	Sub-total	Total
		投資物業 HK\$ Mn 港幣百萬元	行址 HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	小計 HK\$ Mn 港幣百萬元	總額 HK\$ Mn 港幣百萬元
Cost or valuation	成本或估值					
At 1st January, 2013	於2013年1月1日	3,100	9,054	4,671	13,725	16,825
Additions	增置	10	212	490	702	712
Revaluation surplus	重估盈餘	388	-	-	-	388
Revaluation of bank premises transferred to investment properties (Note)	行址重估轉入 投資物業 (附註)	1,123	(1,123)	-	(1,123)	-
Revaluation surplus on bank premises (Note)	行址重估盈餘 (附註)	-	664	-	664	664
Redevelopment cost	重建成本	144	48	-	48	192
Disposals	出售	(380)	(92)	(146)	(238)	(618)
Exchange adjustments	匯兌調整	15	112	42	154	169
At 31st December, 2013	於2013年12月31日	4,400	8,875	5,057	13,932	18,332
Accumulated depreciation and amortisation	累計折舊及 攤銷					
At 1st January, 2013	於2013年1月1日	-	1,170	3,103	4,273	4,273
Charge for the year (Note 11)	年度內支銷(附註11)	-	175	495	670	670
Revaluation of bank premises transferred to investment properties (Note)	行址重估轉入 投資物業 (附註)	-	(6)	-	(6)	(6)
Written off on disposal	出售時撇銷	-	(45)	(135)	(180)	(180)
Exchange adjustments	匯兌調整	-	20	25	45	45
At 31st December, 2013	於2013年12月31日	-	1,314	3,488	4,802	4,802
Net book value at 31st December, 2013	賬面淨值 於2013年12月31日	4,400	7,561	1,569	9,130	13,530
The gross amounts of the above assets are stated:	上述資產的總額列示 如下:					
At cost	按成本	-	8,063	5,057	13,120	13,120
At Directors' valuation - 1989	按董事估值 - 1989年	-	812	-	812	812
At professional valuation - 2013	按專業估值 - 2013年	4,400	-	-	-	4,400
		4,400	8,875	5,057	13,932	18,332

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS (CONTINUED) 固定資產(續)

		Investment properties 投資物業 HK\$ Mn 港幣百萬元	Bank premises 行址 HK\$ Mn 港幣百萬元	2013 The Bank 銀行 Furniture, fixtures and equipment 傢俬、裝修及設備 HK\$ Mn 港幣百萬元	Sub-total 小計 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Cost or valuation	成本或估值					
At 1st January, 2013	於2013年1月1日	2,428	4,138	2,617	6,755	9,183
Additions	增置	-	-	195	195	195
Revaluation surplus	重估盈餘	187	-	-	-	187
Revaluation of bank premises transferred to investment properties (Note)	行址重估轉入投資物業(附註)	1,145	(1,145)	-	(1,145)	-
Revaluation surplus on bank premises (Note)	行址重估盈餘(附註)	-	664	-	664	664
Redevelopment cost	重建成本	96	48	-	48	144
Disposals	出售	(118)	-	(36)	(36)	(154)
Exchange adjustments	匯兌調整	-	(24)	(1)	(25)	(25)
At 31st December, 2013	於2013年12月31日	3,738	3,681	2,775	6,456	10,194
Accumulated depreciation and amortisation	累計折舊及攤銷					
At 1st January, 2013	於2013年1月1日	-	493	1,854	2,347	2,347
Charge for the year	年度內支銷	-	48	232	280	280
Revaluation of bank premises transferred to investment properties (Note)	行址重估轉入投資物業(附註)	-	(6)	-	(6)	(6)
Written off on disposal	出售時撇銷	-	-	(35)	(35)	(35)
Exchange adjustments	匯兌調整	-	(1)	-	(1)	(1)
At 31st December, 2013	於2013年12月31日	-	534	2,051	2,585	2,585
Net book value at 31st December, 2013	賬面淨值於2013年12月31日	3,738	3,147	724	3,871	7,609
The gross amounts of the above assets are stated:	上述資產的總額列示如下:					
At cost	按成本	-	2,869	2,775	5,644	5,644
At Directors' valuation - 1989	按董事估值 - 1989年	-	812	-	812	812
At professional valuation - 2013	按專業估值 - 2013年	3,738	-	-	-	3,738
		3,738	3,681	2,775	6,456	10,194

Note: On 28th June, 2013, a portion of property development previously classified as bank premises was transferred to investment properties. The carrying value of the bank premises prior to being revalued was HK\$475 million. Upon transfer, the property was remeasured at fair value, which was externally appraised at HK\$1,145 million.

附註：於2013年6月28日，部份發展中物業由以往行址類別轉入投資物業。該行址於重估前之賬面值為港幣4.75億元。在轉移時，該物業須再釐定公平價值，並按外部估值為港幣11.45億元。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Fair value measurement of properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's 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.

物業公平價值之釐定

(i) 公平價值分級

根據《香港財務報告準則》第十三號《釐定公平價值》/三級公平價值分級之分類定義，下表列示本集團於報告期末按重覆發生基準以釐定物業之公平價值。分類予每一分級之公平價值釐定取決於以下所採用的估值模式的參數之可觀察性及重要性：

第一級估值： 釐定公平價值只採用第一級參數，即於釐定日在活躍市場相同資產或負債的未經調整報價。

第二級估值： 釐定公平價值採用第二級參數，即不符合第一級的可觀察參數，及未採用重要的非可觀察參數。非可觀察參數是指沒有市場資料之參數。

第三級估值： 釐定公平價值採用重要的非可觀察參數。

		Fair value at 31st December, 2014 於2014年12月31日 之公平價值 HK\$ Mn 港幣百萬元	Fair value measurements as at 31st December, 2014 categorised into 於2014年12月31日釐定公平價值之分類					
			Level 1 第一級 HK\$ Mn 港幣百萬元		Level 2 第二級 HK\$ Mn 港幣百萬元		Level 3 第三級 HK\$ Mn 港幣百萬元	
The Group	集團							
Recurring fair value measurement	重覆發生的公平價值釐定							
Investment properties	投資物業							
Commercial – Hong Kong	商業 – 香港	4,033	-	-			4,033	
Commercial – People's Republic of China	商業 – 中華人民共和國	448	-	-			448	
Commercial – Others	商業 – 其他	63	-	-			63	
		4,544	-	-			4,544	
The Bank	銀行							
Recurring fair value measurement	重覆發生的公平價值釐定							
Investment properties	投資物業							
Commercial – Hong Kong	商業 – 香港	3,957	-	-			3,957	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS (CONTINUED) 固定資產(續)

Fair value measurement of properties (continued)

(i) Fair value hierarchy (continued)

物業公平價值之釐定(續)

(i) 公平價值分級(續)

		Fair value at	Fair value measurements as at 31st December, 2013			
		31st December,	categorised into			
		2013	於2013年12月31日釐定公平價值之分類			
		於2013年12月31日	Level 1	Level 2	Level 3	
		之公平價值	第一級	第二級	第三級	
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
The Group	集團					
Recurring fair value measurement	重覆發生的公平價值釐定					
Investment properties	投資物業					
Commercial – Hong Kong	商業 – 香港	3,843	–	–	3,843	
Commercial – People's Republic of China	商業 – 中華人民共和國	459	–	–	459	
Commercial – Others	商業 – 其他	98	–	–	98	
		4,400	–	–	4,400	
The Bank	銀行					
Recurring fair value measurement	重覆發生的公平價值釐定					
Investment properties	投資物業					
Commercial – Hong Kong	商業 – 香港	3,738	–	–	3,738	

During the year ended 31st December, 2014 and 2013, 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.

All of the Group's investment properties were revalued by independent valuers as at 31st December, 2014 and 2013.

Investment properties in Hong Kong were valued at HK\$4,033 million (2013: HK\$3,843 million) as at 31st December, 2014 by an independent valuer, Savills Valuation and Professional Services Limited, Chartered Surveyors, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The valuation has been incorporated in the financial statements as at 31st December, 2014 and it was performed on an open market value basis. Details of valuation techniques are described below:

截至2014年及2013年12月31日止年度，沒有第一級和第二級兩者之間的轉移，亦未有第三級的轉入或轉出。本集團的政策是只確認於匯報期期末公平價值分級之間發生的轉移。

於2014年及2013年12月31日，所有本集團的投資物業均由獨立估值師估價。

於2014年12月31日，香港投資物業的估值為港幣40.33億元(2013年：港幣38.43億元)。該等物業由獨立估值師－特許測量師第一太平戴維斯，其僱員具香港測量師學會士資歷並對估值物業的所在地及類別有近期經驗。估值是以公開市場價值為基礎，並已計入2014年12月31日之賬項內。估值模式詳述如下：

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(ii) Information about Level 3 fair value measurements

(ii) 有關第三級釐定公平價值資料

	Valuation techniques 估值模式	Unobservable input 非可觀察輸入參數
Investment properties 投資物業	Income capitalisation approach 收入還原法	Market rental 市場租金 Capitalisation rate 還原率
	Direct comparison approach 直接比較法	Premium (discount) on quality of the buildings 樓宇質素溢價(折扣)

Investment properties not under construction

The fair value of investment properties is determined by adoption of the Income Capitalisation Approach whereby the existing rental income of all lettable units of the property are capitalised for their respective unexpired terms of contractual tenancies whilst vacant units are assumed to be let at their respective market rents as at the valuation date. Upon expiry of the existing tenancies, each unit is assumed to be let at its market rent as at the valuation date, which in turn capitalised at the market yield as expected by investors for each type of property. Due consideration has been given to expectations of the renewals of Government lease upon its expiry. The summation of the capitalised value of the term income for the leased portion, the capitalised value of the reversion income as appropriately deferred for the leased portion and the capitalised value for the vacant portion provides the market value of the property.

The market rentals of all lettable units are made (a) by reference to the rentals fetched in the property and/or (b) by reference to the lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yields achieved in analysed market sales transactions and the market expectation from property investors. This expected return reflects implicitly the quality of the investment, the expectation of the potential for future rental growth and capital appreciation, operating costs, risk factor and the like.

As a supporting approach to the Income Capitalisation Approach, the Direct Comparison Approach is also adopted as a check for the valuation. Comparable sales transactions of similar properties in the locality are collected and analysed each in terms of a price per square footage. The collected comparables are then adjusted to take account of the discrepancies between the property and comparables in terms of time, location, age, building quality and the like.

The fair value measurement is positively correlated to the market rental and negatively correlated to the capitalisation rate.

非正在建築中的投資物業

投資物業的公平價值是按採納收入還原法計算，其方法是將現時物業已出租單位之租金收入按其分別未到期租約條款還原，而空置單位則假設於估價日每一單位可按市值租金租出，再根據投資者預期每一類別物業之市場回報來還原。其中已顧及並預期政府之租約於期限屆滿後可續約。出租部分期間收入之還原值、已適當遞延出租部分之歸還收入的還原值及空置部分之還原值之總和計算出物業的市場價值。

所有已租出單位市場租金之計算是(a)參考由物業賺取的租金及/或(b)參考鄰近所租出之類同物業。採納之還原率是參考分析市場出售交易得出之回報及物業投資者對市場的預期。此預期回報已潛在地反映投資的質素、預期未來租金增長和資本增值的潛力、營運成本、風險因素及其他。

除收入還原法外，亦採納直接比較法以核實估值。在鄰近可比較類同物業之出售交易會被收集及分析，以計算每一平方呎的價值。已收集之比較資料根據物業及可比較資料的差異，並按時間、位置、樓齡、樓宇質素及其他作調整。

釐定公平價值與市場租金有正面相互關聯及與還原率有負面相互關聯。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS (CONTINUED) 固定資產(續)

Fair value measurement of properties (continued)

(ii) Information about Level 3 fair value measurements (continued)

Investment properties under construction

The fair value of investment properties under construction is prepared on a residual basis which is a method of valuation normally used to value development land by deducting the outstanding development costs (including constructions cost, professional fees, finance cost and demolition cost etc.) and developer's profit from the Gross Development Value (GDV).

GDV is determined using direct comparison approach by reference to recent sales prices of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group's buildings compared to the recent sales. Higher premium for higher quality buildings will result in a higher fair value measurement.

The movements during the period in the balance of these Level 3 fair value measurements are as follows:

物業公平價值之釐定(續)

(ii) 有關第三級釐定公平價值資料(續)

正在建築中的投資物業

正在建築中的投資物業之公平價值是按剩餘基準法，此方法是普遍用作評估土地發展，計算方法是從發展價值總額中扣除尚未支付之發展成本(包括建築成本，專業服務費，融資成本及拆卸成本等。)及發展商的利潤。

發展價值總額是採用直接比較法並參考近期可比較物業之每一平方呎的成交價，但會調整該近期成交與本集團物業的質素差異所引致的溢價或折扣。高質素物業可享有較高溢價，並可產生較高的公平價值釐定。

期間該等第三級公平價值釐定之餘額變動如下：

		The Group 集團	
		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Investment properties – Commercial – Hong Kong	投資物業 – 商業 – 香港		
At 1st January	於1月1日	3,843	2,448
Disposal	出售	–	(118)
Revaluation of bank premises transferred to investment properties	重估行址轉入投資物業	3	1,145
Transfer from investment properties to bank premises	由投資物業轉入行址	(84)	–
Revaluation surplus	重估盈餘	228	224
Redevelopment cost	重建成本	43	144
At 31st December	於12月31日	4,033	3,843
Investment properties – Commercial – People's Republic of China	投資物業 – 商業 – 中華人民共和國		
At 1st January	於1月1日	459	457
Disposal	出售	–	(11)
Exchange adjustments	匯兌調整	(11)	13
At 31st December	於12月31日	448	459
Investment properties – Commercial – Others	投資物業 – 商業 – 其他		
At 1st January	於1月1日	98	195
Additions	增置	1	10
Disposal	出售	–	(251)
Revaluation of investment properties transferred to bank premises	重估投資物業轉入行址	–	(22)
Revaluation surplus	重估盈餘	–	164
Reclassify to other accounts	重新分類至其他賬項	(30)	–
Exchange adjustments	匯兌調整	(6)	2
At 31st December	於12月31日	63	98

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Bank 銀行	
		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Investment properties – Commercial – Hong Kong	投資物業 – 商業 – 香港		
At 1st January	於1月1日	3,738	2,428
Disposal	出售	–	(118)
Revaluation of bank premises transferred to investment properties	重估行址轉入投資物業	3	1,145
Transfer from investment properties to bank premises	由投資物業轉入行址	(51)	–
Revaluation surplus	重估盈餘	235	187
Redevelopment cost	重建成本	32	96
At 31st December	於12月31日	3,957	3,738

Fair value adjustment of investment properties is recognised in the line item “valuation gains on investment property” on the face of the consolidated income statement.

投資物業的公平價值調整在綜合收益表上之「重估投資物業盈利」項下確認。

All the gains recognised in the income statement for the year arise from the properties held at the end of the reporting period.

所有確認於年度收益表之盈利均源自於報告期結束日持有之物業。

The net book value of bank premises and investment properties comprises:

行址及投資物業的賬面淨值包括：

		The Group 集團			
		2014		2013	
		Investment properties	Bank premises	Investment properties	Bank premises
		投資物業	行址	投資物業	行址
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Freeholds	永久業權				
Held outside Hong Kong	在香港以外地區	63	660	98	701
Leaseholds	租借地				
Held in Hong Kong	在香港				
On long lease (over 50 years)	長期租約(50年以上)	3,697	1,218	3,458	1,228
On medium-term lease (10–50 years)	中期租約(10至50年)	336	1,316	385	1,266
Held outside Hong Kong	在香港以外地區				
On long lease (over 50 years)	長期租約(50年以上)	–	39	–	117
On medium-term lease (10–50 years)	中期租約(10至50年)	448	3,940	459	4,174
On short-term lease (below 10 years)	短期租約(10年以下)	–	65	–	75
		4,544	7,238	4,400	7,561

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

33. FIXED ASSETS (CONTINUED) 固定資產(續)

		The Bank 銀行			
		2014		2013	
		Investment properties	Bank premises	Investment properties	Bank premises
		投資物業	行址	投資物業	行址
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Freeholds	永久業權				
Held outside Hong Kong	在香港以外地區	-	640	-	679
Leaseholds	租借地				
Held in Hong Kong	在香港				
On long lease (over 50 years)	長期租約(50年以上)	3,238	1,192	3,031	1,201
On medium-term lease (10-50 years)	中期租約(10至50年)	719	1,180	707	1,163
Held outside Hong Kong	在香港以外地區				
On medium-term lease (10-50 years)	中期租約(10至50年)	-	102	-	104
		3,957	3,114	3,738	3,147

The carrying amount of the bank premises of the Group and the Bank would have been HK\$5,586 million (2013: HK\$5,884 million) and HK\$1,624 million (2013: HK\$1,677 million) respectively had they been stated at cost less accumulated depreciation.

The Group leases out investment properties under operating leases. The leases typically run for an initial period from 1 to 10 years, with an option to renew the leases after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

Rental income receivable from investment properties held for use under operating leases amounted to HK\$149 million in 2014 (2013: HK\$127 million). There was no contingent rental recognised during the year 2014 (2013: Nil).

The total future minimum lease payments of bank premises and investment properties held for use under non-cancellable operating leases are receivable as follows:

假設本集團及本行以成本減累計折舊入賬，行址的賬面值將分別為港幣55.86億元(2013年：港幣58.84億元)及港幣16.24億元(2013年：港幣16.77億元)。

集團以經營租賃形式租出投資物業。租賃年期通常由1年至10年，到期日後可再續約但其他條款須另議。所有租約並不包括或有租金。

於年內，以經營租賃形式租出的投資物業之應收租金為港幣1.49億元(2013年：港幣1.27億元)。2014年年度內未有確認或有租金(2013年：無)。

以不可撤銷經營租賃作出租的行址及投資物業的未來最低應收租賃付款總額如下：

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Within one year	1年以內	193	75	96	51
After one year but within five years	1年以後至5年內	204	57	114	43
After five years	5年以後	21	1	-	-
		418	133	210	94

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

34. AMOUNTS DUE FROM AND DUE TO SUBSIDIARIES 附屬公司欠款及欠附屬公司款項

During the year, the Bank entered into transactions with certain subsidiaries in the ordinary course of its banking business. Details of the amounts due from and due to subsidiaries are as follows:

於年度內，本行與若干附屬公司有正常的業務交易。附屬公司欠款及欠附屬公司款項詳列如下：

		The Bank 銀行	
		2014	
		HK\$ Mn	港幣百萬元
Amounts due from subsidiaries	附屬公司欠款	22,690	24,124
Amounts due to subsidiaries	欠附屬公司款項	1,803	3,108
		20,887	21,016

		The Bank 銀行	
		2014	
		HK\$ Mn	港幣百萬元
		2013	
		HK\$ Mn	港幣百萬元
Assets	資產		
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	9,335	11,101
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	2,432	3,832
Positive fair value of derivatives	衍生工具的正公平價值	130	242
Other assets	其他資產	12,280	10,889
		24,177	26,064
Liabilities	負債		
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	1,276	2,393
Deposits from customers	客戶存款	1,777	2,349
Negative fair value of derivatives	衍生工具的負公平價值	114	64
Other liabilities	其他負債	123	242
		3,290	5,048
		20,887	21,016

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

35. INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION 財務狀況表內的所得稅

(a) Current taxation in the statement of financial position represents: (a) 資產負債表內的本期稅項為：

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Provision for Hong Kong profits tax for the year (Note 15(a))	本年度香港利得稅準備	777	691	719	646			
Impact of leasing partnerships	合夥租賃的影響	-	(9)	-	(9)			
		777	682	719	637			
Provisional profits tax paid	已付暫繳利得稅	(616)	(308)	(575)	(259)			
		161	374	144	378			
Balance of profits tax provision relating to prior years	以往年度利得稅準備餘額	561	455	557	450			
Taxation outside Hong Kong	在香港以外稅項	450	524	259	269			
		1,172	1,353	960	1,097			

(b) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

(b) 遞延稅項資產及負債確認

確認於綜合財務狀況表中遞延稅項(資產)/負債的組成部分及年內之變動如下：

Deferred tax arising from:	The Group 集團							
	Depreciation allowances in excess of related depreciation	Revaluation of properties	Impairment losses on financial assets	Revaluation of available-for-sale securities	Tax losses	Others	Total	
遞延稅項源自:	超過有關折舊的折舊免稅額	物業重估	金融資產的減值損失	可供出售證券重估	稅損	其他	總額	
	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	
At 1st January, 2014	388	199	117	(9)	(11)	(157)	527	
(Credited)/charged to income statement (Note 15(a))	(63)	1	(105)	-	2	82	(83)	
(Credited)/charged to reserves (Notes 40(c) and (h))	-	(1)	-	164	-	-	163	
Exchange and other adjustments	-	(2)	(2)	2	-	(15)	(17)	
At 31st December, 2014	325	197	10	157	(9)	(90)	590	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Bank 銀行						
Deferred tax arising from:		Depreciation allowances in excess of related depreciation	Revaluation of properties	Impairment losses on financial assets	Revaluation of available-for-sale securities	Tax losses	Others	Total
遞延稅項源自：		超過有關折舊的折舊免稅額	物業重估	金融資產的減值損失	可供出售證券重估	稅損	其他	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
At 1st January, 2014	於2014年1月1日	370	88	(95)	77	1	54	495
(Credited)/charged to income statement	收益表內(存入)/支銷	(64)	-	12	-	-	54	2
(Credited)/charged to reserves (Notes 40(c) and (h))	儲備內(存入)/支銷(附註40(c)及(h))	-	(1)	-	29	-	-	28
Exchange and other adjustments	匯兌及其他調整	-	-	-	-	-	(19)	(19)
At 31st December, 2014	於2014年12月31日	306	87	(83)	106	1	89	506

		The Group 集團						
Deferred tax arising from:		Depreciation allowances in excess of related depreciation	Revaluation of properties	Impairment losses on financial assets	Revaluation of available-for-sale securities	Tax losses	Others	Total
遞延稅項源自：		超過有關折舊的折舊免稅額	物業重估	金融資產的減值損失	可供出售證券重估	稅損	其他	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
At 1st January, 2013	於2013年1月1日	392	163	(42)	63	(10)	(83)	483
(Credited)/charged to income statement (Note 15(a))	收益表內(存入)/支銷(附註15(a))	(2)	34	154	-	(1)	(72)	113
Credited to reserves (Notes 40(c) and (h))	儲備內存入(附註40(c)及(h))	-	(1)	-	(71)	-	-	(72)
Exchange and other adjustments	匯兌及其他調整	(2)	3	5	(1)	-	(2)	3
At 31st December, 2013	於2013年12月31日	388	199	117	(9)	(11)	(157)	527

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

35. INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

財務狀況表內的所得稅(續)

(b) Deferred tax assets and liabilities recognised (continued)

(b) 遞延稅項資產及負債確認(續)

		The Bank 銀行						
		Depreciation allowances in excess of related depreciation	Revaluation of properties	Impairment losses on financial assets	Revaluation of available-for-sale securities	Tax losses	Others	Total
Deferred tax arising from:		超過有關折舊的折舊免稅額	物業重估	金融資產的減值損失	可供出售證券重估	稅損	其他	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
At 1st January, 2013	於2013年1月1日	376	89	(115)	87	1	32	470
(Credited)/charged to income statement	收益表內(存入)/支銷	(6)	-	20	-	-	20	34
Credited to reserves (Notes 40(c) and (h))	儲備內存入(附註40(c)及(h))	-	(1)	-	(10)	-	-	(11)
Exchange and other adjustments	匯兌及其他調整	-	-	-	-	-	2	2
At 31st December, 2013	於2013年12月31日	370	88	(95)	77	1	54	495

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Net deferred tax assets recognised on the statement of financial position	確認於財務狀況表的遞延稅項資產淨額	(96)		(120)		(74)		(101)	
Net deferred tax liabilities recognised on the statement of financial position	確認於財務狀況表的遞延稅項負債淨額	686		647		580		596	
		590		527		506		495	

(c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$1,017 million (2013: HK\$1,005 million) as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity. Under the current tax legislation, the expiry dates of the tax losses were as follows:

(c) 未確認遞延稅項資產

由於可能未來沒有適用於有關稅務機關及實體的應課稅溢利以彌補有關虧損，本集團並未確認累計稅損港幣10.17億元(2013年：港幣10.05億元)為遞延稅項資產。根據現時稅務條例，該等稅損的到期日如下：

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Expiring within 5 years	於五年內到期	56		35	
Expiring more than 5 years	五年後到期	114		150	
No expiry date	無到期日	847		820	
		1,017		1,005	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

36. OTHER LIABILITIES 其他負債

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
(a)	Trading liabilities 交易用途負債								
	Exchange fund bills sold 外匯基金票據空倉	1		-		1		-	
	Shares sold 股份空倉	20		11		20		11	
		21		11		21		11	
(b)	Other accounts and provisions 其他賬項及準備								
	Accrued interest payable 應計應付利息	4,853		4,131		1,594		1,377	
	Acceptance draft payable 應付承兌票據	26,460		31,393		359		312	
	Other accounts 其他賬項	18,768		18,457		4,216		4,641	
		50,081		53,981		6,169		6,330	

37. LOAN CAPITAL 借貸資本

		The Group 集團				The Bank 銀行			
		2014		2013		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
	USD500 million Hybrid Tier 1 5億美元混合一級資本工具	-		-		4,513		4,478	
	USD600 million subordinated notes, measured at amortised cost 按攤銷成本列賬的6億美元後償票據	4,899		4,815		4,899		4,815	
	USD500 million subordinated notes (under the Euro Medium Term Note Programme), measured at amortised cost 按攤銷成本列賬的5億美元後償票據(按歐洲形式中期票據計劃)	3,907		3,923		3,907		3,923	
	SGD800 million subordinated notes (under the Euro Medium Term Note Programme), measured at amortised cost 按攤銷成本列賬的8億新加坡元後償票據(按歐洲形式中期票據計劃)	4,667		4,894		4,667		4,894	
	USD500 million subordinated notes (under the Euro Medium Term Note Programme), measured at amortised cost 按攤銷成本列賬的5億美元後償票據(按歐洲形式中期票據計劃)	3,862		-		3,862		-	
		17,335		13,632		21,848		18,110	

The Group has not had any defaults of principal, interest or other breaches with respect to its debt securities during the years ended 31st December, 2014 and 2013.

截至2014及2013年12月31日止年度內本集團對其所發行之債務證券的本金和利息並無違約或不履行。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

37. LOAN CAPITAL (CONTINUED) 借貸資本(續)

The carrying amount of financial liabilities designated at fair value through profit or loss for the Group as at 31st December, 2014 was Nil (2013: Nil) and for the Bank was HK\$34 million (2013: HK\$69 million) higher than the contractual amount at maturity. The difference in the accumulated amount of the changes in fair value attributable to changes in credit risk for the Group was Nil (2013: Nil) and for the Bank were HK\$432 million (2013: HK\$407 million). The change for the year ended 31st December, 2014 for the Group was Nil (2013: Nil) and for the Bank was HK\$25 million (2013: HK\$474 million).

Hybrid Tier 1 capital instruments comprising step-up subordinated notes ("Notes") of face value HK\$3,878 million (USD500 million) and carrying amount of HK\$4,513 million and HK\$3,878 million (USD500 million) non-cumulative preference shares ("Innovate Preference Shares") were issued respectively by the Bank and by Innovate Holdings Limited, a wholly owned subsidiary of the Bank, on 5th November, 2009. The Notes bear a fixed interest rate of 8.5% per annum and will mature on 5th November, 2059. The Innovate Preference Shares are perpetual securities on which no dividend is payable. The Notes and the Innovate Preference Shares are listed, and traded together as units, on the Singapore Stock Exchange. The Hybrid Tier 1 capital instruments are qualified as Additional Tier 1 capital of the Bank and the Group. In the consolidated financial statements, the Notes are eliminated and the Innovate Preference Shares are classified as non-controlling interests.

Two tranches of loan capital of face value totalling HK\$4,653 million (USD600 million) and carrying amount totalling HK\$4,899 million (2013: HK\$4,815 million) were issued on 16th July, 2010 (USD450 million) and on 23rd July, 2010 (USD150 million) by the Bank. These subordinated notes carrying a coupon rate of 6.125% qualifying as Tier 2 capital are listed on the Singapore Stock Exchange and will mature on 16th July, 2020. Hedge ineffectiveness of HK\$4 million loss in 2014 (2013: HK\$7 million loss) was recorded under fair value hedge accounting.

Loan capital of face value of HK\$3,878 million (USD500 million) and carrying amount of HK\$3,907 million (2013: HK\$3,923 million) represents 6.375% subordinated notes (under the Euro Medium Term Note Programme) qualifying as Tier 2 capital issued on 4th November, 2011 by the Bank. The notes are listed on the Singapore Stock Exchange and will mature on 4th May, 2022. Hedge ineffectiveness of HK\$2 million loss in 2014 (2013: HK\$1 million loss) was recorded under the fair value hedge accounting for the USD400 million subordinated notes. The fair value as of 31st December, 2014 for the USD100 million subordinated notes was HK\$837 million (USD107.9 million) (2013: HK\$849 million (USD109.5 million)).

於2014年12月31日，本集團按通過損益以反映公平價值列賬的金融負債之賬面值為無(2013年：無)，而本行按通過損益以反映公平價值列賬的金融負債之賬面值比合約到期日的金額則上升港幣3,400萬元(2013年：港幣6,900萬元)。在累計公平價值變動的金額中，可歸屬於本集團及本行之信貸風險變動的差額分別為無(2013年：無)及港幣4.32億元(2013年：港幣4.07億元)。在截至2014年12月31日止年度本集團及本行的變動金額分別為無(2013年：無)及港幣2,500萬元(2013年：港幣4.74億元)。

混合一級資本工具包括分別由本行發行面值港幣38.78億元(5億美元)及賬面值港幣45.13億元之步陞後償票據(「票據」)及由本行一全資附屬公司Innovate Holdings Limited所發行賬面值港幣38.78億元(5億美元)非累積優先股份(「Innovate優先股份」)，發行日期為2009年11月5日。該票據之固定利率為年息8.5%，並將於2059年11月5日到期。Innovate優先股份是毋須支付股息的無到期日證券。該票據及Innovate優先股份是於新加坡交易所上市及以單位組合形式交易。混合一級資本工具已被評定為本行及本集團的額外一級資本。在綜合財務報表中，票據已被抵銷及Innovate優先股份則被分類為非控股權益。

兩宗票面值總額港幣46.53億元(6億美元)及賬面值總額港幣48.99億元(2013年：港幣48.15億元)的借貸資本，是指由本行於2010年7月16日(4.5億美元)及於2010年7月23日(1.5億美元)發行年息6.125%，並評定為二級資本的後償票據。該票據於新加坡交易所上市，並將於2020年7月16日到期。在2014年，因採用公平價值對沖會計法而錄得的無效對沖部分虧損為港幣400萬元(2013年：港幣700萬元虧損)。

票面值港幣38.78億元(5億美元)，即賬面值港幣39.07億元(2013年：港幣39.23億元)的借貸資本，是指由本行於2011年11月4日發行年息6.375%，並評定為二級資本的後償票據(按歐洲形式中期票據計劃發行)。該等票據於新加坡交易所上市，並將於2022年5月4日到期。就其中4億美元後償票據而言，在2013年，因採用公平價值對沖會計法而錄得的無效對沖部分虧損為港幣200萬元(2013年：港幣100萬元虧損)。於2014年12月31日，其中1億美元後償票據的公平價值則為港幣8.37億元(1.079億美元)(2013年12月31日：港幣8.49億元(1.095億美元))。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Loan capital of face value of HK\$4,690 million (SGD800 million) and carrying amount of HK\$4,667 million represents two tranches of 4.25% subordinated notes (under the Euro Medium Term Note Programme) qualifying as Tier 2 capital issued on 13th March, 2012 (SGD600 million) and on 27th April, 2012 (SGD200 million) by the Bank. The notes are listed on the Singapore Stock Exchange and will mature on 13th September, 2022. Hedge ineffectiveness of approximately HK\$8 million profit in 2014 (2013: HK\$1 million profit) was recorded under the fair value hedge accounting.

票面值港幣46.90億元(8億新加坡元)及賬面值港幣46.67億元的借貸資本，是指由本行於2012年3月13日(6億新加坡元)及於2012年4月27日(2億新加坡元)發行兩宗年息4.25%，並評定為二級資本的後償票據(按歐洲形式中期票據計劃發行)。該等票據於新加坡交易所上市，並將於2022年9月13日到期。在2014年，因採用公平價值對沖會計法而錄得的無效對沖部分溢利約港幣800萬元(2013年：港幣100萬元溢利)。

Loan capital of face value of HK\$3,878 million (USD500 million) and carrying amount of HK\$3,862 million represents 4.25% subordinated notes (under the Euro Medium Term Note Programme) qualifying as Tier 2 capital issued on 20th November, 2014 by the Bank. The notes are listed on the Hong Kong Stock Exchange and will mature on 20th November, 2024. Hedge ineffectiveness of approximately HK\$2 million loss in 2014 was recorded under the fair value hedge accounting.

票面值港幣38.78億元(5億美元)及賬面值港幣38.62億元的借貸資本，是指由本行於2014年11月20日發行年息4.25%，並評定為二級資本的後償票據(按歐洲形式中期票據計劃發行)。該等票據於香港交易所上市，並將於2024年11月20日到期。在2014年，因採用公平價值對沖會計法而錄得的無效對沖部分虧損約港幣200萬元。

38. EQUITY SETTLED SHARE-BASED TRANSACTIONS 以股份為基礎作支付的交易

The Bank has adopted Staff Share Option Schemes whereby the Board may at its discretion grant to any employees, including ED and Chief Executive, of the Group options to subscribe for ordinary shares of the Bank. Except as provided otherwise in the rules of the relevant Schemes, share options granted under Staff Share Option Scheme 2007, may be exercised during the period beginning on the first anniversary of the Date of Grant and ending on the fifth anniversary of the Date of Grant while share options granted under the 2011 Scheme may be exercised beginning on the Vesting Date and ending on the fifth anniversary of the Vesting Date. All options were granted for nil consideration.

本行所採納的僱員認股計劃是董事會可酌情發出認股權予本集團之任何僱員，包括執行董事及行政總裁，以認購本行普通股股份。除有關計劃的規則另有規定外，根據2007年僱員認股計劃所授予的認股權的行使期限為授予日的第1周年開始至授予日的第5周年止，而根據2011計劃所授予的認股權的行使期限為歸屬日開始至歸屬日的第5周年止。所有認股權均以不計價款形式發出。

(a) Particulars of share options:

- (i) Share options granted under Staff Share Option Scheme 2007 in years 2009 and 2010:

(a) 認股權詳情：

- (i) 在2009年及2010年期間根據2007年僱員認股計劃所授予的認股權：

Date of grant 授予日期	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港幣元
05/5/2009	05/5/2009-04/5/2010	05/5/2010-05/5/2014	21.25
06/7/2010	06/7/2010-05/7/2011	06/7/2011-06/7/2015	28.49

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

38. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED) 以股份為基礎作支付的交易(續)

(a) Particulars of share options: (continued)

(ii) Share options granted under 2011 Scheme in year 2011:

Date of grant 授予日期	Tranche 部分	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港幣元
05/5/2011	T1	05/5/2011-04/5/2012	05/5/2012-05/5/2017	32.00
05/5/2011	T2	05/5/2011-04/5/2013	05/5/2013-05/5/2018	32.00
05/5/2011	T3	05/5/2011-04/5/2014	05/5/2014-05/5/2019	32.00

(iii) Share options granted under 2011 Scheme in year 2012:

Date of grant 授予日期	Tranche 部分	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港幣元
10/5/2012	T1	10/5/2012-09/5/2013	10/5/2013-10/5/2018	28.99
10/5/2012	T2	10/5/2012-09/5/2014	10/5/2014-10/5/2019	28.99
10/5/2012	T3	10/5/2012-09/5/2015	10/5/2015-10/5/2020	28.99

(iv) Share options granted under 2011 Scheme in year 2013:

Date of grant 授予日期	Tranche 部分	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港幣元
03/5/2013	T1	03/5/2013-02/5/2014	03/5/2014-03/5/2019	31.40
03/5/2013	T2	03/5/2013-02/5/2015	03/5/2015-03/5/2020	31.40
03/5/2013	T3	03/5/2013-02/5/2016	03/5/2016-03/5/2021	31.40

(v) Share options granted under 2011 Scheme in year 2014:

Date of grant 授予日期	Tranche 部分	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港幣元
02/5/2014	T1	02/5/2014-01/5/2015	02/5/2015-02/5/2020	32.50
02/5/2014	T2	02/5/2014-01/5/2016	02/5/2016-02/5/2021	32.50
02/5/2014	T3	02/5/2014-01/5/2017	02/5/2017-02/5/2022	32.50

(a) 認股權詳情：(續)

(ii) 在2011年根據2011計劃所授予的認股權：

(iii) 在2012年根據2011計劃所授予的認股權：

(iv) 在2013年根據2011計劃所授予的認股權：

(v) 在2014年根據2011計劃所授予的認股權：

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(b) The number and weighted average exercise prices of share options are as follows:

(b) 已行使認股權的數目及加權平均行使價如下：

		2014		2013	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價	認股權數目	加權平均行使價	認股權數目
		HK\$ 港幣元	Mn 百萬	HK\$ 港幣元	Mn 百萬
Outstanding at the beginning of the year	年初結餘	30.21	21	30.52	25
Exercised during the year	年度內行使	27.10	(2)	24.78	(5)
Granted during the year	年度內授予	32.50	6	31.40	6
Lapsed during the year	年度內失效	-	-	39.52	(5)
Outstanding at the end of the year	年末結餘	30.98	25	30.21	21
Exercisable at the end of the year	年末可供行使	30.48	14	29.65	10

The weighted average share price at the date of exercise for share options exercised during the year was HK\$31.83 (2013: HK\$31.19).

年度內於行使認股權當日的加權平均股價為港幣31.83元(2013年：港幣31.19元)。

The options outstanding at 31st December, 2014 had an exercise price from HK\$28.49 to HK\$32.50 (2013: from HK\$21.25 to HK\$32.00) and a weighted average remaining contractual life of 4.32 years (2013: 4.58 years).

於2014年12月31日，尚未行使認股權的行使價由港幣28.49元至港幣32.50元(2013年：由港幣21.25元至港幣32.00元)，及剩餘合約年期之加權平均數為4.32年(2013年：4.58年)。

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a trinomial lattice model. The contractual life of the option is used as an input into this model.

(c) 認股權的公平價值及假設

獲得服務以換取認股權的公平價值按授予認股權的公平價值計量。授予認股權之估計公平價值按三項式期權定價模式。認股權的合約年期為該定價模式的參數。

		2014	2013
Fair value at measurement date	於計量日的公平價值		
- Tranche 1	一部分1	HK\$港幣4.93元	HK\$港幣3.18元
- Tranche 2	一部分2	HK\$港幣5.04元	HK\$港幣3.17元
- Tranche 3	一部分3	HK\$港幣5.08元	HK\$港幣3.09元
Share price	股價	HK\$港幣32.50元	HK\$港幣31.40元
Exercise price	行使價	HK\$港幣32.50元	HK\$港幣31.40元
Expected volatility (expressed as weighted average volatility used in the modelling under trinomial lattice model)	預計波幅(以三項式期權定價模式內採用的加權平均波幅)	22.14%	17.14%
Option life	認股權年期		
- Tranche 1	一部分1	6 years年	6 years年
- Tranche 2	一部分2	7 years年	7 years年
- Tranche 3	一部分3	8 years年	8 years年
Expected dividends	預計股息	4.76%-5.11%	3.64%-3.70%
Risk-free interest rate (based on Exchange Fund Notes)	無風險利率(根據外匯基金票據)	1.34%	0.28%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

38. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED) 以股份為基礎作支付的交易(續)

(c) Fair value of share options and assumptions (continued)

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

(c) 認股權的公平價值及假設(續)

預計波幅是根據過往之波幅(以認股權的加權剩餘年期計算)，再調整因公眾知悉的資訊影響未來波幅的預計變動。預計股息按過往的股息。主觀輸入假設的變動可能重大影響公平價值的估計。

認股權的授予須符合服務條件。該服務條件並未納入計算於授予日獲得服務的公平價值。授予認股權與市場情況並無關係。

39. SHARE CAPITAL 股本

		2014		2013	
		No. of shares 股份數目 Mn 百萬	Nominal value 面值	No. of shares 股份數目 Mn 百萬	Nominal value 面值
Authorised: (Note 1)	法定股本：(附註1)				
Ordinary shares of HK\$2.50 each (Note 2)	普通股每股港幣2.50元 (附註2)	N/A	N/A	4,000	HK\$港幣10,000,000,000元
Substitute preference shares of US\$1,000 each	替代優先股 每股1,000美元	N/A	N/A	0.5	US\$500,000,000美元
		HK\$ Mn 港幣百萬元		HK\$ Mn 港幣百萬元	
Ordinary shares, issued and fully paid:	已發行及繳足普通股：				
At 1st January	於1月1日	2,290	5,724	2,227	5,568
Shares issued under Staff Share Option Schemes	根據僱員認股計劃 發行的股份	2	50	5	12
Transition to no-par value regime on 3rd March 2014 (Note 3)	過渡至2014年3月3日 之無票面值制度 (附註3)	-	17,770	-	-
Transfer of the fair value of options from capital reserve – share options issued	認股權的公平價值轉自 資本儲備—已發行 認股權	-	9	-	-
Shares issued in lieu of dividends	以股代息發行的股份	55	1,664	58	144
At 31st December	於12月31日	2,347	25,217	2,290	5,724

Note 1: Under the new Companies Ordinance (Cap.622), which commenced operation on 3rd March 2014, the concept of authorised share capital no longer exists.

附註1：根據於2014年3月3日生效之新《公司條例》(第622章)，法定股本之概念已不復存在。

Note 2: In accordance with section 135 of the new Companies Ordinance (Cap.622), the Bank's shares no longer have a par or nominal value with effect from 3rd March, 2014. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition.

附註2：根據新《公司條例》(第622章)第135條，由2014年3月3日起，本行之面值或票面值已不復存在。此過渡性條文對已發行股份數目或任何股東的相關權益並無任何影響。

Note 3: In accordance with the transitional provisions set out in section 37 of Schedule 11 to the new Companies Ordinance (Cap.622) on 3rd March, 2014 any amount standing to the credit of the share premium account has become part of the Bank's share capital.

附註3：根據新《公司條例》(第622章)附表11第37條所載的過渡性條文，於2014年3月3日股份溢價賬之貸方結餘已成為本行股本的一部分。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Pursuant to the approved Staff Share Option Schemes (the "Schemes"), options to purchase ordinary shares in the Bank were granted to eligible employees. The option price of the Schemes equals the fair value of the underlying shares at the date of grant. Except as provided otherwise in the rules of the relevant Schemes, the share options granted under the Scheme 2007 will be exercisable between the first and the fifth anniversaries of the date of grant while share options granted under 2011 Scheme will be exercisable on the Vesting Date and ending on the fifth anniversary of the Vesting Date.

根據已核准的僱員認股權計劃(「計劃」)，認股權授予合格僱員以認購本行的普通股股份。認股權行使價與相關股份於授予日的公平價值相同。除在有關計劃的規則另有規定外，根據2007僱員認股計劃所授予的認股權的行使期限為授予日的第1周年開始至授予日的第5周年止，而根據2011計劃所授予的認股權的行使期限則由歸屬日開始至歸屬日的第5周年止。

(a) Shares issued under Staff Share Option Schemes

During the year, options were exercised to subscribe for 2 million ordinary shares in the Bank at a consideration of HK\$50 million which was credited to share capital account. HK\$9 million has been transferred from the capital reserve to the share capital account in accordance with policy set out in Note 2(q)(iv).

(a) 根據僱員認股權計劃發行的股份

年度內，已行使認股權以認購本行普通股200萬股之代價為港幣5,000萬元，並已存入股本。根據會計政策附註2(q)(iv)所載，已由資本儲備轉撥港幣900萬元往股本內。

(b) Terms of unexpired and unexercised share options at the end of the reporting period

(b) 於報告期結束日尚未期滿及行使的認股權之條款

Date of options granted 認股權授予日期	Option price 認購價	2014 No. of shares 股份數目	2013 No. of shares 股份數目
05/5/2009	HK\$港幣21.25元	-	435,000
06/7/2010	HK\$港幣28.49元	3,440,000	3,600,000
05/5/2011 (T1)	HK\$港幣32.00元	1,930,000	1,930,000
05/5/2011 (T2)	HK\$港幣32.00元	1,930,000	1,930,000
05/5/2011 (T3)	HK\$港幣32.00元	1,940,000	1,940,000
10/5/2012 (T1)	HK\$港幣28.99元	1,264,000	1,830,000
10/5/2012 (T2)	HK\$港幣28.99元	1,264,000	1,930,000
10/5/2012 (T3)	HK\$港幣28.99元	1,940,000	1,940,000
03/5/2013 (T1)	HK\$港幣31.40元	1,880,000	1,880,000
03/5/2013 (T2)	HK\$港幣31.40元	1,880,000	1,880,000
03/5/2013 (T3)	HK\$港幣31.40元	1,890,000	1,890,000
02/5/2014 (T1)	HK\$港幣32.50元	1,992,000	-
02/5/2014 (T2)	HK\$港幣32.50元	1,992,000	-
02/5/2014 (T3)	HK\$港幣32.50元	2,003,500	-
		25,345,500	21,185,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

40. RESERVES 儲備

		2014	
		The Group 集團	The Bank 銀行
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
(a) Share premium	(a) 股份溢價		
At 1st January	於1月1日	17,770	17,770
Transition to no-par value regime on 3rd March, 2014	過渡至2014年3月3日之無票面值制度	(17,770)	(17,770)
As 31st December	於12月31日	-	-

Prior to 3rd March, 2014, the application of the share premium account was governed by section 48B of the predecessor Hong Kong Companies Ordinance (Cap. 32). In accordance with the transitional provisions set out in section 37 of Schedule 11 to the new Companies Ordinance (Cap. 622), on 3rd March, 2014 any amount standing to the credit of the share premium account has become part of the Bank's share capital (Note 39). The use of share capital as from 3rd March, 2014 is governed by the new Companies Ordinance (Cap. 622).

於2014年3月3日以前，股份溢價的運用是受前香港《公司條例》(第32章)第48B段所規管。按新《公司條例》附表11第37條所載的過渡性條文，於2014年3月3日股份溢價賬之貸方結餘已成為本行股本的一部分(附註39)。由2014年3月3日起，股本的運用是受新《公司條例》所規管。

		2014	
		The Group 集團	The Bank 銀行
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
(b) General reserve	(b) 一般儲備		
At 1st January	於1月1日	13,877	13,441
Transfer from retained profits	撥自留存溢利	53	-
At 31st December	於12月31日	13,930	13,441
(c) Revaluation reserve on bank premises	(c) 行址重估儲備		
At 1st January	於1月1日	1,642	1,578
Recognition of deferred tax liabilities (Note 35(b))	確認遞延稅項負債(附註35(b))	1	1
Revaluation surplus on bank premises transferred to investment properties	行址重估盈餘轉入投資物業	2	2
Exchange adjustments	匯兌調整	(3)	-
At 31st December	於12月31日	1,642	1,581
(d) Statutory reserves	(d) 法定儲備		
At 1st January	於1月1日	3,746	-
Transfer from retained profits	撥自留存溢利	619	-
Exchange adjustments	匯兌調整	(80)	-
At 31st December	於12月31日	4,285	-
(e) Capital reserve	(e) 資本儲備		
At 1st January	於1月1日	200	-
Transfer from retained profits	撥自留存溢利	30	-
Shares issued expense	發行股份支出	(2)	-
At 31st December	於12月31日	228	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		2014			
		The Group 集團 HK\$ Mn 港幣百萬元	The Bank 銀行 HK\$ Mn 港幣百萬元		
(f)	Exchange revaluation reserve	(f)	匯兌重估儲備		
	At 1st January		於1月1日	2,874	98
	Exchange adjustments		匯兌調整	(904)	(34)
	At 31st December		於12月31日	1,970	64
(g)	Capital reserve – staff share options issued	(g)	資本儲備 – 已發行僱員認股權		
	At 1st January		於1月1日	69	69
	Transfer of the fair value of options to share capital		認股權公平價值撥入股本	(9)	(9)
	Additions		增加	24	24
	At 31st December		於12月31日	84	84
(h)	Investment revaluation reserve	(h)	投資重估儲備		
	At 1st January		於1月1日	978	928
	Changes in fair value of securities		證券的公平價值變動	915	285
	Reversal upon disposal (Note 13)		於出售時轉回(附註13)	(79)	(23)
	Recognition of deferred tax liabilities (Note 35(b))		確認遞延稅項負債(附註35(b))	(164)	(29)
	Impairment loss and amortisation		減值損失及攤銷	8	–
	Exchange adjustments		匯兌調整	2	–
	At 31st December		於12月31日	1,660	1,161
(i)	Other reserves	(i)	其他儲備		
	At 1st January		於1月1日	24	–
	Share of changes in equity of associates		應佔聯營公司權益的變動	(9)	–
	At 31st December		於12月31日	15	–
(j)	Retained profits	(j)	留存溢利		
	At 1st January		於1月1日	16,778	5,643
	Net profit for the year		年度內溢利	6,661	3,729
	Transfer to general reserve		撥入一般儲備	(53)	–
	Transfer to statutory reserve		撥入法定儲備	(619)	–
	Transfer to capital reserve		撥入資本儲備	(30)	–
	Dividends (Note 17)		股息(附註17)		
	– Interim dividend		– 中期股息	(1,001)	(1,001)
	– Second interim dividend		– 第二次中期股息	(1,557)	(1,557)
	– Hybrid Tier 1 USD500M		– 混合一級資本5億美元	(330)	–
	At 31st December		於12月31日	19,849	6,814
(k)	Total reserves	(k)	儲備總額	43,663	23,145

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

40. RESERVES (CONTINUED) 儲備(續)

		2013	
		The Group 集團 HK\$ Mn 港幣百萬元	The Bank 銀行 HK\$ Mn 港幣百萬元
(a) Share premium	(a) 股份溢價		
At 1st January	於1月1日	16,083	16,083
Net premium on shares issued under Staff Share Option Schemes	根據僱員認股計劃發行的股份溢價淨額	106	106
Transfer of the fair value of options from capital reserve – share options issued	撥自資本儲備(已發行認股權)的認股權之公平價值	31	31
Shares issued in lieu of dividends	以股代息發行的股份	1,550	1,550
As 31st December	於12月31日	17,770	17,770
(b) General reserve	(b) 一般儲備		
At 1st January	於1月1日	13,823	13,434
Transfer to capital reserve	撥入資本儲備	(1)	–
Transfer from other reserves	撥自其他儲備	22	–
Realised surplus on disposals transferred from property revaluation reserve	撥自物業重估儲備的已實現出售物業盈餘	7	7
Transfer from retained profits	撥自留存溢利	26	–
At 31st December	於12月31日	13,877	13,441
(c) Revaluation reserve on bank premises	(c) 行址重估儲備		
At 1st January	於1月1日	976	914
Realised surplus on disposals transferred to general reserve	已實現出售物業盈餘撥入一般儲備	(7)	(7)
Recognition of deferred tax liabilities (Note 35(b))	確認遞延稅項負債(附註35(b))	1	1
Revaluation surplus on bank premises transferred to investment properties	行址重估盈餘轉入投資物業	670	670
Exchange adjustments	匯兌調整	2	–
At 31st December	於12月31日	1,642	1,578
(d) Statutory reserves	(d) 法定儲備		
At 1st January	於1月1日	2,547	–
Transfer from retained profits	撥自留存溢利	1,135	–
Exchange adjustments	匯兌調整	64	–
At 31st December	於12月31日	3,746	–
(e) Capital reserve	(e) 資本儲備		
At 1st January	於1月1日	130	–
Transfer from general reserve	撥自一般儲備	1	–
Transfer from retained profits	撥自留存溢利	69	–
At 31st December	於12月31日	200	–
(f) Exchange revaluation reserve	(f) 匯兌重估儲備		
At 1st January	於1月1日	2,769	104
Exchange adjustments	匯兌調整	105	(6)
At 31st December	於12月31日	2,874	98

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		2013	
		The Group 集團 HK\$ Mn 港幣百萬元	The Bank 銀行 HK\$ Mn 港幣百萬元
(g) Capital reserve – staff share options issued	(g) 資本儲備—已發行僱員認股權		
At 1st January	於1月1日	135	135
Transfer of the fair value of options to share premium	認股權公平價值撥入股份溢價	(31)	(31)
Forfeited options transferred to retained profits	已失效的認股權轉入留存溢利	(56)	(56)
Additions	增加	21	21
At 31st December	於12月31日	69	69
(h) Investment revaluation reserve	(h) 投資重估儲備		
At 1st January	於1月1日	1,012	652
Changes in fair value of securities	證券的公平價值變動	(46)	235
Reversal upon disposal (Note 13)	於出售時轉回(附註13)	(142)	(35)
Recognition of deferred tax liabilities (Note 35(b))	確認遞延稅項負債(附註35(b))	71	10
Impairment loss and amortisation	減值損失及攤銷	84	66
Exchange adjustments	匯兌調整	(1)	–
At 31st December	於12月31日	978	928
(i) Other reserves	(i) 其他儲備		
At 1st January	於1月1日	64	–
Transfer to general reserve	撥入一般儲備	(22)	–
Share of changes in equity of associates	應佔聯營公司權益的變動	(18)	–
At 31st December	於12月31日	24	–
(j) Retained profits	(j) 留存溢利		
At 1st January	於1月1日	14,046	4,578
Net profit for the year	年度內溢利	6,613	3,386
Transfer to general reserve	撥入一般儲備	(26)	–
Transfer to statutory reserve	撥入法定儲備	(1,135)	–
Transfer to capital reserve	撥入資本儲備	(69)	–
Forfeited options transferred to retained profits	已失效的認股權轉入留存溢利	56	56
Dividends (Note 17)	股息(附註17)		
– Interim dividend	– 中期股息	(973)	(973)
– Second interim dividend	– 第二次中期股息	(1,404)	(1,404)
– Hybrid Tier 1 USD 500M	– 混合一級資本5億美元	(330)	–
At 31st December	於12月31日	16,778	5,643
(k) Total reserves	(k) 儲備總額	57,958	39,527

Prior to 3rd March, 2014, the application of the share premium account was governed by section 48B of the predecessor Hong Kong Companies Ordinance (Cap. 32). In accordance with the transitional provisions set out in section 37 of Schedule 11 to the new Companies Ordinance (Cap. 622), on 3rd March, 2014 any amount standing to the credit of the share premium account has become part of the Bank's share capital (Note 39). The use of share capital as from 3rd March, 2014 is governed by the new Companies Ordinance (Cap. 622).

於2014年3月3日以前，股份溢價的運用是受前香港《公司條例》(第32章)第48B段所規管。按新《公司條例》附表11第37條所載的過渡性條文，於2014年3月3日股份溢價賬之貸方結餘已成為本行股本的一部分(附註39)。由2014年3月3日起，股本的運用是受新《公司條例》所規管。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

40. RESERVES (CONTINUED) 儲備(續)

General reserve was set up from the transfer of retained earnings and the realised revaluation surplus on disposal of properties.

Revaluation reserve on bank premises and exchange revaluation reserve have been set up and are dealt with in accordance with the accounting policies adopted for the revaluation of bank premises and foreign currency translation.

Statutory reserves are set up to satisfy the statutory requirements of certain overseas subsidiaries and associates mainly for the purpose of covering unidentified potential losses on risk assets in addition to those recognised under the prevailing accounting requirements in their jurisdictions.

Capital reserve represents the capitalisation of subsidiaries' and associates' reserves.

Capital reserve – staff share options issued comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Bank recognised in accordance with the accounting policy adopted for share based payment in Note 2(q)(iv).

Investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale securities held until the securities are derecognised and is dealt with in accordance with the accounting policies in Notes 2(f) and (k).

Other reserves represent share of changes in equity of associates in respect of investment revaluation reserve and revaluation reserve of bank premises.

A regulatory reserve is maintained to satisfy the provisions of the Banking Ordinance for prudential supervision purposes by earmarking amounts in respect of losses which the Bank will or may incur on loans and advances and investments in addition to impairment losses recognised. Movements in the reserve are earmarked directly through retained earnings and in consultation with the HKMA. As at 31st December, 2014, HK\$5,715 million (2013: HK\$5,381 million) was included in the retained profits in this respect which was distributable to equity holders of the Group subject to consultation with the HKMA.

At 31st December, 2014 the aggregate amount of reserves available for distribution to equity holders of the Bank was HK\$13,681 million (2013: HK\$12,816 million). After the end of the reporting period the directors declared a second interim dividend of HK\$0.68 per ordinary share (2013: HK\$0.68 per share), amounting to HK\$1,596 million (2013: HK\$1,557 million). The dividend has not been recognised as a liability at the end of the reporting period.

一般儲備的建立，包括來自留存溢利及出售物業時的已實現重估盈餘。

行址及匯兌重估儲備的建立及處理是根據重估行址和外幣折算所採用的會計政策。

法定儲備是用作滿足若干海外附屬公司及聯營公司之法定要求，主要用途為除按當地現行會計要求下已確認而需額外涵蓋風險資產的不可辨別之可能損失。

資本儲備指附屬公司及聯營公司儲備的資本化發行。

資本儲備(已發行僱員認股權)包括根據已採納有關附註2(q)(iv)所載以股份為基礎作支付的會計政策確認為予本行僱員之實際或估計未行使認股權數目的公平價值。

投資重估儲備包括持有可供出售證券直至證券被終止確認的累計公平價值變動淨額，有關處理的會計政策已詳載於附註2(f)和(k)。

其他儲備包括應佔聯營公司權益之投資重估儲備及重估行址儲備的變動。

為符合《銀行業條例》有關審慎監管的規定，本行需在規管儲備中維持超過已確認減值損失的可能貸款減值損失金額。經諮詢金管局後，儲備的變動已直接在留存溢利內劃定。於2014年12月31日，留存溢利中包括與此有關屬可派發予本集團股東港幣57.15億元(2013年：港幣53.81億元)，但派發前須諮詢金管局。

於2014年12月31日，可派發予本行股東的儲備總額為港幣136.81億元(2013年：港幣128.16億元)。在報告期結束後董事宣布派發第二次中期股息每股普通股港幣0.68元(2013年：每股港幣0.68元)，總額達港幣15.96億元(2013年：港幣15.57億元)。於報告期結束日並未確認該股息為負債。

41. NON-CONTROLLING INTERESTS 非控股權益

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
At 1st January	於1月1日	4,552	4,486
– purchase of interests in businesses from non-controlling interests investors	– 向非控股權益投資者購入商業權益	–	33
– final dividend in respect of previous year	– 上年度末期股息	(96)	(64)
– exchange adjustments	– 匯兌調整	(5)	3
Profit for the year	年度內溢利	113	94
At 31st December	於12月31日	4,564	4,552

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT 財務風險管理

This section presents information on the Group's management of principal risks.

The Group has established comprehensive risk management procedures in line with the requirements set out by the HKMA to identify, measure, monitor, control and report on the various types of risk that the Group faces, including credit risk, interest rate risk, market risk, liquidity risk and operational risk, and, where appropriate, to allocate capital to cover those risks.

The risk management mechanisms are built around a centralised framework and include the RIC, Crisis Management Committee, Risk Management Committee, specialised risk management committees – namely, Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee – and the Risk Management Division. These mechanisms capture the different risk-related management activities on a Group basis, including the formulation of policies, risk assessment, setting up of procedures and control limits, and ongoing monitoring before the same are reported to the Board. The mechanisms ensure compliance with the Group's policies, and legal and regulatory requirements in Hong Kong, China, and overseas. They are supplemented by active management involvement, effective internal controls, and comprehensive audits.

The RIC, comprising the Group's Chairman & Chief Executive, two INEDs, and three NEDs, assists the Board in handling risk management issues, particularly strategic issues. The RIC regularly reviews the Group's risk appetite statement covering the major risks and submits it to the Board for approval. The related risk levels, where appropriate, are laid down in the risk management policies.

The Crisis Management Committee and Risk Management Committee comprise the Group's Chairman & Chief Executive, Senior Advisors, Senior Management and the Group Chief Risk Officer.

The specialised risk management committees comprise the Group's Senior Advisors, Senior Management, the Group Chief Risk Officer and where appropriate division heads from the relevant areas.

An independent centralised risk management unit, Risk Management Division, is responsible for monitoring the activities relating to the principal risks. The internal auditors also perform regular audits on business units to check compliance with policies and procedures.

本部分載述有關本集團財務風險管理的資料。

按照金管局發出的規定，本集團已建立一套完善的風險管理制度，以識別、衡量、監察、控制及匯報本集團所承受各類風險，當中涵蓋信貸風險、利率風險、市場風險、流動資金風險和營運風險，並於適當的情況下調配資本以抵禦該等風險。

本集團的風險管理機制是建立在一個中央架構上，當中包括風險委員會、危機管理委員會、風險管理委員會、專責風險管理委員會包括信貸委員會、資產負債管理委員會及營運風險管理委員會，以及風險管理處。這些管理機制可在集團層面上處理各重要的風險相關事項，包括制定政策、風險評估、設立程序和控制限額，以及持續監測遵守情況等，其後會向董事會匯報，確保風險相關事項已全面符合本集團政策，及於香港、中國和海外的相關法律和監管規定。管理層的積極參與、有效的內部監控和全面的稽核均能完善風險管理制度。

風險委員會由本集團的主席兼行政總裁、兩名獨立非執行董事，及三名非執行董事組成，風險委員會協助董事會處理與風險管理相關的事情，尤其是策略方面的事宜。風險委員會定期檢討風險偏好報告書(涵蓋主要風險)，並將其呈交董事會作審批。在適當的情況下，本集團已將與此有關的風險水平詳列於風險管理政策內。

危機管理委員會及風險管理委員會由本集團主席兼行政總裁、高級顧問、高層管理人員和集團風險總監組成。

專責風險管理委員會由本集團高級顧問、高層管理人員、集團風險總監及(在適當情況下)其他有關方面的處級主管組成。

本集團設有一個獨立的中央風險管理單位(風險管理處)，專責處理與主要風險有關的活動。內部稽核員亦會對業務部門定期進行稽核，以確保該等政策及程序得以遵從。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

The Group's major risk management policies and control limits are approved by the Board and they are monitored and regularly reviewed. The Board has delegated the responsibility of on-going risk management to the RIC, Risk Management Committee and specialised risk management committees. Significant risk management related issues are required to be reported to the Board to assist its oversight on risk management.

Regular stress tests are carried out by the Group to assess the impact of a number of historical and hypothetical stress scenarios on the Group's financial position, in particular capital adequacy, profitability and liquidity.

Each new product launch must go through an approval process, which includes business and financial analysis and risk assessment. Approval for the launch of new products must be obtained from the New Product Development Working Group (comprising the department heads of support units and business units) and endorsed by the New Product Development Steering Group (chaired by the Bank's Group Chief Risk Officer and comprising the division heads of support functions and designated department head).

(a) Credit risk management

Credit risk arises from the possibility that a customer or counterparty in a transaction may default. Such risk may arise from counterparty risks from loans and advances, issuer risks from the securities business and counterparty risks from trading activities.

The Credit Committee is responsible for managing all credit risk-related issues of the Group, while the Credit Risk Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to credit risk. The Group identifies and manages credit risk by defining the target market segment, formulating appropriate credit policies, and carrying out credit assessment and monitoring of asset quality. Credit risk control limits are set for different levels. Risk, return and market situation are considered when setting all limits. Active limit monitoring is undertaken.

In evaluating the credit risk associated with an individual customer or counterparty, financial strength and repayment ability are always the primary considerations. Credit risk may be mitigated by obtaining collateral from the customer or counterparty.

The Group has established policies, procedures and rating systems to identify, measure, monitor, control and report on credit risk. In this connection, guidelines for management of credit risk have been laid down in the Group's Credit Risk Management Manual. These guidelines stipulate delegated lending authorities, credit extension criteria, credit monitoring process, internal rating structure, credit recovery and provisioning policy. They are reviewed and enhanced on an on-going basis to cater for market changes, statutory requirements and best practice in risk management processes.

本集團的主要風險管理政策及控制限額由董事會批准，並且受到監控及定期檢討。董事會已將持續管理風險的責任授予風險委員會、風險管理委員會及專責風險管理委員會。與重要風險管理相關的事項須上報至董事會，以協助董事會監督風險管理。

本集團定期進行壓力測試，以評估眾多過往和假設壓力情景對本集團財務狀況的影響，尤其是對資本充足、盈利能力及流動資金的影響。

每一個新產品的推出，須通過審批過程，包括業務和財務分析和風險評估。這些新產品首先由新產品開發工作組審批，並由新產品開發督導組認可。新產品開發工作組由支援職能及業務單位的部門主管組成，而新產品開發督導組主席為集團風險總監，並由支援職能的處級主管及委任的部門主管組成。

(a) 信貸風險管理

信貸風險源於客戶或交易對手未能履行其承擔，可來自本集團貸款及墊款中的交易對手風險、證券業務的發行商風險和交易活動的交易對手風險。

信貸委員會負責管理所有與本集團信貸風險有關的事務，而本集團風險管理處轄下的信貸風險管理部則負責監察與信貸風險有關的活動。本集團透過設定目標市場分部、制定適當的信貸政策和執行信貸評核程序，以及監控資產素質，來識別和管理信貸風險。信貸風險控制限額設有不同層次。釐定所有限額時會考慮風險、回報及市場情況，並且採用積極限額監控程序。

本集團在評估與個別客戶或交易對手相關的信貸風險時，雖然可藉客戶或交易對手的抵押品減低信貸風險，然而他們的財政實力以及還款能力才是本集團的主要考慮因素。

本集團已制訂多項政策、程序及評級系統，以識別、衡量、監察、控制及匯報本集團所承受的信貸風險。在此方面，本集團已將信貸風險管理指引詳列於信貸風險管理手冊內，對信貸權限授權、授信標準、信貸監控程序、內部評級架構、信貸追收及撥備政策訂下規定。本集團持續檢討和改善該等指引，以配合市場轉變、有關法定要求及風險管理程序的最佳做法。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Group's credit risk management for the major types of credit risk is depicted as follows:

(i) Corporate and bank credit risk

The Group has laid down policies and procedures to evaluate the potential credit risk of a particular counterparty or transaction and to approve the transaction. For corporate and bank customers, the Group has different internal rating systems that are applied to each counterparty. For exposure classified as Specialised Lending in particular, supervisory slotting criteria are used. To monitor concentration risk, the Group has preset limits for exposures to individual industries and for borrowers and groups of borrowers. The Group also has a review process to ensure that the level of review and approval is proper and will depend on the size of the facility and rating of the credit.

The Group undertakes on-going credit analysis and monitoring at several levels. The policies are designed to promote early detection of counterparty, industry or product exposures that require special monitoring. The overall portfolio risk as well as individual impaired loans and potential impaired loans are monitored on a regular basis.

(ii) Retail credit risk

The Group's retail credit policy and approval process are designed for the fact that there are high volumes of relatively homogeneous and small value transactions in each retail loan category. The design of internal rating system and formulation of credit policies are primarily based on the demographic factors and the loss experience of the loan portfolios. The Group monitors its own and industry experience to determine and periodically revise product terms and desired customer profiles.

(iii) Credit for treasury transactions

The credit risk of the Group's treasury transactions is managed in the same way as the Group manages its corporate and bank lending risk. The Group applies an internal rating system to its counterparties and sets individual counterparty limits.

(iv) Credit-related commitment

The risks involved in credit-related commitments and contingencies are essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans.

(v) Master netting arrangements

To mitigate credit risks, the Group enters into master netting arrangements with same counterparties. Netting agreements provide that, if an event of default occurs, all outstanding transactions with the counterparty will be terminated and all amounts outstanding will be settled on a net basis. Except for the event of default, all outstanding transactions with the counterparty are settled on a gross basis and generally do not result in offsetting the assets and liabilities in the statement of financial position.

本集團就下列各類主要信貸風險實行信貸風險管理：

(i) 企業及銀行信貸風險

本集團已制訂多項政策及程序，以評估特定交易對手或交易的潛在信貸風險，以及決定批核有關交易與否。就企業及銀行客戶而言，本集團已制定適用於所有交易對手的內部評級系統。監管分類準則尤其適用於歸類為專門性借貸的風險承擔。為監控信貸集中的潛在風險，本集團已就個別行業及不同的借款人和借款人團體預設風險承擔限額。本集團亦已釐定檢討程序，確保按照貸款的規模和信貸評級，為貸款進行適當的檢討和審批。

本集團持續進行多個層次的信貸分析和監控。有關政策乃旨在盡早發現需要特別監控的交易對手、行業或產品的風險承擔。交易組合的整體風險和個別減值貸款及潛在減值貸款，均定期予以監控。

(ii) 零售信貸風險

本集團的零售信貸政策和審批程序是因應各類零售貸款中均有大量類似的小額交易而制定的。在設計內部評級系統和制訂信貸政策時，本集團的主要考慮因素包括人口結構因素和有關貸款組合過往的損失。本集團監控本身和行業狀況以釐定和定期修訂產品條款和目標客戶組合。

(iii) 財資交易的信貸風險

本集團採用企業及銀行信貸風險的管理方法，管理本集團財資交易的信貸風險，包括引用內部評級系統處理交易對手及設定個別交易對手的風險限額。

(iv) 與信貸有關的承諾

與信貸有關的承諾和或有事項的風險，本質上與提供貸款予客戶時的信貸風險相同。因此，有關交易必須符合客戶申請貸款時所要達到的信貸申請、組合保存和抵押要求。

(v) 淨額結算總安排

本集團與其相同對手簽訂淨額結算總安排以減低信貸風險。若發生違約事件，根據淨額結算協議，所有與該對手之交易會終止及所有結餘金額以淨額結算。除發生違約事件外，所有與對手之交易會以總額結算及在財務狀況表中的資產和負債通常不會互相抵銷。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(a) Credit risk management (continued)

(v) Master netting arrangements (continued)

The following tables present details of financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

(a) 信貸風險管理(續)

(v) 淨額結算總安排(續)

下表列示受抵銷、具法律效力之淨額結算總安排及相近協議約束的金融工具詳情。

		At 31st December, 2014 於2014年12月31日				
		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related financial instruments that are not set off	Net amount
		已確認金融資產總額	於財務狀況表中抵銷之已確認金融負債總額	於財務狀況表中列示的金融資產淨額	未有於財務狀況表中抵銷之相關金額	淨額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Assets	資產					
Positive fair value of derivatives	衍生工具的正公平價值	103	-	103	(91)	12
Other accounts	其他賬項	1,031	(643)	388	-	388
Total	總額	1,134	(643)	491	(91)	400

		At 31st December, 2014 於2014年12月31日				
		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related financial instruments that are not set off	Net amount
		已確認金融負債總額	於財務狀況表中抵銷之已確認金融資產總額	於財務狀況表中列示的金融負債淨額	未有於財務狀況表中抵銷之相關金額	淨額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Liabilities	負債					
Negative fair value of derivatives	衍生工具的負公平價值	156	-	156	(91)	65
Other accounts	其他賬項	643	(643)	-	-	-
Total	總額	799	(643)	156	(91)	65

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		At 31st December, 2013 於2013年12月31日				
		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related financial instruments that are not set off	Net amount
		已確認 金融資產 總額 HK\$ Mn 港幣百萬元	中抵銷之 已確認金融 負債總額 HK\$ Mn 港幣百萬元	於財務狀況表 中列示的 金融資產淨額 HK\$ Mn 港幣百萬元	財務狀況表 中抵銷之 相關金額 HK\$ Mn 港幣百萬元	淨額 HK\$ Mn 港幣百萬元
Assets	資產					
Positive fair value of derivatives	衍生工具的正公平價值	66	–	66	(54)	12
Other accounts	其他賬項	745	(681)	64	–	64
Total	總額	811	(681)	130	(54)	76

		At 31st December, 2013 於2013年12月31日				
		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related financial instruments that are not set off	Net amount
		已確認 金融負債 總額 HK\$ Mn 港幣百萬元	中抵銷之 已確認金融 資產總額 HK\$ Mn 港幣百萬元	於財務狀況表 中列示的 金融負債淨額 HK\$ Mn 港幣百萬元	財務狀況表 中抵銷之 相關金額 HK\$ Mn 港幣百萬元	淨額 HK\$ Mn 港幣百萬元
Liabilities	負債					
Negative fair value of derivatives	衍生工具的負公平價值	254	–	254	(54)	200
Other accounts	其他賬項	779	(681)	98	–	98
Total	總額	1,033	(681)	352	(54)	298

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(a) Credit risk management (continued)

(vi) Concentration of credit risk

Concentration of credit risk exists when changes in geographic, economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is material in relation to the Group's total exposures. The Group's credit portfolio is diversified along geographic, industry and product sectors.

The Group monitors its concentration risk by adopting appropriate risk control measures, such as setting limits on exposures to different industries and loan portfolios.

(vii) Maximum exposure

The maximum exposure to credit risk at the end of the reporting period without taking into consideration of any collateral held or other credit enhancements is represented by the carrying amount of each financial assets in the statement of financial position after deducting any impairment allowance. A summary of the maximum exposure is as follows:

(a) 信貸風險管理(續)

(vi) 信貸集中的風險

信貸集中的風險源於交易對手團體受到地區、經濟或行業因素的影響，而該等團體的整體信貸風險承擔對本集團的總體風險承擔至關重要。本集團的信貸組合分散覆蓋不同地區、行業和產品。

本集團一直採用適當的風險控制措施，例如就不同行業和貸款組合釐定限額，以監控信貸集中的風險。

(vii) 最高風險

於報告期結束日並未計算任何抵押品或其他信貸提升的最高信貸風險，即指每一項已減除任何減值準備的金融資產在財務狀況表的賬面值。最高風險摘要如下：

	The Group 集團		The Bank 銀行	
	2014	2013	2014	2013
	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Cash and balances with banks, central banks and other financial institutions 現金及在銀行、中央銀行和其他金融機構的結存	68,761	67,063	25,749	21,011
Placements with banks, central banks and other financial institutions 在銀行、中央銀行和其他金融機構的存款	50,769	57,372	8,031	13,399
Trade bills 貿易票據	60,675	59,932	51,609	52,739
Trading assets 交易用途資產	1,489	3,902	247	496
Financial assets designated at fair value through profit or loss 指定為通過損益以反映公平價值的金融資產	8,287	11,199	8,287	11,199
Positive fair value of derivatives 衍生工具的正公平價值	3,537	3,625	2,440	1,729
Loans and advances to customers 客戶貸款及墊款	441,933	404,335	291,732	258,862
Available-for-sale financial assets 可供出售金融資產	83,648	68,682	58,516	45,819
Held-to-maturity investments 持至到期投資	6,747	5,048	3,474	3,940
Other assets 其他資產	39,820	43,023	7,619	7,383
Financial guarantees and other credit related contingent liabilities 財務擔保及其他與信貸有關的或然負債	34,254	22,644	5,114	6,975
Loan commitments and other credit related commitments 貸款承擔及其他與信貸有關的承擔	214,314	212,472	79,721	84,100
	1,014,234	959,297	542,539	507,652

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(viii) Credit quality of loans and advances

Loans and advances to banks are only made to banks with good credit standing. The credit quality of loans and advances to customers can be analysed as follows:

(viii) 貸款及墊款的信貸質素

銀行貸款及墊款只提供予信貸信譽優良之銀行。客戶貸款及墊款的信貸質素分析如下：

	The Group 集團		The Bank 銀行	
	2014	2013	2014	2013
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gross loans and advances to customers				
客戶貸款及墊款總額				
– neither past due nor impaired	439,607	403,434	291,472	258,504
– past due but not impaired	944	342	138	125
– impaired	2,736	1,581	755	854
	443,287	405,357	292,365	259,483

Of which:

其中：

	The Group 集團		The Bank 銀行	
	2014	2013	2014	2013
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gross loans and advances to customers that are neither past due nor impaired				
無逾期及減值的客戶貸款及墊款總額				
– pass	435,385	402,503	290,372	258,067
– special mention	4,222	931	1,100	437
	439,607	403,434	291,472	258,504

The Group classifies the loans and advances in accordance with the loan classification system required to be adopted for reporting to the HKMA.

本集團根據用作匯報予金管局的貸款分類系統以分類貸款。

The ageing analysis of loans and advances to customers that are past due but not impaired is as follows:

已逾期但未有減值之客戶貸款及墊款的年期分析如下：

	The Group 集團		The Bank 銀行	
	2014	2013	2014	2013
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gross loans and advances to customers that are past due but not impaired				
有逾期但未有減值的客戶貸款及墊款總額				
– overdue 3 months or less	944	342	138	125

Loans and advances that would be past due or impaired had the terms not been renegotiated amounted to HK\$83 million as at 31st December, 2014 (2013: HK\$86 million).

於2014年12月31日，假如並未重訂條款而可能變作逾期或減值貸款及墊款的金額為港幣8,300萬元(2013年：港幣8,600萬元)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(a) Credit risk management (continued)

- (ix) Credit quality of financial assets other than loans and advances
Credit risk of treasury transactions is managed in the same way as the Group manages its corporate and bank lending risk and risk gradings are applied to the counterparties with individual counterparty limits set.

At the end of the reporting period, the credit quality of investment in debt securities analysed by designation of external credit assessment institution, Moody's Investor Services, or equivalent, is as follows:

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Aaa	Aaa	11,158	10,468	9,538	6,994
Aa1 to Aa3	Aa1 至 Aa3	26,133	22,488	25,177	21,130
A1 to A3	A1 至 A3	32,118	30,100	13,484	13,279
P-1 (Short term)	P-1(短期)	587	1,109	362	918
Baa1 to Baa3	Baa1 至 Baa3	14,585	10,777	9,213	6,700
Below Baa3	Baa3以下	4,008	4,624	2,000	3,615
(NB)	(註)	88,589	79,566	59,774	52,636
Unrated	無評級	11,699	9,382	10,866	8,934
Total	總額	100,288	88,948	70,640	61,570

NB: As at 31st December 2014, the Group has debt securities of HK\$4,580 million with investment grade assigned by PRC local rating agencies (2013: HK\$6,112 million).

註：於2014年12月31日，本集團持有中國國內評級機構給予投資級別之債務證券價值港幣45.80億元(2013年：港幣61.12億元)。

(x) Collateral and other credit enhancements

The Group has established guidelines on the acceptability of various classes of collateral and determined the corresponding valuation parameters. The guidelines and collateral valuation parameters are subject to regular reviews to ensure their effectiveness over credit risk management.

The extent of collateral coverage over the Group's loans and advances to customer depends on the type of customers and the product offered. Types of collateral include residential properties (in the form of mortgages over property), other properties, other registered securities over assets, cash deposits, standby letters of credit and guarantees. Collateral generally is not held over balances and placements with banks and other financial institutions, and loans and advances to banks, except when securities are held as part of reverse repurchase and securities borrowing activity. The Group takes possession of collateral through court proceedings or voluntary delivery of possession by the borrowers during the course of the recovery of impaired loans and advances. These repossessed assets are reported in the statement of financial position within "other assets" (Note 2(m)). If the recovery from the repossessed assets exceeds the corresponding exposure, the surplus fund is made available either to repay the borrower's other secured loans with lower priority or is returned to the borrower.

(a) 信貸風險管理(續)

- (ix) 非貸款及墊款金融資產的信貸質素
資金交易的信貸風險管理方法，與本集團管理其企業及銀行借貸的方法一致及風險級別是適用於設有個別對手限額的對手。

於報告期結束日，按照外部信貸評級機構，穆迪投資服務，或相同等級的評級機構，所指定之債務證券投資的信貸質素分析如下：

(x) 抵押品及其他信用提升

本集團已制訂可接受不同類別抵押品的指引，並釐定相關估值參數。本集團會定期檢討指引及抵押品估值參數，以確保信貸風險管理的成效。

本集團客戶貸款及墊款的抵押品範圍乃視乎客戶類別及所提供產品而定。抵押品類別包括住宅物業(以物業按揭形式)、其他物業、其他登記抵押資產、現金存款、備用信用證及擔保。除持有用作反向回購及證券借貸活動的抵押品外，在銀行及其他金融機構的結存及存款，以及銀行貸款及墊款一般不需要抵押品。在收回減值貸款及墊款時，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。該等收回資產於財務狀況表中以「其他資產」列賬(附註2(m))。倘從收回資產所得之追收額超出相關風險承擔時，則會使用盈餘資金償還借款人優先次序較低的已抵押貸款或退回予借款人。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured with the exception of asset-based securities and similar instruments, which are secured by pools of financial assets. However the credit risk may be implicit in the terms or reflected in the fair value of the corresponding instruments.

The Group's preferred agreement for documenting derivatives activity is the ISDA Master Agreement which covers the contractual framework within which dealing activity across a full range of over-the-counter products is conducted and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement, if either party defaults or following other pre-agreed termination events. It is also common for the Group to execute a Credit Support Annex in conjunction with the ISDA Master Agreement with the counterparty under which collateral is passed between the parties to mitigate the market contingent counterparty risk inherent in the outstanding position.

For contingent liabilities and commitments that are unconditionally cancellable (Note 44), the Group will assess the necessity to withdraw the credit line when there is a concern over the credit quality of the customers. Accordingly, the exposure to significant credit risk is considered as minimal. For commitments that are not unconditionally cancellable, the Group assesses the necessity of collateral depending on the type of customer and the product offered.

The lower of gross loan amount and the estimate of the fair value of collateral and other credit enhancements held against financial assets is as follows:

持有用作非貸款及墊款金融資產的抵押品，是按照工具之性質決定。除以一籃子金融資產作抵押的資產融資證券及相同工具外，債務證券、庫券及其他認可票據一般俱屬無抵押的。然而，信貸風險可能隱含於相關工具的條款內或於相關工具的公平價值中反映。

ISDA的主合約為本集團處理衍生交易文件的優先合約，當中涵蓋合約框架，而在合約框架之下，本集團可進行一系列的場外產品交易活動，如其中一方違約或發生其他預先協定的終止事件，則按合約約束參與者以淨額結算合約涵蓋的所有未履行交易。本集團亦會在簽訂ISDA的主合約的同時，與交易對手簽訂信貸附約，據此，抵押品可於訂約方之間轉交，以降低出現在未履約情況下的內在市場或然交易對手風險。

對於或然負債及可無條件取消的承擔(附註44)，如本集團對客戶的信貸質素有疑慮，則會評估是否需要撤回信貸額。因此，本集團面臨重大信貸風險機會視為微乎其微。對於不可無條件取消的承擔，本集團會視乎客戶類別及所提供產品評估是否需要進行抵押。

貸款總額及持有作抵押金融資產之抵押品及其他信用提升的估計公平價值兩者之較低者如下：

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Fair value of collateral and other credit enhancements held against financial assets that are:								
– neither past due nor impaired	322,591			286,564	205,631			169,906
– past due but not impaired	931			338	138			124
	323,522			286,902	205,769			170,030

持有作抵押金融資產之抵押品及其他信用提升的公平價值如下：

– 無逾期及減值
– 有逾期但未有減值

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(b) Market risk management

Market risk arises from all market risk sensitive financial instruments, including debt securities, foreign exchange contracts, equity and derivative instruments, as well as from statement of financial position or structural positions. The aim in managing market risk is to reduce the Group's exposure to the volatility inherent in financial instruments.

The Asset and Liability Management Committee deals with all market risk related issues of the Group. It is also responsible for conducting a regular review of interest rate trends and deciding the corresponding future business strategy. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to market risk.

The use of derivatives for proprietary trading and the sale of derivatives to customers as risk management products is an integral part of the Group's business activities. These instruments are also used to manage the Group's own exposures to market risk, as part of its asset and liability management process. The principal derivatives instruments used by the Group are interest rate, foreign exchange and equity related contracts, in the form of both over-the-counter derivatives and exchange traded derivatives. Most of the Group's derivatives positions have been entered into to meet customer demand and to manage the risk of these and other trading positions.

In this connection, the key types of market risk that must be managed are:

(i) Currency risk

The Group's foreign currency positions arise from foreign exchange dealing, commercial banking operations, and structural foreign currency exposures. The Group's non-structural foreign currency exposures are mainly dominated in USD and RMB. For other currencies, currency concentrations are maintained below 10% of the total net position in all structural and non-structural foreign currencies of the Group. All foreign currency positions are managed within limits approved by the Board or the Asset and Liability Management Committee.

Structural foreign currency positions, which arise mainly from foreign currency investments in the Group's branches, subsidiaries and associated companies, are excluded from value-at-risk ("VaR") measurements, as related gains or losses are taken to reserves. Such foreign currency positions are managed with the principal objective of ensuring that the Group's reserves are protected from exchange rate fluctuations. The Group seeks to match closely its foreign currency denominated assets with corresponding liabilities in the same currencies.

(b) 市場風險管理

市場風險源自所有對市場風險敏感的財務工具，包括債務證券、外匯合約、股份和衍生工具，以及財務狀況表或結構性持倉。市場風險管理旨在減少本集團因財務工具內在的波動性而承受的風險。

資產負債管理委員會負責處理本集團一切與市場風險相關的事項，亦負責定期檢討利率走勢及釐定相應的未來業務策略。本集團風險管理處轄下的資產負債管理部，負責監察與市場風險有關的活動。

進行衍生工具交易及向客戶出售衍生工具以用作風險管理產品為本集團其中一項重要業務。此等工具亦用以管理本集團所承受的市場風險，作為本集團資產負債管理的一部分程序。本集團所採用的衍生工具主要為利率、外匯和股份相關合約，即為場外或場內交易的衍生工具。本集團大部分的衍生工具持倉均為切合客戶需求，以及為此等和其他交易項目而進行對沖。

在此方面，本集團主要管理的市場風險包括：

(i) 貨幣風險

本集團的外幣持倉源自外匯買賣、商業銀行業務和結構性外匯風險。本集團的非結構性外幣風險主要以美元及人民幣為單位，而其他外幣方面，該等貨幣風險佔本集團所有結構性及非結構性外幣的淨持倉總額低於10%。所有外幣持倉均維持在董事會或資產負債管理委員會所訂定的限額內。

本集團於分行、附屬公司和聯營公司的外匯投資，其有關的溢利及虧損因為已撥入儲備，所以未計算在風險值內。管理此等外幣投資的主要目的，是保障本集團的儲備免受匯率波動的影響。本集團盡力將以外幣計值的資產與以同一貨幣計值的負債，保持在相若水平。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Group had the following net structural positions which were not less than 10% of the total net structural foreign currency position at the end of the reporting period:

於報告期結束日，本集團的結構性持倉淨額不低於結構性外幣淨持倉總額10%如下：

		The Group and the Bank 集團及銀行					
		2014			2013 Restated 重報		
		USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元	MYR馬幣 HK\$ Mn 港幣百萬元	USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元	MYR馬幣 HK\$ Mn 港幣百萬元
Net structural position	結構性持倉淨額	2,143	11,623	2,610	2,475	8,960	1,912

(ii) Interest rate risk

The Group's interest rate positions arise from treasury and commercial banking activities. Interest rate risk arises in both trading portfolios and non-trading portfolios. Interest rate risk primarily results from the timing differences in the re-pricing of interest-bearing assets, liabilities, and commitments. It also relates to positions from non-interest bearing liabilities including shareholders' funds and current accounts, as well as from certain fixed-rate loans and liabilities. Interest rate risk is managed on a daily basis by the Treasury Markets Division within the limits approved by the Board or the Asset and Liability Management Committee. The instruments used to manage interest rate risk include interest rate swaps and other derivatives.

(ii) 利率風險

本集團的利率持倉來自財資及商業銀行業務。交易組合和非交易組合均會產生利率風險。利率風險主要是由帶息資產、負債及承擔的重訂息率時差所致，亦與無息負債持倉有關，其中包括股東資金和往來賬戶及若干定息貸款和負債。利率風險由資金市場處按董事會或資產負債管理委員會批准的限額範圍進行日常管理。管理利率風險的工具包括利率掉期和其他衍生工具。

(iii) Equity risk

The Group's equity positions arise from equity investment and dynamic hedging of customer-driven business. Equity risk is managed daily by the Investment Department within the limits approved by the Board, Investment Committee, or the Asset and Liability Management Committee.

(iii) 股份風險

本集團的股份持倉來自股份投資及客戶業務的動態對沖。股份風險由投資部按董事會、投資委員會或資產負債管理委員會批准的限額範圍進行日常管理。

Market risk control limits have been set at varying levels according to the practical requirements of different units. The Board approves the core control limits and has delegated the authority to set detailed control limits to the Asset and Liability Management Committee. Risk, return and market conditions are considered when setting limits. Active limit monitoring is carried out.

市場風險控制限額設有不同層次以配合各類業務的實際需要。董事會審批核心控制限額並授權資產負債管理委員會審批具體的控制限額。釐定限額時會考慮風險、回報及市場情況等因素，並且採用積極限額監控程序。

In this connection, the Asset and Liability Management Committee monitors the related market risk arising from the risk-taking activities of the Group, to ensure that overall and individual market risks are within the Group's risk tolerance level. Risk exposures are monitored frequently to ensure that they are within established control limits.

在此方面，資產負債管理委員會負責監察本集團承擔市場風險的活動，確保整體及個別市場風險處於本集團的風險承受範圍內。本集團會經常監控風險承擔情況，以確保所承擔風險屬於既定的控制限額內。

The Group quantifies the market risk of the underlying trading portfolio by means of VaR. VaR is a statistical estimate that measures the potential losses in market value of a portfolio as a result of unfavourable movements in market rates and prices, if positions are held unchanged over a certain horizon time period.

本集團運用風險值來量化相關交易組合的市場風險。風險值是統計學上的估計，用來量度於某一時段內持倉維持不變的情況下，因市場息率及價格的不利波動而引致組合的市值潛在虧損。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(b) Market risk management (continued)

The Group estimates VaR for the Group's trading portfolio by the Parametric Approach, where the VaR is derived from the underlying variances and co-variances of the constituents of a portfolio. This methodology uses historical movements in market rates and prices, a 99% confidence level, a one-day holding period and a one-year historical observation period. An equal or higher weighting scheme is applied to more recent observations under which higher VaR should be used.

Structural foreign exchange positions arising from net investments in branches and subsidiaries are not included in the VaR for the foreign exchange trading position.

The book value of listed shares, as well as the book value of private equity funds and unlisted equities (collectively the "Unlisted Securities"), are subject to limits and these are monitored by the management of the Group. The Unlisted Securities and listed non-trading equities are not included in the VaR for the equity trading position, and are managed through delegated limits. The limits are subject to regular review by the Asset and Liability Management Committee.

Value-at-risk statistics

		2014			
		At 31st December	Maximum	Minimum	Mean
		於12月31日	最高	最低	平均
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
VaR for total trading activities	交易活動的風險值總額	23	33	16	24
VaR for foreign exchange trading positions*	外匯交易持倉的風險值*	8	11	3	6
VaR for interest rate trading positions	利率交易持倉的風險值	4	9	1	4
VaR for equity trading positions	股份交易持倉的風險值	16	23	13	18

		2013			
		At 31st December	Maximum	Minimum	Mean
		於12月31日	最高	最低	平均
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
VaR for total trading activities	交易活動的風險值總額	26	43	24	29
VaR for foreign exchange trading positions*	外匯交易持倉的風險值*	6	10	4	7
VaR for interest rate trading positions	利率交易持倉的風險值	4	10	2	4
VaR for equity trading positions	股份交易持倉的風險值	21	34	20	23

* Including all foreign exchange positions but excluding structured foreign exchange positions.

(b) 市場風險管理(續)

本集團通過參數法評估本集團交易組合的風險值，其中，風險值乃透過組成份的有關方差及協方差計算得出。該方法是依據過往市場息率與價格的波動、99%置信水平、1日持倉期以及1年過往觀察期來推算，其中對較近期觀察給予相等或較高的權重，並且據此採用較高的風險值。

由分行及附屬公司的淨投資產生的結構性外匯持倉不會包括在計算外匯交易持倉的風險值。

除上市股份外，私人股份基金及非上市股份（統稱「非上市證券」）的賬面值均由本集團管理層按限額控制。非上市證券及非交易上市股份是根據特定限額管理及並不包括在交易股份持倉的風險值內。資產負債管理委員會須定期檢討該限額。

風險值統計

* 包括所有外匯持倉但不包括結構性外匯持倉。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		2014			
		At 31st December	Maximum	Minimum	Mean
		於12月31日	最高	最低	平均
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Stressed VaR for total trading activities	交易活動的受壓風險值總額	59	109	51	84

		2013			
		At 31st December	Maximum	Minimum	Mean
		於12月31日	最高	最低	平均
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Stressed VaR for total trading activities	交易活動的受壓風險值總額	87	102	74	89

A Stressed VaR measure is intended to replicate a VaR calculation that would be generated on current market risk portfolio if the relevant market factors were experiencing a period of stress.

受壓風險值採用現行風險值的計算方法，根據受壓期間的相關市場因素，對投資組合計算的風險值。

(c) Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.

(c) 營運風險管理

營運風險是指由於內部流程、人員和系統不足或不成熟，或因外部事件而導致損失的潛在風險。

The objective of operational risk management is to identify, assess, monitor and report on operational risk and to comply with the relevant regulatory requirements.

營運風險管理的目的在於識別、評估、監控及匯報營運風險，以及遵守相關監管規定的要求。

The Operational Risk Management Committee is responsible for overseeing operational risk management of the Group while the Operational Risk Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to operational risk.

營運風險管理委員會負責監督本集團的營運風險管理，而本集團風險管理處轄下的營運風險管理部則負責監察與營運風險有關的活動。

The operational risk management tools adopted include operational risk incident reporting, control self-assessment, key risk indicators, operation manuals, insurance policies, business continuity planning, etc.

本集團所採用的營運風險管理工具包括營運風險事件匯報、自我評估監控、主要風險指標、營運手冊、保險政策、業務持續規劃等。

Furthermore, the Operational Risk Management Department under the Risk Management Division of the Group has also performed self-assessment on the Group's compliance with the requirements of HKMA Supervisory Policy Manual on Operational Risk Management, with satisfactory result which had been reviewed independently by Internal Audit Department.

此外，本集團風險管理處轄下的營運風險管理部亦就本集團是否符合金管局監管政策手冊關於業務操作風險管理的規定進行自我評估，並經稽核部獨立審閱後得出滿意的結果。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(d) Liquidity risk management

Liquidity pertains to the Group's ability to meet obligations as they fall due. Funding liquidity relates to the ability to meet expected and unexpected current and future cash flow and collateral needs without affecting daily operations or the financial position. Market liquidity concerns the inability to offset or eliminate a position at market price because of inadequate market depth or market disruption.

The purpose of liquidity risk management is to ensure sufficient cash flows to meet all financial commitments and to capitalise on opportunities for business expansion. This includes the Group's ability to meet deposit withdrawals either on demand or at contractual maturity, to repay borrowings as they mature, to comply with the statutory liquidity ratio, and to make new loans and investments as opportunities arise.

The Asset and Liability Management Committee is delegated by the Board to oversee the Group's liquidity risk management. The Asset and Liability Management Committee sets the strategy, policy and limits for managing liquidity risk and the means for ensuring that such strategy and policy are implemented. Regular meetings are held to review the compliance status of the monitoring matrix established and the need for any change in strategy and policy. Liquidity is managed daily by the Capital Markets & Liquidity Management Department under the Treasury Markets Division within the set limits. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring the activities relating to liquidity risk. The Internal Audit Department performs periodic reviews to ensure that the liquidity risk management functions are carried out effectively.

The Group's strong retail customer base provides a significant portion of the Group's funding. The retail customer base constitutes a broad spectrum of depositors with whom the Group maintains strong relationships. Funding diversification is achieved through the issuance of certificates of deposit, medium term notes and subordinated debt. Professional markets are accessed for the purposes of providing additional funding, maintaining a presence in local money markets, and optimising asset and liability maturities.

Internally, intra-group funding transactions are carried out at arm's length and treated in a manner in line with other third party transactions, with regular monitoring and appropriate control.

(d) 流動資金風險管理

流動資金與本集團履行到期責任的能力有關。融資流動風險管理關鍵在於是否能夠在不影響日常營運或財務狀況的情況下，滿足預期及未能預期、目前及未來的現金流量及抵押品需求。市場流動性風險管理著眼於是否能夠在市場深度不足或市場失序時，按市場價格平倉。

流動資金風險管理是為了確保本集團維持充足的現金流量以配合所有財務承擔，並掌握業務擴展的機會，當中包括確保本集團能夠在即時或合約期滿時滿足客戶的提款要求，在借款期滿時能夠還款，符合法定的流動資金比率，以及掌握貸款和投資的機會。

資產負債管理委員會獲董事會授權，負責監察本集團的流動資金風險管理。資產負債管理委員會制訂管理流動資金風險的策略、政策及限額，以及確保執行有關策略與政策的措施。委員會定期舉行會議，檢討各方面是否符合所設立的監管架構，以及是否有需要改變策略及政策。流動資金狀況由資金市場處轄下的資本市場及流動資金管理部每日按所訂限額範圍進行管理。本集團風險管理處轄下的資產負債管理部，負責監察與流動資金風險相關的活動。稽核部會定期作出檢討，確保流動資金風險管理功能得以有效執行。

穩健的零售客戶基礎構成本集團大部分的資金，本集團一直致力維持穩定的客戶基礎，當中包括各類型的存戶，而我們與存戶一直保持深厚的關係。本集團透過發行存款證、中期票據及後償債項使資金來源更多元化，亦會透過專業市場獲取額外資金，並維持於當地金融市場的地位、以及優化資產及負債的期限。

至於內部，集團內公司間的融資交易乃按一般正常交易原則進行，處理方式與其他第三方交易一致，並接受定期監督及適當控制。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

In addition to observing the statutory liquidity ratio, the Group has established different liquidity metrics, including but not limited to the liquidity ratio, loan-to-deposit ratio, cumulative mismatch ratio, funding concentration ratios, intra-group exposure threshold and cross currency funding ratio to measure and analyse the Group's liquidity risks. As a majority of the Group's liquidity risk arises from the maturity mismatch gap between the Group's asset and liability portfolios, the Group manages liquidity risk by conducting cash flow analysis and projections. These are carried out on a regular basis to identify funding needs arising from on- and off-balance sheet items in a specific time bucket over a set of time horizons. The Group also holds sufficient liquid assets (e.g. cash, short term funds and securities) of appropriate quality to ensure that short term funding requirements are covered within prudent limits. Contingent funding sources are maintained to provide strategic liquidity to meet unexpected and material cash outflows.

The Group also conducts stress testing regularly to analyse liquidity risk. In the Group's stress test, both on- and off-balance sheet items with cash flow impact are considered, with applicable hypothetical as well as historical assumptions. Both funding and market liquidity risks are addressed. Three stress scenarios, namely an institution-specific crisis, a general market crisis and a crisis in combination of the two, are adopted with minimum survival period defined according to HKMA's latest Supervisory Policy Manual "Sound Systems and Controls for Liquidity Risk Management".

With reference to the stress-testing results, the Group identifies potential vulnerabilities within the Group, and formulates the Contingency Funding Policy and Contingency Funding Plan that describe the Group's strategy for dealing with any liquidity problem and the procedures for making up cash flow deficits in emergency situations.

The Contingency Funding Policy and Contingency Funding Plan are designed to be pro-active and pre-emptive, and stipulates the following three stages:

1. The Group utilises early warning indicators, which cover both qualitative and quantitative measures, and monitors both internal and external factors. Should there be any early signs of significant impact on the Group's liquidity position, management is informed.
2. A Crisis Management Committee, which is chaired by the Group's Senior Management, is formed to handle the crisis. Strategy and procedures for obtaining contingency funding, as well as roles and responsibilities of parties concerned, are clearly stated.
3. In the final stage, a detailed review is carried out to recommend necessary improvements to avoid incidents of a similar nature in future.

An annual drill test is conducted and the Contingency Funding Policy and Contingency Funding Plan are subject to regular review in order to cope with any changes in the business environment. Any significant changes to the Contingency Funding Policy and Contingency Funding Plan are approved by the Board and the Asset and Liability Management Committee, respectively.

除緊守法定的流動資金比率外，本集團已設立不同的流動資金標準以衡量及分析流動資金風險，包括(但不限於)流動資金比率、貸存比率、累積錯配比例、資金集中比率、集團內公司間風險限額及跨貨幣資金比率。由於本集團大部分流動資金風險來自資產與負債組合之間的期限錯配差距，本集團會定期透過對一系列時間內的資產負債表內外資產及項目進行現金流量分析及預測，確定特定時間內的資金需要，從而管理流動資金風險。本集團維持充足的流動資產，例如適量的現金、短期資金和證券數量，以確保能在經審慎釐定的限額內符合短期資金要求。本集團維持應急融資來源，能提供策略性的流動資金，以應付未能預計的大量資金需求。

本集團亦會定期進行壓力測試，以分析流動資金風險。透過運用適當的虛擬及歷史假設，本集團的壓力測試均已考慮資產負債表內外會對現金流量造成影響的項目。融資及市場流動資金風險均列入考慮範圍。三個壓力情景(即個別銀行危機、整體市場危機，以及結合上述兩種情況的綜合危機)均採用金管局最新監管政策手冊「穩健的流動資金風險管理系統及管控措施」界定的最短存活期。

本集團會參照壓力測試結果，確認集團內的潛在弱點，並制訂應急融資政策及計劃，當中訂明了處理流動資金問題的策略及於緊急情況下彌補現金流不足的程序。

應急融資政策及計劃旨在提供防患未然的積極措施，並訂明以下三個階段：

1. 本集團運用預早警報指標，當中包括質量性及數量性的措施，藉以監督內部及外在因素。假如有任何早期跡象顯示本集團流動資金狀況將受重大影響，應通知管理層。
2. 本集團已設立危機管理委員會，並由本集團的高層管理人員擔任主席，專責處理危機，並明確規定取得應急資金的策略及程序，以及有關各方的職務及職責。
3. 於最後階段，本集團會對問題進行詳細檢討，並作出必要改進，避免日後出現同類事件。

為應付商業環境中的任何轉變，本集團會每年進行演習測試，並會定期檢討應急融資政策及計劃。應急融資政策及計劃如有任何重大變動，均須分別取得董事會及資產負債管理委員會的批准。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(d) Liquidity risk management (continued)

Analysis of assets and liabilities by remaining maturity:

The Group

(d) 流動資金風險管理(續)

資產及負債的剩餘期限分析：

集團

		2014							
		Repayable on demand	Within 1 month	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated or overdue	Total
		即時還款	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上至 5年	5年以上	無註明日期 或逾期	總額
		HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Assets	資產								
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	36,188	13	-	-	-	-	34,157	70,358
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	4	26,532	18,522	5,711	-	-	-	50,769
Trade bills	貿易票據	60	9,982	16,013	34,620	-	-	-	60,675
Trading assets	交易用途資產	-	135	253	257	820	25	1,395	2,885
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	-	1,268	1,025	1,242	3,934	818	426	8,713
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	-	-	3,537	3,537
Advances to customers and other accounts	客戶墊款及其他賬項	7,144	67,645	49,403	105,308	156,071	90,070	6,499	482,140
Available-for-sale financial assets	可供出售金融資產	-	4,191	20,650	9,841	39,261	9,705	3,168	86,816
Held-to-maturity investments	持至到期投資	34	1,760	675	1,463	2,629	186	-	6,747
Undated assets	無註明日期資產	-	-	-	-	-	-	23,251	23,251
Total assets	資產總額	43,430	111,526	106,541	158,442	202,715	100,804	72,433	795,891
Liabilities	負債								
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	3,860	13,445	9,194	5,561	1,217	46	-	33,323
Deposits from customers	客戶存款	169,769	128,604	134,960	96,039	18,749	63	-	548,184
- Demand deposits and current accounts	- 活期存款及往來賬戶	67,337	-	-	-	-	-	-	67,337
- Savings deposit	- 儲蓄存款	100,782	-	-	-	-	-	-	100,782
- Time, call and notice deposits	- 定期及通知存款	1,650	128,604	134,960	96,039	18,749	63	-	380,065
Trading liabilities	交易用途負債	-	-	-	-	-	-	21	21
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	-	-	4,823	4,823
Certificates of deposit issued	已發行存款證	-	7,959	12,849	17,931	5,659	-	-	44,398
Current taxation	本期稅項	-	-	-	1,172	-	-	-	1,172
Debt securities issued	已發行債務證券	-	1,948	5,264	6,508	8,704	-	-	22,424
Loan capital	借貸資本	-	-	-	-	12,436	4,899	-	17,335
Other liabilities	其他負債	1,061	8,217	10,512	14,353	7,290	2,220	7,114	50,767
Total liabilities	負債總額	174,690	160,173	172,779	141,564	54,055	7,228	11,958	722,447
Net gap	淨差距	(131,260)	(48,647)	(66,238)	16,878	148,660	93,576		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Bank

銀行

		2014							Total
		Repayable on demand	Within 1 month	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated or overdue	
		即時還款	1個月內	1個月以上至3個月	3個月以上至1年	1年以上至5年	5年以上	無註明日期或逾期	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Assets	資產								
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	26,599	-	-	-	-	-	353	26,952
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	4	6,841	898	288	-	-	-	8,031
Trade bills	貿易票據	58	8,353	13,775	29,423	-	-	-	51,609
Trading assets	交易用途資產	-	10	78	44	90	25	1,395	1,642
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	-	1,268	1,025	1,242	3,934	818	-	8,287
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	-	-	2,440	2,440
Advances to customers and other accounts	客戶墊款及其他賬項	5,910	54,897	29,162	52,545	95,960	56,990	4,503	299,967
Available-for-sale financial assets	可供出售金融資產	-	3,790	19,893	7,425	21,679	5,729	1,659	60,175
Held-to-maturity investments	持至到期投資	34	850	225	634	1,705	26	-	3,474
Undated assets	無註明日期資產	-	-	-	-	-	-	52,417	52,417
Total assets	資產總額	32,605	76,009	65,056	91,601	123,368	63,588	62,767	514,994
Liabilities	負債								
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	3,857	4,399	8,185	4,663	884	-	-	21,988
Deposits from customers	客戶存款	125,289	100,727	88,243	26,555	2,165	-	-	342,979
- Demand deposits and current accounts	- 活期存款及往來賬戶	24,729	-	-	-	-	-	-	24,729
- Savings deposit	- 儲蓄存款	99,678	-	-	-	-	-	-	99,678
- Time, call and notice deposits	- 定期及通知存款	882	100,727	88,243	26,555	2,165	-	-	218,572
Trading liabilities	交易用途負債	-	-	-	-	-	-	21	21
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	-	-	3,758	3,758
Certificates of deposit issued	已發行存款證	-	7,959	11,604	17,931	5,659	2,200	-	45,353
Current taxation	本期稅項	-	-	-	960	-	-	-	960
Debt securities issued	已發行債務證券	-	1,948	5,264	5,257	8,704	-	-	21,173
Loan capital	借貸資本	-	-	-	-	16,949	4,899	-	21,848
Other liabilities	其他負債	345	742	463	319	11	-	6,672	8,552
Total liabilities	負債總額	129,491	115,775	113,759	55,685	34,372	7,099	10,451	466,632
Net gap	淨差距	(96,886)	(39,766)	(48,703)	35,916	88,996	56,489		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(d) Liquidity risk management (continued)

(d) 流動資金風險管理(續)

The Group

集團

		2013							Total
		Repayable on demand	Within 1 month	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated or overdue	
		即時還款	1個月內	1個月以上至3個月	3個月以上至1年	1年以上至5年	5年以上	無註明日期或逾期	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Assets	資產								
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	28,794	70	-	29	-	-	39,884	68,777
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	-	38,290	16,153	2,929	-	-	-	57,372
Trade bills	貿易票據	13	9,069	11,579	39,271	-	-	-	59,932
Trading assets	交易用途資產	-	64	230	890	2,667	51	1,429	5,331
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	-	194	39	3,980	5,087	1,899	407	11,606
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	-	-	3,625	3,625
Advances to customers and other accounts	客戶墊款及其他賬項	7,434	57,018	36,227	96,870	162,913	82,925	4,868	448,255
Available-for-sale financial assets	可供出售金融資產	-	5,236	12,303	11,621	33,450	6,072	2,907	71,589
Held-to-maturity investments	持至到期投資	104	1,256	334	597	2,711	46	-	5,048
Undated assets	無註明日期資產	-	-	-	-	-	-	22,419	22,419
Total assets	資產總額	36,345	111,197	76,865	156,187	206,828	90,993	75,539	753,954
Liabilities	負債								
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	3,691	10,319	9,231	4,609	1,073	-	-	28,923
Deposits from customers	客戶存款	163,343	136,534	104,544	108,409	22,141	-	-	534,971
- Demand deposits and current accounts	- 活期存款及往來賬戶	69,259	-	-	-	-	-	-	69,259
- Savings deposit	- 儲蓄存款	92,936	-	-	-	-	-	-	92,936
- Time, call and notice deposits	- 定期及通知存款	1,148	136,534	104,544	108,409	22,141	-	-	372,776
Trading liabilities	交易用途負債	-	-	-	-	-	-	11	11
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	-	-	4,545	4,545
Certificates of deposit issued	已發行存款證	-	8,765	7,820	18,991	7,353	-	-	42,929
Current taxation	本期稅項	-	-	-	1,353	-	-	-	1,353
Debt securities issued	已發行債務證券	-	-	792	2,656	1,280	-	-	4,728
Loan capital	借貸資本	-	-	-	-	8,817	4,815	-	13,632
Other liabilities	其他負債	1,226	8,533	11,285	17,545	6,466	2,221	7,352	54,628
Total liabilities	負債總額	168,260	164,151	133,672	153,563	47,130	7,036	11,908	685,720
Net gap	淨差距	(131,915)	(52,954)	(56,807)	2,624	159,698	83,957		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Bank

銀行

		2013							Total
		Repayable on demand	Within 1 month	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated or overdue	
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Assets	資產								
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	16,998	57	-	-	-	-	5,157	22,212
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	-	11,279	901	1,219	-	-	-	13,399
Trade bills	貿易票據	8	6,756	8,471	37,504	-	-	-	52,739
Trading assets	交易用途資產	-	-	26	291	128	51	1,429	1,925
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	-	194	39	3,980	5,087	1,899	-	11,199
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	-	-	1,729	1,729
Advances to customers and other accounts	客戶墊款及其他賬項	6,099	46,264	17,548	43,801	103,049	45,962	4,202	266,925
Available-for-sale financial assets	可供出售金融資產	-	4,825	11,675	8,094	18,730	2,495	1,511	47,330
Held-to-maturity investments	持至到期投資	104	1,185	334	463	1,846	8	-	3,940
Undated assets	無註明日期資產	-	-	-	-	-	-	51,069	51,069
Total assets	資產總額	23,209	70,560	38,994	95,352	128,840	50,415	65,097	472,467
Liabilities	負債								
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	3,684	6,864	7,940	4,179	840	-	-	23,507
Deposits from customers	客戶存款	114,135	110,867	63,540	33,701	871	-	-	323,114
- Demand deposits and current accounts	- 活期存款及往來賬戶	21,652	-	-	-	-	-	-	21,652
- Savings deposit	- 儲蓄存款	91,791	-	-	-	-	-	-	91,791
- Time, call and notice deposits	- 定期及通知存款	692	110,867	63,540	33,701	871	-	-	209,671
Trading liabilities	交易用途負債	-	-	-	-	-	-	11	11
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	-	-	2,766	2,766
Certificates of deposit issued	已發行存款證	-	8,765	7,820	18,991	7,353	2,200	-	45,129
Current taxation	本期稅項	-	-	-	1,097	-	-	-	1,097
Debt securities issued	已發行債務證券	-	-	792	2,656	-	-	-	3,448
Loan capital	借貸資本	-	-	-	-	8,817	9,293	-	18,110
Other liabilities	其他負債	66	1,599	318	244	5	-	7,802	10,034
Total liabilities	負債總額	117,885	128,095	80,410	60,868	17,886	11,493	10,579	427,216
Net gap	淨差距	(94,676)	(57,535)	(41,416)	34,484	110,954	38,922		

As the trading and available-for-sale portfolios may be sold before maturity or deposits from customers may mature without being withdrawn, the contractual maturity dates do not represent expected dates of future cash flows.

由於作交易及可供出售用途的組合可能於到期前出售或客戶存款可能在到期前被提取，合約到期日並非代表未來現金流的預計日期。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(d) Liquidity risk management (continued)

The following tables provide an analysis of the undiscounted cashflow projection of the financial liabilities of the Group at the end of the reporting period based on the dates of their contractual payment obligations:

The Group

		2014							
		Carrying amount	Gross cash outflow	Repayable on demand	Less than three months	Between three months and one year	Between one and five years	More than five years	Undated
		賬面值	現金流出總額	即時還款	3個月或以下	3個月以上至1年	1年以上至5年	5年以上	無註明日期
		HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn	HKS Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	33,323	33,430	3,860	22,695	5,594	1,235	46	-
Deposits from customers	客戶存款	548,184	552,165	169,813	264,574	97,663	20,052	63	-
- Demand deposits and current accounts	- 活期存款及往來賬戶	67,337	67,379	67,376	3	-	-	-	-
- Savings deposit	- 儲蓄存款	100,782	100,783	100,783	-	-	-	-	-
- Time, call and notice deposits	- 定期及通知存款	380,065	384,003	1,654	264,571	97,663	20,052	63	-
Trading liabilities	交易用途負債	21	21	-	-	-	-	-	21
Negative fair value of derivatives	衍生工具的負公平價值	4,823	4,823	-	-	-	-	-	4,823
Certificates of deposit issued	已發行存款證	44,398	44,933	-	21,019	18,121	5,793	-	-
Current taxation	本期稅項	1,172	1,172	-	-	1,172	-	-	-
Debt securities issued	已發行債務證券	22,424	22,996	-	7,313	6,737	8,946	-	-
Loan capital	借貸資本	17,335	21,653	-	241	657	15,001	5,754	-
Interest rate swaps	利率掉期合約	6,224	6,224	-	724	1,289	3,937	274	-
Other liabilities	其他負債	50,767	50,767	1,061	18,729	14,353	7,290	2,220	7,114
Total	總額	728,671	738,184	174,734	335,295	145,586	62,254	8,357	11,958

(d) 流動資金風險管理(續)

下表展示於報告期結束日集團的未經折扣之金融負債的預計現金流按其合約支付債務之日期分析：

集團

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Bank

銀行

		2014							
		Carrying	Gross cash	Repayable	Less than	Between	Between	More than	Undated
		amount	outflow	on demand	three months	three months	one and	five years	
			現金流出		3個月	3個月以上	1年以上		
		賬面值	總額	即時還款	或以下	至1年	至5年	5年以上	無註明日期
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	21,988	22,065	3,857	12,626	4,692	890	-	-
Deposits from customers	客戶存款	342,979	343,479	125,291	189,243	26,764	2,181	-	-
- Demand deposits and current accounts	- 活期存款及往來賬戶	24,729	24,732	24,729	3	-	-	-	-
- Savings deposit	- 儲蓄存款	99,678	99,678	99,678	-	-	-	-	-
- Time, call and notice deposits	- 定期及通知存款	218,572	219,069	884	189,240	26,764	2,181	-	-
Trading liabilities	交易用途負債	21	21	-	-	-	-	-	21
Negative fair value of derivatives	衍生工具的負公平價值	3,758	3,758	-	-	-	-	-	3,758
Certificates of deposit issued	已發行存款證	45,353	45,888	-	19,774	18,121	5,793	2,200	-
Current taxation	本期稅項	960	960	-	-	960	-	-	-
Debt securities issued	已發行債務證券	21,173	21,728	-	7,313	5,469	8,946	-	-
Loan capital	借貸資本	21,848	27,814	-	241	986	20,833	5,754	-
Interest rate swaps	利率掉期合約	6,101	6,101	-	602	1,288	3,937	274	-
Other liabilities	其他負債	8,552	8,554	345	1,207	319	11	-	6,672
Total	總額	472,733	480,368	129,493	231,006	58,599	42,591	8,228	10,451

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(d) Liquidity risk management (continued)

(d) 流動資金風險管理(續)

The Group		2013							
		Carrying amount	Gross cash outflow	Repayable on demand	Less than three months	Between three months and one year	Between one and five years	More than five years	Undated
		賬面值	現金流出	即時還款	3個月或以下	3個月以上至1年	1年以上至5年	5年以上	無註明日期
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	28,923	28,961	3,691	19,579	4,618	1,073	-	-
Deposits from customers	客戶存款	534,971	539,180	163,387	241,770	110,196	23,827	-	-
- Demand deposits and current accounts	- 活期存款及往來賬戶	69,259	69,301	69,299	2	-	-	-	-
- Savings deposit	- 儲蓄存款	92,936	92,937	92,937	-	-	-	-	-
- Time, call and notice deposits	- 定期及通知存款	372,776	376,942	1,151	241,768	110,196	23,827	-	-
Trading liabilities	交易用途負債	11	11	-	-	-	-	-	11
Negative fair value of derivatives	衍生工具的負公平價值	4,545	4,545	-	-	-	-	-	4,545
Certificates of deposit issued	已發行存款證	42,929	43,906	-	16,732	19,224	7,743	207	-
Current taxation	本期稅項	1,353	1,353	-	-	1,353	-	-	-
Debt securities issued	已發行債務證券	4,728	4,833	-	801	2,729	1,303	-	-
Loan capital	借貸資本	13,632	19,374	-	220	797	12,358	5,999	-
Interest rate swaps	利率掉期合約	6,255	6,255	-	593	1,279	3,929	454	-
Other liabilities	其他負債	54,628	54,628	1,226	19,818	17,545	6,466	2,221	7,352
Total	總額	691,975	703,046	168,304	299,513	157,741	56,699	8,881	11,908

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Bank

銀行

		2013							
		Carrying	Gross cash	Repayable	Less than	Between	Between	More than	Undated
		amount	outflow	on demand	three months	three months	one and	five years	
			現金流出		3個月	3個月以上	1年以上	5年以上	無註明日期
		賬面值	總額	即時還款	或以下	至1年	至5年	5年以上	無註明日期
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	23,507	23,536	3,684	14,826	4,186	840	-	-
Deposits from customers	客戶存款	323,114	323,616	114,135	174,644	33,959	878	-	-
- Demand deposits and current accounts	- 活期存款及往來賬戶	21,652	21,654	21,652	2	-	-	-	-
- Savings deposit	- 儲蓄存款	91,791	91,791	91,791	-	-	-	-	-
- Time, call and notice deposits	- 定期及通知存款	209,671	210,171	692	174,642	33,959	878	-	-
Trading liabilities	交易用途負債	11	11	-	-	-	-	-	11
Negative fair value of derivatives	衍生工具的負公平價值	2,766	2,766	-	-	-	-	-	2,766
Certificates of deposit issued	已發行存款證	45,129	46,106	-	16,732	19,224	7,743	2,407	-
Current taxation	本期稅項	1,097	1,097	-	-	1,097	-	-	-
Debt securities issued	已發行債務證券	3,448	3,490	-	801	2,689	-	-	-
Loan capital	借貸資本	18,110	23,852	-	220	797	12,358	10,477	-
Interest rate swaps	利率掉期合約	6,163	6,163	-	509	1,272	3,928	454	-
Other liabilities	其他負債	10,034	10,055	66	1,935	247	5	-	7,802
Total	總額	433,379	440,692	117,885	209,667	63,471	25,752	13,338	10,579

(e) Interest rate risk management

The Asset and Liability Management Committee is delegated by the Board to oversee the Group's interest rate risk management, establish the strategy and policy for managing interest rate risk, and determine the means for ensuring that such strategies and policies are implemented. Interest rate risk is managed on a daily basis by the Treasury Markets Division within the limits approved by the Board or the Asset and Liability Management Committee. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring the activities relating to interest rate risk. The Internal Audit Department performs periodic reviews to ensure that the interest rate risk management functions are implemented effectively.

The Group manages the interest rate risk on the banking book primarily by focusing on repricing mismatches. Gap analysis provides a static view of the maturity and repricing characteristics of the Group's statement of financial position. Repricing gap limits are set to control the Group's interest rate risk.

(e) 利率風險管理

資產負債管理委員會獲董事會授權，負責監察本集團的利率風險管理，訂立管理利率風險的策略與政策，並制定相應措施以確保有關策略與政策得以執行。利率風險由資金市場處按董事會或資產負債管理委員會批核的限額範圍進行日常管理。本集團風險管理處轄下的資產負債管理部，負責監察利率風險相關的活動。稽核部會定期作出檢討，確保利率風險管理功能得以有效執行。

本集團管理銀行賬冊利率風險的主要方法是集中於重訂息率的錯配。差距分析可讓本集團從靜態角度瞭解財務狀況的到期情況及再定息特點。本行設有重訂息率差距限額以控制本集團的利率風險。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(e) Interest rate risk management (continued)

Sensitivity analysis in relation to the impact of changes in interest rates on earnings and economic value is assessed through a hypothetical interest rate shock of 200 basis points across the yield curve on both sides of the statement of financial position and is performed on a monthly basis. Sensitivity limits are set to control the Group's interest rate risk exposure under both earnings and economic value perspectives. The results are reported to the Asset and Liability Management Committee on a regular basis.

Sensitivity analysis on interest rate risk

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on our net interest income and economic value change based on methodology consistent with regulatory reporting.

(e) 利率風險管理(續)

有關利率變動對盈利和經濟價值影響的敏感度分析乃透過每月假設財務狀況表的收益率曲線出現200個基點的利率衝擊來估算。本集團設有敏感度限額，以控制本集團的盈利及經濟價值兩方面的利率風險承擔。有關結果定期向資產負債管理委員會匯報。

利率風險敏感度分析

根據與用作監管匯報一致的方法，本集團採用敏感度分析來量度利率變動對淨利息收入及經濟價值變動可能產生的影響。

		2014			2013		
		HKD港元 HK\$ Mn 港幣百萬元	USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元	HKD港元 HK\$ Mn 港幣百萬元	USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元
Impact on earnings over the next 12 months if interest rates rise by 200 basis points	倘利率上調200個基點對未來12個月的盈利影響	534	3	570	289	(76)	706
Impact on economic value if interest rates rise by 200 basis points	倘利率上調200個基點對經濟價值的影響	(199)	118	59	(117)	122	622

This sensitivity analysis, which is based on a static interest rate risk profile of assets and liabilities, is used for risk management purposes only. The analysis is based on the following assumptions:

- (i) there is a parallel shift in the yield curve and in interest rates;
- (ii) there are no other changes to the portfolio;
- (iii) no loan prepayment is assumed as the majority of loans is on a floating rate basis; and
- (iv) deposits without fixed maturity dates are assumed to be repriced on the next day.

Actual changes in the Group's net interest income and the economic value resulting from the increases in interest rates may differ from the results of this sensitivity analysis.

該敏感度分析僅用於風險管理目的，乃依據資產及負債的靜態利率風險資料作出。有關分析乃根據以下假設進行：

- (i) 收益率曲線及利率出現平行移動；
- (ii) 組合並無其他變動；
- (iii) 假設沒有提早償還貸款，因大部分貸款屬於浮息貸款；及
- (iv) 假設沒有固定到期日的存款於翌日再定息。

利率上調而導致本集團淨利息收入及經濟價值的實際變動與該敏感度分析的結果可能有所不同。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The following table indicates the expected next repricing dates (or maturity dates whichever are earlier) for the interest bearing assets and liabilities at the end of the reporting period:

下表顯示於報告期結束日帶息資產及負債的預計下次利率重訂日(或到期日取其較短者):

The Group

集團

		2014						
		Over 3 months or less 3個月 或以下 HK\$ Mn 港幣百萬元	Over 3 months to 1 year 3個月以上 至1年 HK\$ Mn 港幣百萬元	Over 1 year to 5 years 1年以上 至5年 HK\$ Mn 港幣百萬元	Over 5 years 5年以上 HK\$ Mn 港幣百萬元	Non-interest bearing 非帶息 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元	
Assets	資產							
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	65,139	-	-	-	5,219	70,358	
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	45,291	5,478	-	-	-	50,769	
Trade bills	貿易票據	26,905	33,731	-	-	39	60,675	
Trading assets	交易用途資產	309	257	820	26	1,473	2,885	
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	2,293	1,242	3,934	881	363	8,713	
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	3,537	3,537	
Advances to customers and other accounts	客戶墊款及其他賬項	358,729	60,707	19,248	4,260	39,196	482,140	
Available-for-sale financial assets	可供出售金融資產	33,396	10,580	28,942	9,039	4,859	86,816	
Held-to-maturity investments	持至到期投資	2,640	1,292	2,629	186	-	6,747	
Non-interest bearing assets	非帶息資產	-	-	-	-	23,251	23,251	
Total assets	資產總額	534,702	113,287	55,573	14,392	77,937	795,891	
Liabilities	負債							
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	28,141	4,023	1,079	-	80	33,323	
Deposits from customers	客戶存款	418,723	94,487	15,364	63	19,547	548,184	
Trading liabilities	交易用途負債	-	-	-	-	21	21	
Negative fair value of derivatives	衍生工具的真公平價值	-	-	-	-	4,823	4,823	
Certificates of deposit issued	已發行存款證	26,266	14,353	3,779	-	-	44,398	
Debt securities issued	已發行債務證券	7,332	7,588	7,504	-	-	22,424	
Loan capital	借貸資本	-	-	12,436	4,899	-	17,335	
Non-interest bearing liabilities	非帶息負債	-	-	-	-	51,939	51,939	
Total liabilities	負債總額	480,462	120,451	40,162	4,962	76,410	722,447	
Interest rate sensitivity gap	利率敏感度差距	54,240	(7,164)	15,411	9,430			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(e) Interest rate risk management (continued)

(e) 利率風險管理(續)

The Bank

銀行

		2014					
		3 months or less 3個月 或以下 HK\$ Mn 港幣百萬元	Over 3 months to 1 year 3個月以上 至1年 HK\$ Mn 港幣百萬元	Over 1 year to 5 years 1年以上 至5年 HK\$ Mn 港幣百萬元	Over 5 years 5年以上 HK\$ Mn 港幣百萬元	Non-interest bearing 非帶息 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Assets	資產						
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	22,946	-	-	-	4,006	26,952
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	7,976	55	-	-	-	8,031
Trade bills	貿易票據	23,036	28,534	-	-	39	51,609
Trading assets	交易用途資產	10	44	90	25	1,473	1,642
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	2,293	1,242	3,934	818	-	8,287
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	2,440	2,440
Advances to customers and other accounts	客戶墊款及其他賬項	259,483	13,893	14,746	3,662	8,183	299,967
Available-for-sale financial assets	可供出售金融資產	25,560	8,289	17,913	5,063	3,350	60,175
Held-to-maturity investments	持至到期投資	1,281	462	1,705	26	-	3,474
Non-interest bearing assets	非帶息資產	-	-	-	-	52,417	52,417
Total assets	資產總額	342,585	52,519	38,388	9,594	71,908	514,994
Liabilities	負債						
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	17,135	4,007	846	-	-	21,988
Deposits from customers	客戶存款	298,294	25,222	1,400	-	18,063	342,979
Trading liabilities	交易用途負債	-	-	-	-	21	21
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	3,758	3,758
Certificates of deposit issued	已發行存款證	25,021	14,353	3,779	2,200	-	45,353
Debt securities issued	已發行債務證券	7,332	6,337	7,504	-	-	21,173
Loan capital	借貸資本	-	-	16,949	4,899	-	21,848
Non-interest bearing liabilities	非帶息負債	-	-	-	-	9,512	9,512
Total liabilities	負債總額	347,782	49,919	30,478	7,099	31,354	466,632
Interest rate sensitivity gap	利率敏感度差距	(5,197)	2,600	7,910	2,495		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The Group

集團

		2013						
		3 months or less 3個月 或以下 HK\$ Mn 港幣百萬元	Over 3 months to 1 year 3個月以上 至1年 HK\$ Mn 港幣百萬元	Over 1 year to 5 years 1年以上 至5年 HK\$ Mn 港幣百萬元	Over 5 years 5年以上 HK\$ Mn 港幣百萬元	Non-interest bearing 非帶息 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元	
Assets	資產							
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	62,507	29	8	–	6,233	68,777	
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	55,001	2,371	–	–	–	57,372	
Trade bills	貿易票據	26,970	32,907	–	–	55	59,932	
Trading assets	交易用途資產	2,524	948	379	51	1,429	5,331	
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	310	3,979	5,010	1,952	355	11,606	
Positive fair value of derivatives	衍生工具的正公平價值	–	–	–	–	3,625	3,625	
Advances to customers and other accounts	客戶墊款及其他賬項	335,596	57,734	11,391	649	42,885	448,255	
Available-for-sale financial assets	可供出售金融資產	32,485	9,772	20,572	5,849	2,911	71,589	
Held-to-maturity investments	持至到期投資	1,961	546	2,495	46	–	5,048	
Non-interest bearing assets	非帶息資產	–	–	–	–	22,419	22,419	
Total assets	資產總額	517,354	108,286	39,855	8,547	79,912	753,954	
Liabilities	負債							
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	25,893	1,680	298	–	1,052	28,923	
Deposits from customers	客戶存款	392,041	107,156	18,872	–	16,902	534,971	
Trading liabilities	交易用途負債	–	–	–	–	11	11	
Negative fair value of derivatives	衍生工具的負公平價值	–	–	–	–	4,545	4,545	
Certificates of deposit issued	已發行存款證	23,443	14,373	5,113	–	–	42,929	
Debt securities issued	已發行債務證券	1,296	2,152	1,280	–	–	4,728	
Loan capital	借貸資本	–	–	8,817	4,815	–	13,632	
Non-interest bearing liabilities	非帶息負債	–	–	–	–	55,981	55,981	
Total liabilities	負債總額	442,673	125,361	34,380	4,815	78,491	685,720	
Interest rate sensitivity gap	利率敏感度差距	74,681	(17,075)	5,475	3,732			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(e) Interest rate risk management (continued)

(e) 利率風險管理(續)

The Bank

銀行

		2013					
		3 months or less 3個月 或以下 HK\$ Mn 港幣百萬元	Over 3 months to 1 year 3個月以上 至1年 HK\$ Mn 港幣百萬元	Over 1 year to 5 years 1年以上 至5年 HK\$ Mn 港幣百萬元	Over 5 years 5年以上 HK\$ Mn 港幣百萬元	Non-interest bearing 非帶息 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Assets	資產						
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	17,219	-	-	-	4,993	22,212
Placements with banks and other financial institutions	在銀行及其他金融機構的存款	12,738	661	-	-	-	13,399
Trade bills	貿易票據	21,557	31,128	-	-	54	52,739
Trading assets	交易用途資產	26	291	128	51	1,429	1,925
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	310	3,980	5,010	1,899	-	11,199
Positive fair value of derivatives	衍生工具的正公平價值	-	-	-	-	1,729	1,729
Advances to customers and other accounts	客戶墊款及其他賬項	240,187	11,647	7,166	79	7,846	266,925
Available-for-sale financial assets	可供出售金融資產	24,270	6,245	13,028	2,272	1,515	47,330
Held-to-maturity investments	持至到期投資	1,890	412	1,630	8	-	3,940
Non-interest bearing assets	非帶息資產	-	-	-	-	51,069	51,069
Total assets	資產總額	318,197	54,364	26,962	4,309	68,635	472,467
Liabilities	負債						
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	20,710	1,680	65	-	1,052	23,507
Deposits from customers	客戶存款	273,405	33,445	872	-	15,392	323,114
Trading liabilities	交易用途負債	-	-	-	-	11	11
Negative fair value of derivatives	衍生工具的負公平價值	-	-	-	-	2,766	2,766
Certificates of deposit issued	已發行存款證	23,443	14,373	5,113	2,200	-	45,129
Debt securities issued	已發行債務證券	1,296	2,152	-	-	-	3,448
Loan capital	借貸資本	-	-	8,817	9,293	-	18,110
Non-interest bearing liabilities	非帶息負債	-	-	-	-	11,131	11,131
Total liabilities	負債總額	318,854	51,650	14,867	11,493	30,352	427,216
Interest rate sensitivity gap	利率敏感度差距	(657)	2,714	12,095	(7,184)		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The following table summarises the range of effective average interest rates for the year ended 31st December for monetary financial instruments:

下表概述於截至12月31日止年度按貨幣金融工具之有效利率範圍：

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		%	%	%	%
Assets	資產				
Cash and short-term funds and placements with banks and other financial institutions	現金及在銀行和其他金融機構的結存，及在銀行及其他金融機構的存款	0-5.76	0-6.31	0-3.67	0-4.4
Trade bills, advances to customers and advances to banks and other financial institutions	貿易票據，客戶墊款及銀行及其他金融機構的墊款	0.01-52.24	0.01-50.48	0.01-11.85	0.01-17.12
Securities (Note)	證券(附註)	0.02-8.53	0.01-9.44	0.02-4.4	0.01-7.07
Liabilities	負債				
Deposits and balances of banks and other financial institutions	銀行及其他金融機構的存款及結餘	0.04-5.95	0.01-5.58	0.04-3.97	0.01-4.4
Deposits from customers	客戶存款	0-5.87	0-5.75	0-4.42	0-5.75
Certificates of deposit issued and loan capital	已發行存款證及借貸資本	0.16-8.5	0.15-8.5	0.16-8.5	0.15-8.5

Note: Securities include certificates of deposit held, trading assets, financial assets designated at fair value through profit or loss, securities measured as loans and receivables, available-for-sale financial assets and held-to-maturity investments.

附註：證券包括持有存款證、交易資產、指定為通過損益以反映公平價值的金融資產、以貸款及應收賬款計量的證券、可供出售金融資產及持至到期投資。

(f) Strategic risk management

The objective of strategic risk management is to monitor the risk to earnings or capital arising from bad business decisions or from an improper implementation of good business decisions.

The Asset and Liability Management Committee is responsible for ongoing strategic risk management of the Group. The Risk Management Division of the Group monitors the activities under the Group's prevailing interest earning asset mix and funding strategies and regularly reports the status to the Asset and Liability Management Committee, Risk Management Committee, RIC and the Board, where appropriate.

(g) Legal risk and reputation risk management

Legal risk is the risk arising from the potential that unenforceable contracts, lawsuits or adverse judgements may disrupt or otherwise negatively affect the operations or financial condition of the Group.

Reputation risk is the risk that the Group's reputation is damaged by one or more than one event that results in negative publicity about the Group's business practices, conduct or financial condition. Such negative publicity, whether true or not, may impair public confidence in the Group, result in costly litigation, or lead to a decline in the Group's customer base, business or revenue.

The objective of managing the aforesaid risks is to identify, assess, monitor and report on these risks, and to comply with the relevant regulatory requirements.

The Operational Risk Management Committee is responsible for overseeing the management of the Group's legal risk and reputation risk.

(f) 策略性風險管理

策略性風險管理的目的是監控因不良商業決定或不當地實施良好商業決定而引致盈利或資本方面的風險。

資產負債管理委員會負責持續管理本集團的策略性風險。本集團轄下的風險管理處監控本集團現行生息資產組合及融資策略下的活動，並定期向資產負債管理委員會、風險管理委員會、風險委員會及董事會匯報有關情況。

(g) 法律風險和信譽風險管理

法律風險是指出現合約未能如期執行、一般訴訟或不利審判的情形，可能影響本集團的日常運作或財務狀況的潛在風險。

信譽風險則源自公眾對本集團一宗或多宗有關營商規則、行為或財務狀況事件的負面報導。此等報導，不管真確與否，有可能影響公眾對本集團的信心，因而可能導致高昂的訴訟費用，令本集團之客戶基礎下跌、業務或收入減少。

此等風險管理的目的，在於識別、評估、監控及匯報各項風險，以及遵守相關監管規定的要求。

營運風險管理委員會負責持續監督本集團的法律風險和信譽風險管理。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

42. FINANCIAL RISK MANAGEMENT (CONTINUED) 財務風險管理(續)

(h) Capital management

The HKMA sets and monitors capital requirements for the Group as a whole. In implementing current capital requirements the HKMA requires the Group to maintain a prescribed ratio of total capital to total risk-weighted assets. The Group calculates requirements for market risk in its trading portfolios based upon the Group's VaR models and uses its internal gradings as the basis for risk weightings for credit risk. Banking operations are categorised as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

In addition to meeting the regulatory requirements, the Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

Capital managed by the Group to achieve these objectives includes ordinary share capital, retained profits, other reserves, and non-controlling interests after deductions for goodwill and intangible assets. It also includes subordinated liabilities and collectively assessed impairment allowances.

The HKMA supervises the Group on a consolidated basis, which sets capital requirements and receives information of capital adequacy on a regular basis for the Group as a whole. Individual branches are directly regulated by respective domestic banking supervisors, who set and monitor their capital adequacy requirements. In certain jurisdictions, non-banking financial subsidiaries are also subject to the supervision and capital requirements of domestic regulatory authorities.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might otherwise be possible with greater gearing and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The process of allocating capital to specific operations and activities is undertaken by the Asset and Liability Management Committee and is reviewed regularly by the RIC and the Board.

Consistent with industry practice, the Group monitors its capital structure on the basis of the capital adequacy ratios and there have been no material changes in the Group's policy on the management of capital during the year.

The capital adequacy ratios as at 31st December, 2014 and 31st December, 2013 are computed on the consolidated basis of the Bank and certain of its subsidiaries as specified by the HKMA for its regulatory purposes, and are in accordance with the Capital Rules of the Banking Ordinance.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year ended 31st December, 2014 and 31st December, 2013 and the Group's capital ratios are well above the minimum required by the HKMA.

(h) 資本管理

金管局制定及監察本集團整體的資本規定。在實施現行的資本規定時，金管局規定本集團維持既定的總資本對總風險加權資產比率。本集團根據風險值模式計算交易組合的市場風險，及根據內部評級作為信貸風險之風險比重的基準。銀行業務分為交易賬冊或銀行賬冊。風險加權資產依照特別規定而定，特別規定旨在反映與資產的不同風險水平及資產負債表外的風險。

除符合監管規定外，本集團管理資本的主要目的是保障本集團可持續經營，藉以不斷為股東提供回報及為其他利益關涉者帶來利益。方法包括依照風險水平釐定產品及服務價格，及以合理的成本提供融資渠道。

以求達至該目的，本集團管理資本包括股本、留存溢利、其他儲備，及非控股權益及經已扣除商譽和無形資產。

金管局按綜合基準以監管本集團，並制訂資本要求及定期收集本集團整體性的資本充足資料。個別分行分別由當地的銀行監管機關直接監管，並制訂及監控其資本充足要求。在某些地區，非銀行財務附屬公司是受當地監管機關規管及資本要求。

本集團積極定期檢討及管理資本架構，以期在爭取更高股東回報與維持良好資本的好處和安全之間取得平衡，並且因應經濟情況的轉變調整資本架構。

調配資本至特定業務及活動的程序由資產及負債管理委員會進行，並由風險委員會及董事會定期檢討。

本集團依據行業慣例，以資本充足比率為基準監察資本架構，年度內本集團資本管理政策並無重大改變。

2014年12月31日及2013年12月31日的資本充足比率是依據金管局為監管目的而制定的，本行及若干附屬公司已按綜合基準計算，並符合《銀行業條例》的《資本規則》。

截至2014年12月31日及2013年12月31日止年度內，本集團及其個別受監管業務已符合所有外間訂立的資本規定，以及本集團俱遠高於金管局所定的最低規定比率。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS 金融工具的公平價值

(a) Financial instruments carried at fair value

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. The Group measures fair values using the following hierarchy of methods:

Level 1 – Quoted market price in an active market for an identical instrument.

Level 2 – Valuation techniques based on observable input. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 – Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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 widely 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.

(a) 以公平價值列賬的金融工具

公平價值估計是根據金融工具的特性和相關市場資料於某一特定時間作出，因此一般是主觀的。本集團以下列的分級方法計算公平價值：

第一級－參考同一工具在活躍市場取得的市場報價。

第二級－根據可觀察的參數之估值模式。為此級別估值的工具，包括以下方式：就相若工具在活躍市場取得的市場報價；就相若工具在非活躍市場取得的市場報價；或其他估值模式，而該等估值模式所用的參數，是直接或間接可從市場觀察所得的數據。

第三級－根據重要但非可觀察得到的參數之估值模式。為此級別估值的工具，其估值模式所輸入之參數為非可觀察的數據，惟該等非可觀察的數據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，惟當中需要作出非可觀察之調整或假設，以反映不同金融工具之間的差別。

於活躍市場買賣的金融資產及金融負債，是根據市場報價或交易對手報價以釐定其公平價值。而對於所有其他金融工具，本集團則利用估值模式以釐定公平價值。估值模式包括淨現值及現金流量折現模式，以及其他市場廣泛應用的期權估值模式。用於估值模式之假設及參數包括無風險利率、基準利率、股票價格、外幣兌換率、指數價格、過往或預期波幅及相聯關係。採用估值模式的目的是計量公平價值，藉以在申報日能反映金融工具的價格，而該價格可被視為在正常交易下市場人士當賣出資產時可收取或當轉移負債時須支付之款項。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(a) Financial instruments carried at fair value (continued)

The Group uses widely recognised valuation models for determining the fair value of common and simpler financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over-the-counter (OTC) derivatives like interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. 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.

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.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a valuation control function, namely Financial Instruments Valuation Group ("FIVG") which comprises control units independent of front office management. Procedures for price verification have been established. Any pricing models to be used would be subject to a rigorous validation and approval process.

(a) 以公平價值列賬的金融工具(續)

本集團會使用廣泛應用的估值模式，以釐定一般性及較簡單金融工具的公平價值，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。可觀察價格及模式的參數，通常可從市場上的上市債務及股份證券、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式的參數，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穩定因素。是否取得可觀察市場價格及參數，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。

至於較複雜的金融工具，本集團會使用通常由已有認受性的估值模式改動而來。部分甚或所有須予輸入模式的重要參數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。該等須利用重要而非可觀察之參數的估值模式，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式、為估值之金融工具決定其預期的未來現金流、決定交易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。

本集團已就計算公平價值設立了監控機制。此機制包括擁有產品監控功能並獨立於前線管理人員，稱為金融工具估值群組(「群組」)。價格核實的程序已經確立。任何將被採用的價格模式必須經過嚴格的檢測及審批程序。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value treatment is categorised:

下表是分析於報告期期末，在公平價值分級內金融工具之公平價值的處理方式：

		2014							
		The Group 集團				The Bank 銀行			
		Level One	Level Two	Level Three	Total	Level One	Level Two	Level Three	Total
		第一級	第二級	第三級	總額	第一級	第二級	第三級	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Recurring fair value measurement	重覆發生的公平價值釐定								
Assets	資產								
Trading assets	交易用途資產	1,599	1,286	-	2,885	1,599	43	-	1,642
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	5,052	3,661	-	8,713	4,690	3,597	-	8,287
Positive fair value of derivatives	衍生工具的正公平價值	-	1,983	1,554	3,537	-	1,519	921	2,440
Available-for-sale financial assets	可供出售金融資產	53,513	32,310	993	86,816	46,549	12,667	959	60,175
		60,164	39,240	2,547	101,951	52,838	17,826	1,880	72,544
Liabilities	負債								
Trading liabilities	交易用途負債	21	-	-	21	21	-	-	21
Negative fair value of derivatives	衍生工具的負公平價值	-	3,252	1,571	4,823	-	2,807	951	3,758
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融負債	-	22,039	-	22,039	4,513	22,039	-	26,552
		21	25,291	1,571	26,883	4,534	24,846	951	30,331

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(a) Financial instruments carried at fair value (continued)

(a) 以公平價值列賬的金融工具(續)

		2013 Restated 重報							
		The Group 集團			Total	The Bank 銀行			Total
		Level One	Level Two	Level Three		Level One	Level Two	Level Three	
		第一級	第二級	第三級	總額	第一級	第二級	第三級	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Recurring fair value measurement	重覆發生的公平價值釐定								
Assets	資產								
Trading assets	交易用途資產	1,755	3,576	-	5,331	1,755	170	-	1,925
Financial assets designated at fair value through profit or loss	指定為透過損益以反映公平價值的金融資產	7,761	3,845	-	11,606	7,407	3,792	-	11,199
Positive fair value of derivatives	衍生工具的正公平價值	-	3,040	585	3,625	-	1,378	351	1,729
Available-for-sale financial assets	可供出售金融資產	38,950	31,629	1,010	71,589	33,014	13,345	971	47,330
		48,466	42,090	1,595	92,151	42,176	18,685	1,322	62,183
Liabilities	負債								
Trading liabilities	交易用途負債	11	-	-	11	11	-	-	11
Negative fair value of derivatives	衍生工具的負公平價值	-	3,980	565	4,545	-	2,214	552	2,766
Financial liabilities designated at fair value through profit or loss	指定為透過損益以反映公平價值的金融負債	-	8,659	-	8,659	4,478	8,659	-	13,137
		11	12,639	565	13,215	4,489	10,873	552	15,914

During the years ended 31st December 2014 and 2013, there were no significant transfers of financial instruments between Level 1 and Level 2 of the fair value hierarchy. 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.

截至2014年及2013年12月31日止之年內，根據第一級及第二級分級方法釐定公平價值之金融工具，兩者之間並無重大的轉移。本集團的政策是只確認於報告期期末公平價值分級之間發生的轉移。

Information about significant unobservable inputs in Level 3 valuations

有關第三級估值的重要非可觀察參數資料

	Valuation technique 估值模式	Significant unobservable input(s) 重要非可觀察參數
Unlisted available-for-sale equity instruments 非上市可供出售股份工具	Discounted cash flow model 現金流折扣模式	Forecasted cash flows and terminal growth rate 預計現金流及終端增長率
Structured derivatives 結構性衍生工具	Option model 期權模式	Expected volatility 預計波幅

The fair value of unlisted available-for-sale equity instruments is determined using the discounted cash flow model and the significant unobservable inputs used in the fair value measurement are forecasted cash flows and terminal growth rate. The fair value measurement is positively correlated to the net cash inflows and terminal growth rate.

非上市可供出售股份工具的公平價值是根據現金流折扣模式，而用以計量公平價值之重要但非可觀察參數是預計現金流及終端增長率。計量公平價值與淨現金流及終端增長率是有正面的相互關聯。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

The fair value of embedded options in structured derivatives is determined using option valuation model and the significant unobservable input used in the fair value measurement is the expected volatility. The fair value of the instrument is positively correlated to the expected volatility.

在結構性衍生工具內之嵌入期權的公平價值是根據期權估值模式，而用以計量公平價值之重要但非可觀察參數是預計波幅。工具的公平價值與預計波幅是有正面的相互關聯。

Valuation of financial instruments in Level 3 is subject to the same valuation control framework as described above and reviewed regularly by FIVG.

在第三級之金融工具估價是受以上所述之相同估值監控機制及金融工具估價群組的定期檢視。

(1) Valuation of financial instruments with significant unobservable inputs

(1) 使用重要而非可觀察之參數的金融工具估價

Movements in the recognised fair values of instruments with significant unobservable inputs were as follows:

已列賬並含有重要而非可觀察參數的工具，其公平價值之變動如下：

Assets	資產	Positive fair value of derivatives 衍生工具的正公平價值 HK\$ Mn 港幣百萬元	The Group 集團 Available-for-sale financial assets 可供出售金融資產 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
At 1st January, 2014	於2014年1月1日	585	1,010	1,595
Purchases	購入	-	20	20
Settlements	結算	(204)	(120)	(324)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	1,173	(14)	1,159
Changes in fair value recognised in the other comprehensive income	公平價值變動確認於其他全面收益	-	98	98
Exchange adjustments	匯兌調整	-	(1)	(1)
At 31st December, 2014	於2014年12月31日	1,554	993	2,547
Total gains or losses for the year included in available-for-sale fair value reserve of the other comprehensive income for assets held at the end of the reporting period	於報告期結束日持有之資產而已計入年度內其他全面收益之可供出售公平價值儲備之收益或虧損總額	-	98	98
Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in net trading income	於報告期結束日持有之資產而已計入年度內收益表之交易收入淨額	1,173	(14)	1,159

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(a) Financial instruments carried at fair value (continued)

(1) Valuation of financial instruments with significant unobservable inputs (continued)

(a) 以公平價值列賬的金融工具(續)

(1) 使用重要而非可觀察之參數的金融工具估值(續)

		Positive fair value of derivatives 衍生工具的正公平價值 HK\$ Mn 港幣百萬元	The Bank 銀行 Available-for-sale financial assets 可供出售金融資產 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Assets	資產			
At 1st January, 2014	於2014年1月1日	351	971	1,322
Purchases	購入	-	20	20
Settlements	結算	(123)	(120)	(243)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	693	(14)	679
Changes in fair value recognised in the other comprehensive income	公平價值變動確認於其他全面收益	-	102	102
At 31st December, 2014	於2014年12月31日	921	959	1,880
Total gains or losses for the year included in available-for-sale fair value reserve of the other comprehensive income for assets held at the end of the reporting period	於報告期結束日持有之資產而已計入年度內其他全面收益之可供出售公平價值儲備之收益或虧損總額	-	102	102
Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in net trading income	於報告期結束日持有之資產而已計入年度內收益表之交易收入淨額	693	(14)	679

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Group 集團		
		Positive fair value of derivatives 衍生工具的 正公平價值 HK\$ Mn 港幣百萬元	Available-for-sale financial assets 可供出售 金融資產 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Assets	資產			
At 1st January, 2013	於2013年1月1日	554	765	1,319
Purchases	購入	–	193	193
Settlements	結算	(196)	(54)	(250)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	227	(68)	159
Changes in fair value recognised in the other comprehensive income	公平價值變動確認於其他全面收益	–	174	174
At 31st December, 2013	於2013年12月31日	585	1,010	1,595
Total gains or losses for the year included in available-for-sale fair value reserve of the other comprehensive income for assets held at the end of the reporting period	於報告期結束日持有之資產而已計入年度內其他全面收益之可供出售公平價值儲備之收益或虧損總額	–	174	174
Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in net trading income	於報告期結束日持有之資產而已計入年度內收益表之交易收入淨額	227	(68)	159

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(a) Financial instruments carried at fair value (continued)

(1) Valuation of financial instruments with significant unobservable inputs (continued)

(a) 以公平價值列賬的金融工具(續)

(1) 使用重要而非可觀察之參數的金融工具估值(續)

		The Bank 銀行		
		Positive fair value of derivatives 衍生工具的正公平價值 HK\$ Mn 港幣百萬元	Available-for-sale financial assets 可供出售金融資產 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Assets	資產			
At 1st January, 2013	於2013年1月1日	394	697	1,091
Purchases	購入	–	192	192
Settlements	結算	(68)	(54)	(122)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	25	(68)	(43)
Changes in fair value recognised in the other comprehensive income	公平價值變動確認於其他全面收益	–	204	204
At 31st December, 2013	於2013年12月31日	351	971	1,322
Total gains or losses for the year included in available-for-sale fair value reserve of the other comprehensive income for assets held at the end of the reporting period	於報告期結束日持有之資產而已計入年度內其他全面收益之可供出售公平價值儲備之收益或虧損總額	–	204	204
Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in net trading income	於報告期結束日持有之資產而已計入年度內收益表之交易收入淨額	25	(68)	(43)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Group 集團 Negative fair value of derivatives 衍生工具的 負公平價值 HK\$ Mn 港幣百萬元	The Bank 銀行 Negative fair value of derivatives 衍生工具的 負公平價值 HK\$ Mn 港幣百萬元
Liabilities	負債		
At 1st January, 2014	於2014年1月1日	565	552
Settlements	結算	(185)	(183)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	1,191	583
At 31st December, 2014	於2014年12月31日	1,571	952
Total gains or losses for the year included in the income statement for liabilities held at the end of the reporting period recorded in net trading income	於報告期結束日持有之負債而已計入年度內收益表之交易收入淨額	1,191	583

		The Group 集團 Negative fair value of derivatives 衍生工具的 負公平價值 HK\$ Mn 港幣百萬元	The Bank 銀行 Negative fair value of derivatives 衍生工具的 負公平價值 HK\$ Mn 港幣百萬元
Liabilities	負債		
At 1st January, 2013	於2013年1月1日	562	495
Settlements	結算	(219)	(219)
Changes in fair value recognised in the income statement	公平價值變動確認於收益表	222	276
At 31st December, 2013	於2013年12月31日	565	552
Total gains or losses for the year included in the income statement for liabilities held at the end of the reporting period recorded in net trading income	於報告期結束日持有之負債而已計入年度內收益表之交易收入淨額	222	276

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(a) Financial instruments carried at fair value (continued)

- (2) Effects of changes in significant unobservable assumptions to reasonably possible alternative assumptions

(a) 以公平價值列賬的金融工具(續)

- (2) 因重要而非可觀察之假設變動至合理可行之另類假設所產生的影響

		2014			
		Effect recorded in profit or loss 直接記錄於損益上之影響		Effect recorded directly in equity 直接記錄於股東權益上之影響	
		Favourable 有利	(Unfavourable) (不利)	Favourable 有利	(Unfavourable) (不利)
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Positive fair value of derivatives	衍生工具的正公平價值	130	(130)	-	-
Available-for-sale financial assets	可供出售金融資產	-	-	83	(83)
		130	(130)	83	(83)
Negative fair value of derivatives	衍生工具的負公平價值	131	(131)	-	-

		2013			
		Effect recorded in profit or loss 直接記錄於損益上之影響		Effect recorded directly in equity 直接記錄於股東權益上之影響	
		Favourable 有利	(Unfavourable) (不利)	Favourable 有利	(Unfavourable) (不利)
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Positive fair value of derivatives	衍生工具的正公平價值	49	(49)	-	-
Available-for-sale financial assets	可供出售金融資產	-	-	84	(84)
		49	(49)	84	(84)
Negative fair value of derivatives	衍生工具的負公平價值	47	(47)	-	-

The fair values of financial instruments are in certain circumstances, measured using valuation models that incorporate assumptions that are not supported by prices from observable current market transactions in the same instrument and are not based on observable market data. The table above shows the sensitivity of fair values due to parallel movement of plus or minus 10 per cent in reasonably possible alternative assumptions.

在若干情況下，計算金融工具的公平價值所使用的估值模式，其含有的假設並非依據在相同工具的當前可觀察市場交易價格，亦非依賴其他可觀察的市場數據。上表顯示出公平價值之敏感度，即因轉用至合理可行之另類假設所產生的正、負10%的價值的並行變動。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(b) Fair values of financial instruments carried at other than fair value

The following methods and significant assumptions have been applied in determining the fair values of financial instruments presented below:

- (i) The fair value of demand deposits and savings accounts with no specific maturity is assumed to be the amount payable on demand at the end of the reporting period.
- (ii) The fair value of variable rate financial instruments is assumed to be approximated by their carrying amounts and, in the case of loans and unquoted debt securities, does not, therefore, reflect changes in their credit quality, as the impact of credit risk is recognised separately by deducting the amount of the impairment allowances from both the carrying amount and fair value.
- (iii) The fair value of fixed rate loans and mortgages carried at amortised cost is estimated by comparing market interest rates when the loans were granted with current market rates offered on similar loans. Changes in the credit quality of loans within the portfolio are not taken into account in determining gross fair values, as the impact of credit risk is recognised separately by deducting the amount of the impairment loss and allowances from both the carrying amount and fair value.
- (iv) The fair value of unquoted equity investments is estimated, if possible, using the applicable dividend discount model, or share of net asset value in the investment, or applying a discount to the market value of investments with a lock-up period.
- (v) The fair value of unlisted open-ended investment funds is estimated using the net asset value per share as reported by the managers of such funds.
- (vi) The fair value of financial guarantees issued is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made.

(b) 以公平價值以外列賬的金融工具公平價值

本集團採用下列方法和重要假定，以釐定如下的金融工具的公平價值：

- (i) 不設指定期限的活期存款和儲蓄賬戶的公平價值，乃假定為於報告期結束日可按要求而支付的金額。
- (ii) 浮息金融工具的公平價值，乃假定為與其賬面值相若。如此等工具為貸款和非上市債務證券，由於相關的信貸風險影響是在賬面值和公平價值中將減值準備金額減除後才分別予以確認，因此其公平價值不能反映其信貸素質的改變。
- (iii) 以攤銷成本入賬的定息貸款和按揭貸款的公平價值，乃在此等貸款按相若貸款所獲提供的目前市場利率批出時，以市場利率比較的方式估計。由於相關的信貸風險影響是在賬面值和公平價值中將減值準備金額減除後才分別予以確認，在決定公平價值總額時，貸款組合內各項貸款的信貸素質的改變均不會予以考慮。
- (iv) 非上市股票投資的公平價值是在可能情況下採用適用的股息折扣模式，或應佔投資的淨資產，或為設有禁售期之投資按其市值以折扣計算。
- (v) 非上市開放式投資基金的公平價值估計，是基於投資經理所匯報的每股資產淨值作出。
- (vi) 已發出的融資擔保之公平價值，是以參考在相若服務的公平交易所徵收費用之可取得相關資料而釐定；有關的資料也可參考利率差價而估計，亦可以就貸款機構對發出擔保所實際徵收的息率，與在沒有取得擔保之情況下而貸款機構將可能徵收的估計息率作出比較，並在當中取用較可靠的相關資料以釐定公平價值。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED) 金融工具的公平價值(續)

(b) Fair values of financial instruments carried at other than fair value (continued)

The carrying amounts of the Group's and the Bank's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31st December, 2014 and 2013 except as follows:

(b) 以公平價值以外列賬的金融工具公平價值(續)

除下列者外，本集團及銀行以成本或攤銷成本入賬的金融工具賬面值，與其於2014年12月31日及2013年同日之公平價值相若。

		The Group 集團 2014				
		Carrying amount 賬面值 HK\$ Mn 港幣百萬元	Fair value 公平價值 HK\$ Mn 港幣百萬元	Level 1 第一級 HK\$ Mn 港幣百萬元	Level 2 第二級 HK\$ Mn 港幣百萬元	Level 3 第三級 HK\$ Mn 港幣百萬元
Financial assets	金融資產					
Held-to-maturity investments	持至到期投資	6,747	6,734	3,516	3,218	-
Financial liabilities	金融負債					
Certificates of deposit issued	已發行存款證	29,954	29,942	-	29,942	-
Debt securities issued	已發行債務證券	14,829	14,927	-	14,927	-
Subordinated liabilities	後償負債	17,335	18,192	-	18,192	-

		The Bank 銀行 2014				
		Carrying amount 賬面值 HK\$ Mn 港幣百萬元	Fair value 公平價值 HK\$ Mn 港幣百萬元	Level 1 第一級 HK\$ Mn 港幣百萬元	Level 2 第二級 HK\$ Mn 港幣百萬元	Level 3 第三級 HK\$ Mn 港幣百萬元
Financial assets	金融資產					
Held-to-maturity investments	持至到期投資	3,474	3,462	2,556	906	-
Financial liabilities	金融負債					
Certificates of deposit issued	已發行存款證	30,909	30,899	-	30,899	-
Debt securities issued	已發行債務證券	13,578	13,672	-	13,672	-
Subordinated liabilities	後償負債	17,335	18,192	-	18,192	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Group 集團 2013				
		Carrying amount 賬面值 HK\$ Mn 港幣百萬元	Fair value 公平價值 HK\$ Mn 港幣百萬元	Level 1 第一級 HK\$ Mn 港幣百萬元	Level 2 第二級 HK\$ Mn 港幣百萬元	Level 3 第三級 HK\$ Mn 港幣百萬元
Financial assets	金融資產					
Held-to-maturity investments	持至到期投資	5,048	5,135	3,104	2,031	–
Financial liabilities	金融負債					
Certificates of deposit issued	已發行存款證	34,420	34,443	–	34,443	–
Debt securities issued	已發行債務證券	4,578	5,095	–	5,095	–
Subordinated liabilities	後償負債	13,632	14,380	–	14,380	–

		The Bank 銀行 2013				
		Carrying amount 賬面值 HK\$ Mn 港幣百萬元	Fair value 公平價值 HK\$ Mn 港幣百萬元	Level 1 第一級 HK\$ Mn 港幣百萬元	Level 2 第二級 HK\$ Mn 港幣百萬元	Level 3 第三級 HK\$ Mn 港幣百萬元
Financial assets	金融資產					
Held-to-maturity investments	持至到期投資	3,940	4,015	2,499	1,516	–
Financial liabilities	金融負債					
Certificates of deposit issued	已發行存款證	36,620	36,643	–	36,643	–
Debt securities issued	已發行債務證券	3,298	3,801	–	3,801	–
Subordinated liabilities	後償負債	13,632	14,380	–	14,380	–

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. The Group measures level 2 fair values using the following method and there is no change to the valuation technique:

Level 2 – Valuation techniques based on observable input. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

釐定公平價值通常是較具主觀性的，及根據在其一特定時間點按金融工具之特性及相關市場資料而作出。本集團釐定第二級公平價值是採納以下方法及估值模式並無改變：

第二級 – 估值模式是以可觀察參數為基準。此類別工具估值包括採用：在活躍市場內相近工具有報價的市場價格；在較不活躍之市場內相近工具有報價的價格；或其他估值模式而所有重要參數是直接或間接地由市場資料可觀察到。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

44. OFF-BALANCE SHEET EXPOSURES 資產負債表以外的風險

(a) Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

(a) 或然負債及承擔

每項或然負債及承擔主要類別的合約金額摘要如下：

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Direct credit substitutes 直接信貸代替品	32,120		18,670		3,661		5,153	
Transaction-related contingencies 與交易有關的或然項目	1,118		2,655		811		869	
Trade-related contingencies 與貿易有關的或然項目	1,016		1,319		642		953	
Commitments that are unconditionally cancellable without prior notice 可無條件取消而毋須事先通知的承擔	170,895		126,463		52,411		50,778	
Other commitments with an original maturity 其他承擔的原到期日：								
– up to 1 year –1年或以下	20,640		56,690		5,121		6,855	
– over 1 year –1年以上	22,779		29,319		22,189		26,467	
	248,568		235,116		84,835		91,075	
Credit risk weighted amounts 信貸風險加權金額	28,953		44,605		17,289		20,345	

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit, guarantees and commitments to extend credit. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contract amounts does not represent expected future cash flows.

或然負債及承擔是與信貸有關的工具，包括用以提供信貸的承兌票據、信用證、擔保書和承付款項。合約金額是指當合約被完全提取及客戶違約時所承擔風險的金額。由於預期擔保書及承付款項的大部分金額會在未經提取前逾期，合約金額並不代表預計未來現金流量。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(b) Derivatives

(i) Notional amount of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following is a summary of the notional amounts of each significant type of derivative for the Group and the Bank:

(b) 衍生工具

(i) 衍生工具的名義金額

衍生工具是指由一項或多項潛在資產或指數價值釐定價值的財務合約。

集團及銀行的每項衍生工具主要類別的名義金額摘要如下：

		The Group 集團 2014				
		Managed in conjunction with financial instruments designated at fair value through profit or loss 按通過損益 以反映公平價值 金融工具模式管理		Others, including held for trading 其他，包括持有 作交易用途		Total 總額
		Qualifying for hedge accounting 符合對沖會計法	Qualifying for hedge accounting 符合對沖會計法	Qualifying for hedge accounting 符合對沖會計法	Qualifying for hedge accounting 符合對沖會計法	Total 總額
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Exchange rate contracts	匯率合約					
Forwards and futures	遠期交易及期貨	542	-	52,020		52,562
Swaps	掉期交易	-	-	364,361		364,361
Options purchased	購入期權	-	-	63,369		63,369
Options written	沽出期權	-	-	63,870		63,870
Interest rate contracts	利率合約					
Forwards and futures	遠期交易及期貨	-	-	689		689
Swaps	掉期交易	36,726	32,935	230,409		300,070
Equity contracts	股份合約					
Swaps	掉期交易	-	-	6,869		6,869
Options purchased	購入期權	-	-	3,185		3,185
Options written	沽出期權	-	-	3,213		3,213
Others	其他	-	-	3,956		3,956
		37,268	32,935	791,941		862,144

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

44. OFF-BALANCE SHEET EXPOSURES (CONTINUED) 資產負債表以外的風險 (續)

(b) Derivatives (continued)

(i) Notional amount of derivatives (continued)

(b) 衍生工具(續)

(i) 衍生工具的名義金額(續)

		The Bank 銀行 2014				
		Managed in conjunction with financial instruments designated at fair value through profit or loss 按通過損益以反映公平價值金融工具模式管理		Others, including held for trading 其他，包括持有作交易用途		Total 總額
		Qualifying for hedge accounting 符合對沖會計法	Others, including held for trading 其他，包括持有作交易用途	Qualifying for hedge accounting 符合對沖會計法	Others, including held for trading 其他，包括持有作交易用途	Total 總額
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Exchange rate contracts	匯率合約					
Forwards and futures	遠期交易及期貨	-	-	28,310		28,310
Swaps	掉期交易	-	-	285,731		285,731
Options purchased	購入期權	-	-	63,369		63,369
Options written	沽出期權	-	-	63,870		63,870
Interest rate contracts	利率合約					
Forwards and futures	遠期交易及期貨	-	-	689		689
Swaps	掉期交易	36,183	32,935	24,965		94,083
Equity contracts	股份合約					
Swaps	掉期交易	-	-	6,869		6,869
Options purchased	購入期權	-	-	3,185		3,185
Options written	沽出期權	-	-	3,609		3,609
Others	其他	-	-	3,957		3,957
		36,183	32,935	484,554		553,672

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

		The Group 集團 2013			
		Qualifying for hedge accounting 符合對沖會計法 HK\$ Mn 港幣百萬元	Managed in conjunction with financial instruments designated at fair value through profit or loss 按通過損益 以反映公平價值 金融工具模式管理 HK\$ Mn 港幣百萬元	Others, including held for trading 其他，包括持有 作交易用途 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Exchange rate contracts	匯率合約				
Forwards and futures	遠期交易及期貨	542	-	52,221	52,763
Swaps	掉期交易	-	-	403,232	403,232
Options purchased	購入期權	-	-	54,822	54,822
Options written	沽出期權	-	-	55,970	55,970
Interest rate contracts	利率合約				
Forwards and futures	遠期交易及期貨	-	-	528	528
Swaps	掉期交易	23,641	17,954	154,460	196,055
Equity contracts	股份合約				
Swaps	掉期交易	-	-	9,996	9,996
Options purchased	購入期權	-	-	3,478	3,478
Options written	沽出期權	-	-	3,095	3,095
Others	其他	-	-	3,905	3,905
		24,183	17,954	741,707	783,844

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

44. OFF-BALANCE SHEET EXPOSURES (CONTINUED) 資產負債表以外的風險 (續)

(b) Derivatives (continued)

(i) Notional amount of derivatives (continued)

(b) 衍生工具(續)

(i) 衍生工具的名義金額(續)

		The Bank 銀行 2013			
		Managed in conjunction with financial instruments designated at fair value through profit or loss 按通過損益 以反映公平價值 金融工具模式管理		Others, including held for trading 其他, 包括持有 作交易用途	Total 總額
		Qualifying for hedge accounting 符合對沖會計法	Others, including held for trading 其他, 包括持有 作交易用途		
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Exchange rate contracts	匯率合約				
Forwards and futures	遠期交易及期貨	-	-	46,333	46,333
Swaps	掉期交易	-	-	228,164	228,164
Options purchased	購入期權	-	-	54,821	54,821
Options written	沽出期權	-	-	55,970	55,970
Interest rate contracts	利率合約				
Forwards and futures	遠期交易及期貨	-	-	528	528
Swaps	掉期交易	23,641	17,954	46,892	88,487
Equity contracts	股份合約				
Swaps	掉期交易	-	-	10,034	10,034
Options purchased	購入期權	-	-	3,478	3,478
Options written	沽出期權	-	-	3,758	3,758
Others	其他	-	-	3,906	3,906
		23,641	17,954	453,884	495,479

Derivatives arise from futures, forward, swap and option transactions undertaken by the Group and the Bank in the foreign exchange, interest rate and equity markets. The notional amounts of these instruments indicate the volume of transactions outstanding at the end of the reporting period; they do not represent amounts at risk.

The fair value and credit risk weighted amounts of the aforesaid off-balance sheet exposures are as follows. These amounts do not take into account the effects of bilateral netting arrangements.

衍生工具是由本集團及本行在外匯、利率及股票市場進行期貨、遠期、掉期及期權交易而產生。這些工具的名義金額指在報告期結束日仍未完成的交易量，但並不代表所承受風險的金額。

前述資產負債表以外風險的公平價值及信貸風險加權金額如下。這些金額並未計入雙邊淨額安排的影響。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(ii) Fair value and credit risk weighted amounts of derivatives

(ii) 衍生工具之公平價值及信貸風險加權金額

		The Group 集團					
		2014			2013		
		Fair value 公平價值		Credit risk weighted amounts*	Fair value 公平價值		Credit risk weighted amounts*
		Assets	Liabilities	amounts*	Assets	Liabilities	amounts*
		資產	負債	信貸風險 加權金額*	資產	負債	信貸風險 加權金額*
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Exchange rate contracts	匯率合約						
Forwards and futures	遠期交易及期貨	497	277	547	413	581	524
Swaps	掉期交易	729	2,187	2,764	1,137	1,629	3,586
Options purchased	購入期權	747	739	2,036	125	120	1,205
Options written	沽出期權	-	9	524	-	5	888
Interest rate contracts	利率合約						
Forwards and futures	遠期交易及期貨	1	1	-	10	-	2
Swaps	掉期交易	1,157	1,162	1,647	1,528	1,813	1,943
Options purchased	購入期權	-	-	-	-	-	265
Equity contracts	股份合約						
Swaps	掉期交易	167	167	419	217	193	469
Options purchased	購入期權	172	68	228	86	38	260
Options written	沽出期權	1	148	109	-	57	112
Others	其他	66	65	113	109	109	703
		3,537	4,823	8,387	3,625	4,545	9,957

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

44. OFF-BALANCE SHEET EXPOSURES (CONTINUED) 資產負債表以外的風險 (續)

(b) Derivatives (continued)

(ii) Fair value and credit risk weighted amounts of derivatives (continued)

(b) 衍生工具(續)

(ii) 衍生工具之公平價值及信貸風險加權金額(續)

		The Bank 銀行					
		2014			2013		
		Fair value 公平價值		Credit risk weighted amounts* 信貸風險 加權金額*	Fair value 公平價值		Credit risk weighted amounts* 信貸風險 加權金額*
		Assets 資產	Liabilities 負債		Assets 資產	Liabilities 負債	
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Exchange rate contracts	匯率合約						
Forwards and futures	遠期交易及期貨	349	178	440	286	541	512
Swaps	掉期交易	396	1,838	1,923	370	701	1,701
Options purchased	購入期權	747	739	2,142	125	120	1,260
Options written	沽出期權	-	9	524	-	4	888
Interest rate contracts	利率合約						
Forwards and futures	遠期交易及期貨	1	-	-	10	-	2
Swaps	掉期交易	613	639	1,103	705	1,016	861
Options purchased	購入期權	-	-	-	-	-	269
Equity contracts	股份合約						
Swaps	掉期交易	97	74	469	42	181	549
Options purchased	購入期權	172	68	227	86	38	260
Options written	沽出期權	1	148	188	-	57	113
Others	其他	64	65	113	105	108	704
		2,440	3,758	7,129	1,729	2,766	7,119

* The Bank adopted the Foundation Internal Ratings Based ("IRB") approach according to Capital Rules for calculating the credit risk weighted amount as at 31st December, 2014.

The tables above give the contractual or notional amounts, fair value and credit risk weighted amounts of off-balance sheet transactions. The fair value is calculated for the purposes of deriving the credit risk weighted amounts. These are assessed in accordance with the Capital Rules. Fair value represents the cost of replacing all contracts which have a positive value when marked to market.

Fair value is a close approximation of the credit risk for these contracts as at the end of the reporting period. The credit risk weighted amount refers to the amount as computed in accordance with the Capital Rules.

* 根據《資本規則》，本行採納「基礎內部評級基準計算法」計算於2014年12月31日之信貸風險之風險加權金額。

上表列出資產負債表以外交易的合約或名義金額、公平價值及信貸風險加權金額。公平價值是用來計算信貸風險加權金額。該等金額是按照《資本規則》作評估。公平價值是指重置所有按市場價值計算差額時附有正值的合約成本。

公平價值是在報告期結束日該等合約的略計信貸風險。信貸風險加權金額是指按照《資本規則》計算。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(iii) Fair values of derivatives designated as hedging instruments

The following is a summary of the fair values of derivatives held for hedging purposes by product type:

(iii) 指定為對沖工具之衍生工具的公平價值

用作對沖用途之衍生工具的公平價值按產品種類摘要如下：

		The Group and The Bank 集團及銀行			
		2014		2013	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Exchange rate contracts	匯率合約	-	-	-	-
Interest rate contracts	利率合約	361	153	350	57
		361	153	350	57

(a) Cash flow hedges

The Group's cash flow hedge principally consists of foreign exchange contracts that are used to hedge against the variability in cash flows of certain debt securities subject to foreign exchange rate movement.

At 31st December, 2014 and 2013, the net fair value of derivatives held as cash flow hedges was insignificant.

The time periods in which the hedged cash flows are expected to occur and affect the consolidated statement of comprehensive income are as follows:

(a) 現金流對沖

本集團之現金流對沖主要包括外匯合約，其作用是對沖若干受外幣匯率波動影響現金流改變的債務證券。

於2014年12月31日及2013年同日，持有作為現金流對沖之衍生工具的公平價值淨額是不重大。

影響綜合全面收益表及所對沖之現金流預期會發生的期間如下：

		The Group 集團					
		Within		Over one year		Over	
		one year		but within		five years	
		1年以內		1年以上至5年		5年以上	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
At 31st December, 2014	於2014年12月31日						
Cash inflows from assets	來自資產的現金流	-		129		610	
Cash inflows from liabilities	來自負債的現金流	-		-		-	
Net cash inflows	淨現金流入	-		129		610	
At 31st December, 2013	於2013年12月31日						
Cash inflows from assets	來自資產的現金流	-		129		197	
Cash inflows from liabilities	來自負債的現金流	-		-		-	
Net cash inflows	淨現金流入	-		129		197	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

44. OFF-BALANCE SHEET EXPOSURES (CONTINUED) 資產負債表以外的風險 (續)

(b) Derivatives (continued)

(iii) Fair values of derivatives designated as hedging instruments (continued)

(b) Fair value hedges

The Group's fair value hedge principally consists of interest rate swaps that are used to protect against changes in the fair value of fixed rate long-term financial instruments due to movements in market interest rates.

At 31st December, 2014, the net fair value of interest rate swaps was HK\$208 million (2013: HK\$293 million) comprising assets of HK\$361 million (2013: HK\$350 million) and liabilities of HK\$153 million (2013: HK\$57 million).

(iv) Remaining life of derivatives

The following table provides an analysis of the notional amounts of derivatives of the Group by relevant maturity grouping based on the remaining periods to settlement at the end of the reporting period.

(b) 衍生工具(續)

(iii) 指定為對沖工具之衍生工具的公平價值(續)

(b) 公平價值對沖

本集團的公平價值對沖主要包括利率掉期，其作用是保障受市場利率波動而影響長期定息金融工具的公平價值變動。

於2014年12月31日，利率掉期的公平價值淨額為港幣2.08億元(2013年：港幣2.93億元)，包括資產港幣3.61億元(2013年：港幣3.50億元)及負債港幣1.53億元(2013年：港幣5,700萬元)。

(iv) 衍生工具之剩餘期限

下表分析在報告期結束日本集團根據到期期限歸類之剩餘結算期限有關衍生工具的名義金額。

		The Group 集團							
		Notional amounts with remaining life of 剩餘期限的名義金額							
		2014				2013			
		1 year or less	Over 1 year to 5 years	Over 5 years	Total	1 year or less	Over 1 year to 5 years	Over 5 years	Total
		1年或以下	1年以上至5年	5年以上	總額	1年或以下	1年以上至5年	5年以上	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Interest rate derivatives	利率衍生工具	187,504	103,463	9,792	300,759	103,843	84,326	8,414	196,583
Currency derivatives	貨幣衍生工具	423,816	118,327	2,018	544,161	459,280	105,859	1,648	566,787
Other derivatives	其他衍生工具	8,531	8,693	-	17,224	9,454	10,962	58	20,474
		619,851	230,483	11,810	862,144	572,577	201,147	10,120	783,844

		The Bank 銀行							
		Notional amounts with remaining life of 剩餘期限的名義金額							
		2014				2013			
		1 year or less	Over 1 year to 5 years	Over 5 years	Total	1 year or less	Over 1 year to 5 years	Over 5 years	Total
		1年或以下	1年以上至5年	5年以上	總額	1年或以下	1年以上至5年	5年以上	總額
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Interest rate derivatives	利率衍生工具	41,817	43,188	9,767	94,772	40,022	40,644	8,349	89,015
Currency derivatives	貨幣衍生工具	322,151	117,722	1,407	441,280	282,338	101,912	1,038	385,288
Other derivatives	其他衍生工具	8,693	8,927	-	17,620	9,805	11,255	116	21,176
		372,661	169,837	11,174	553,672	332,165	153,811	9,503	495,479

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(c) Capital commitments

Capital commitments outstanding at 31st December and not provided for in the financial statements were as follows:

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	Restated 重報	Restated 重報	HK\$ Mn	港幣百萬元	Restated 重報	Restated 重報
Expenditure authorised and contracted for		已核准支出並已簽約	181	371	86		343	
Expenditure authorised but not contracted for		已核准支出但未簽約	41	47	30		22	
			222	418	116		365	

(c) 資本承擔

於12月31日未償付但並未在財務報表中提撥準備的資本承擔如下：

(d) Operating lease commitments

At 31st December, 2014, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Properties		物業						
Within one year		1年以內	554	504	263		225	
After one year but within five years		1年至5年內	926	1,010	262		250	
After five years		5年以後	178	280	78		81	
			1,658	1,794	603		556	

(d) 經營租賃承擔

於2014年12月31日，在不可撤銷的經營租賃內，未來最低應付租賃款項總額如下：

	The Group 集團				The Bank 銀行			
	2014		2013		2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Equipment		設備						
Within one year		1年以內	8	8	1		1	
After one year but within five years		1年至5年內	13	14	3		1	
			21	22	4		2	

The Group and the Bank lease certain properties and equipment under operating leases. The leases run for an initial period of one to twenty five years, with an option to renew the lease when all terms are renegotiated. Lease payments are usually adjusted annually to reflect market rentals. None of the leases includes contingent rentals.

本集團及本行以經營租賃形式租入若干物業和設備。租賃年期由1年至25年，到期日後可再續約但其他條款須另議。租賃付款金額通常每年調整以反映市值租金。所有租約並不包括或有租金。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

45. NOTES ON CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表附註

(a) Purchase of subsidiaries

(a) 收購附屬公司

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Net assets acquired	已購入淨資產				
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	-		-	
Advances and other accounts less provisions	已扣除準備之墊款及其他賬項	7		-	
Fixed assets	固定資產	1		-	
Current taxation	本期稅項	-		-	
Other accounts and provisions	其他賬項及準備	(2)		-	
		6		-	
Goodwill arising on consolidation	賬項綜合時產生的商譽	17		-	
Total purchase price	以現金支付的購入價	23		-	
Less: Cash and cash equivalents acquired	減：購入的現金及等同現金項目	-		-	
Cash flow on acquisition net of cash acquired	已扣除所購入現金的現金流	23		-	

(b) Cash and cash equivalents

(b) 現金及等同現金項目

(i) Components of cash and cash equivalents in the consolidated cash flow statement

(i) 在綜合現金流量表內現金及等同現金項目的組成部分

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Cash and balances with banks and other financial institutions	現金及在銀行和其他金融機構的結存	36,575		34,068	
Placements with banks and other financial institutions with original maturity within three months	原本期限為3個月以內在銀行及其他金融機構的存款	26,357		43,504	
Treasury bills with original maturity within three months	原本期限為3個月以內的國庫債券	6,697		11,202	
Certificates of deposit held with original maturity within three months	原本期限為3個月以內之持有的存款證	1,682		1,131	
Debt securities with original maturity within three months	原本期限為3個月以內的債務證券	675		102	
		71,986		90,007	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(ii) Reconciliation with the consolidated statement of financial position

(ii) 與綜合財務狀況表的對賬

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Cash and balances with banks and other financial institutions (Note 22)	現金及在銀行及其他金融機構的結存(附註22)	70,358	68,777
Placements with banks and other financial institutions (Note 23)	在銀行及其他金融機構的存款(附註23)	50,769	57,372
Treasury bills, certificates of deposit held and debt securities	國庫債券、持有存款證及債務證券		
– trading assets (Note 25)	– 交易用途資產(附註25)	1,489	3,902
– designated at fair value through profit or loss (Note 26)	– 指定為通過損益以反映公平價值(附註26)	8,287	11,199
– advances and other accounts (Note 27(a))	– 墊款及其他賬項(附註27(a))	117	117
– available-for-sale (Note 28)	– 可供出售(附註28)	83,648	68,682
– held-to-maturity (Note 29)	– 持至到期(附註29)	6,747	5,048
		100,288	88,948
Amounts shown in the consolidated statement of financial position	在綜合財務狀況表出現的金額	221,415	215,097
Less: Amounts with an original maturity of beyond three months	減：原本期限為3個月以上的金額	(115,646)	(90,381)
Cash balance with central bank subject to regulatory restriction	受規管限制的在中央銀行的現金結存	(33,783)	(34,709)
Cash and cash equivalents in the consolidated cash flow statement	在綜合現金流量表內的現金及等同現金項目	71,986	90,007

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

46. ASSETS PLEDGED AS SECURITY 用作抵押品的資產

The following assets have been pledged as collateral for own liabilities at the end of the reporting period.

於報告期結束日，以下資產經已用作本身負債之抵押品。

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Secured liabilities	有抵押負債	6,534	3,645	811	2,781
Assets pledged:	抵押資產：				
Advances to customers and other accounts	客戶墊款及其他賬項	1,036	1,121	1,036	1,121
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值的金融資產	-	2,046	-	2,046
Available-for-sale financial assets	可供出售金融資產	5,822	1,015	-	63
Held-to-maturity investments	持至到期投資	733	601	733	601
		7,591	4,783	1,769	3,831

The following balances with banks have been pledged as collateral for securities borrowings and margin deposits of derivatives.

以下的銀行結餘已用作證券借貸及衍生工具孖展按金之抵押品。

		The Group 集團		The Bank 銀行	
		2014	2013	2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Cash collateral for borrowed securities	用作證券借貸的現金抵押品	49	-	49	-
Margin accounts for open futures and forward contracts	用作開立期貨及遠期合約的孖展賬戶	1,644	744	1,534	736
		1,693	744	1,583	736

These transactions are conducted under terms that are usual and customary to standard lending and securities borrowing and lending activities.

此等交易之條款是按一般及慣常標準借款及證券借貸交易進行。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

47. LOANS TO OFFICERS 行政人員貸款

The aggregate of loans to officers of the Bank disclosed pursuant to Section 78 of Schedule 11 to the new Companies Ordinance (Cap. 622), with reference to Section 161B of the predecessor Hong Kong Companies Ordinance (Cap. 32), is as follows:

根據新《公司條例》(第622章)附表11第78條，並參照前香港《公司條例》(第32章)第161B條規定，本行行政人員之貸款總額披露如下：

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Aggregate amount of relevant loans outstanding at 31st December	相關貸款於12月31日的結欠總額		
By the Bank	由銀行借出	1,935	2,187
By subsidiaries	由附屬公司借出	156	1,106
		2,091	3,293
The maximum aggregate amount of relevant loans outstanding during the year	年度內相關貸款之最高結欠總額		
By the Bank	由銀行借出	6,158	4,659
By subsidiaries	由附屬公司借出	256	1,618
		6,414	6,277

There was no interest due but unpaid nor any impairment allowance made against these loans at 31st December, 2014 and 31st December, 2013.

於2014年12月31日及2013年12月31日，沒有逾期未償付利息，亦未有對該等貸款作減值準備。

48. MATERIAL RELATED PARTY TRANSACTIONS 關聯人士的重大交易

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Bank's directors as disclosed in Note 19 and certain of the highest paid employees as disclosed in Note 20, is as follows:

(a) 主要管理人員薪酬

本集團之主要管理人員薪酬，已包括在附註19中所披露支付予本行董事及在附註20中所披露支付予本行若干最高薪酬僱員的金額如下：

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Short-term employee benefits	短期僱員福利	114	132
Post-employment benefits	僱員退休福利	6	5
Equity compensation benefits	股份補償福利	24	22
		144	159

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

48. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED) 關聯人士的重大交易(續)

(b) The Group maintains certain retirement benefit schemes for its staff as per Note 2(q)(iii). In 2014, the total amount of contributions the Group made to the schemes was HK\$159 million (2013: HK\$152 million).

The Group enters into a number of transactions with the Group's related parties, including its associates, and key management personnel and their close family members and companies controlled or significantly influenced by them. The transactions include accepting deposits from and extending credit facilities to them. All interest rates in connection with the deposits taken and credit facilities extended are under terms and conditions normally applicable to customers of comparable standing.

The interest received from and interest paid to the Group's related parties for the year, outstanding balances of amounts due from and due to at the year end, and maximum outstanding balance of amounts due from and due to them during the year are aggregated as follows:

(b) 本集團為其職員提供若干退休保障計劃，並已於附註2(q)(iii)披露。於2014年內，本集團對該等計劃的供款總數為港幣1.59億元(2013年：港幣1.52億元)。

本集團與其關聯人士進行多項交易，該等人士包括聯營公司、及主要行政人員與其直系親屬、及受該等人士所控制或具有重大影響力的公司。該等交易包括接受該等人士存款及為他們提供信貸。所有存款及信貸的利率，均按照給予一般相若水平客戶的條款。

於2014年，本集團從關聯人士所收取與支付予他們的利息，及在2014年12月31日，關聯人士的欠款及欠關聯人士的款項，及在年度內關聯人士最高欠款及欠關聯人士的最高款項現總結如下：

		Key management personnel		Subsidiaries		Associates	
		主要管理人員		附屬公司		聯營公司	
		2014	2013	2014	2013	2014	2013
		HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn	HK\$ Mn
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Interest income	利息收入	87	104	723	441	12	10
Interest expense	利息支出	61	49	88	85	-	-
Amounts due from	關聯人士的欠款	4,613	5,270	22,690	24,124	617	825
Amounts due to	欠關聯人士的款項	4,721	4,979	1,804	3,108	96	28
Maximum amounts due from	關聯人士的最高欠款	9,572	10,552	26,848	26,545	1,494	1,455
Maximum amounts due to	欠關聯人士的最高款項	8,529	8,595	2,731	3,108	1,093	1,565
Committed facilities to	信貸承諾予	6,371	4,202	861	2,738	421	219

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

49. EQUITY COMPENSATION PLANS 股份補償計劃

The Bank has adopted Staff Share Option Schemes whereby the Board may at its discretion grant to any employees of the Group, including ED and Chief Executive, options to subscribe for ordinary shares of the Bank. All options were granted for nil consideration.

本行所採納的僱員認股計劃是董事會可酌情發出認股權予本集團之任何僱員，包括執行董事及行政總裁，以認購本行普通股股份。所有認股權均以無計價款形式發出。

(a) Particulars of share options

(a) 認股權詳情

Date of grant 授予日期	Vesting period 有效期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$港幣元
05/5/2009	05/5/2009–04/5/2010	05/5/2010–05/5/2014	21.25
06/7/2010	06/7/2010–05/7/2011	06/7/2011–06/7/2015	28.49
05/5/2011(T1)	05/5/2011–04/5/2012	05/5/2012–05/5/2017	32.00
05/5/2011(T2)	05/5/2011–04/5/2013	05/5/2013–05/5/2018	32.00
05/5/2011(T3)	05/5/2011–04/5/2014	05/5/2014–05/5/2019	32.00
10/5/2012(T1)	10/5/2012–09/5/2013	10/5/2013–10/5/2018	28.99
10/5/2012(T2)	10/5/2012–09/5/2014	10/5/2014–10/5/2019	28.99
10/5/2012(T3)	10/5/2012–09/5/2015	10/5/2015–10/5/2020	28.99
03/5/2013(T1)	03/5/2013–02/5/2014	03/5/2014–03/5/2019	31.40
03/5/2013(T2)	03/5/2013–02/5/2015	03/5/2015–03/5/2020	31.40
03/5/2013(T3)	03/5/2013–02/5/2016	03/5/2016–03/5/2021	31.40
02/5/2014(T1)	02/5/2014–01/5/2015	02/5/2015–02/5/2020	32.50
02/5/2014(T2)	02/5/2014–01/5/2016	02/5/2016–02/5/2021	32.50
02/5/2014(T3)	02/5/2014–01/5/2017	02/5/2017–02/5/2022	32.50

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

49. EQUITY COMPENSATION PLANS (CONTINUED) 股份補償計劃(續)

(b) Movement of share options during the period

(b) 期內認股權之變動

2014			Number of share options 認股權數目				
Date of grant	Tranche	Option price	Outstanding at 1/1/2014	Granted	Exercised	Lapsed	Outstanding at 31/12/2014
授予日期	部分	認股價 HK\$港幣元	於2014年1月1日 尚未行使	已授予	已行使	已失效	於2014年12月31日 尚未行使
05/5/2009		21.25	435,000	-	435,000	-	-
06/7/2010		28.49	3,600,000	-	160,000	-	3,440,000
05/5/2011	T1	32.00	1,930,000	-	-	-	1,930,000
05/5/2011	T2	32.00	1,930,000	-	-	-	1,930,000
05/5/2011	T3	32.00	1,940,000	-	-	-	1,940,000
10/5/2012	T1	28.99	1,830,000	-	566,000	-	1,264,000
10/5/2012	T2	28.99	1,930,000	-	666,000	-	1,264,000
10/5/2012	T3	28.99	1,940,000	-	-	-	1,940,000
03/5/2013	T1	31.40	1,880,000	-	-	-	1,880,000
03/5/2013	T2	31.40	1,880,000	-	-	-	1,880,000
03/5/2013	T3	31.40	1,890,000	-	-	-	1,890,000
02/5/2014	T1	32.50	-	1,992,000	-	-	1,992,000
02/5/2014	T2	32.50	-	1,992,000	-	-	1,992,000
02/5/2014	T3	32.50	-	2,003,500	-	-	2,003,500
Total 總額			21,185,000	5,987,500	1,827,000	-	25,345,500

2013			Number of share options 認股權數目				
Date of grant	Tranche	Option price	Outstanding at 1/1/2013	Granted	Exercised	Lapsed	Outstanding at 31/12/2013
授予日期	部分	認股價 HK\$港幣元	於2013年1月1日 尚未行使	已授予	已行使	已失效	於2013年12月31日 尚未行使
05/5/2008		40.09*	4,070,000	-	-	4,070,000	-
05/5/2009		21.25	2,920,000	-	2,485,000	-	435,000
06/7/2010		28.49	5,750,000	-	2,150,000	-	3,600,000
05/5/2011	T1	32.00	1,980,000	-	50,000	-	1,930,000
05/5/2011	T2	32.00	1,980,000	-	-	50,000	1,930,000
05/5/2011	T3	32.00	1,990,000	-	-	50,000	1,940,000
10/5/2012	T1	28.99	1,980,000	-	100,000	50,000	1,830,000
10/5/2012	T2	28.99	1,980,000	-	-	50,000	1,930,000
10/5/2012	T3	28.99	1,990,000	-	-	50,000	1,940,000
03/5/2013	T1	31.40	-	1,880,000	-	-	1,880,000
03/5/2013	T2	31.40	-	1,880,000	-	-	1,880,000
03/5/2013	T3	31.40	-	1,890,000	-	-	1,890,000
Total 總額			24,640,000	5,650,000	4,785,000	4,320,000	21,185,000

* After adjusting for the bonus issue one for ten in April 2009.

* 經調整2009年4月所發行的10送1紅股。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(c) No share options were cancelled during the years ended 31st December, 2014 and 2013.

(c) 截至2014年12月31日及2013年12月31日年度內並未有認股權被註銷。

(d) Details of share options exercised

(d) 已行使認股權詳情

Exercise period 行使期間	Date of grant 授予日期	Number of share options 認股權數目	
		2014	2013
February 2月	05/5/2009	420,000	–
March 3月	05/5/2009	–	10,000
	06/7/2010	–	1,100,000
	10/5/2012 (T1)	566,000	–
May 5月	05/5/2009	15,000	30,000
August 8月	05/5/2009	–	1,695,000
	06/7/2010	160,000	1,000,000
	10/5/2012 (T2)	666,000	–
October 10月	05/5/2009	–	290,000
	05/5/2011 (T1)	–	50,000
November 11月	05/5/2009	–	400,000
December 12月	05/5/2009	–	60,000
	06/7/2010	–	50,000
	10/5/2012 (T1)	–	100,000
		1,827,000	4,785,000

50. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD 毋須調整的報告期結束日後的事件

After the end of the reporting period the directors declared a second interim dividend. Further details are disclosed in Note 17(a).

董事於報告期結束後擬派發第二次中期股息。詳情已在附註17(a)作披露。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

51. ACCOUNTING ESTIMATES AND JUDGEMENTS 會計估計及判斷

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Changes in assumptions may have a significant impact on the financial statements in the periods where the assumptions are changed. The application of assumptions and estimates means that any selection of different assumptions would cause the Group's reporting to differ. The Group believes that the assumptions that have been made are appropriate and that the financial statements therefore present the financial position and results fairly, in all material respects.

Management discussed with the AC the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

(a) Key sources of estimation uncertainty

Notes 32, 38 and 43 contain information about the assumptions and their risk factors relating to goodwill impairment, fair value of share options granted and fair values of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Impairment losses

Loans and advances

Loan portfolios are reviewed periodically to assess whether impairment losses exist. The Group makes judgement as to whether there is any objective evidence that a loan portfolio is impaired, i.e. whether there is a decrease in estimated future cash flows. Objective evidence for impairment includes observable data that the payment status of borrowers in a group has adversely changed. It may also include observable data that correlate with defaults on the assets in the Group. If management has determined, based on their judgement, that objective evidence for impairment exists, expected future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. Historical loss experience is adjusted on the basis of the current observable data. Management reviews the methodology and assumptions used in estimating future cash flows regularly to reduce any difference between loss estimates and actual loss experience.

Available-for-sale financial assets and held-to-maturity investments

The Group determines that available-for-sale financial assets and held-to-maturity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of when a decline in fair value below its cost is not recoverable within a reasonable time period is judgmental by nature, so profit and loss could be affected by differences in this judgement.

在編製本集團的財務報表時，管理層必須作出若干於該等財務報表的日期，對所匯報資產及負債之金額或然資產及負債披露有影響的估計和假定，同時亦須作出若干對報告年度內收入及支出之金額有影響的估計和假定。如本集團更改該等假定，便可能對作出有關改變期間的財務報表產生重大影響。採用此等不同的假定和估計意味本集團之報告會有所不同。在各個重要環節方面，本集團認為已作出適當之假定，而本集團的財務報表均能公平地反映其財政狀況和業績。

管理層已與審核委員會商討關於本集團重要會計政策及估計的制定、選擇和披露，以及該等政策和估計的應用。

(a) 估計不穩定因素的主要來源

附註32、38和43載述有關商譽減值、已授予股權的公平價值和金融工具的公平價值的假定及其風險因素。估計不穩定因素的其他主要來源如下：

(i) 減值損失

貸款

本集團會定期檢討貸款組合，以評估減值損失是否存在。本集團需要判斷是否有任何客觀證據可以證明貸款組合已經減值，即估計將來現金流有所減少。減值客觀證據包括與借款人有關的可觀察資料整體上的付款狀況已出現逆轉，而該等資料與本集團的不履行資產是互相關連的。當管理層根據其判斷決定減值的客觀證據存在，便會依據若干與該等資產的信貸風險特性相若之資產的以往損失經驗，以估計預期將來現金流。以往損失經驗是以目前的可觀察資料為基礎作出調整。管理層亦會定期檢討用以估計將來現金流的方法和假定，從而減少估計損失與實際損失的差異。

可供出售金融資產及持至到期投資

若可供出售金融資產及持至到期投資的公平價值明顯或持續地低於其成本，本集團即判斷該等資產及投資已減值。本集團判斷公平價值低於成本的金額會在一段合理時間內不可收回純屬假設性質，因此判斷之差異會對損益有所影響。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(ii) Valuation of financial instruments

The Group's accounting policy for valuation of financial instruments is included in Note 2. The fair value of the financial instruments is mainly based on the quoted market price on a recognised stock exchange or a price quoted from a broker/dealer for non-exchanged traded financial instruments. The fair value of collateralised debt obligations is based on bid prices quoted by reputable brokers and has been carefully assessed for reasonableness by management. The fair value of a SIV is based on its net asset values as provided by the SIV's manager.

(b) Critical accounting judgements in applying the Group's accounting policies

Certain critical accounting judgements in applying the Group's accounting policies are described below:

(i) Held-to-maturity investments

The Group classifies non-derivative financial assets with fixed or determinable payments and fixed maturity and where the Group has a positive intention and ability to hold to maturity as held-to-maturity investments. In making this judgement, the Group evaluates its intention and ability to hold such investments till maturity.

If the Group fails to hold these investments to maturity other than for certain specific circumstances, the Group will have to reclassify the entire portfolio of held-to-maturity investments as available-for-sale, as such class is deemed to have been tainted.

This would result in held-to-maturity investments being measured at fair value instead of at amortised cost.

(ii) Recognition of deferred tax assets

The Group recognises deferred tax assets only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Estimates and judgements are applied in determining the amount of future taxable profits and the probability that such future taxable profits are available in the foreseeable future to support recognition of the deferred tax assets. The Group uses all readily available information, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs, in determining future taxable profits. Changes in these estimates could significantly affect the timing of deferred tax asset recognition and the amount of asset recognised.

(ii) 金融工具的估值

本集團對金融工具估值的會計政策列載於附註2。金融工具的公平價值主要根據認可之交易所的市場報價，或就非在交易所作交易的金融工具而言，則根據經紀／交易員的報價。債務抵押債券的公平價值由聲譽良好的經紀按買入價提供報價，及經已被管理層小心評估其適當性。特別投資工具的公平價值是根據特別投資工具之管理人所提供該工具的資產淨值。

(b) 本集團應用會計政策的重要會計判斷

本集團應用會計政策的若干重要會計判斷如下：

(i) 持至到期投資

本集團將設有固定或可確定付款金額和固定到期日，以及本集團有確信的意向及能力持有至到期日的非衍生金融資產，分類為持至到期投資。在作出有關判斷時，本集團會評估本身是否有意向及能力持有該等投資至到期日。

除若干特殊情況外，若本集團未能持有該等投資至到期日，本集團會將整個可持至到期日的投資組合，重新分類為可供出售。這是由於此類投資已被蒙污。

以上之情況會導致原以攤銷成本計量的可持至到期投資改以公平價值計量。

(ii) 遞延稅項資產之確認

須在未來可能有應課稅溢利予以抵銷遞延稅項資產的情況下，本集團才確認遞延稅項資產。在釐定未來應課稅溢利的金額及其可能性時，須估計及判斷在可見之將來該未來應課稅溢利可否支持確認該遞延稅項資產。本集團使用所有已有的資料，包括根據合理及可支持之假設和對收入及支出成本的估計，以釐定未來應課稅溢利。此等估計的變動可能對遞延稅項資產確認的時間及資產確認的金額有重大影響。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

52. COMPARATIVE FIGURES 比較數字

The 2013 figures of Interest income and fee and commission income have been restated to better reflect the nature of income in respect of certain credit card products provided in Mainland China.

For other restatements, the comparative figures have been restated to conform with current year's presentation.

2013年的利息收入和服務費及佣金收入經已重報以便更有效反映若干在內地信用卡產品之收入性質。

就其他重報而言，比較的數字經已重報，以符合本年度的呈報方式。

53. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31ST DECEMBER, 2014

在截至2014年12月31日止年度前已公布但尚未生效的修訂、新標準和詮釋所產生的可能影響

Up to the date of issue of these financial statements, the HKICPA has issued a few amendments and new standards which are not yet effective for the year ended 31st December, 2014 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

直至此等財務報表之發布日期，香港會計師公會已頒布了多項修訂及新準則；但該等修訂和新準則於截至2014年12月31日止會計年度尚未生效，因此尚未應用於此等財務報表。可能與本集團有關之修訂和新準則如下。

	Effective for accounting periods beginning on or after 由會計期開始或以後起生效
<i>Annual improvements to HKFRSs 2010-2012 cycle</i> 每年對《香港財務報告準則》之提升2010至2012循環	1st July, 2014 2014年7月1日
<i>Annual improvements to HKFRSs 2011-2013 cycle</i> 每年對《香港財務報告準則》之提升2011至2013循環	1st July, 2014 2014年7月1日
<i>Amendments to HKAS 16 and HKAS 38, Clarification of acceptable methods of depreciation and amortisation</i> 經修訂《香港會計準則》第16號及《香港會計準則》第38號「釐清折舊及攤銷之可接受方法」	1st January, 2016 2016年1月1日
<i>HKFRS 15, Revenue from contracts with customers</i> 《香港財務報告準則》第15號「與客戶之間的合同產生的收入」	1st January, 2017 2017年1月1日
<i>HKFRS 9, Financial instruments</i> 《香港財務報告準則》第9號「金融工具」	1st January, 2018 2018年1月1日

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

HKFRS 9, Financial Instruments

HKFRS 9 was issued in November 2009 and establishes new principles for the classification and measurement of financial assets. In September 2014, the HKICPA issued the complete standard of HKFRS 9 (HKFRS 9 (2014)). The main changes to the requirements of HKAS 39 are summarised below.

本集團正在評估該等修訂對首個應用期可能產生的影響。除以下所述外，至今所得結論是若採納該等修訂對本集團的綜合財務報表不可能構成重大影響：

《香港財務報告準則》第9號「金融工具」

《香港財務報告準則》第9號於2009年11月頒布及建立新原則以分類及計量金融資產。於2014年9月，香港會計師公會頒布《香港財務報告準則》第9號有關處理金融負債的增訂本。其主要對《香港會計準則》第39號所要求的變動簡述如下：

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

All financial assets are classified into two measurement categories: amortised cost or fair value on the basis of both an entity's business model for managing groups of financial assets and the contractual cash flow characteristics of the individual assets. These two categories replace the four categories under the current HKAS 39, *Financial instruments: Recognition and Measurement*.

Financial assets are measured at fair value through profit or loss, if they do not meet the criteria specified for measurement at amortised cost or if doing so significantly reduces or eliminates an accounting mismatch. An entity has the option to designate all subsequent changes in fair value of an equity instrument not held for trading at fair value through other comprehensive income with no recycling of gains or losses to the income statement. Dividend income would continue to be recognised in the income statement.

Financial assets which contain embedded derivatives are to be classified in their entirety either at fair value or amortised cost depending on whether the contracts as a whole meet the relevant criteria under HKFRS 9.

HKFRS 9 retains all the existing requirements for derecognition of financial instruments and most of the requirements for financial liabilities, except that for financial liabilities designated under the fair value option other than loan commitments and financial guarantee contracts, fair value changes attributable to changes in own credit risk are to be presented in the statement of other comprehensive income, and are not subsequently reclassified to income statement but may be transferred within equity.

The new impairment methodology in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under HKFRS 9 it is not necessary for a credit event to have occurred before credit losses are recognised.

The Group is presently studying the implications of applying HKFRS 9 but it is impracticable to quantify its effect as at the date of publication of these consolidated financial statements.

In addition, the requirements of Part 9, "Accounts and Audit", of the new Companies Ordinance (Cap. 622) come into operation from the Bank's first financial year commencing after 3rd March 2014 (i.e. the Bank's financial year which began on 1st January 2015) in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of the expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9. So far it has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the consolidated financial statements.

所有金融資產按兩種計量類別分類：攤銷成本或公平價值並根據該實體管理金融資產組合及個別資產的合約現金流特徵之商業模式。該兩種類別取代現時按《香港會計準則》第39號「金融工具：確認與計量」之四種類別。

如它們不符合按攤銷成本計算的要求或如其做法會重大減低或抵銷會計錯配，金融資產會按通過損益以反映公平價值計量。實體有權選擇指定非作交易用途的股份工具往後公平價值變動是通過全面收益表反映，而不是通過收益表來反映盈虧。股息收入仍繼續於收益表內確認。

包含嵌入衍生工具的金融資產會全數分類為按公平價值或攤銷成本，視乎其合約整體上能否符合《香港財務報告準則》第9號之要求。

《香港財務報告準則》第9號保留現時終止確認金融工具之所有要求以及大部分金融負債的要求，除根據公平價值選擇權指定金融負債（不包括貸款承擔及財務擔保合約）外，屬本身信貸風險之公平價值變動在全面收益表內呈報，及不會轉入往後的收益表，但可能會在股東權益內轉賬。

在《香港財務報告準則》第9號所提倡之新減值計算法是以「預計信貸損失」模式取代《香港會計準則》第39號之「已發生損失」模式。根據《香港財務報告準則》第9號，確認信貸損失是毋須一項信貸事件經已發生。

本集團現正研究實施《香港財務報告準則》第9號的影響，但須量化對當刊載該等綜合財務報表日期時之影響是不切實際的。

另外，根據新《公司條例》(第622章)第358條，第9部「帳目及審計」之要求由2014年3月3日後本行第一個財政年度起生效(即本行由2015年1月1日開始的財政年度)。本集團正在評估當初步實施第9部時因《公司條例》之變動對當期綜合財務報表預計之影響。至今本集團認為該影響是不重大的，而主要影響綜合財務報表中所呈報及披露的資料。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION

未經審核補充財務資料

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.

The preparation of supplementary financial information is in accordance with the Banking (Disclosure) Rules and consolidated supervision arrangement approved by the HKMA.

以下所披露的資料只屬於財務報表的附帶資料而並不構成已審核財務報表之一部分。

編製補充財務資料是根據《銀行業(披露)規則》及金管局核准的綜合監管要求。

(1) CAPITAL ADEQUACY 資本充足

		2014	2013
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Capital base	股本基礎		
– Common Equity Tier 1 capital	– 普通股權一級資本	53,424	49,245
– Additional Tier 1 capital	– 額外一級資本	2,835	3,190
– Total Tier 1 capital	– 一級資本總額	56,259	52,435
– Tier 2 capital	– 二級資本	19,197	16,489
– Total capital	– 資本總額	75,456	68,924
Risk weighted assets by risk type	風險加權資產類別		
– Credit risk	– 信貸風險	410,891	393,020
– Market risk	– 市場風險	13,355	16,524
– Operational risk	– 營運風險	29,687	26,654
		453,933	436,198
Less: Deductions	減：扣除	(2,479)	(2,322)
		451,454	433,876

		2014	2013
		% 百分率	% 百分率
Common Equity Tier 1 capital ratio	普通股權一級資本比率	11.8	11.4
Tier 1 capital ratio	一級資本比率	12.5	12.1
Total capital ratio	總資本比率	16.7	15.9

Capital adequacy ratios were compiled in accordance with the Capital Rules issued by the HKMA. The ratios as of 31st December, 2014 and 31st December, 2013 were compiled in accordance with the amended Capital Rules effective from 1st January, 2013 for the implementation of the “Basel III” capital accord. In accordance with the Capital Rules, the Bank has adopted the foundation internal ratings-based approach for the calculation of the risk-weighted assets for credit risk and the internal models approach for the calculation of market risk and standardised approach for operational risk.

資本充足比率乃根據金管局所頒布的《資本規則》計算。於2014年12月31日及2013年12月31日之資本充足比率乃根據因應實施新巴塞爾資本協定III而經修訂並於2013年1月1日生效的《資本規則》所編製，根據《資本規則》，本行選擇採納「基礎內部評級基準計算法」計算信貸風險之風險加權資產、「內部模式計算法」計算市場風險及「標準計算法」計算營運風險。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The basis of consolidation for regulatory purposes is different from the basis of consolidation for accounting purposes. Subsidiaries included in consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with Section 3C of the Capital Rules. Subsidiaries not included in consolidation for regulatory purposes are non-financial companies and the securities and insurance companies that are authorised and supervised by a regulator and are subject to supervisory arrangements regarding the maintenance of adequate capital to support business activities comparable to those prescribed for authorised institutions under the Capital Rules and the Banking Ordinance. The Bank's shareholdings in these subsidiaries are deducted from its Tier 1 capital and Tier 2 capital subject to the thresholds and transitional arrangements as determined in accordance with Part 3 and Schedule 4H of the Capital Rules respectively.

The list of subsidiaries that are not included in consolidation for regulatory purposes are:

用作監管用途之綜合基礎與作會計用途之綜合基礎是不相同的。包括在用作監管用途之附屬公司乃按《資本規則》第3C條所頒布的通知內列載。不包括在綜合基礎用作監管用途之附屬公司為非金融類公司以及已核准和受一監管機構規管的證券及保險公司，對該等公司有關維持足夠資本以支持商業活動的監管安排，與按照適用於《資本規則》及《銀行業條例》的金融機構之標準相符。本行於該等公司的權益已按《資本規則》第3部分所述之門檻規定以及附表4H所述之過渡性安排經計算後從一級及二級資本中扣除。

以下附屬公司並未包括在用作監管用途之綜合計算內：

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
Abacus (Nominees) Limited	Nominee company 受託代管公司	-	-
Abacus Business Consultants Sdn. Bhd.	Dormant 不活動	-	-
Abacus Company Administration Sdn. Bhd.	Corporate director and secretarial services 法人團體董事及秘書服務	-	-
Abacus Share Registrars Ltd 雅柏勤證券登記有限公司	Name reservation 預留公司名稱	-	-
Acheson Limited	Trustee and shareholder services 信託及股東服務	-	-
Agensi Pekerjaan Tricor Sdn Bhd	Employment agency 職業介紹機構	-	-
Albridge Corporate Advisory Services Ltd	Corporate services 企業服務	-	-
Albridge Services London Ltd	Dormant 不活動	-	-
Alhart Limited	Nominee company 受託代管公司	-	-
Ample Delight Limited 承悅有限公司	Investment holding 投資控股	393	393
Asia Management Services Sdn Berhad 亞洲管理服務有限公司	Management services 管理服務	6	5
Asia Securities Sdn Bhd	Management services 管理服務	-	-
Barbinder & Co. Pte. Ltd.	Share registration 證券登記	7	2

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Barbinder & Co., Sdn. Bhd.	Dormant 不活動	–	–	–	–
BC (BVI) Holdings Limited	Investment holding 投資控股	16	16	16	16
BEA Blue Sky Company Limited	Acting as the sole General Partner to BEA Blue Sky Real Estate Fund L.P. 出任 BEA Blue Sky Real Estate Fund L.P. 單一普通合夥人	1	1	1	1
BEA Blue Sky Real Estate Fund L.P.	Acting as a Limited Partner to BEA/ AGRE China Real Estate Fund L.P. 出任 BEA/AGRE China Real Estate Fund L.P. 有限責任合夥人	68	68	65	65
BEA Blue Sky SLP Limited	Acting as a Special Limited Partner to BEA/ AGRE China Real Estate Fund L.P. 出任 BEA/AGRE China Real Estate Fund L.P. 特殊有限責任合夥人	–	–	–	–
BEA Insurance Agency Limited 東亞保險代理有限公司	Insurance 保險	–	–	–	–
BEA Insurance Brokerage (Taiwan) Limited 東亞銀保險經紀人股份有限公司	General and life insurance broker 一般及人壽保險經紀	1	1	1	1
BEA Life Limited 東亞人壽保險有限公司	Life insurance 人壽保險	9,701	9,701	861	861
BEA Pacific Asia Limited	Dormant 不活動	–	–	–	–
BEA Pacific Holding Company Limited	Investment holding 投資控股	1	1	1	1
BEA Union Investment Management Limited 東亞聯豐投資管理有限公司	Asset management 資產管理	508	508	485	485
BEA Wealth Management Services (Taiwan) Limited 東亞證券股份有限公司	Wealth management services 財富管理服務	139	139	94	94
Becmac Limited	Nominee shareholder 股東代名人	–	–	–	–
Beecroft Limited	Nominee company 受託代管公司	–	–	–	–
Bentley Services Limited	Nominee director 董事代名人	–	–	–	–
Blue Care (BVI) Holdings Limited	Investment holding 投資控股	16	16	16	16

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
Blue Care JV (BVI) Holdings Limited	Investment holding 投資控股	18	18
Blue Care Medical Services Limited 寶康醫療服務有限公司	Medical services 醫療服務	37	19
Blue Cross (Asia-Pacific) Insurance Limited 藍十字(亞太)保險有限公司	Insurance 保險	4,011	863
Branford Investments Limited	Nominee services 受託代管服務	–	–
Camceb Limited	Nominee shareholder 股東代名人	–	–
Cane Garden Bay Limited	Nominee director/shareholder 董事/股東代名人	–	–
Capico Asset Management Sdn. Bhd.	Dormant 不活動	–	–
Caribbean Corporate Services Ltd.	Corporate secretarial and accounting services 法人團體秘書及會計服務	9	6
CCSL St. Lucia Ltd.	Holding company 控股公司	1	–
Central Town Limited 匯中興業有限公司	Property investment 物業投資	580	346
Century Able Limited 階潤有限公司	Investment holding 投資控股	820	820
Cheam Holdings Limited	Nominee director 董事代名人	–	–
Cheam Nominees Limited	Nominee director 董事代名人	–	–
China Jinhai International Group Limited	Name reservation service 預留公司名稱服務	–	–
Chongqing Dongrong Business Consultancy Company Limited 重慶市東榮商務諮詢有限公司	Business consultancy services 商業諮詢服務	6	3
Chua, Woo & Company Sdn. Bhd.	Dormant 不活動	1	1
Clacton Company Limited	Nominee company 受託代管公司	–	–
Clancy Limited	Dormant 不活動	–	–
Corona Light Limited	Investment holding 投資控股	930	930

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Crystal Gleaming Limited	Investment holding 投資控股	930		930	
Dean Street Property Limited	Property development 物業發展	40		22	
Delanez Limited	Nominee director/shareholder 董事/股東代名人	–		–	
Denroy Nominees Limited	Nominee director 董事代名人	–		–	
Dersale Limited	Nominee director/shareholder 董事/股東代名人	–		–	
Directra Overseas Services Inc.	Nominee company 受託代管公司	–		–	
Directra Services Limited	Nominee company 受託代管公司	–		–	
EA Securities Limited	Investment holding 投資控股	–		(62)	
East Asia Corporate Services (BVI) Limited	Registered agent and trustee services 註冊代理及信託服務	30		30	
East Asia Corporate Services (Nominees) Ltd.	Nominee director/shareholder 董事/股東代名人	–		–	
East Asia Financial Services (BVI) Ltd.	Investment holding 投資控股	1		1	
East Asia Futures Limited 東亞期貨有限公司	Futures and options trading 期貨及期權交易	59		59	
East Asia Indonesian Holdings Limited	Investment holding 投資控股	130		123	
East Asia International Trustees Holdings (BVI) Limited	Investment holding 投資控股	10		10	
East Asia International Trustees Limited	Trustee services 信託服務	23		20	
East Asia Properties Holding Company Limited 東亞物業控股有限公司	Investment holding 投資控股	6		(77)	
East Asia Property Agency Company Limited 東亞物業代理有限公司	Property agency 物業代理	12		12	
East Asia Property Holdings (Jersey) Limited	Property holding 物業持有	48		(7)	
East Asia Property Management (China) Limited 東亞物業管理(中國)有限公司	Property management 物業管理	1		(8)	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
East Asia Property Management (Guangzhou) Limited 東亞物業管理(廣州)有限公司	Property management 物業管理	2	2
East Asia Secretaries (BVI) Limited	Investment holding 投資控股	594	594
East Asia Secretaries Limited 東亞秘書有限公司	Secretarial services 秘書服務	–	–
East Asia Securities Company Limited 東亞證券有限公司	Securities broking 證券買賣	1,294	685
East Asia Strategic Holdings Limited	Investment holding 投資控股	418	418
Eglantine Investments Limited	Investment holding 投資控股	–	–
Elemen Limited	Nominee shareholder 股東代名人	–	–
Epsilon Registration Services Sdn. Bhd.	Dormant 不活動	–	–
Equity Trustee Limited	Trustee 信託服務	1	1
Essex Nominees Limited	Nominee director/shareholder 董事/股東代名人	–	–
Evatthouse Corporate Services Pte. Ltd.	Corporate secretarial and advisory services 法人團體秘書及諮詢服務	111	6
Fitz Services Pte. Ltd.	Business and management consultancy services 商業及管理諮詢服務	–	–
Fortra Services Limited	Nominee company 受託代管公司	–	–
FTG Nominees Limited	Dormant 不活動	–	–
Gainsville Limited	Nominee shareholder 股東代名人	–	–
Gil Services Pte. Ltd.	Business and management consultancy services 商業及管理諮詢服務	–	–
Gladwood Limited	Nominee director 董事代名人	–	–
Global Success Ltd.	In liquidation 進入清盤程序	–	–

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gold Sweep Sdn Bhd	Investment holding 投資控股		53		4
Golden Empire International Inc.	Property investment 物業投資		–		–
Golden Properties Finance Ltd.	Mortgage financing 按揭財務		–		–
Golden Queen International Ltd.	Property investment 物業投資		–		–
Grimma Company Limited	Nominee company 受託代管公司		–		–
High Town Limited	Investment holding 投資控股		4		4
ICEA Capital Limited 工商東亞融資有限公司	Corporate finance advisory and underwriting services 企業融資諮詢及包銷服務		70		70
ICIS China (HK) Co Limited	Name reservation service 預留公司名稱服務		–		–
International Holdings Corporation	Trust related services 信託相關服務		–		–
Kaliwood Corporation	Nominee director/shareholder 董事/股東代名人		–		–
Keen Sight Development Limited	Investment holding 投資控股		229		229
Leader One Limited	Investment holding 投資控股		7		–
Linkwall Investments Limited 領皇投資有限公司	Trustee 信託服務		–		–
Maccabee (Nominees) Limited	Nominee director 董事代名人		–		–
Mache Holdings Limited	Nominee shareholder 股東代名人		–		–
Mache Nominees Limited	Nominee shareholder 股東代名人		–		–
Mactors Limited	Nominee director 董事代名人		–		–
Maintex Limited	Nominee director 董事代名人		–		–

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
Malplaquet Limited	Nominee director, shareholder and secretary 董事、股東及秘書代名人	–	–
Manchester Property Holdings Ltd.	Property holding 物業控股	33	13
Menroy Registrars Limited	Nominee director 董事代名人	–	–
Norpac Holdings Limited	Custodian services 保管服務	–	–
Outsource Centre Pte. Ltd.	Accounting and payroll services 會計及支薪服務	5	1
Overseas Nominees Limited	Nominee services 受託代管服務	–	–
Pen Ling Limited	Nominee company 受託代管公司	–	–
PFA Corporate Consultants Sdn Bhd	Consultancy, advisory and nominees services 諮詢、顧問及受託代管服務	–	–
PFA Registration Services Sdn. Bhd.	Dormant 不活動	1	1
Powerhouse Worldwide Limited	Investment holding 投資控股	227	227
Ramillies Limited	Nominee director, shareholder and secretary 董事、股東及秘書代名人	–	–
Red Phoenix Limited	Leasing of motor vehicles 汽車租賃	2	1
Roebuck Limited	Directorship services 董事職務服務	–	–
Rontors Limited	Nominee director 董事代名人	–	–
Rosland Corporate Management Limited	Nominee shareholder 股東代名人	–	–
Secretaries Limited 秘書商業服務有限公司	Name reservation service 預留公司名稱服務	–	–
Secretarius Services Sdn. Bhd.	Dormant 不活動	–	–
Selene Throne (HK) Limited	Name reservation service 預留公司名稱服務	–	–
Shaftesbury Property Holdings Limited	Investment holding 投資控股	120	120

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Shaftesbury Property Investments Limited	Investment holding 投資控股	76		76	
Shareg Nominees Limited	Nominee services 受託代管服務	–		–	
Skyray Holdings Limited	Investment holding 投資控股	450		450	
Speedfull Limited	Investment holding 投資控股	450		450	
Standard Registrars Limited 標準證券登記有限公司	Name reservation service 預留公司名稱服務	–		–	
Strath Corporate Services Limited	Business and corporate services 商業及企業服務	–		–	
Swan Nominees Limited	Nominee shareholder 股東代名人	–		–	
Tabernacle Assets Limited 德繼有限公司	Protector of trust 信託保障人	–		–	
Teeroy Limited	Trustee 信託服務	–		–	
Tengis International Limited	Authorised signatories services 授權簽署服務	–		–	
Tengis Limited 登捷時有限公司	Name reservation service 預留公司名稱服務	–		–	
Tengis Services Limited	Act as account holder for clients' funds for payroll and Mandatory Provident Fund 出任客戶支薪及強積金帳戶持有人	–		–	
The Bank of East Asia (Nominees) Limited 東亞銀行受託代管有限公司	Nominee services 受託代管服務	–		–	
The Bank of East Asia (Nominees) Private Limited	Nominee services 受託代管服務	–		–	
The Bank of East Asia Charitable Foundation Limited 東亞銀行慈善基金有限公司	Charitable institution 慈善機構	–		–	
The Bank of East Asia Nominees (UK) Limited	Dormant 不活動	–		–	
Travelsafe Limited	Dormant 不活動	–		–	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
Tricor (B) Sdn. Bhd.	Corporate business and investor services 企業、商業及投資者服務	6	2
Tricor (Labuan) Limited	Dormant 不活動	31	23
Tricor A&S Corporate Services KK	Corporate secretarial, tax and accounting, payroll, banking and cash management services 公司秘書、稅務及會計、支薪、銀行及現金管理服務	1	-
Tricor Abacus Limited 卓佳雅柏勤有限公司	Investor services 投資者服務	1	1
Tricor Asia Limited	Act as account holder for clients' funds for payroll and payment processing 出任客戶支薪及付款處理帳戶持有人	-	-
Tricor Authorised Representative Limited	Authorised representative services 授權代表服務	-	-
Tricor Board Dynamics Sdn Bhd	Dormant 不活動	-	(1)
Tricor Business Services Sdn. Bhd.	Accounting, payroll and administration services 會計、支薪及行政服務	126	19
Tricor Caribbean Limited	Inactive 不活躍	-	-
Tricor CNP Corporate Services Pte. Ltd.	Corporate services 企業服務	3	2
Tricor Consultancy (Beijing) Limited 東亞卓佳諮詢(北京)有限公司	Business consultancy in China 國內商業諮詢	159	153
Tricor Consulting Limited	Consultancy services 諮詢服務	3	-
Tricor Corporate Secretaries Limited	Dormant 不活動	-	-
Tricor Corporate Secretary Limited	Corporate services 企業服務	-	-
Tricor Corporate Services Sdn. Bhd.	Secretarial, finance & accounting services, human resource consulting services and all other consulting services 秘書、財務與會計、人力資源諮詢以及其他諮詢服務	41	20
Tricor Custodian Limited 忠港投資有限公司	Process agent and escrow services 法律程序文件代理人及委託交易服務	-	-
Tricor EACS (Hong Kong) Limited	Dormant 不活動	-	-

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Tricor Executive Recruitment Ltd.	Executive recruitment 高級管理人才招聘	2		(8)	
Tricor Executive Resources Limited 卓佳行政資源顧問有限公司	Executive search and selection 搜羅及選核高級管理人才	3		(3)	
Tricor Firmley Limited	Nominee company and corporate services 受託代管公司及企業服務	–		–	
Tricor Friendly Limited 卓佳準誠有限公司	Investor services 投資者服務	1		1	
Tricor Global Limited	Investment holding 投資控股	–		–	
Tricor Greater China Limited 卓佳大中華有限公司	Investor of Tricor Beijing Wholly Foreign Owned Enterprise 卓佳北京外商投資企業投資者	22		17	
Tricor Hive Sdn Bhd (formerly "Gold Arch Sdn Bhd")	Property holding 物業控股	18		–	
Tricor Holdings Limited	Investment holding 投資控股	1,162		1,151	
Tricor Holdings Pte. Ltd.	Investment holding 投資控股	488		159	
Tricor HSP Japan JV K.K.	Consultancy services 諮詢服務	2		–	
Tricor HSP Singapore Pte. Ltd.	Secretarial and accounting services 秘書及會計服務	3		–	
Tricor Humatrix (M) Sdn. Bhd.	Information technology 資訊科技	2		–	
Tricor Human Capital Limited	Consultancy services 諮詢服務	–		(1)	
Tricor IAG Fund Administration (Hong Kong) Limited 卓佳頤富基金管理(香港)有限公司	Fund administration services 基金管理	1		(4)	
Tricor IAG Fund Administration (Singapore) Pte. Limited	Business and management consultancy services 商業及管理諮詢服務	1		(3)	
Tricor International Trustee Limited	Trustee 信託服務	2		2	
TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.	Shares registration service 證券登記服務	7		6	
Tricor Investor Services Limited 卓佳證券登記有限公司	Investor services 投資者服務	51		40	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
Tricor Investor Services Sdn. Bhd.	Shares registration service 證券登記服務	34	30
Tricor Japan Holdings GK	Nominee company 受託代管公司	–	–
Tricor Japan Limited 卓佳日本有限公司	Consulting, accounting, human resources & office administrative service 諮詢、會計、人力資源及辦公室行政服務	8	7
Tricor K.K.	Business process outsourcing 業務流程外包	51	27
TRICOR KNOWLEDGE HOUSE SDN BHD	Organizing training courses and workshops 籌劃培訓課程及工作坊	1	1
Tricor Nominees Limited	Founder member of Tricor's HK shelf companies 為卓佳香港空殼公司之創辦成員	–	–
Tricor Nominees (Overseas) Limited (formerly Tricor Subscribers Limited)	Nominee company 受託代管公司	–	–
Tricor Outsourcing (Thailand) Ltd.	Business outsourcing 業務外包	38	4
Tricor Praesidium Limited	Compliance & Corporate Services 合規及企業服務	1	(3)
Tricor Primepartners Corporate Services Pte. Ltd.	Providing secretarial, accounting, share registration services and employment agency (Excluding maid agency) 提供秘書、會計、股票登記服務及 僱傭公司(不包女傭中介)	1	1
Tricor Progressive Limited 卓佳廣進有限公司	Investor services 投資者服務	1	1
Tricor Representatives Limited	Process agent or escrow services 法律程序文件代理人及委託交易服務	–	–
TRICOR ROOTS BCM SDN. BHD.	Development and trading of computer software and provision of computer software related maintenance services 電腦軟件開發及買賣以及提供相關之 軟件保養服務	–	–
Tricor Roots Business Intelligence Sdn Bhd.	Development and trading of computer software and provision of software related consultancy services 電腦軟件開發及買賣以及提供相關之 軟件諮詢服務	19	19
Tricor Roots Consulting Sdn Bhd.	Consultancy services 諮詢服務	5	(11)

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Tricor Roots Governance Sdn. Bhd.	Internal audit service 內部審計服務	–		(2)	
TRICOR SAAS SDN BHD	Software development and other related information technology support 軟件開發以及其他相關資訊科技支援	1		–	
Tricor Secretaries Limited 卓佳秘書商務有限公司	Business, corporate and investor services 商業、企業及投資者服務	17		17	
Tricor Securities Limited	Nominee and custodian services 受託代管服務	–		–	
Tricor Senedi Sdn Bhd	Information technology support 資訊科技支援	1		(4)	
Tricor Services (Brunei) Ltd	Registered agent 註冊代理	–		–	
Tricor Services (BVI) Limited	Registered agent and trustee services 註冊代理及信託服務	24		16	
Tricor Services (London) Limited	Dormant 不活動	–		–	
Tricor Services (Macau) Limited 卓佳專業商務(澳門)有限公司	Business services 商業服務	2		1	
Tricor Services (Malaysia) Sdn. Bhd.	Investment holding 投資控股	57		9	
Tricor Services (UK) Limited	Investment holding 投資控股	42		–	
Tricor Services Europe LLP	Limited liability partnership 有限責任合夥	34		(1)	
Tricor Services Europe No. 1 Limited	Dormant 不活動	–		–	
Tricor Services Limited 卓佳專業商務有限公司	Business, corporate and investor services 商業、企業及投資者服務	337		248	
Tricor Signatory Limited	Bank signatory 銀行戶口簽署人	–		–	
Tricor Singapore Pte. Ltd.	Business management and consultancy services, and employment agency 商業管理及諮詢服務、兼職業介紹機構	302		140	
Tricor Standard Limited 卓佳標準有限公司	Investor services 投資者服務	2		2	
Tricor Strath Fiduciaries Limited	Trust services 信託服務	–		–	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額		Total equity 股東權益總額	
		HKS Mn	港幣百萬元	HKS Mn	港幣百萬元
Tricor Strath Group Limited (formerly Strath Corporate Services Holdings Limited)	Holding company 控股公司	-		-	
Tricor Strath Limited	Business and corporate services 商業及企業服務	-		-	
Tricor Tax Services Sdn. Bhd.	Advisors and consultants 顧問及諮詢	4		3	
Tricor Tengis Limited 卓佳登捷時有限公司	Business, corporate and investor services 商業、企業及投資者服務	10		9	
Tricor Trident Nominees Limited	Trustee company 信託人公司	-		-	
Tricor Trustco (Labuan) Limited	Corporate, secretarial & accounting services 企業、秘書及會計服務	2		1	
Tricor Vietnam Company Limited	Management consulting services 管理諮詢服務	-		-	
Tricor WP Corporate Services Pte. Ltd	Business and management consultancy services 商業及管理諮詢服務	19		10	
Trident Corporate Management Limited	Nominee shareholder 股東代名人	-		-	
Tristan Company Limited	Nominee director/shareholder 董事/股東代名人	-		-	
Tudor Nominees Limited	Nominee shareholder 股東代名人	-		-	
Tung Shing Holdings (BVI) Limited	Investment holding 投資控股	-		-	
Turquandia Limited	Nominee shareholder 股東代名人	-		-	
U Care Hong Kong Medical Limited 明康醫療香港有限公司	Medical services 醫療服務	14		(15)	
United Chinese (Nominee) Limited	Dormant 不活動	-		-	
Vanceburg Limited	Nominee shareholder, secretary and appointor 股東代名人、秘書及提名人	-		-	
W.T. (Secretaries) Limited	Secretaries services 秘書服務	-		-	
Wai Chiu Company Limited 偉超有限公司	Nominee director/shareholder 董事/股東代名人	-		-	
Wai Hop Company Limited 偉合有限公司	Nominee director/shareholder 董事/股東代名人	-		-	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(1) CAPITAL ADEQUACY (CONTINUED) 資本充足(續)

Name of company 公司名稱	Nature of business 業務性質	Total assets 資產總額 HK\$ Mn 港幣百萬元	Total equity 股東權益總額 HK\$ Mn 港幣百萬元
WCS Nominees Limited	Dormant 不活動	—	—
Westboro Limited	Nominee services 受託代管服務	—	—
Wilfred Co., Ltd.	First director facility 首任具名董事服務	—	—
Witcombe Corporation	Nominee director/shareholder 董事/股東代名人	—	—
Woodside Corporate Services Limited	Receiving agent, fund administration, custodial, security trustee and registrar services 收款代理人、基金管理、保管、 信託保安及登記服務	11	11
Woodside Secretaries Limited	Corporate secretarial services plus registrar and Enterprise Investment Scheme administration services 法人團體秘書服務、過戶登記處及 企業投資計劃行政服務	—	—
WT Management (PTC) Inc	Trustee 信託服務	—	—

There are no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation but where the method of consolidation differs at 31st December, 2014.

There are no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation at 31st December, 2014.

There are no relevant capital shortfalls in any of the Group's subsidiaries as at 31st December, 2014 (31st December, 2013: Nil) which are not included in the Group's consolidation for regulatory purposes.

The Group operates subsidiaries in a number of 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 banking group.

For the purpose of compliance with the Banking (Disclosure) Rules, the Group has established a section on the Bank's website. Additional information relating to the Group's regulatory capital and other disclosures can be found in this section of the Bank's website, accessible through the "Regulatory Disclosure" link on the home page of the Bank's website at www.hkbea.com or at the following direct link: www.hkbea.com/regulatory_disclosures.

並未有已包括在用作會計範疇及監管範疇之綜合賬的附屬公司，而於2014年12月31日其綜合計算方法是不相同的。

於2014年12月31日，並未有附屬公司已包括在用作監管範疇之綜合賬但並未包括在用作會計範疇之綜合賬內。

於2014年12月31日(2013年12月31日：無)，本集團之附屬公司並無有關資本不足而未有包括在本集團用作監管用途之綜合賬內。

本集團之附屬公司在多個國家及地區營運而其資本乃受當地法則約束，可能在轉移受規管資本及在銀行集團成員間的資金調配方面存在某些限制。

為符合《銀行業(披露)規則》，本集團已在本行網站內增設一節。有關本集團的監管資本工具及其他披露資料，可於本行網站該節內找到，只要瀏覽本行網站www.hkbea.com主頁內「監管披露」的連繫或http://www.hkbea.com/regulatory_disclosures/index_tc.html的直接連繫。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(2) LIQUIDITY RATIO 流動資金比率

		2014	2013
		% 百分率	% 百分率
Average liquidity ratio for the year	年度內平均流動資金比率	50.2	47.0

The average liquidity ratio for the year is the simple average of each calendar month's average liquidity ratio, which is computed on the consolidated basis as required by the HKMA for its regulatory purposes, and is in accordance with the Fourth Schedule to the Banking Ordinance.

年度內平均流動資金比率是每月平均比率的簡單平均數，其計算是根據金管局訂定用作規管用途的綜合基準及《銀行業條例》(附表4)。

(3) CROSS-BORDER CLAIMS 跨國債權

The information on 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.

跨國債權資料披露對海外交易對手風險額最終風險的所在地，並已顧及轉移風險因素。一般而言，有關貸款的債權獲得並非交易對手所在地的國家的一方擔保，或該債權的履行對象是某銀行的海外分行，而該銀行的總辦事處並非設於交易對手的所在地，風險便確認為由一個國家轉移到另一個國家。當某一地區的風險額佔風險總額的百分之十或以上，該地區的風險額便須予以披露。

		2014					
		Banks and other financial institutions 銀行及其他金融機構		Public sector entities 公營機構		Others 其他	Total 總額
		HK\$ Mn 港幣百萬元	港幣百萬元	HK\$ Mn 港幣百萬元	港幣百萬元	HK\$ Mn 港幣百萬元	港幣百萬元
The Group	集團						
People's Republic of China	中華人民共和國	30,252		9,316		91,034	130,602
Asian countries, excluding People's Republic of China	其他亞洲國家(不包括中華人民共和國)	10,283		841		13,842	24,966
North America	北美洲	6,453		225		3,761	10,439
Western Europe	西歐	6,202		659		1,377	8,238

		2013 Restated 重報					
		Banks and other financial institutions 銀行及其他金融機構		Public sector entities 公營機構		Others 其他	Total 總額
		HK\$ Mn 港幣百萬元	港幣百萬元	HK\$ Mn 港幣百萬元	港幣百萬元	HK\$ Mn 港幣百萬元	港幣百萬元
The Group	集團						
People's Republic of China	中華人民共和國	30,341		3,702		98,630	132,673
Asian countries, excluding People's Republic of China	其他亞洲國家(不包括中華人民共和國)	13,125		515		12,167	25,807
North America	北美洲	6,182		40		3,059	9,281
Western Europe	西歐	7,238		-		2,323	9,561

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(4) NON-BANK MAINLAND EXPOSURES 內地非銀行類客戶風險

The total direct non-bank Mainland exposures and the individual impairment allowances are as follows:

內地非銀行類客戶直接風險總額及其個別減值準備如下：

		2014			
Type of counterparties	交易對手的類別	On-balance	Off-balance	Total	Individual impairment allowance
		sheet exposure	sheet exposure		
		資產負債表	資產負債表	總額	
		以內的風險	以外的風險	個別減值準備	
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Mainland entities	內地實體	220,138	44,965	265,103	78
Companies and individuals outside the Mainland where the credit is granted for use in the Mainland	信貸是用於內地而借款的公司及個人是在國外	51,591	2,053	53,644	87
Other counterparties the exposures to whom are considered to be non-bank Mainland exposures	其他交易對手而其風險被認為內地非銀行類客戶風險	33,294	328	33,622	31
Total	總額	305,023	47,346	352,369	196

		2013			
Type of counterparties	交易對手的類別	On-balance	Off-balance	Total	Individual impairment allowance
		sheet exposure	sheet exposure		
		資產負債表	資產負債表	總額	
		以內的風險	以外的風險	個別減值準備	
		HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
Mainland entities	內地實體	210,116	62,056	272,172	107
Companies and individuals outside the Mainland where the credit is granted for use in the Mainland	信貸是用於內地而借款的公司及個人是在國外	47,304	4,512	51,816	7
Other counterparties the exposures to whom are considered to be non-bank Mainland exposures	其他交易對手而其風險被認為內地非銀行類客戶風險	30,049	442	30,491	11
Total	總額	287,469	67,010	354,479	125

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(5) OVERDUE, RESCHEDULED AND REPOSSESSED ASSETS 逾期、經重組及收回資產

(a) Overdue and rescheduled advances

(a) 逾期及經重組墊款

		2014		2013	
		HK\$ Mn	% of total advances to customers	HK\$ Mn	% of total advances to customers
		港幣百萬元	佔客戶墊款總額的百分比	港幣百萬元	佔客戶墊款總額的百分比
The Group	集團				
Advances to customers overdue for	逾期客戶墊款				
– 6 months or less but over 3 months	– 3個月以上至6個月	1,076	0.3	216	0.1
– 1 year or less but over 6 months	– 6個月以上至1年	469	0.1	201	0.1
– Over 1 year	– 1年以上	551	0.1	507	0.1
		2,096	0.5	924	0.3
Rescheduled advances to customers	經重組客戶墊款	83	0.0	86	0.0
Total overdue and rescheduled advances	逾期及經重組墊款總額	2,179	0.5	1,010	0.3
Secured overdue advances	有抵押逾期墊款	1,871	0.4	777	0.2
Unsecured overdue advances	無抵押逾期墊款	225	0.1	147	0.1
Market value of security held against secured overdue advances	有抵押逾期墊款抵押品市值	3,870		2,736	
Individual impairment allowance made on loans overdue for more than 3 months	逾期3個月以上貸款的個別減值準備	302		183	

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the year-end. Loans repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid at year-end. Loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

有明確到期日之貸款，若其本金或利息已逾期，並於年結日仍未償還，則列作逾期處理。定期分期償還之貸款，若其中一次還款逾期，而於年結日仍未償還，則列作逾期處理。即時到期之貸款，若已向借款人送達還款通知，但借款人未按指示還款，或貸款已超出借款人獲通知的批准限額，而此情況持續超過有關逾期期限，亦列作逾期處理。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(5) OVERDUE, RESCHEDULED AND REPOSSESSED ASSETS (CONTINUED)

逾期、經重組及收回資產(續)

(a) Overdue and rescheduled advances (continued)

An asset considered as an eligible collateral should generally satisfy the following:

- (a) The market value of the asset is readily determinable or can be reasonably established and verified;
- (b) The asset is marketable and there exists a readily available secondary market for disposing of the asset;
- (c) The Bank's right to repossess the asset is legally enforceable and without impediment; and
- (d) The Bank is able to secure control over the asset if necessary.

The two main types of "Eligible Collateral" are as follows:

- (i) "Eligible Financial Collateral" mainly comprises cash deposits and shares.
- (ii) "Eligible Physical Collateral" mainly comprises land and buildings, vehicles and equipment.

When the Bank's clients face financial difficulties and fail to settle their loans, depending on different situations, the Bank usually takes the following actions to recover the debt:

- (a) Debt rescheduling/restructuring
- (b) Enforcement of security
- (c) Legal action
- (d) Recovery via debt collector

(b) Advances to banks

(a) 逾期及經重組墊款(續)

可視作合格抵押品的資產須符合下列條件：

- (a) 該資產的市值是可即時決定的或是可合理地確定及證實的；
- (b) 該資產是有市價的及有二手市場可即時將該資產出售；
- (c) 本行收回資產的權利是有法律依據及沒有障礙的；及
- (d) 本行在有需要時可對該資產行使控制權。

合格抵押品主要分為下列兩種：

- (i) 合格金融抵押品主要包括現金存款及股票。
- (ii) 合格實物抵押品主要包括土地及建築物、汽車及設備。

按不同情況下，當本行客戶面對財政困難而無力償還貸款，本行一般採用以下方式以追收欠款：

- (a) 重新編排債務還款期時間表／債務重組
- (b) 沒收抵押品
- (c) 採取法律行動
- (d) 通過收數公司追收

(b) 銀行墊款

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Advances to banks overdue for	逾期銀行墊款				
– 6 months or less but over 3 months	– 3個月以上至6個月	–		–	
– 1 year or less but over 6 months	– 6個月以上至1年	–		–	
– Over 1 year	– 1年以上	–		–	
				–	
Rescheduled advances to banks	經重組銀行墊款	–		–	
Total overdue and rescheduled advances	逾期及經重組銀行墊款總額	–		–	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(c) Other overdue and rescheduled assets

(c) 其他逾期及經重組資產

		2014				2013			
		Accrued interest 應計利息		Other assets* 其他資產*		Accrued interest 應計利息		Other assets* 其他資產*	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
The Group	集團								
Other assets overdue for	其他逾期資產								
– 6 months or less but over 3 months	– 3個月以上至6個月			–	–	–	–		
– 1 year or less but over 6 months	– 6個月以上至1年			–	–	–	–		
– Over 1 year	– 1年以上			–	4	–	–		4
				–	4	–	–		4
Rescheduled assets	經重組資產			–	–	–	–		–
Total other overdue and rescheduled assets	其他逾期及經重組 資產總額			–	4	–	–		4

* Other assets refer to trade bills and receivables.

* 其他資產是指貿易票據及應收款項。

(d) Repossessed assets

(d) 收回資產

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
The Group	集團				
Reposessed land and buildings*	收回土地及建築物*			–	51
Reposessed vehicles and equipment	收回汽車及設備			–	–
Total reposessed assets	收回資產總額			–	51

The amount represents the estimated market value of the reposessed assets as at 31st December.

此等金額指於12月31日收回資產的估計市值。

* No property (2013: HK\$3 million) was contracted for sale but not yet completed.

* 並無已簽約出售但仍未成交的物業(2013年:港幣3百萬元)。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY 主要風險及資本充足度

(a) Summary of approach to assess capital adequacy

Different approaches are adopted for assessing capital adequacy as follows:

Risk areas 風險範圍	Approach for assessing capital adequacy 評估資本充足率的方法
Credit Risk 信貸風險	Foundation Internal Ratings-Based (“IRB”) Approach 基礎內部評級基準計算法
Market Risk 市場風險	Internal Models Approach 內部模式計算法
Operational Risk 營運風險	Standardised Approach 標準計算法

(b) Principal risks

This section presents information on the Group’s management of principal risks.

The Group has established comprehensive risk management procedures in line with the requirements set out by the HKMA to identify, measure, monitor, control and report on the various types of risk that the Group faces, including credit risk, interest rate risk, market risk, liquidity risk and operational risk, and, where appropriate, to allocate capital to cover those risks.

The risk management mechanisms are built around a centralised framework and include the RIC, Crisis Management Committee, Risk Management Committee, specialised risk management committees – namely, Credit Committee, Asset and Liability Management Committee and Operational Risk Management Committee – and the Risk Management Division. These mechanisms capture the different risk-related management activities on a Group basis, including the formulation of policies, risk assessment, setting up of procedures and control limits, and ongoing monitoring before the same are reported to the Board. The mechanisms ensure compliance with the Group’s policies, and legal and regulatory requirements in Hong Kong, China, and overseas. They are supplemented by active management involvement, effective internal controls, and comprehensive audits.

The RIC, comprising the Group’s Chairman & Chief Executive, two INEDs, and three NEDs, assists the Board in handling risk management issues, particularly strategic issues. The RIC regularly reviews the Group’s risk appetite statement covering the major risks and submits it to the Board for approval. The related risk levels, where appropriate, are laid down in the risk management policies.

The Crisis Management Committee and Risk Management Committee comprise the Group’s Chairman & Chief Executive, Senior Advisors, Senior Management and the Group Chief Risk Officer.

(a) 評估資本充足度的方法概要

評估資本充足度採納以下不同方法：

(b) 主要風險

本部分載述有關本集團主要風險管理的資料。

按照金管局發出的規定，本集團已建立一套完善的風險管理制度，以識別、衡量、監察、控制及匯報本集團所承受各類風險，當中涵蓋信貸風險、利率風險、市場風險、流動資金風險和營運風險，並於適當的情況下調配資本以抵禦該等風險。

本集團的風險管理機制是建立在一個中央架構上，當中包括風險委員會、危機管理委員會、風險管理委員會、專責風險管理委員會包括信貸委員會、資產負債管理委員會及營運風險管理委員會，以及風險管理處。這些管理機制可在集團層面上處理各重要的風險相關事項，包括制定政策、風險評估、設立程序和控制限額，以及持續監測遵守情況等，其後會向董事會匯報，確保風險相關事項已全面符合本集團政策，及於香港、中國和海外的相關法律和監管規定。管理層的積極參與、有效的內部監控和全面的稽核均能完善風險管理制度。

風險委員會由本集團的主席兼行政總裁、兩名獨立非執行董事，及三名非執行董事組成，風險委員會協助董事會處理與風險管理相關的事情，尤其是策略方面的事宜。風險委員會定期檢討風險偏好報告書(涵蓋主要風險)，並將其呈交董事會作審批。在適當的情況下，本集團已將與此有關的風險水平詳列於風險管理政策內。

危機管理委員會及風險管理委員會由本集團主席兼行政總裁、高級顧問、高級管理人員和集團風險總監組成。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The specialised risk management committees comprise the Group's Senior Advisors, Senior Management, the Group Chief Risk Officer and where appropriate division heads from the relevant areas.

An independent centralised risk management unit, Risk Management Division, is responsible for monitoring the activities relating to these principal risks. The internal auditors also perform regular audits on business units to check compliance with policies and procedures.

The Group's major risk management policies and control limits are approved by the Board and they are monitored and regularly reviewed. The Board has delegated the responsibility of on-going risk management to the RIC, Risk Management Committee and specialised risk management committees. Significant risk management related issues are required to be reported to the Board to assist its oversight on risk management.

Regular stress tests are carried out by the Group to assess the impact of a number of historical and hypothetical stress scenarios on the Group's financial position, in particular capital adequacy, profitability and liquidity.

Each new product launch must go through an approval process, which includes business and financial analysis and risk assessment. Approval for the launch of new products must be obtained from the New Product Development Working Group (comprising the department heads of support units and business units) and endorsed by the New Product Development Steering Group (chaired by the Bank's Group Chief Risk Officer and comprising the division heads of support functions and designated department head).

Credit risk management

Credit risk arises from the possibility that a customer or counterparty in a transaction may default. Such risk may arise from counterparty risks from loan and advances, issuer risks from the securities business and counterparty risks from trading activities.

The Credit Committee is responsible for managing all credit risk-related issues of the Group, while the Credit Risk Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to credit risk. The Group identifies and manages credit risk by defining the target market segment, formulating appropriate credit policies, and carrying out credit assessment and monitoring of asset quality. Credit risk control limits are set for different levels. Risk, return and market situation are considered when setting all limits. Active limit monitoring is undertaken.

In evaluating the credit risk associated with an individual customer or counterparty, financial strength and repayment ability are always the primary considerations. Credit risk may be mitigated by obtaining collateral from the customer or counterparty.

專責風險管理委員會由本集團高級顧問、高層管理人員、集團風險總監及(在適當情況下)其他有關方面的處級主管組成。

本集團設有一個獨立的中央風險管理單位(風險管理處)，專責處理與主要風險有關的活動。內部稽核員亦會對業務部門定期進行稽核，以確保該等政策及程序得以遵從。

本集團的主要風險管理政策及控制限額由董事會批准，並且受到監控及定期檢討。董事會已將持續管理風險的責任授予風險委員會、風險管理委員會及專責風險管理委員會。與重要風險管理相關的事項須上報至董事會，以協助董事會監督風險管理。

本集團定期進行壓力測試，以評估眾多過往和假設壓力情景對本集團財務狀況的影響，尤其是對資本充足、盈利能力及流動資金的影響。

每一個新產品的推出，須通過審批過程，包括業務和財務分析和風險評估。這些新產品首先由新產品開發工作組審批，並由新產品開發督導組認可。新產品開發工作組由支援職能及業務單位的部門主管組成，而新產品開發督導組主席為集團風險總監，並由支援職能的處級主管及委任的部門主管組成。

信貸風險管理

信貸風險源於客戶或交易對手未能履行其承擔，可來自本集團貸款及墊款中的交易對手風險、證券業務的發行商風險和交易活動的交易對手風險。

信貸委員會負責管理所有與本集團信貸風險有關的事務，而本集團風險管理處轄下的信貸風險管理部則負責監察與信貸風險有關的活動。本集團透過設定目標市場分部、制定適當的信貸政策和執行信貸評核程序，以及監控資產素質，來識別和管理信貸風險。信貸風險控制限額設有不同層次。釐定所有限額時會考慮風險、回報及市場情況，並且採用積極限額監控程序。

本集團在評估與個別客戶或交易對手相關的信貸風險時，雖然可藉客戶或交易對手的抵押品減低信貸風險，然而他們的財政實力以及還款能力才是本集團的主要考慮因素。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Credit risk management (continued)

The Group has established policies, procedures and rating systems to identify, measure, monitor, control and report on credit risk. In this connection, guidelines for management of credit risk have been laid down in the Group's Credit Risk Management Manual. These guidelines stipulate delegated lending authorities, credit extension criteria, credit monitoring process, internal rating structure, credit recovery and provisioning policy. They are reviewed and enhanced on an on-going basis to cater for market changes, statutory requirements and best practice in risk management processes.

The Group's credit risk management for the major types of credit risk is depicted as follows:

(i) Corporate and bank credit risk

The Group has laid down policies and procedures to evaluate the potential credit risk of a particular counterparty or transaction and to approve the transaction. For corporate and bank customers, the Group has different internal rating systems that are applied to each counterparty. For exposure classified as Specialised Lending in particular, supervisory slotting criteria are used. To monitor concentration risk, the Group has preset limits for exposures to individual industries and for borrowers and groups of borrowers. The Group also has a review process to ensure that the level of review and approval is proper and will depend on the size of the facility and rating of the credit.

The Group undertakes on-going credit analysis and monitoring at several levels. The policies are designed to promote early detection of counterparty, industry or product exposures that require special monitoring. The overall portfolio risk as well as individual impaired loans and potential impaired loans are monitored on a regular basis.

(ii) Retail credit risk

The Group's retail credit policy and approval process are designed for the fact that there are high volumes of relatively homogeneous and small value transactions in each retail loan category. The design of internal rating system and formulation of credit policies are primarily based on the demographic factors and the loss experience of the loan portfolios. The Group monitors its own and industry experience to determine and periodically revise product terms and desired customer profiles.

(iii) Credit for treasury transactions

The credit risk of the Group's treasury transactions is managed in the same way as the Group manages its corporate and bank lending risk. The Group applies an internal rating system to its counterparties and sets individual counterparty limits.

(b) 主要風險(續)

信貸風險管理(續)

本集團已制訂多項政策、程序及評級系統，以識別、衡量、監察、控制及匯報本集團所承受的信貸風險。在此方面，本集團已將信貸風險管理指引詳列於信貸風險管理手冊內，對信貸權限授權、授信標準、信貸監控程序、內部評級架構、信貸追收及撥備政策訂下規定。本集團持續檢討和改善該等指引，以配合市場轉變、有關法定要求及風險管理程序的最佳做法。

本集團就下列各類主要信貸風險實行信貸風險管理：

(i) 企業及銀行信貸風險

本集團已制訂多項政策及程序，以評估特定交易對手或交易的潛在信貸風險，以及決定批核有關交易與否。就企業及銀行客戶而言，本集團已制定適用於所有交易對手的內部評級系統。監管分類準則尤其適用於歸類為專門性借貸的風險承擔。為監控信貸集中的潛在風險，本集團已就個別行業及不同的借款人和借款人團體預設風險承擔限額。本集團亦已釐定檢討程序，確保按照貸款的規模和信貸評級，為貸款進行適當的檢討和審批。

本集團持續進行多個層次的信貸分析和監控。有關政策乃旨在盡早發現需要特別監控的交易對手、行業或產品的風險承擔。交易組合的整體風險和個別減值貸款及潛在減值貸款，均定期予以監控。

(ii) 零售信貸風險

本集團的零售信貸政策和審批程序是因應各類零售貸款中均有大量類似的小額交易而制定的。在設計內部評級系統和制訂信貸政策時，本集團的主要考慮因素包括人口結構因素和有關貸款組合過往的損失。本集團監控本身和行業狀況以釐定和定期修訂產品條款和目標客戶組合。

(iii) 財資交易的信貸風險

本集團採用企業及銀行信貸風險的管理方法，管理本集團財資交易的信貸風險，包括引用內部評級系統處理交易對手及設定個別交易對手的風險限額。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(iv) *Credit-related commitment*

The risks involved in credit-related commitments and contingencies are essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans.

(v) *Concentration of credit risk*

Concentration of credit risk exists when changes in geographic, economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is material in relation to the Group's total exposures. The Group's credit portfolio is diversified along geographic, industry and product sectors.

The Group monitors its concentration risk by adopting appropriate risk control measures, such as setting limits on exposures to different industries and loan portfolios.

(vi) *Capital requirement for credit risk by exposure class*

The following table indicates the capital requirement for credit risk on each class of exposure at 31st December, 2014 and 31st December, 2013 respectively:

(iv) 與信貸有關的承諾

與信貸有關的承諾和或有事項的風險，本質上與提供貸款予客戶時的信貸風險相同。因此，有關交易必須符合客戶申請貸款時所要達到的信貸申請、組合保存和抵押要求。

(v) 信貸集中的風險

信貸集中的風險源於交易對手團體受到地區、經濟或行業因素的影響，而該等團體的整體信貸風險承擔對本集團的總體風險承擔至關重要。本集團的信貸組合分散覆蓋不同地區、行業和產品。

本集團一直採用適當的風險控制措施，例如就不同行業和貸款組合釐定限額，以監控信貸集中的風險。

(vi) 各風險承擔類別的信貸風險資本要求

下表分別顯示於2014年12月31日及2013年12月31日每種風險承擔類別的信貸風險資本要求情況：

Exposure class	風險承擔類別	Capital requirement	
		資本要求	
		2014	2013
		HK\$ Mn	港幣百萬元
Exposures under IRB Approach	內部評級基準計算法下的風險承擔		
Bank	銀行	5,863	6,872
Corporate	企業	18,041	15,716
Residential mortgage	住宅按揭	1,067	901
Qualifying revolving retail	合資格循環零售	735	638
Other retail	其他零售	600	682
Equity booked on banking book subject to Simple Risk-weight Method under Market-based Approach	銀行賬下的股權 —以市場基準計算法下的簡單風險權重方法計算	1,053	1,061
Equity booked on banking book subject to Internal Models Method under Market-based Approach	銀行賬下的股權 —以市場基準計算法下的內部模式方法計算	201	182
Equity booked on banking book subject to PD/LGD Approach	銀行賬下的股權 —以PD/LGD計算法計算	—	—
Other equity booked on banking book	其他銀行賬下的股權	1,094	968
Other exposures under IRB Approach (Including cash and other items, and credit valuation adjustment risk)	內部評級基準計算法下的其他風險承擔(包括現金及其他項目，及信用估值調整風險)	1,453	1,579
Exposures under Standardised Approach	標準計算法下的風險承擔	2,761	2,843
Exposures to Central Counterparty	對中央交易對手方的風險承擔	1	—

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Market risk management

Market risk arises from all market risk sensitive financial instruments, including debt securities, foreign exchange contracts, equity and derivative instruments, as well as from statement of financial position or structural positions. The aim in managing market risk is to reduce the Group's exposure to the volatility inherent in financial instruments.

The Asset and Liability Management Committee deals with all market risk related issues of the Group. It is also responsible for conducting a regular review of interest rate trends and deciding the corresponding future business strategy. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to market risk.

The use of derivatives for proprietary trading and the sale of derivatives to customers as risk management products is an integral part of the Group's business activities. These instruments are also used to manage the Group's own exposures to market risk, as part of its asset and liability management process. The principal derivatives instruments used by the Group are interest rate, foreign exchange and equity related contracts, in the form of both over-the-counter derivatives and exchange traded derivatives. Most of the Group's derivatives positions have been entered into to meet customer demand and to manage the risk of these and other trading positions.

In this connection, the key types of market risk that must be managed are:

(i) Currency risk

The Group's foreign currency positions arise from foreign exchange dealing, commercial banking operations and structural foreign currency exposures. The Group's non-structural foreign currency exposures are mainly dominated in USD and RMB. For other currencies, currency concentrations are maintained below 10% of the total net position in all structural and non-structural foreign currencies of the Group. All foreign currency positions are managed within limits approved by the Board or the Asset and Liability Management Committee.

Structural foreign currency positions, which arise mainly from foreign currency investments in the Group's branches, subsidiaries and associated companies, are excluded from VaR measurements, as related gains or losses are taken to reserves. Such foreign currency positions are managed with the principal objective of ensuring that the Group's reserves are protected from exchange rate fluctuations. The Group seeks to match closely its foreign currency denominated assets with corresponding liabilities in the same currencies.

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. The net option position is calculated in the basis of the delta-weighted position of option contracts.

(b) 主要風險(續)

市場風險管理

市場風險源自所有對市場風險敏感的財務工具，包括債務證券、外匯合約、股份和衍生工具，以及財務狀況表或結構性持倉。市場風險管理旨在減少本集團因財務工具內在的波動性而承受的風險。

資產負債管理委員會負責處理本集團一切與市場風險相關的事項，亦負責定期檢討利率走勢及釐定相應的未來業務策略。本集團風險管理處轄下的資產負債管理部，負責監察與市場風險有關的活動。

進行衍生工具交易及向客戶出售衍生工具以用作風險管理產品為本集團其中一項重要業務。此等工具亦用以管理本集團所承受的市場風險，作為本集團資產負債管理的一部分程序。本集團所採用的衍生工具主要為利率、外匯和股份相關合約，即為場外或場內交易的衍生工具。本集團大部分的衍生工具持倉均為切合客戶需求，以及為此等和其他交易項目而進行對沖。

在此方面，本集團主要管理的市場風險包括：

(i) 貨幣風險

本集團的外幣持倉源自外匯買賣、商業銀行業務和結構性外匯風險。本集團的非結構性外幣風險主要以美元及人民幣為單位，而其他外幣方面，該等貨幣風險佔本集團所有結構性及非結構性外幣的淨持倉總額低於10%。所有外幣持倉均維持在董事會或資產負債管理委員會所訂定的限額內。

本集團於分行、附屬公司和聯營公司的外匯投資，其有關的溢利及虧損因為已撥入儲備，所以未計算在風險值內。管理此等外幣投資的主要目的，是保障本集團的儲備免受匯率波動的影響。本集團盡力將以外幣計值的資產與以同一貨幣計值的負債，保持在相若水平。

如個別外幣的持倉淨額或結構性持倉淨額佔所持有外幣淨持倉總額或結構性淨持倉總額的10%或以上，便須予以披露。期權倉淨額乃根據所有外匯期權合約之得爾塔加權持倉為基礎計算。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The Group		集團					
		2014					
		USD 美元 HK\$ Mn 港幣百萬元	RMB 人民幣 HK\$ Mn 港幣百萬元	GBP 英鎊 HK\$ Mn 港幣百萬元	SGD 新加坡元 HK\$ Mn 港幣百萬元	Other foreign currencies 其他外幣 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Spot assets	現貨資產	192,783	398,802	27,725	25,563	22,559	667,432
Spot liabilities	現貨負債	(182,966)	(367,570)	(19,269)	(30,405)	(39,025)	(639,235)
Forward purchases	遠期買入	122,471	74,025	968	5,891	20,055	223,410
Forward sales	遠期賣出	(129,557)	(106,508)	(9,510)	(1,589)	(3,653)	(250,817)
Net options position	期權倉淨額	(31)	(1)	(1)	-	36	3
Net long/(short) non-structural position	非結構性長/ (短)盤淨額	2,700	(1,252)	(87)	(540)	(28)	793

		2013 Restated 重報					
		USD 美元 HK\$ Mn 港幣百萬元	RMB 人民幣 HK\$ Mn 港幣百萬元	GBP 英鎊 HK\$ Mn 港幣百萬元	SGD 新加坡元 HK\$ Mn 港幣百萬元	Other foreign currencies 其他外幣 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元
Spot assets	現貨資產	168,307	400,338	24,141	25,137	27,127	645,050
Spot liabilities	現貨負債	(170,842)	(357,848)	(16,792)	(32,229)	(33,600)	(611,311)
Forward purchases	遠期買入	162,051	106,701	539	7,321	9,905	286,517
Forward sales	遠期賣出	(157,067)	(148,766)	(7,883)	(661)	(3,460)	(317,837)
Net options position	期權倉淨額	(31)	6	(3)	-	(5)	(33)
Net long/(short) non-structural position	非結構性長/ (短)盤淨額	2,418	431	2	(432)	(33)	2,386

		2014					
		USD 美元 HK\$ Mn 港幣百萬元	RMB 人民幣 HK\$ Mn 港幣百萬元	MYR 馬幣 HK\$ Mn 港幣百萬元	Other foreign currencies 其他外幣 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元	
Net structural position	結構性持倉淨額	2,143	11,623	2,610	922	17,298	

		2013 Restated 重報					
		USD 美元 HK\$ Mn 港幣百萬元	RMB 人民幣 HK\$ Mn 港幣百萬元	MYR 馬幣 HK\$ Mn 港幣百萬元	Other foreign currencies 其他外幣 HK\$ Mn 港幣百萬元	Total 總額 HK\$ Mn 港幣百萬元	
Net structural position	結構性持倉淨額	2,475	8,960	1,912	754	14,101	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Market risk management (continued)

(i) Currency risk (continued)

The current year's figures are prepared after elimination of inter-branch foreign exchange transactions within a subsidiary, The Bank of East Asia (China) Limited, for the purpose of conforming to the prevailing reporting requirements. The 2013 figures have been restated accordingly.

The above figures are disclosed in accordance with the return relating to foreign currency positions the Bank submitted to the HKMA pursuant to section 63 of the Banking Ordinance in respect of the annual reporting period, which are computed on the consolidated basis as required by the HKMA for its regulatory purposes.

(ii) Interest rate risk

The Group's interest rate positions arise from treasury and commercial banking activities. Interest rate risk arises in both trading portfolios and non-trading portfolios. Interest rate risk primarily results from the timing differences in the re-pricing of interest-bearing assets, liabilities, and commitments. It also relates to positions from non-interest bearing liabilities including shareholders' funds and current accounts, as well as from certain fixed-rate loans and liabilities. Interest rate risk is managed on a daily basis by the Treasury Markets Division within the limits approved by the Board or the Asset and Liability Management Committee. The instruments used to manage interest rate risk include interest rate swaps and other derivatives.

(iii) Equity risk

The Group's equity positions arise from equity investment and dynamic hedging of customer-driven business. Equity risk is managed daily by the Investment Department within the limits approved by the Board, Investment Committee or the Asset and Liability Management Committee.

Market risk control limits have been set at varying levels according to the practical requirements of different units. The Board approves the core control limits and has delegated the authority to set detailed control limits to the Asset and Liability Management Committee. Risk, return and market conditions are considered when setting limits. Active limit monitoring is carried out.

In this connection, the Asset and Liability Management Committee monitors the related market risk arising from the risk-taking activities of the Group, to ensure that overall and individual market risks are within the Group's risk tolerance level. Risk exposures are monitored frequently to ensure that they are within established control limits.

The Group quantifies the market risk of the underlying trading portfolio by means of VaR. VaR is a statistical estimate that measures the potential losses in market value of a portfolio as a result of unfavourable movements in market rates and prices, if positions are held unchanged over a certain horizon time period.

(b) 主要風險(續)

市場風險管理(續)

(i) 貨幣風險(續)

本年度的數字於編製時已將子公司東亞銀行(中國)有限公司各分行之間的外匯交易會互相抵銷，以符合現行的報告要求。上年度的數字亦已按此重報。

以上數字乃根據《銀行業條例》第63條，就年度報告期向金管局呈交的關乎非港元貨幣持倉的申報表之基準，其計算是根據金管局訂定用作規管用途的綜合基準所編製。

(ii) 利率風險

本集團的利率持倉來自財資及商業銀行業務。交易組合和非交易組合均會產生利率風險。利率風險主要是由帶息資產、負債及承擔的重訂息率時差所致，亦與無息負債持倉有關，其中包括股東資金和往來賬戶及若干定息貸款和負債。利率風險由資金市場處按董事會或資產負債管理委員會批准的限額範圍進行日常管理。管理利率風險的工具包括利率掉期和其他衍生工具。

(iii) 股份風險

本集團的股份持倉來自股份投資及客戶業務的動態對沖。股份風險由投資部按董事會、投資委員會或資產負債管理委員會批准的限額範圍進行日常管理。

市場風險控制限額設有不同層次以配合各類業務的實際需要。董事會審批核心控制限額並授權資產負債管理委員會審批具體的控制限額。釐定限額時會考慮風險、回報及市場情況等因素，並且採用積極限額監控程序。

在此方面，資產負債管理委員會負責監察本集團承擔市場風險的活動，確保整體及個別市場風險處於本集團的風險承受範圍內。本集團會經常監控風險承擔情況，以確保所承擔風險屬於既定的控制限額內。

本集團運用風險值來量化相關交易組合的市場風險。風險值是統計學上的估計，用來量度於某一時段內持倉維持不變的情況下，因市場息率及價格的不利波動而引致組合的市值潛在虧損。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The Group estimates VaR for the Group's trading portfolio by the Parametric Approach, where the VaR is derived from the underlying variances and co-variances of the constituents of a portfolio. This methodology uses historical movements in market rates and prices, a 99% confidence level, a one-day holding period and a one-year historical observation period. An equal or higher weighting scheme is applied to more recent observations under which higher VaR should be used.

Structural foreign exchange positions arising from net investments in branches and subsidiaries are not included in the VaR for the foreign exchange trading position.

The book value of listed shares, as well as the book value of private equity funds and unlisted equities (collectively the "Unlisted Securities"), are subject to limits and these are monitored by the management of the Group. The Unlisted Securities and listed non-trading equities are not included in the VaR for the equity trading position, and are managed through delegated limits. The limits are subject to regular review by the Asset and Liability Management Committee.

Total market risk capital charge under the advanced approach adopted by the Group is divided into two parts, market risk capital charge for specific risk and market risk capital charge for general market risk. Under capital charge for general market risk, the Group uses the internal models approach for the VaR calculation, by applying full 10-day price movement. For specific risk, the Group uses the Standardised (market risk) Approach for the calculation.

The following table indicates the capital charge for market risk:

		Market risk capital charge 市場風險資本要求	
		As at 31st December, 2014 於2014年12月31日 HK\$ Mn 港幣百萬元	As at 31st December, 2013 於2013年12月31日 HK\$ Mn 港幣百萬元
Internal Models Approach	內部模式計算法		
– General Market Risk	– 一般市場風險	782	1,071
– VaR	– 風險	204	257
– Stressed VaR	– 受壓風險	578	814
Standardised Approach	標準計算法		
– Specific Market Risk Debt Charge	– 特定市場風險債務要求	102	106
– Specific Market Risk Equity Charge	– 特定市場風險股份要求	185	145
Total	總額	1,069	1,322

According to the Capital Rules, the Group adopts back testing to assess the predictive power of the VaR estimation. Back testing consists of a periodic comparison of the daily VaR measures with the subsequent daily actual and hypothetical trading outcomes. Back testing is a statistical technique developed to gauge the quality and accuracy of risk measurement model. No exceptions were found during 2014 (1 exception was found during 2013), under 99% confidence level and 250-day observation period.

The Bank uses internal models approach for Vega risk capital charge calculation.

本集團通過參數法評估本集團交易組合的風險值，其中，風險值乃透過組合成份的有關方差及協方差計算得出。該方法是依據過往市場息率與價格的波動、99%置信水平、1日持倉期以及1年過往觀察期來推算，其中對較近期觀察給予相等或較高的權重，並且據此採用較高的風險值。

由分行及附屬公司的淨投資產生的結構性外匯持倉不會包括在計算外匯交易持倉的風險值。

除上市股份外，私人股份基金及非上市股份（統稱「非上市證券」）的賬面值均由本集團管理層按限額控制。非上市證券及非交易上市股份是根據特定限額管理及並不包括在交易股份持倉的風險值內。資產負債管理委員會須定期檢討該限額。

本集團採用的先進方法計算所得的市場風險資本要求總額分為兩個部分：特定風險的市場風險資本要求及一般市場風險的市場風險資本要求。本集團採用內部模式計算法，利用完整的10天價格變動計算風險值，計算一般市場風險的市場風險資本要求。本集團採用標準（市場風險）計算法計算特定風險。

下表顯示市場風險的資本要求：

根據《資本規則》，本集團採用回溯測試評估風險值估計數字的預測準確度。回溯測試包括定期將每日風險值與其後的每日實際及模擬交易結果進行對比。回溯測試是一種用以衡量風險管理模式的質素與準確度的統計技術。在99%的置信水平及250日觀察期的情況下，2014年沒有發現例外情況（2013年發現1次例外情況）。

維加風險的資本要求已採用內部模式計算法。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Market risk management (continued)

In addition, stress testing on market risk is performed for the Group as a supplement to the daily VaR assessment. The Group applies sensitivity analysis and scenario analysis, on individual portfolios and/or on the Group's consolidated positions, to assess the potential impact of extreme movements in market prices on the Group's earnings.

Value-at-risk & Stressed Value-at-risk statistics

(b) 主要風險(續)

市場風險管理(續)

此外，本集團利用市場風險壓力測試以補足每日風險值的評估。本集團對個別組合及／或本集團綜合持倉進行敏感度分析及情景分析，以評估市場價格的大幅波動對本集團盈利可能產生的影響。

風險及受壓風險值統計

Year 2014年		At 31st December 於12月31日		Maximum 最高		Minimum 最低		Mean 平均	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
	VaR for total trading activities		23		33		16		24
	VaR for foreign exchange trading positions*		8		11		3		6
	VaR for interest rate trading positions		4		9		1		4
	VaR for equity trading positions		16		23		13		18

Year 2013年		At 31st December 於12月31日		Maximum 最高		Minimum 最低		Mean 平均	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
	VaR for total trading activities		26		43		24		29
	VaR for foreign exchange trading positions*		6		10		4		7
	VaR for interest rate trading positions		4		10		2		4
	VaR for equity trading positions		21		34		20		23

* Including all foreign exchange positions but excluding structural foreign exchange positions.

* 包括所有外匯持倉但不包括結構性外匯持倉。

Year 2014年		At 31st December 於12月31日		Maximum 最高		Minimum 最低		Mean 平均	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
	Stressed VaR for total trading activities		59		109		51		84

Year 2013年		At 31st December 於12月31日		Maximum 最高		Minimum 最低		Mean 平均	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
	Stressed VaR for total trading activities		87		102		74		89

A stressed VaR measure is intended to replicate a VaR calculation that would be generated on current market risk portfolio if the relevant market factors were experiencing a period of stress.

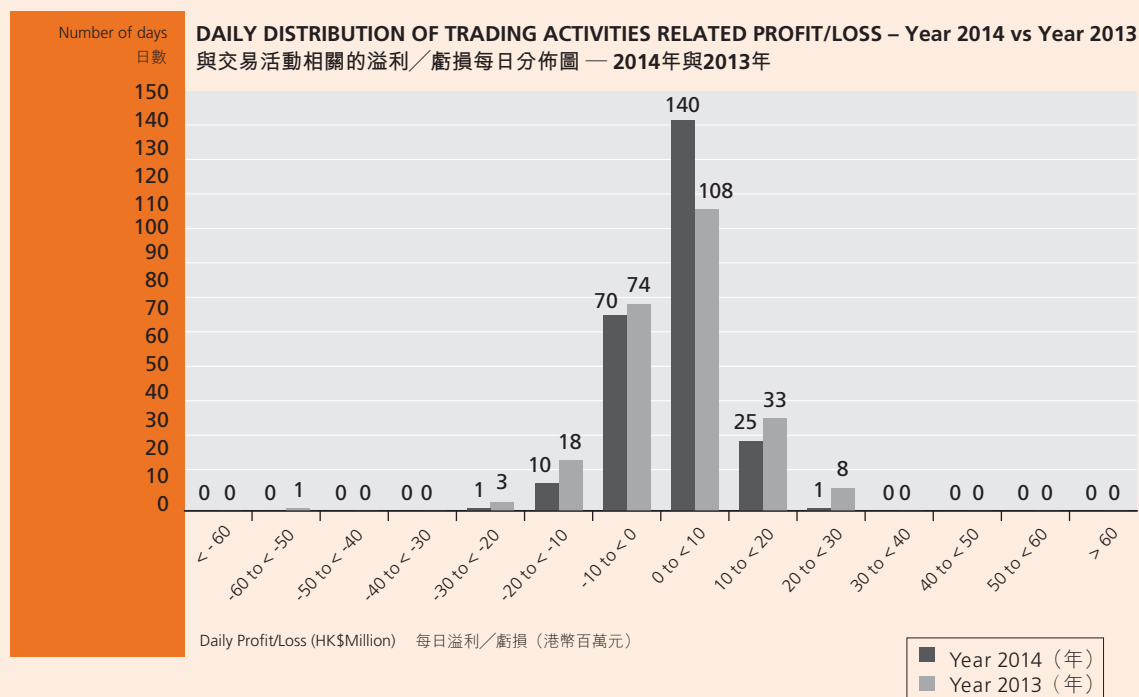
受壓風險值採用現行風險值的計算方法，根據受壓期間的相關市場因素，對投資組合計算的風險值。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The average daily profit for all trading activities (including foreign exchange, interest rate and equity trading activities) in 2014 was HK\$2.15 million (average daily profit of HK\$1.83 million in 2013). The standard deviation of the daily profit/loss for the period was HK\$6.77 million (standard deviation of HK\$9.58 million for 2013). The frequency distribution of daily profit/loss is shown below:

於2014年，所有交易活動(包括貨幣、利率、股份交易活動)所得的每日平均收入為港幣215萬元(2013年的每日平均收入為港幣183萬元)。每日溢利/虧損的標準差為港幣677萬元(2013年為港幣958萬元)。以下為每日溢利/虧損的頻率分佈情況：



Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

營運風險管理

營運風險是指由於內部流程、人員和系統不足或不成熟，或因外部事件而導致損失的潛在風險。

The objective of operational risk management is to identify, assess, monitor and report on operational risk and to comply with the relevant regulatory requirements.

營運風險管理的目的在於識別、評估、監控及匯報營運風險，以及遵守相關監管規定的要求。

The Operational Risk Management Committee is responsible for overseeing operational risk management of the Group while the Operational Risk Management Department under the Risk Management Division of the Group is responsible for monitoring activities relating to operational risk.

營運風險管理委員會負責監督本集團的營運風險管理，而本集團風險管理處轄下的營運風險管理部則負責監察與營運風險有關的活動。

The operational risk management tools adopted include operational risk incident reporting, control self-assessment, key risk indicators, operation manuals, insurance policies, business continuity planning, etc.

本集團所採用的營運風險管理工具包括營運風險事件匯報、自我評估監控、主要風險指標、營運手冊、保險政策、業務持續規劃等。

Furthermore, the Operational Risk Management Department under the Risk Management Division of the Group has also performed self-assessment on the Group's compliance with the requirements of HKMA Supervisory Policy Manual on Operational Risk Management, with satisfactory result which had been reviewed independently by the Internal Audit Department.

此外，本集團風險管理處轄下的營運風險管理部亦就本集團是否符合金管局監管政策手冊關於業務操作風險管理的規定進行自我評估，並經稽核部獨立審閱後得出滿意的結果。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Operational risk management (continued)

Capital Charge for Operational Risk

As at 31st December 2014, capital charge for operational risk amounted to HK\$2,375 million (2013: HK\$2,132 million).

Liquidity risk management

Liquidity pertains to the Group's ability to meet obligations as they fall due. Funding liquidity relates to the ability to meet expected and unexpected, current and future cash flow and collateral needs without affecting daily operations or the financial position. Market liquidity concerns the inability to offset or eliminate a position at market price because of inadequate market depth or market disruption.

The purpose of liquidity risk management is to ensure sufficient cash flows to meet all financial commitments and to capitalise on opportunities for business expansion. This includes the Group's ability to meet deposit withdrawals either on demand or at contractual maturity, to repay borrowings as they mature, to comply with the statutory liquidity ratio, and to make new loans and investments as opportunities arise.

The Asset and Liability Management Committee is delegated by the Board to oversee the Group's liquidity risk management. The Asset and Liability Management Committee sets the strategy, policy and limits for managing liquidity risk and the means for ensuring that such strategy and policy are implemented. Regular meetings are held to review the compliance status of the monitoring matrix established and the need for any change in strategy and policy. Liquidity is managed daily by the Capital Markets & Liquidity Management Department under the Treasury Markets Division within the set limits. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring the activities relating to liquidity risk. The Internal Audit Department performs periodic reviews to ensure that the liquidity risk management functions are carried out effectively.

The Group's strong retail customer base provides a significant portion of the Group's funding. The retail customer base constitutes a broad spectrum of depositors with whom the Group maintains strong relationships. Funding diversification is achieved through the issuance of certificates of deposit, medium term notes and subordinated debt. Professional markets are accessed for the purposes of providing additional funding, maintaining a presence in local money markets, and optimising asset and liability maturities.

Internally, intra-group funding transactions are carried out at arm's length and treated in a manner in line with other third party transactions, with regular monitoring and appropriate control.

(b) 主要風險(續)

營運風險管理(續)

營運風險的資本要求

於2014年12月31日，營運風險的資本要求為港幣23.75億元(2013年：港幣21.32億元)。

流動資金風險管理

流動資金與本集團履行到期責任的能力有關。融資流動風險管理關鍵在於是否能夠在不影響日常營運或財務狀況的情況下，滿足預期及未能預期、目前及未來的現金流量及抵押品需求。市場流動性風險管理著眼於是否能夠在市場深度不足或市場失序時，按市場價格平倉。

流動資金風險管理是為了確保本集團維持充足的現金流量以配合所有財務承擔，並掌握業務擴展的機會，當中包括確保本集團能夠在即時或合約期滿時滿足客戶的提款要求，在借款期滿時能夠還款，符合法定的流動資金比率，以及掌握貸款和投資的機會。

資產負債管理委員會獲董事會授權，負責監察本集團的流動資金風險管理。資產負債管理委員會制訂管理流動資金風險的策略、政策及限額，以及確保執行有關策略與政策的措施。委員會定期舉行會議，檢討各方面是否符合所設立的監管架構，以及是否有需要改變策略及政策。流動資金狀況由資金市場處轄下的資本市場及流動資金管理部每日按所訂限額範圍進行管理。本集團風險管理處轄下的資產負債管理部，負責監察與流動資金風險相關的活動。稽核部會定期作出檢討，確保流動資金風險管理功能得以有效執行。

穩健的零售客戶基礎構成本集團大部分的資金，本集團一直致力維持穩定的客戶基礎，當中包括各類型的存戶，而我們與存戶一直保持深厚的關係。本集團透過發行存款證、中期票據及後償債項使資金來源更多元化，亦會透過專業市場獲取額外資金，並維持於當地金融市場的地位，以及優化資產及負債的期限。

至於內部，集團內公司間的融資交易乃按一般正常交易原則進行，處理方式與其他第三方交易一致，並接受定期監督及適當控制。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

In addition to observing the statutory liquidity ratio, the Group has established different liquidity metrics, including but not limited to the liquidity ratio, loan-to-deposit ratio, cumulative mismatch ratio, funding concentration ratios, intra-group exposure threshold and cross currency funding ratio to measure and analyse the Group's liquidity risks. As a majority of the Group's liquidity risk arises from the maturity mismatch gap between the Group's asset and liability portfolios, the Group manages liquidity risk by conducting cash flow analysis and projections. These are carried out on a regular basis to identify funding needs arising from on- and off-balance sheet items in a specific time bucket over a set of time horizons. The Group also holds sufficient liquid assets (e.g. cash, short term funds and securities) of appropriate quality to ensure that short term funding requirements are covered within prudent limits. Contingent funding sources are maintained to provide strategic liquidity to meet unexpected and material cash outflows.

The Group also conducts stress testing regularly to analyse liquidity risk. In the Group's stress test, both on- and off-balance sheet items with cash flow impact are considered, with applicable hypothetical as well as historical assumptions. Both funding and market liquidity risks are addressed. Three stress scenarios, namely an institution-specific crisis, a general market crisis and a crisis in combination of the two are adopted with minimum survival period defined according to HKMA's latest Supervisory Policy Manual "Sound Systems and Controls for Liquidity Risk Management".

With reference to the stress-testing results, the Group identifies potential vulnerabilities within the Group, and formulates the Contingency Funding Policy and Contingency Funding Plan that describe the Group's strategy for dealing with any liquidity problem and the procedures for making up cash flow deficits in emergency situations.

The Contingency Funding Policy and Contingency Funding Plan are designed to be pro-active and pre-emptive, and stipulates the following three stages:

1. The Group utilises early warning indicators, which cover both qualitative and quantitative measures, and monitors both internal and external factors. Should there be any early signs of significant impact on the Group's liquidity position, management is informed.
2. A Crisis Management Committee, which is chaired by the Group's Senior Management, is formed to handle the crisis. Strategy and procedures for obtaining contingency funding, as well as roles and responsibilities of parties concerned, are clearly stated.
3. In the final stage, a detailed review is carried out to recommend necessary improvements to avoid incidents of a similar nature in future.

An annual drill test is conducted and the Contingency Funding Policy and Contingency Funding Plan are subject to regular review in order to cope with any changes in the business environment. Any significant changes to the Contingency Funding Policy and Contingency Funding Plan are approved by the Board and the Asset and Liability Management Committee, respectively.

除緊守法定的流動資金比率外，本集團已設立不同的流動資金標準以衡量及分析流動資金風險，包括(但不限於)流動資金比率、貸存比率、累積錯配比例、資金集中比率、集團內公司間風險限額及跨貨幣資金比率。由於本集團大部分流動資金風險來自資產與負債組合之間的期限錯配差距，本集團會定期透過對一系列時間內的資產負債表內外資產及項目進行現金流量分析及預測，確定特定時間內的資金需要，從而管理流動資金風險。本集團維持充足的流動資產，例如適量的現金、短期資金和證券數量，以確保能在經審慎釐定的限額內符合短期資金要求。本集團維持應急融資來源，能提供策略性的流動資金，以應付未能預計的大量資金需求。

本集團亦會定期進行壓力測試，以分析流動資金風險。透過運用適當的虛擬及歷史假設，本集團的壓力測試均已考慮資產負債表內外會對現金流量造成影響的項目。融資及市場流動資金風險均列入考慮範圍。三個壓力情景(即個別銀行危機、整體市場危機，以及結合上述兩種情況的綜合危機)均採用金管局最新監管政策手冊「穩健的流動資金風險管理系統及管控措施」界定的最短存活期。

本集團會參照壓力測試結果，確認集團內的潛在弱點，並制訂應急融資政策及計劃，當中訂明了處理流動資金問題的策略及於緊急情況下彌補現金流不足的程序。

應急融資政策及計劃旨在提供防患未然的積極措施，並訂明以下三個階段：

1. 本集團運用預早警報指標，當中包括質量性及數量性的措施，藉以監督內部及外在因素。假如有任何早期跡象顯示本集團流動資金狀況將受重大影響，應通知管理層。
2. 本集團已設立危機管理委員會，並由本集團的高層管理人員擔任主席，專責處理危機，並明確規定取得應急資金的策略及程序，以及有關各方的職務及職責。
3. 於最後階段，本集團會對問題進行詳細檢討，並作出必要改進，避免日後出現同類事件。

為應付商業環境中的任何轉變，本集團會每年進行演習測試，並會定期檢討應急融資政策及計劃。應急融資政策及計劃如有任何重大變動，均須分別取得董事會及資產負債管理委員會的批准。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(b) Principal risks (continued)

Interest rate risk management

The Asset and Liability Management Committee is delegated by the Board to oversee the Group's interest rate risk management, establish the strategy and policy for managing interest rate risk, and determine the means for ensuring that such strategies and policies are implemented. Interest rate risk is managed on a daily basis by the Treasury Markets Division within the limits approved by the Board or the Asset and Liability Management Committee. The Asset & Liability Management Department under the Risk Management Division of the Group is responsible for monitoring the activities relating to interest rate risk. The Internal Audit Department performs periodic reviews to ensure that the interest rate risk management functions are implemented effectively.

The Group manages the interest rate risk on the banking book primarily by focusing on repricing mismatches. Gap analysis provides a static view of the maturity and repricing characteristics of the Group's balance sheet positions. Repricing gap limits are set to control the Group's interest rate risk.

Sensitivity analysis in relation to the impact of changes in interest rates on earnings and economic value is assessed through a hypothetical interest rate shock of 200 basis points across the yield curve on both sides of the statement of financial position and is performed on a monthly basis. Sensitivity limits are set to control the Group's interest rate risk exposure under both earnings and economic value perspectives. The results are reported to the Asset and Liability Management Committee on a regular basis.

Sensitivity analysis on interest rate risk

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on our net interest income and economic value change:

(b) 主要風險(續)

利率風險管理

資產負債管理委員會獲董事會授權，負責監察本集團的利率風險管理，訂立管理利率風險的策略與政策，並制定相應措施以確保有關策略與政策得以執行。利率風險由資金市場處按董事會或資產負債管理委員會批准的限額範圍進行日常管理。本集團風險管理處轄下的資產負債管理部，負責監察利率風險相關的活動。稽核部會定期作出檢討，確保利率風險管理功能得以有效執行。

本集團管理銀行賬冊利率風險的主要方法是集中於重訂息率的錯配。差距分析可讓本集團從靜態角度瞭解資產負債的到期情況及再定息特點。本集團設有重訂息率差距限額以控制本集團的利率風險。

有關利率變動對盈利和經濟價值影響的敏感度分析乃透過每月假設資產負債的收益率曲線出現200個基點的利率衝擊來估算。本集團設有敏感度限額，以控制本集團的盈利及經濟價值兩方面的利率風險承擔。有關結果定期向資產負債管理委員會匯報。

利率風險敏感度分析

本集團採用敏感度分析來度量利率變動對淨利息收入及經濟價值變動可能產生的影響：

		2014			2013		
		HKD港元 HK\$ Mn 港幣百萬元	USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元	HKD港元 HK\$ Mn 港幣百萬元	USD美元 HK\$ Mn 港幣百萬元	RMB人民幣 HK\$ Mn 港幣百萬元
Impact on earnings over the next 12 months if interest rates rise by 200 basis points	倘利率上調200個基點對未來12個月的盈利影響	534	3	570	289	(76)	706
Impact on economic value if interest rates rise by 200 basis points	倘利率上調200個基點對經濟價值的影響	(199)	118	59	(117)	122	622

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

This sensitivity analysis, which is based on a static interest rate risk profile of assets and liabilities, is used for risk management purposes only. The analysis is based on the following assumptions:

- (i) there is a parallel shift in the yield curve and in interest rates;
- (ii) there are no other changes to the portfolio;
- (iii) no loan prepayment is assumed as the majority of loans are on a floating rate basis; and
- (iv) deposits without fixed maturity dates are assumed to be repriced on the next day.

Actual changes in the Group's net interest income and the economic value resulting from the increases in interest rates may differ from the results of this sensitivity analysis.

(c) Capital management

The HKMA sets and monitors capital requirements for the Group as a whole. In implementing current capital requirements the HKMA requires the Group to maintain a prescribed ratio of total capital to total risk-weighted assets. The Group calculates requirements for market risk in its trading portfolios based upon the Group's VaR models and uses its internal gradings as the basis for risk weightings for credit risk. Banking operations are categorised as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

In addition to meeting the regulatory requirements, the Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might otherwise be possible with greater gearing and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The process of allocating capital to specific operations and activities is undertaken by the Asset and Liability Management Committee and is reviewed regularly by the RIC and the Board.

Consistent with industry practice, the Group monitors its capital structure on the basis of the capital adequacy ratio and there have been no material changes in the Group's policy on the management of capital during the year.

該敏感度分析僅用於風險管理目的，乃依據資產及負債的靜態利率風險資料作出。有關分析乃根據以下假設進行：

- (i) 收益率曲線及利率出現平行移動；
- (ii) 組合並無其他變動；
- (iii) 假設沒有提早償還貸款，因大部份貸款屬於浮息貸款，及
- (iv) 假設沒有固定到期日的存款於翌日再定息。

利率上調而導致本集團淨利息收入及經濟價值的實際變動與該敏感度分析的結果可能有所不同。

(c) 資本管理

金管局制定及監察本集團整體的資本規定。在實施現行的資本規定時，金管局規定本集團維持既定的總資本對總風險加權資產比率。本集團根據風險值模式計算交易組合的市場風險，及根據內部評級作為信貸風險之風險比重的基準，計算交易組合的市場風險要求。銀行業務分為交易賬冊或銀行賬冊。風險加權資產依照特別規定而定，特別規定旨在反映與資產的不同風險水平及資產負債表外的風險。

除符合監管規定外，本集團管理資本的主要目的是保障本集團可持續經營，藉以不斷為股東提供回報及為其他利益關涉者帶來利益。方法包括依照風險水平釐定產品及服務價格，及以合理的成本提供融資渠道。

本集團積極定期檢討及管理資本架構，以期在爭取更高股東回報與維持良好資本的好處和安全之間取得平衡，並且因應經濟情況的轉變調整資本架構。

調配資本至特定業務及活動的程序由資產及負債管理委員會進行，並由風險委員會及董事會定期檢討。

本集團依據行業慣例，以資本充足比率為基準監察資本架構，年度內本集團資本管理政策並無重大改變。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(6) PRINCIPAL RISKS AND CAPITAL ADEQUACY (CONTINUED) 主要風險及資本充足度(續)

(c) Capital management (continued)

The capital adequacy ratios as at 31st December, 2014 and 31st December, 2013 are computed on the consolidated basis of the Bank and certain of its subsidiaries as specified by the HKMA for its regulatory purposes, and are in accordance with the Capital Rules of the Banking Ordinance which became effective on 1st January, 2007.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year ended 31st December, 2014 and 31st December, 2013 and the Group is well above the minimum required ratio set by the HKMA.

(c) 資本管理(續)

2014年12月31日及2013年12月31日的資本充足比率是依據金管局為監管目的而制定的，本行及若干附屬公司已按綜合基準計算，並符合2007年1月1日生效的《銀行條例》的《資本規則》。

截至2014年12月31日及2013年12月31日止年度內，本集團及其個別受監管業務已符合所有外間訂立的資本規定，以及本集團俱遠高於金管局所定的最低規定比率。

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH

根據內部評級基準計算法計算的信貸風險

This section presents information on the Group’s risk management for credit exposures under IRB approach.

Foundation IRB approach is adopted for capital adequacy assessment for credit risk where internal rating systems are applied against different types of counterparties in the risk management process.

本節呈列本集團對根據內部評級基準計算法計算的信貸風險承擔進行的風險管理資料。

本集團採納基礎內部評級基準計算法以評估信貸風險的資本充足度，並於風險管理程序中使用內部評級系統處理不同類型的交易對手。

(a) Structure of internal ratings systems

The internal ratings system serves as the foundation for the Bank’s risk management and capital adequacy assessment. In general, the system adopts a 20-tier rating structure.

For Corporate, Bank and Retail exposures, internal measure of credit risks are based on an assessment of the borrower and transaction characteristics of each exposure. Therefore the Bank has a two-dimensional rating structure, one dimension being the borrower grade, and the other being facility grade.

The borrower grade reflects risk of borrower default. The borrower’s Probability of Default over a one-year horizon is linked up to the 20-tier structure, with the last 3 tiers down the structure being default grades. The facility grade incorporates transaction specific factors e.g. collateral, guarantee, etc. These factors are directly linked up to the transaction’s Expected Loss, which is in turn transformed into a 20-tier structure.

On the other hand, the Bank utilises the Supervisory Slotting Criteria Approach in rating Specialised Lending exposures. Under this approach, a single-dimension rating considering both the borrower and transaction characteristics will be assigned to the credit exposure, with the same 20-tier risk structure.

For Corporate and Bank exposures, borrower grades generated from the internal rating systems are benchmarked to external credit ratings.

(a) 內部評級系統的架構

內部評級系統為本行風險管理及資本充足評估的基礎。整體而言，該評級系統分為20個等級。

就企業、銀行及零售的風險承擔而言，信貸風險的內部量度方法以評估借款人及每項風險承擔的交易特性為基礎。因此，本行的評級架構有兩個層面，第一個是借款人等級，另一個是融通等級。

借款人等級反映借款人違責的風險。借款人一年內的違責或然率與20等級的架構掛鉤，最低的3個等級為違責等級。融通等級已考慮特定交易因素，如抵押品、擔保等。該等因素直接換算出交易的預期損失，再與20等級的架構掛鉤。

另一方面，本行為專門性信貸風險承擔評級時，會使用監管分類準則計算法。根據此計算法，信貸風險承擔會獲得一個已經兼顧借款人及交易特性的單一層面評級，這評級同樣分為20個等級。

就企業及銀行風險承擔而言，自內部評級系統產生的借款人等級與外部信貸評級對應，並作為基準。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(b) Use of internal ratings

The Bank has used information generated from internal rating systems in various areas including but not limited to credit approval, credit monitoring, loan classification, pricing, formulating business strategies and capital adequacy assessment.

(c) Control mechanisms for rating systems

In order to ensure that the rating systems are robust, the Bank has a control mechanism and relevant policies in place to validate the accuracy and consistency of the systems, which are used for the estimation of all relevant risk components for risk management and capital adequacy calculation.

The validation process covers 2 major aspects: review of internal rating models (i.e. quantitative assessment) and review of internal control and compliance (i.e. qualitative assessment). For the purpose of independence and accountability, staff members who are responsible for carrying out the validation process should be independent of those staff members who are responsible for designing and developing the rating systems. The Credit Committee oversees the whole validation process and reviews/approves the validation results and deliverables of the validating team on an annual basis.

(d) Internal rating process

The Bank's internal rating process begins with the business units. These units apply different models for rating different types of credit exposures. During the process of rating assignment, overriding of the rating generated by the models is possible if it is considered that material information has not been taken into account by the models. The justification for overrides should be properly documented.

The rated credits, whether or not overrides are necessary, are then reviewed and approved by an individual party other than the one responsible for the assignment of the rating. This ensures accuracy and precision of the ratings, and that ratings are prudent and comply with the credit policies of the Bank. Based on the policies of the Bank, ratings of credit exposures will be reviewed at least annually.

(e) Types of exposures

- Corporate exposure includes exposures to corporate SMEs, other corporate and specialised lending.
- Bank exposure includes exposures to banks, regulated securities firms and public sector entities.
- Retail exposure includes residential mortgages, qualifying revolving retail exposures and other retail exposures.

(b) 內部評級的應用

本行在多方面均使用自內部評級系統取得的資料，包括但不限於信貸審批、信貸監控、貸款分類、定價、業務策略制訂及資本充足評估方面。

(c) 評級系統的監控機制

為確保評級系統的穩健性，本行設有監控機制及有關政策，以核實系統是否準確及一致，而系統乃用於估計一切相關風險成份以用作風險管理及資本充足計算。

核實程序涵蓋兩個主要方面：審查內部評級模型(即數量評估)及審查內部監控及遵規(即質量評估)。就獨立性及問責性而言，負責進行核實程序的員工應獨立於負責設計及制定評級系統的員工。信貸委員會監察整個核實程序，並每年審查／批准核實結果及核實小組所呈交的報告。

(d) 內部評級程序

本行的內部評級程序由業務單位開始。該等部門對不同類別的信貸風險承擔評級時，均會採用不同的模型。在評級程序中，倘認為模型並無考慮重要資料，模型得出的評級可能會遭調整，但調整評級的理據應妥為存檔。

然後，不論是否需要調整評級，獲評級的信貸繼而由負責評級者以外的獨立方審查及批准。此舉可確保評級準確精密，且以審慎方式作出，並符合本行的信貸政策。根據本行的政策，信貸風險承擔的評級最少每年審查一次。

(e) 風險承擔類別

- 企業風險承擔包括對中小企、其他企業及專門性借貸的風險承擔。
- 銀行風險承擔包括對銀行、受監管的證券商號及公營單位的風險承擔。
- 零售風險承擔包括住宅按揭、合資格循環零售風險承擔及其他零售風險承擔。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(f) Variables, methods and data for estimation and validation of internal ratings

Probability of Default (PD)

For corporate exposures, PD is estimated based on both financial and business variables. Financial variables are financial ratios which link up to the profitability, liquidity and capital structure of the borrower, whereas for business variables, risk factors are assessed through management quality, industry risk and company standing. The two assessments are combined based on a scorecard methodology to produce the PD which is estimated through the Bank's default data.

For retail exposures, borrowers with homogenous nature and transaction characteristics are segmented into pools in each of which an estimated PD is assigned.

For bank exposures, the estimation of PD takes into account the market value of asset of the borrower, asset volatility and the borrowers' liabilities. The model measures and compares values of the borrower's assets and liabilities and converts the measurement to PD.

Loss-Given-Default (LGD)

For corporate and bank exposures, the Bank applies the supervisory LGD estimate provided by the HKMA.

For retail exposures, the LGD estimate is based on historical realised loss and total historical default amount within a defined period.

Exposure-at-Default (EAD)

EAD is calculated as sum of on-balance sheet amount and credit equivalent amount of off-balance sheet items. Credit equivalent amount is the exposure amount of off-balance sheet items multiplied by the respective credit conversion factors according to the Capital Rules. For certain revolving retail exposures, the credit conversion factor is estimated with reference to the historical realised further drawdown rate prior to defaults.

The exposure amount disclosed in the following of this report relating to IRB exposure refers to EAD.

Assumptions Employed in Derivation of Variables

The assumptions behind the estimation of PD are: (1) risk factors selected for estimation are valid and significant; (2) the weight assigned to each risk factor is reasonable and appropriate for the estimation in the context of the Bank's credit portfolio; (3) the estimation model/methodology is valid and appropriate for the Bank's credit portfolio and risk environment; (4) for retail exposures, default rate from year to year does not exhibit significant fluctuations so that historical data (default rate) could be applied as PD estimate.

(f) 估計及核實內部評級的可變因素、方法及數據

違責或然率

就企業風險承擔而言，違責或然率乃以財務及業務的可變因素估計。財務可變因素為與借款人的盈利能力、資金流動性及資本架構有關的財務比率。而就業務可變因素而言，風險因素按管理質素、行業風險及公司於行內地位作評估。兩項評估乃根據評分卡法結合，從而得出利用本行的違責數據所估計的違責或然率。

就零售風險承擔而言，性質及交易特性相近的借款人會被分成多個組別，而該等組別會被賦予一估計違責或然率。

就銀行風險承擔而言，估計違責或然率時會計及借款人資產的市值、資產波動幅度及借款人的負債。模型會計算及比較借款人資產及負債的價值，並把計算所得轉化為違責或然率。

違責損失率

就企業及銀行風險承擔而言，本行採用金管局提供的監管性估計的違責損失率。

就零售風險承擔而言，違責損失率估計乃基於已界定期間的過往變現損失及過往違責總額計出。

違責風險承擔

違責風險承擔計算為資產負債表內項目的數額及資產負債表外項目的信貸等值數額的總和。根據《資本規則》，信貸等值數額為資產負債表外項目的風險承擔數額乘以相應的信貸換算因數。就若干循環零售風險承擔而言，信貸換算因數乃參考在過往信貸違責前實際之進一步提取貸款比率而作出估計。

本報告下文所披露有關內部評級基準風險承擔的風險承擔數額所指的是違責風險承擔。

計算可變因素時採用的假設

估計違責或然率時所作的假設：(1)進行估計所選用的風險因素乃屬有效及重要。(2)在本行信貸組合方面，以各風險因素獲賦予的權重進行估計，乃屬合理及適當。(3)估計模型／方法就本行的信貸組合及風險狀況而言乃屬有效及適當。(4)就零售風險承擔而言，年來的違責率並無顯示重大波動，故過往數據(違責率)可應用作違責或然率估計。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

The underlying assumption of LGD estimate is that the loss and recovery pattern of the credit portfolio from year to year does not exhibit significant fluctuations so that historical realised LGD could be applied as LGD estimate. It is also assumed that realised LGD differs significantly across the credit portfolios.

For certain revolving retail exposures, the EAD is estimated based on the assumption that the historical further drawdown rate from year to year does not differ significantly so that historical data could be used for estimation of current EAD of the revolving retail exposures.

Methods of Validation

In order to ensure that the above assumptions for estimation are valid and the Bank's internal rating system is reliable and suitable for the Bank's credit portfolio, regular validation is indispensable.

The validation of the rating models is divided into (1) review of rating systems (quantitative assessment); (2) review of use of ratings (qualitative assessment).

The review of rating systems is carried out through a series of statistical tests. The purpose of the review is to assess the predictive power and robustness of model and the presence of under/over estimation.

The review of use of ratings focuses on the process of rating assignment, review and approval.

(g) Policies for establishing provisions

The impairment losses of loans and receivables are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Receivables with a short duration are not discounted if the effect of discounting is immaterial.

The total allowance for impairment losses consists of two components: individual impairment allowances, and collective impairment allowances.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The individual impairment allowance is based upon management's best estimate of the present value of the cash flows which are expected to be received discounted at the original effective interest rate. In estimating these cash flows, management makes judgements about the borrower's financial situation and the net realisable value of any underlying collateral or guarantees in favour of the Group. Each impaired asset is assessed on its merits.

違責損失率估計的相關假設是，信貸組合年來的損失及收回模式並無顯示重大波動而令過往實際違責損失率可應用作違責損失率估計，以及各信貸組合的實際違責損失率顯著不同。

就若干循環零售風險承擔而言，估計違責風險承擔時的假設是，年來過往進一步提取貸款比率並無顯著不同而令過往數據可用作估計循環零售風險承擔的現行違責風險承擔。

核實方法

為確保上述為進行估計而作的假設有效，以及本行內部評級系統就本行信貸組合而言乃屬可靠及適合，定期作出核實是必須的。

評級模型的核實方法分為：(1)審查評級系統(數量評估)；(2)審查評級的應用(質量評估)。

審查評級系統乃透過一系列統計測試進行。審查目的乃評估模型的預示能力及穩健程度，以及是否存在低估/高估的情況。

就評級應用的審查，乃以評級及審批程序為重點。

(g) 設立準備金的政策

貸款和應收賬款的減值損失，是根據資產賬面值及估計未來現金流按資產原本之有效利率折算為現值，以二者之差額計算。如果折算現值後的影響不大，不會折算短期應收賬款。

減值損失準備總額包括兩部分：個別減值準備，及整體減值準備。

本集團首先評估客觀減值證據是否個別存在於個別重大金融資產，及個別或整體存在於非個別重大金融資產。若本集團判斷客觀減值證據並不存在於個別評估金融資產，無論重大與否，本集團將有相同風險特性的金融資產歸類，及作整體減值評估。作個別減值評估的資產而減值損失須持續確認，其減值損失不會包括於整體減值準備內。

個別減值準備是根據管理層的最佳估計將可能收回之現金流按原本的有效利率折算為現值。在估計現金流時，管理層須判斷借款人的財政狀況及給予本集團的抵押品或擔保之可變現淨值，並須評估每宗減值資產的真正價值。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(g) Policies for establishing provisions (continued)

In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, the Group makes assumptions both to define the way the Group models inherent losses and to determine the required input parameters, based on historical experience and current economic conditions.

The accuracy of the impairment allowances the Group makes depends on how well the Group can estimate future cash flows for individually assessed impairment allowances and the model assumptions and parameters used in determining collective impairment allowances. While this necessarily involves judgment, the Group believes that the impairment allowances on loans and advances to customers are reasonable and supportable.

All loans and receivables are reviewed and analysed periodically. Any subsequent changes to the amounts and timing of the expected future cash flows compared to the prior estimates that can be linked objectively to an event occurring after the write-down, will result in a change in the impairment allowances on loans and receivables and will be charged or credited to the income statement. A reversal of impairment losses is limited to the loans and receivables' carrying amount that would have been determined had no impairment loss been recognised in prior years.

Where there is no reasonable prospect of recovery, the loan and the related interest receivables are written off.

The Bank takes into consideration the provision made in its capital maintenance decisions as in accordance with Section 220 of the Capital Rules. The Bank compares the total expected loss (“EL”) amount and the total eligible provisions, and if total EL amount exceeds total eligible provisions, the Bank deducts the difference from the Common Equity Tier 1 capital. On the other hand, if total EL amount is less than the eligible provisions, the Bank includes the difference in its Tier 2 capital up to a maximum of 0.6% of the Bank's risk weighted amount for credit risk calculated using IRB Approach.

(h) Exposure subject to supervisory estimates

The following table indicates the exposure classes and the respective exposure amounts that are subject to supervisory estimates as at 31st December, 2014 and 31st December, 2013 respectively:

Exposure class	風險承擔類別	Exposure amount			
		風險承擔數額			
		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Bank	銀行	85,872		105,045	
Corporate	企業	470,342		449,823	
Equity booked on banking book subject to Simple Risk-weight Method under Market-based Approach	銀行賬下的股權 – 以市場基準計算法下的簡單風險 權重方法計算	3,106		3,127	

(g) 設立準備金的政策(續)

當評估所需的整體減值損失準備時，管理層須考慮的因素包括信貸質素、組合規模、信貸集中，及經濟因素。為求估計所需的準備，本集團根據過往之經驗和現時之經濟情況作假設以模擬潛在損失及判斷所需之輸入變數。

撥備的準確性，須視乎本集團能否在評估個別準備時準確估計交易對手的未來現金流及在判斷整體減值準備時所採用的假設模式及變數。雖然視乎判斷而定，本集團相信貸款損失準備是合理和足夠的。

所有貸款和應收賬款須定期作檢討及分析。在較後期間，任何因估計未來現金流的金額及時間與先前估計的有所轉變，而該轉變是可客觀地與撇銷後發生的事件有關連，從而導致減值損失準備亦需改變，該轉變會支銷或存入損益賬。減值損失之轉回只限於假設該貸款和應收賬款於往年從來未有確認減值損失的賬面值。

倘再無實際機會收回時，則貸款及相關的應收利息會被撇銷。

根據《資本規則》第220條，本行在作出有關維持資本的決定時，會考慮所作出的準備金。本行比較預期損失總額及合資格準備金總額，倘預期損失總額超過合資格準備金總額，本行會自普通股權一級資本減去超出數額。相反，倘預期損失總額較合資格準備金總額低，本行則把差額計入本行二級資本內，上限為以內部評級基準計算法計算所得本行信貸風險的風險加權數額的0.6%。

(h) 受限於監管性估計的風險承擔

下表分別顯示於2014年12月31日及2013年12月31日受限於監管性估計的風險承擔類別及相應的風險承擔數額：

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(i) Exposure amount by IRB calculation approach

The following tables indicate the exposure amount under each IRB calculation approach as at 31st December, 2014 and 31st December, 2013 respectively:

(i) 內部評級基準計算法下的風險承擔

下表分別顯示於2014年12月31日及2013年12月31日各內部評級基準計算法下的風險承擔數額：

2014

Exposure class	風險承擔類別	Exposure amount 風險承擔數額					
		Foundation IRB approach 基礎內部評級 基準計算法 HK\$ Mn 港幣百萬元	Supervisory Slotting Criteria approach 監管分類 準則計算法 HK\$ Mn 港幣百萬元	Retail IRB approach 零售內部評級 基準計算法 HK\$ Mn 港幣百萬元	Market-based approach 市場基準 計算法 HK\$ Mn 港幣百萬元	Specific risk-weight approach 特定風險 權重計算法 HK\$ Mn 港幣百萬元	Others 其他 HK\$ Mn 港幣百萬元
Bank	銀行	85,872	-	-	-	-	-
Corporate	企業	437,924	32,418	-	-	-	-
Residential mortgage	住宅按揭	-	-	71,718	-	-	-
Qualifying revolving retail	合資格循環零售	-	-	27,996	-	-	-
Other retail	其他零售	-	-	12,716	-	-	-
Equity	股權	-	-	-	3,808	-	5,161
Other	其他	-	-	-	-	19,479	-
Total	總額	523,796	32,418	112,430	3,808	19,479	5,161

2013

Exposure class	風險承擔類別	Exposure amount 風險承擔數額					
		Foundation IRB approach 基礎內部評級 基準計算法 HK\$ Mn 港幣百萬元	Supervisory Slotting Criteria approach 監管分類 準則計算法 HK\$ Mn 港幣百萬元	Retail IRB approach 零售內部評級 基準計算法 HK\$ Mn 港幣百萬元	Market-based approach 市場基準 計算法 HK\$ Mn 港幣百萬元	Specific risk-weight approach 特定風險 權重計算法 HK\$ Mn 港幣百萬元	Others 其他 HK\$ Mn 港幣百萬元
Bank	銀行	105,045	-	-	-	-	-
Corporate	企業	408,118	41,705	-	-	-	-
Residential mortgage	住宅按揭	-	-	65,864	-	-	-
Qualifying revolving retail	合資格循環零售	-	-	26,396	-	-	-
Other retail	其他零售	-	-	14,528	-	-	-
Equity	股權	-	-	-	3,669	-	4,565
Other	其他	-	-	-	-	19,867	-
Total	總額	513,163	41,705	106,788	3,669	19,867	4,565

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(j) Risk assessment for IRB exposure classes

The following tables indicate the exposure amount, exposure weighted average risk weight and exposure weighted average PD under bank exposure and corporate exposure across borrower grade and the exposure amount under retail exposures across facility grade as at 31st December, 2014 and 31st December, 2013 respectively:

For bank exposure

2014

Borrower grade 借款人等級	Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Exposure weighted average risk weight 風險承擔加權平均風險權重	Exposure weighted average PD 風險承擔加權平均違責或然率
1	12	14.10%	0.03%
2	565	27.01%	0.05%
3	4,748	32.41%	0.07%
4	19,659	45.37%	0.11%
5	9,946	54.82%	0.16%
6	562	52.31%	0.20%
7	5,263	54.24%	0.25%
8	1,749	77.78%	0.33%
9	16,779	104.39%	0.61%
10	12,140	113.85%	0.85%
11	10,483	137.97%	1.39%
12	2,144	152.00%	2.06%
13	1	137.31%	3.09%
14	556	186.27%	4.64%
15	1,265	207.38%	6.67%

(j) 內部評級基準風險承擔類別的風險評估

下表分別顯示於2014年12月31日及2013年12月31日各級借款人在銀行風險承擔及企業風險承擔下的風險承擔數額、風險承擔加權平均風險權重及風險承擔加權平均違責或然率，以及各級融通在零售風險承擔下的風險承擔數額：

就銀行風險承擔而言

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

For bank exposure

就銀行風險承擔而言

2013

Borrower grade 借款人等級	Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Exposure weighted average risk weight 風險承擔加權平均風險權重	Exposure weighted average PD 風險承擔加權平均違責或然率
1	673	15.31%	0.03%
2	559	20.73%	0.04%
3	9,277	31.52%	0.07%
4	28,367	43.56%	0.12%
5	5,853	54.67%	0.16%
6	1,689	40.24%	0.20%
7	3,002	68.19%	0.26%
8	3,772	70.76%	0.34%
9	17,955	101.29%	0.58%
10	19,696	114.44%	0.87%
11	9,473	137.92%	1.42%
12	2,785	152.30%	2.07%
13	132	137.32%	3.09%
14	791	186.33%	4.64%
15	1,021	207.64%	6.61%

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(j) Risk assessment for IRB exposure classes (continued)

For corporate exposure

2014

(j) 內部評級基準風險承擔類別的風險評估(續)

就企業風險承擔而言

Borrower grade 借款人等級	Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Exposure weighted average risk weight 風險承擔加權平均風險權重	Exposure weighted average PD 風險承擔加權平均違責或然率
1	531	13.05%	0.03%
2	13,865	18.43%	0.04%
3	18,733	18.69%	0.08%
4	35,880	31.68%	0.12%
5	24,020	38.12%	0.16%
6	33,002	43.91%	0.20%
7	68,699	34.62%	0.24%
8	75,644	45.53%	0.36%
9	52,804	46.54%	0.52%
10	59,576	49.29%	0.89%
11	8,886	91.79%	1.39%
12	21,471	58.11%	1.87%
13	8,292	49.20%	2.87%
14	7,230	92.89%	4.48%
15	1,681	88.90%	6.57%
16	2,469	122.62%	9.50%
17	3,340	162.66%	49.92%
18	896	354.00%	100.00%
19	804	316.46%	100.00%
20	101	579.12%	100.00%

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

For corporate exposure

就企業風險承擔而言

2013

Borrower grade 借款人等級	Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Exposure weighted average risk weight 風險承擔加權平均風險權重	Exposure weighted average PD 風險承擔加權平均違責或然率
1	233	14.69%	0.03%
2	24,018	14.49%	0.04%
3	5,717	23.43%	0.07%
4	51,077	26.02%	0.11%
5	44,888	31.71%	0.16%
6	74,677	37.11%	0.20%
7	56,962	36.75%	0.25%
8	44,817	43.63%	0.35%
9	45,512	45.78%	0.54%
10	30,660	61.08%	0.88%
11	10,837	67.03%	1.38%
12	8,388	66.24%	2.06%
13	4,080	96.86%	3.08%
14	4,346	93.40%	4.64%
15	621	117.32%	6.96%
16	481	156.24%	9.50%
17	150	162.91%	36.77%
18	111	228.47%	100.00%
19	506	340.59%	100.00%
20	37	214.63%	100.00%

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED (“IRB”) APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(j) Risk assessment for IRB exposure classes (continued)

For residential mortgages

Facility grade 融通等級	Exposure amount 風險承擔數額			
	2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
1	191		136	
3	30,692		30,215	
4	3,106		1,160	
5	31,352		29,810	
6	2,689		1,267	
7	1,320		1,133	
10	6		3	
11	2,057		1,966	
12	51		47	
13	77		80	
14	48		33	
15	30		7	
16	5		5	
17	94		2	

(j) 內部評級基準風險承擔類別的風險評估(續)

就住宅按揭而言

For qualifying revolving retail exposures

Facility grade 融通等級	Exposure amount 風險承擔數額			
	2014		2013	
	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
5	6,466		5,819	
6	198		248	
7	13,119		13,001	
8	1,400		1,369	
9	1,611		1,944	
10	578		542	
11	1,672		898	
12	1,700		1,580	
13	28		27	
14	785		550	
15	424		393	
16	7		13	
18	8		12	

就合資格循環零售風險承擔而言

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

For other retail exposures

就其他零售風險承擔而言

Facility grade 融通等級	Exposure amount 風險承擔數額	
	2014	2013
	HK\$ Mn 港幣百萬元	HK\$ Mn 港幣百萬元
1	186	206
3	693	761
4	-	1
5	4,700	5,136
6	5	1
7	2,743	2,513
8	72	155
9	1,264	2,686
10	6	533
11	2,734	1,921
12	92	89
13	74	422
14	26	8
15	61	55
16	2	3
17	29	12
18	21	14
20	8	12

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(7) CREDIT RISK UNDER INTERNAL RATINGS-BASED ("IRB") APPROACH (CONTINUED)

根據內部評級基準計算法計算的信貸風險(續)

(k) Comparison of rating estimates against actual outcome

Comparison is made on the 1-year rating estimates for the Group's performing credit portfolios at 31st December, 2013 against the actual outcome for the same portfolios during the financial period ended 31st December, 2014.

Comparison of actual loss and estimated loss

The following tables indicate the actual loss during the financial year ended 31st December, 2014 and 31st December, 2013 which are compared against the estimated loss at 31st December, 2013 and 31st December, 2012 of the respective portfolio. Actual loss refers to impairment loss allowance and charge-off charged to the Group's income statement during the financial year ended 31st December, 2014 and 31st December, 2013. The difference between the actual loss for the financial year ended 31st December, 2014 and 31st December, 2013 is immaterial when compared with the Group's loan portfolio in the respective period.

2014

Exposure class	風險承擔類別	Actual loss for the year ended 31st December, 2014		Estimated 1-year loss at 31st December, 2013			
		截至2014年12月31日止之財政年度的實際損失	於2013年12月31日內估計的一年損失	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Bank	銀行	-	290				
Corporate	企業	625	604				
Residential mortgage	住宅按揭	14	95				
Qualifying revolving retail	合資格循環零售	21	227				
Other retail	其他零售	38	124				
Total	總額	698	1,340				

2013

Exposure class	風險承擔類別	Actual loss for the year ended 31st December, 2013		Estimated 1-year loss at 31st December, 2012			
		截至2013年12月31日止之財政年度的實際損失	於2012年12月31日內估計的一年損失	HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Bank	銀行	-	213				
Corporate	企業	334	697				
Residential mortgage	住宅按揭	2	103				
Qualifying revolving retail	合資格循環零售	15	207				
Other retail	其他零售	18	110				
Total	總額	369	1,330				

(k) 比較評級估計與實際數字

以於2013年12月31日本集團履行中信貸組合的一年評級估計與截至2014年12月31日止財政期間內相同組合的實際數字作比較。

比較實際損失與估計損失

下表顯示截至2014年12月31日及2013年12月31日止財政年度的實際損失，並與相應的組合在截至2013年12月31日及2012年12月31日的估計損失比較。實際損失指截至2014年12月31日及2013年12月31日止財政年度的減值損失準備及計入本集團損益表的撇賬。截至2014年12月31日及截至2013年12月31日的實際損失，相對於本集團的貸款組合在相關期間的總額，並沒有重大的分別。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

Comparison of actual default against estimated probability of default

The following tables indicate the actual percentage of default during the financial year ended 31st December, 2014 and 31st December, 2013, which is compared against the estimated 1-year probability of default (PD) at 31st December, 2013 and 31st December, 2012 of the respective portfolio.

比較實際違責與估計違責或然率

下表顯示截至2014年12月31日及2013年12月31日止財政年度的實際違責百分比，並與相應的組合分別於2013年12月31日及2012年12月31日的估計一年違責或然率比較。

2014

Exposure class	風險承擔類別	Actual percentage of default for the year ended 31st December, 2014 截至2014年12月31日止之財政年度的實際違責百分比	Estimated 1-year probability of default at 31st December, 2013 於2013年12月31日內估計的一年違責或然率
Bank	銀行	0.00%	0.70%
Corporate	企業	1.49%	0.85%
Residential mortgage	住宅按揭	0.26%	0.69%
Qualifying revolving retail	合資格循環零售	0.33%	0.72%
Other retail	其他零售	1.90%	3.05%

2013

Exposure class	風險承擔類別	Actual percentage of default for the year ended 31st December, 2013 截至2013年12月31日止之財政年度的實際違責百分比	Estimated 1-year probability of default at 31st December, 2012 於2012年12月31日內估計的一年違責或然率
Bank	銀行	0.00%	0.66%
Corporate	企業	0.90%	1.03%
Residential mortgage	住宅按揭	0.23%	0.79%
Qualifying revolving retail	合資格循環零售	0.38%	0.74%
Other retail	其他零售	1.95%	2.44%

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(8) CREDIT RISK UNDER STANDARDISED APPROACH 標準計算法下的信貸風險

This section presents information on the Group's risk management for credit exposure in which the Bank adopted Standardised Approach for capital adequacy assessment.

本節呈列本集團有關使用標準計算法計算資本充足度的信貸風險承擔的風險管理資料。

(a) Ratings from external credit assessment institutions (ECAI)

Credit ratings from Moody's Investors Service and Standard & Poor's Ratings Services are used for all classes of credit exposures under Standardised Approach. The Bank follows the process prescribed in Part 4 of the Capital Rules to map the ratings to the exposures booked in the Bank's banking book.

(a) 外部信貸評估機構的評級

穆迪投資者服務及標準普爾評級服務的信用評級用於標準計算法下的各類信貸風險承擔。本行根據《資本規則》第4部規定的程序，把評級對應本行銀行賬載列的風險承擔。

(b) Risk assessment for exposure classes under Standardised Approach

The following tables indicate the exposure amount and risk weighted amount for each class of exposure with and without ECAI ratings as at 31st December, 2014 and 31st December, 2013 respectively:

(b) 標準計算法下風險承擔類別的風險評估

下表顯示分別於2014年12月31日及2013年12月31日經由及沒有經由外部信貸評估機構評級的每種風險承擔類別下的風險承擔數額及風險加權數額：

2014

Exposure type	風險承擔類別	Exposure amount after credit risk mitigation			Risk-weighted amount after credit risk mitigation	
		Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Rated 獲評級 HK\$ Mn 港幣百萬元	Unrated 無評級 HK\$ Mn 港幣百萬元	Rated 獲評級 HK\$ Mn 港幣百萬元	Unrated 無評級 HK\$ Mn 港幣百萬元
Sovereign	主權	93,321	93,321	-	19	-
Public sector entities	公營機構	558	558	27	-	5
Bank	銀行	32,578	22,954	9,624	6,557	4,322
Corporate	企業	18,790	267	9,505	132	9,505
Regulatory retail	監管零售	2,937	-	2,936	-	2,202
Residential mortgage	住宅按揭	8,052	-	7,806	-	4,286
Other exposures that are not past due	未逾期的其他 風險承擔	12,498	-	5,549	-	5,549
Past due	逾期	100	-	100	-	109
Off balance sheet exposure	資產負債表外的 風險承擔	2,599	145	1,298	-	1,217
Counterparty exposure	交易對手風險承擔	1,545	140	560	64	551
Total	總額	172,978	117,385	37,405	6,772	27,746

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

2013

Exposure type	風險承擔類別	Exposure amount 風險承擔數額 HK\$ Mn 港幣百萬元	Exposure amount after credit risk mitigation 使用減低信貸風險措施後的 風險承擔數額		Risk-weighted amount after credit risk mitigation 使用減低信貸風險措施後的 風險加權數額	
			Rated 獲評級 HK\$ Mn 港幣百萬元	Unrated 無評級 HK\$ Mn 港幣百萬元	Rated 獲評級 HK\$ Mn 港幣百萬元	Unrated 無評級 HK\$ Mn 港幣百萬元
Sovereign	主權	82,031	82,031	–	32	–
Public sector entities	公營機構	224	224	16	–	3
Bank	銀行	28,111	20,070	8,041	7,023	2,838
Corporate	企業	20,515	533	10,629	280	10,629
Regulatory retail	監管零售	2,143	–	2,135	–	1,601
Residential mortgage	住宅按揭	7,500	–	7,360	–	3,737
Other exposures that are not past due	未逾期的其他 風險承擔	12,104	–	5,460	–	5,460
Past due	逾期	130	–	130	–	162
Off balance sheet exposure	資產負債表外的 風險承擔	4,592	536	2,887	78	2,853
Counterparty exposure	交易對手風險承擔	1,987	247	729	136	708
Total	總額	159,337	103,641	37,387	7,549	27,991

(9) CREDIT RISK MITIGATION 減低信貸風險措施

(a) Process of managing and recognising credit risk mitigation

The Bank has established policies on managing and recognising credit risk mitigation, which is approved by Credit Committee, for all types of credit exposure under both IRB approach and standardised approach including counterparty credit risk-related exposure which arises from securities financing transactions and derivative contracts booked in the banking book or trading book. The Bank applies prudent assessments of eligibility and quality of collaterals. A list of credit risk mitigations which is deemed appropriate by the Bank is in place. The Bank also applies safe custodian of collaterals, regular re-valuation and close monitoring. Marketable securities are marked-to-market on a daily basis whilst valuations on properties are reviewed periodically.

For regulatory capital calculation, only recognised collaterals, guarantees and credit derivative contracts as laid down under the Capital Rules are considered as recognised credit risk mitigations and the Bank adheres to the criteria as stipulated in the Capital Rules when assessing the eligibility.

(a) 管理及認定減低信貸風險措施的程序

本行已制定管理及認定減低信貸風險措施的政策，而政策亦經信貸委員會批准，適用於內部評級基準算法及標準算法下各類信貸風險承擔，包括與由銀行賬或交易賬中的證券融資交易及衍生工具合約引致的交易對手信用風險相關的風險承擔。本行審慎評估抵押品是否合資格及其質素的高低。本行已備有一系列本行視為合適的減低信貸風險措施。本行亦妥善保管抵押品、定期作重新估值及作出緊密的監察。有價證券每日均按市值計算，物業的估值則定期審查。

就計算監管資本而言，只有《資本規則》訂下的認可抵押品、擔保及信貸衍生工具合約方可視為認可的減低信貸風險措施，本行在評估減低信貸風險措施是否合資格時，會遵守《資本規則》規定的準則。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(9) CREDIT RISK MITIGATION (CONTINUED) 減低信貸風險措施(續)

(a) Process of managing and recognising credit risk mitigation (continued)

Recognised collaterals include both financial and physical collaterals. Financial collaterals include cash deposit, gold, shares and debt securities and mutual fund/undertakings for collective investments in transferable securities, whilst physical collaterals include commercial real estate, residential real estate, vehicles and equipments. The exposure amount after mitigation is determined by applying the standard supervisory haircut laid down in the Capital Rules as an adjustment discount to the current collateral value.

Recognised guarantees are guarantees provided by sovereign entities, public sector entities, banks, regulated securities firms or corporates that have ECAI issuer ratings, and have been allocated a lower risk weight than that allocated to the exposures in respect of which the guarantees have been given.

On-balance and off-balance sheet recognised netting is not adopted by the Bank. No recognised guarantees (except those provided by the Hong Kong Mortgage Corporation Limited for reverse mortgage facilities) and recognised credit derivative contracts are applied as credit risk mitigation for capital adequacy calculation at the end of the reporting period.

(b) Total exposures covered by recognised collateral or recognised guarantees under IRB Approach

Exposure class	風險承擔類別	Exposure amount covered	
		已涵蓋的風險承擔數額	
		2014	2013
		HK\$ Mn	港幣百萬元
Bank	銀行	1,947	3,302
Corporate	企業	221,900	191,052
Retail	零售	79,872	74,589
Total	總額	303,719	268,943

The total exposures indicated above include counterparty credit risk-related exposures covered by recognised collateral or recognised guarantees and represent 43.57% of the total exposure amount under IRB Approach as at 31st December, 2014 and 38.99% as at 31st December, 2013.

(a) 管理及認定減低信貸風險措施的程序(續)

認可抵押品包括金融及實物抵押品。金融抵押品包括現金存款、黃金、股份及債務證券及互惠基金／集體投資於可轉換證券的業務，而實物抵押品包括商業地產、住宅地產、車輛及設備。減低風險後的風險承擔數額乃以《資本規則》訂下的標準監管扣減作為對現行抵押品價值的調整扣減而釐定。

認可擔保乃任何主權實體、公營單位、銀行、受監管證券商號或獲得外部信用評估機構發行人評級的企業所提供的擔保，而該等擔保必須取得比受擔保風險承擔較低的風險權重。

本行並無採納資產負債表內及資產負債表外認可淨額結算方法。於計算日，本行並無採用認可擔保（香港按揭證券有限公司為安老按揭貸款所提供的除外）及認可信貸衍生工具合約作為減低信貸風險措施，以計算資本充足度。

(b) 內部評級基準計算法下以認可抵押品或認可擔保涵蓋的風險承擔數額

上述所示的風險承擔總額已包含以認可抵押品或認可擔保涵蓋的交易對手信貸風險相關的風險承擔。於2014年12月31日及2013年12月31日，上述總額分別佔內部評級基準計算法下風險承擔總額的43.57%及38.99%。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(c) Total exposures covered by recognised collateral or recognised guarantees under Standardised Approach

(c) 標準計算法下以認可抵押品或認可擔保涵蓋的風險承擔數額

Exposure class	風險承擔類別	Exposure amount covered	
		已涵蓋的風險承擔數額	
		2014	2013
		HK\$ Mn	港幣百萬元
Corporate	企業	9,018	9,353
Regulatory retail	監管零售	1	8
Residential mortgage	住宅按揭	246	140
Other exposures which are not past due	未逾期的其他風險承擔	6,949	6,644
Past due	逾期	82	64
Counterparty	交易對手	845	1,011
Off balance sheet	資產負債表外項目	1,156	1,169
Total	總額	18,297	18,389

The total exposures indicated above represent 10.58% of the total exposure amount under Standardised Approach as at 31st December, 2014 and 11.54% as at 31st December, 2013.

於2014年12月31日及2013年12月31日，上述所示的風險承擔總額分別佔標準計算法下風險承擔總額的10.58%及11.54%。

(10) COUNTERPARTY CREDIT RISK-RELATED EXPOSURE 與交易對手信貸風險相關的風險承擔

The Bank has adopted the Current Exposure Method for regulatory capital calculation of its counterparty credit risk arising from securities financing transactions and derivative contracts booked in the banking book and trading book. Internally, the Bank has in place a set of policies and a comprehensive framework to effectively manage such counterparty credit risk. Under this management framework, distinct credit limits for counterparty credit exposure for individual counterparties are determined based on the credit standing of the counterparties, collateral value, contract nature, etc.

本行採取現行風險承擔方法計算所有由銀行賬及交易賬中的證券融資交易及衍生工具合約所引致的交易對手信貸風險的監管資本。本行已制訂一系列內部政策及完善的管理架構，以有效地管理此等交易對手信貸風險。在這管理架構下，不同交易對手的交易對手風險信貸限額會根據個別交易對手的信用狀況、抵押品價值、合約性質等因素釐定。

The Bank has set out in its internal policies a process for identification of wrong-way risk for individual counterparties. Regular stress-testing is conducted to assess the potential impact of wrong-way risk on the Bank's capital adequacy and profitability.

本行已在內部政策制定識別個別交易對手錯向風險的程序。本行定期進行壓力測試，以評估錯向風險對本行的資金充足度及盈利能力的潛在影響。

According to the Credit Support Annexes of the International Swaps and Derivatives Association Master Agreements between the Bank and its major counterparties, and the Bank's credit rating position and outstanding liabilities arising from counterparty credit risk-related transactions as at 31st December, 2014, the Bank would not have to provide any additional collateral if there were a downgrade in the Bank's credit ratings from Moody's Investors Service or Standard & Poor's Ratings Services by one notch.

根據本行與其主要交易對手所簽訂的國際掉期交易協會主協議之信用附約條款，及本行於2014年12月31日的信用評級狀況及由交易對手信貸風險相關交易所引致的未結清負債，本行將不需要在假設其穆迪投資者服務或標準普爾評級服務的信貸評級遭降一級的情況下向交易對手提供額外的抵押品。

At 31st December, 2014, no recognised credit derivative contract is applied as credit risk mitigation and no valid bilateral netting agreement as defined in HKMA Guideline No. 4.4 is taken into account in the calculation of regulatory capital.

於2014年12月31日，就計算監管資本而言，本行並無以任何認可信貸衍生工具合約作為減低信貸風險措施，亦沒有採納按金管局指引第4.4號之有效雙邊淨額結算協議。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(10) COUNTERPARTY CREDIT RISK-RELATED EXPOSURE (CONTINUED)

與交易對手信貸風險相關的風險承擔(續)

The following tables indicate the information of counterparty credit risk-related exposures under IRB approach and Standardised approach respectively as at 31st December, 2014 and 31st December, 2013:

於2014年12月31日及2013年12月31日，下表顯示分別在內部評級基準計算法及標準計算法下與交易對手信貸風險相關的風險承擔的資料：

(a) Counterparty credit risk-related exposures under IRB Approach

(a) 內部評級基準計算法下與交易對手信貸風險相關的風險承擔

2014

		Securities financing transactions	
		Derivative contracts	Derivative contracts
		衍生工具合同	證券融資交易
		HK\$ Mn	港幣百萬元
Gross total positive fair value	總公平價值正數	2,530	–
Default risk exposures amount	違責風險承擔數額		
– Bank	– 銀行	6,278	49
– Corporate	– 企業	2,502	–
		8,780	49
Recognised collateral held	認可抵押品		
– Cash	– 現金	584	–
– Others	– 其他	7	41
		591	41
Default risk exposure amount net of recognised collateral	扣除認可抵押品後的淨違責風險承擔數額		
– Bank	– 銀行	6,278	8
– Corporate	– 企業	1,911	–
		8,189	8
Risk-weighted amount	風險加權數額		
– Bank	– 銀行	6,123	7
– Corporate	– 企業	1,213	–
		7,336	7

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

2013

		Derivative contracts 衍生工具合同 HK\$ Mn 港幣百萬元	Securities financing transactions 證券融資交易 HK\$ Mn 港幣百萬元
Gross total positive fair value	總公平價值正數	2,749	–
Default risk exposures amount	違責風險承擔數額		
– Bank	– 銀行	7,332	2,206
– Corporate	– 企業	1,884	–
		9,216	2,206
Recognised collateral held	認可抵押品		
– Cash	– 現金	661	2,090
– Others	– 其他	4	75
		665	2,165
Default risk exposure amount net of recognised collateral	扣除認可抵押品後的淨違責 風險承擔數額		
– Bank	– 銀行	7,332	41
– Corporate	– 企業	1,219	–
		8,551	41
Risk-weighted amount	風險加權數額		
– Bank	– 銀行	7,108	18
– Corporate	– 企業	810	–
		7,918	18

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(10) COUNTERPARTY CREDIT RISK-RELATED EXPOSURE (CONTINUED)

與交易對手信貸風險相關的風險承擔(續)

(b) Counterparty credit risk-related exposures under Standardised Approach (b) 標準計算法下與交易對手信貸風險相關的風險承擔

2014

		Derivative contracts		Securities financing transactions	
		衍生工具合同	證券融資交易	衍生工具合同	證券融資交易
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
Gross total positive fair value	總公平價值正數	591		-	
Default risk exposures amount	違責風險承擔數額				
- Sovereign	- 主權	1		-	
- Bank	- 銀行	155		-	
- Corporate	- 企業	497		-	
- Retail	- 零售	892		-	
		1,545		-	
Recognised collateral held	認可抵押品				
- Cash	- 現金	640		-	
- Others	- 其他	205		-	
		845		-	
Default risk exposure amount net of recognised collateral	扣除認可抵押品後的淨違責風險承擔數額				
- Sovereign	- 主權	1		-	
- Bank	- 銀行	155		-	
- Corporate	- 企業	200		-	
- Retail	- 零售	344		-	
		700		-	
Risk-weighted amount	風險加權數額				
- Sovereign	- 主權	-		-	
- Bank	- 銀行	71		-	
- Corporate	- 企業	200		-	
- Retail	- 零售	344		-	
		615		-	

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

2013

		Derivative contracts 衍生工具合同 HK\$ Mn 港幣百萬元	Securities financing transactions 證券融資交易 HK\$ Mn 港幣百萬元
Gross total positive fair value	總公平價值正數	719	-
Default risk exposures amount	違責風險承擔數額		
– Bank	– 銀行	277	-
– Corporate	– 企業	555	-
– Retail	– 零售	1,155	-
		1,987	-
Recognised collateral held	認可抵押品		
– Cash	– 現金	908	-
– Others	– 其他	103	-
		1,011	-
Default risk exposure amount net of recognised collateral	扣除認可抵押品後的淨違責 風險承擔數額		
– Bank	– 銀行	277	-
– Corporate	– 企業	304	-
– Retail	– 零售	395	-
		976	-
Risk-weighted amount	風險加權數額		
– Bank	– 銀行	145	-
– Corporate	– 企業	304	-
– Retail	– 零售	395	-
		844	-

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(10) COUNTERPARTY CREDIT RISK-RELATED EXPOSURE (CONTINUED)

與交易對手信貸風險相關的風險承擔(續)

(c) Credit derivative contracts which create exposures to counterparty credit risk

The following table indicates the notional amount of credit derivative contracts which create exposures to counterparty credit risk as at 31st December, 2014 and 31st December, 2013 respectively:

(c) 會引致交易對手信貸風險的信貸衍生工具合約

於2014年12月31日及2013年12月31日，下表分別顯示按不同合同類別劃分的會引致交易對手信貸風險的信貸衍生工具合約的名義數額：

		2014		2013	
		HK\$ Mn	港幣百萬元	HK\$ Mn	港幣百萬元
For credit portfolio	用作信貸組合				
Credit default swap	信用違責掉期				
Protection bought	購入保障	-	-	-	-
Protection sold	售出保障	62	23		
Total return swap	總回報掉期				
Protection bought	購入保障	-	-	-	-
Protection sold	售出保障	-	-	-	-
For intermediation activities	用作中介活動				
Credit default swap	信用違責掉期				
Protection bought	購入保障	-	-	-	-
Protection sold	售出保障	-	-	-	-
Total return swap	總回報掉期				
Protection bought	購入保障	-	-	-	-
Protection sold	售出保障	-	-	-	-

(11) ASSET SECURITISATION 資產證券化

As at 31st December, 2014 and 31st December, 2013 respectively, the Bank had no asset securitisation exposure.

於2014年12月31日及2013年12月31日，本行並無證券化類別風險承擔。

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

未經審核補充財務資料(續)

(12) EQUITY EXPOSURES BOOKED IN BANKING BOOK 銀行賬下的股權風險承擔

Before 1st January, 2013, the Bank deducted those equity holdings taken for relationship and strategic reasons from the core & supplementary capital and included those equity holdings taken for other reasons in the risk-weighted assets for capital adequacy ratio purpose.

Starting from 1st January, 2013, under the Basel III requirements, the Bank regards those equity holdings taken for relationship and strategic reasons as deductible items from the Tier 1 & Tier 2 capital subject to the applicable thresholds and includes those equity holdings not deducted from the capital base and those taken for other reasons in the risk-weighted assets for capital adequacy ratio purpose.

The Bank applies the same accounting techniques and valuation methodologies as detailed in the Bank's notes on the financial statements for all available-for-sale financial assets, including equity exposures booked in banking book. There are no significant changes during the annual reporting period.

於2013年1月1日以前，本行將因關係及策略性理由而持有的股權從核心及附加資本內扣減，及將因其他理由而持有的股權包括在風險加權資產內，以用作計算資本充足比率。

於2013年1月1日或以後，因應巴塞爾資本協定III之規定，本行將因關係及策略性理由而持有的股權視為可扣減項目並按適用的門檻規定從一級及二級資本內扣減，並將未於資本基礎扣減的股權及將因其他理由而持有的股權包括在風險加權資產內，以用作計算資本充足比率。

本行處理所有可供出售金融資產，包括銀行賬下的股權風險承擔時，均採用已詳列於本行之財務報表附註中相同之會計技巧及評估方式。有關處理方法在周年報告期內並無重大改變。

		For the year ended 31st December, 2014 截至2014年12月31日止年度	
		The Group 集團 HK\$ Mn 港幣百萬元	The Bank 銀行 HK\$ Mn 港幣百萬元
Cumulative realised gains arising from sales and liquidations of equity exposure	來自出售和兌現持有股權的累積實現收益	56	53
Total unrealised gains deducted from the Bank's reserves but not through the income statement	在儲備內確認而未有經收益表入賬的未實現收益的總計	682	233

		For the year ended 31st December, 2013 截至2013年12月31日止年度	
		The Group 集團 HK\$ Mn 港幣百萬元	The Bank 銀行 HK\$ Mn 港幣百萬元
Cumulative realised gains arising from sales and liquidations of equity exposure	來自出售和兌現持有股權的累積實現收益	50	44
Total unrealised (losses)/gains deducted from the Bank's reserves but not through the income statement	在儲備內確認而未有經收益表入賬的未實現(虧損)/收益的總計	(34)	276

GLOSSARY

詞彙

2011 Scheme 「2011計劃」	Staff Share Option Scheme approved and adopted by the shareholders of the Bank on 19th April, 2011 於2011年4月19日經股東批准及採納的僱員認股計劃
2015 AGM 「2015股東周年常會」	an AGM of the Bank to be held in the Grand Ballroom, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 8th May, 2015 at 11:30 a.m. or any adjournment thereof 本行將於2015年5月8日星期五上午11時30分在香港金鐘道88號太古廣場香港麗酒店港麗大禮堂舉行的股東周年常會，或其任何續會
AC 「審核委員會」	the Audit Committee of the Bank 本行的審核委員會
ACM 「審核委員會會議」	Audit Committee Meeting 審核委員會會議
AGM 「股東周年常會」	an Annual General Meeting of the Bank 本行的股東周年常會
Article of Association 「組織章程細則」	the articles of association of the Bank (as amended, modified or otherwise supplemented from time to time) 本行的組織章程細則，經不時修訂、修改或以其他方式補充
AUM 「管理資產」	Assets under management 管理資產
Bank Group or BEA Group or Group 「集團」或「本集團」	The Bank and its subsidiaries 東亞銀行及其附屬公司
Bank or BEA 「本行」	The Bank of East Asia, Limited, a limited liability company incorporated in Hong Kong 東亞銀行有限公司，於香港註冊成立的有限公司
Banking Ordinance 《銀行業條例》	Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong) 香港《銀行業條例》(香港法例第155章)
BEA China 「東亞中國」	The Bank of East Asia (China) Limited, a wholly-owned subsidiary of the Bank 東亞銀行(中國)有限公司，本行的全資附屬公司
BEA Foundation 「東亞銀行慈善基金」	The Bank of East Asia Charitable Foundation, a wholly-owned subsidiary of the Bank 東亞銀行慈善基金有限公司，本行的全資附屬公司
BEA Life 「東亞人壽」	BEA Life Limited, a wholly-owned subsidiary of the Bank 東亞人壽保險有限公司，本行的全資附屬公司
Macau Branch 「澳門分行」	the Bank's branch operations in Macau 本行的澳門分行
BEA Taiwan 「台灣分行」	the Bank's branch operations in Taiwan 本行的台灣分行
BEA Union Investment 「東亞聯豐投資」	BEA Union Investment Management Limited, a non-wholly-owned subsidiary of the Bank 東亞聯豐投資管理有限公司，本行的非全資附屬公司
BGCA 「小童群益會」	The Boys' and Girls' Clubs Association of Hong Kong 香港小童群益會
Blue Cross 「藍十字」	Blue Cross (Asia-Pacific) Insurance Limited, a wholly-owned subsidiary of the Bank 藍十字(亞太)保險有限公司，本行的全資附屬公司
BM 「董事會會議」	Board Meeting 董事會會議
Board 「董事會」	Board of Directors of the Bank 本行的董事會
BVI 「英屬處女群島」	British Virgin Islands 英屬處女群島
Capital Rules 「資本規則」	Banking (Capital) Rules issued by the HKMA 金管局頒布的《銀行業(資本規則)》
CG Code 「《企業管治守則》」	Corporate Governance Code and Corporate Governance Report, Appendix 14 of the Listing Rules 《上市規則》附錄14內所載的《企業管治守則》及《企業管治報告》
CG-1 「CG-1」	Supervisory Policy Manual CG-1 on Corporate Governance of Locally Incorporated Authorized Institutions, issued by the HKMA 金管局頒布之監管政策手冊CG-1內有關《本地註冊認可機構的企業管治》
CG-5 「CG-5」	Supervisory Policy Manual CG-5 on Guideline on a Sound Remuneration System, issued by the HKMA 金管局頒布之監管政策手冊CG-5內有關《穩健的薪酬制度指引》
Charity Fund 「公益基金」	Shanghai Soong Ching Ling Foundation – BEA Charity Fund 上海宋慶齡基金會 — 東亞銀行公益基金
CHF 「瑞士法郎」	Swiss franc, the lawful currency of Switzerland 瑞士法定貨幣
China, Mainland, Mainland China, or PRC 「中國」或「內地」	People's Republic of China 中華人民共和國
CNY or RMB 「人民幣」	Chinese yuan or Renminbi, the lawful currency of the PRC 中國法定貨幣

GLOSSARY (CONTINUED)

詞彙 (續)

The Community Chest 「公益金」	The Community Chest of Hong Kong 香港公益金
Companies Ordinance 「《公司條例》」	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) 《公司條例》(香港法例第622章)
Credit Gain 「領達財務」	Credit Gain Finance Company Limited, a wholly-owned subsidiary of the Bank 領達財務有限公司，本行的全資附屬公司
CSR 「企業社會責任」	Corporate social responsibility 企業社會責任
Director(s) 「董事」	includes any person who occupies the position of a director, by whatever name called, of the Bank or otherwise as the context may require 包括任何任職本行董事職位的人士(不論其職銜如何)，或文義另有所指的人士
ED 「執行董事」	Executive Director of the Bank 本行的執行董事
ELCSS-HK 「基督教香港信義會」	Evangelical Lutheran Church Social Service – Hong Kong 基督教香港信義會
EUR 「歐羅」	Euro 歐羅
GBP 「英鎊」	Pound sterling, the lawful currency of the UK 英國法定貨幣
Genesis Foundation 「創世基金會」	Genesis Social Welfare Foundation 創世社會福利基金會
GRI 「全球報告倡議組織」	Global Reporting Initiative 全球報告倡議組織
HK\$ or HKD 「港幣」	Hong Kong dollar, the lawful currency of Hong Kong 香港法定貨幣
HKAAE 「香港環保卓越計劃」	Hong Kong Awards for Environmental Excellence 香港環保卓越計劃
HKAS 「香港會計準則」	Hong Kong Accounting Standards 香港會計準則
HKCSS 「社聯」	Hong Kong Council of Social Service 香港社會服務聯會
HKEx 「香港交易所」	Hong Kong Exchanges and Clearing Limited 香港交易及結算所有限公司
HKFRS 「香港財務報告準則」	Hong Kong Financial Reporting Standards 香港財務報告準則
HKICPA 「香港會計師公會」	Hong Kong Institute of Certified Public Accountants 香港會計師公會
HKMA 「金管局」	Hong Kong Monetary Authority 香港金融管理局
HKUST 「科大」	The Hong Kong University of Science and Technology 香港科技大學
Hong Kong or HK 「香港」	Hong Kong Special Administrative Region of the PRC 中華人民共和國香港特別行政區
IAS 高等研究院	Institute for Advanced Study 高等研究院
INED(s) 「獨立非執行董事」	Independent Non-executive Director(s) of the Bank 本行的獨立非執行董事
JPY 「日圓」	Japanese yen, the lawful currency of Japan 日本法定貨幣
Listing Rules 「《上市規則》」	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, modified or otherwise supplemented from time to time) 聯交所《證券上市規則》，經不時修訂、修改或以其他方式補充
LST 「樂善堂」	Lok Sin Tong Benevolent Society, Kowloon 九龍樂善堂
Management 「管理層」	the Chief Executive, Deputy Chief Executives and Division Heads of the Bank 本行的行政總裁、副行政總裁及處級主管
MPF 「強積金」	Mandatory Provident Fund 強制性公積金
NC 「提名委員會」	the Nomination Committee of the Bank 本行的提名委員會

GLOSSARY (CONTINUED)

詞彙 (續)

NCM 「提名委員會會議」	Nomination Committee Meetings 提名委員會會議
NED 「非執行董事」	Non-executive Director of the Bank 本行的非執行董事
NGO(s) 「非政府機構」	Non-governmental organisation(s) 非政府機構
NIM 「淨息差」	Net Interest margin 淨息差
PBOC 「人行」	The People's Bank of China 中國人民銀行
PHAB 「傷健」	Physically handicapped and able-bodied 傷殘與健全人士
QF 「資歷架構」	Qualifications Framework 資歷架構
RC 「薪酬委員會」	the Remuneration Committee of the Bank 本行的薪酬委員會
RCM 「薪酬委員會會議」	Remuneration Committee Meetings 薪酬委員會會議
RIC 「風險委員會」	the Risk Committee of the Bank 本行的風險委員會
RICM 「風險委員會會議」	Risk Committee Meeting 風險委員會會議
RQFII 「人民幣合格境外機構投資者」	Renminbi Qualified Foreign Institutional Investor 人民幣合格境外機構投資者
The Salvation Army 「救世軍」	The Salvation Army Hong Kong and Macau Command 救世軍港澳軍區
Senior Management 「高層管理人員」	the Deputy Chief Executives of the Bank 本行的副行政總裁
SCS 「能力標準說明」	Specification of Competency Standards 能力標準說明
SFO 「《證券及期貨條例》」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 《證券及期貨條例》(香港法例第571章)
SGD 「新加坡元」	Singapore dollar, the lawful currency of Singapore 新加坡法定貨幣
SHKP 「新鴻基地產」	Sun Hung Kai Properties Limited 新鴻基地產發展有限公司
SMBC 「三井住友銀行」	Sumitomo Mitsui Banking Corporation 三井住友銀行
SMEs 「中小企」	Small and medium-sized enterprises 中小型企業
Stock Exchange 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
Sunshine Foundation 「陽光基金會」	Sunshine Social Welfare Foundation 陽光社會福利基金會
Tricor or Tricor Holdings 「卓佳」或「卓佳集團」	Tricor Holdings Limited, a non-wholly-owned subsidiary of the Bank 卓佳集團有限公司，本行的非全資附屬公司
TWD 「新台幣」	Taiwan dollar, the lawful currency of Taiwan 台灣法定貨幣
UK 「英國」	United Kingdom 英國
US 「美國」	United States of America 美利堅合眾國
US\$ or USD 「美元」	United States dollar, the lawful currency of the US 美國法定貨幣
World Vision (Macau) 「世界宣明會澳門分會」	World Vision of Macau Association 世界宣明會澳門分會
WWF 「世界自然基金會」	World Wide Fund for Nature 世界自然基金會

SHAREHOLDER INFORMATION

FINANCIAL CALENDAR

2014 full year results announced	12th February, 2015
2014 Second Interim Dividend declared	12th February, 2015
Ex-all date for 2014 Second Interim Dividend	2nd March, 2015
Closure of register of members - 2014 Second Interim Dividend	4th March, 2015 and 5th March, 2015
Record date for 2014 Second Interim Dividend	5th March, 2015
Despatch of Scrip Dividend Scheme Listing Document and Form of Election	5th March, 2015
Despatch of dividend warrants and share certificates for 2014 Second Interim Dividend	(on or about) 27th March, 2015
Closure of register of members - 2015 AGM	7th May, 2015 and 8th May, 2015
2015 AGM	8th May, 2015
2015 interim results to be announced	August, 2015*

* Subject to change

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股東資料

財務日誌

公布2014年度全年業績	2015年2月12日
宣布派發2014年度第二次中期股息	2015年2月12日
2014年度第二次中期股息除淨日期	2015年3月2日
暫停辦理過戶登記手續 - 2014年度第二次中期股息	2015年3月4日及2015年3月5日
2014年度第二次中期股息記錄日期	2015年3月5日
寄發以股代息計劃上市文件及選擇表格	2015年3月5日
寄發2014年度第二次中期股息單及股票	(約於) 2015年3月27日
暫停辦理過戶登記手續 - 2015股東周年常會	2015年5月7日及2015年5月8日
2015股東周年常會	2015年5月8日
公布2015年度中期業績	2015年8月*

* 可予更改

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