Pillar 3 and Liquidity Disclosures

31 December 2023

DBS Group Holdings Ltd
Incorporated in the Republic of Singapore
Company Registration Number: 199901152M

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PART A : PILLAR 3 DISCLOSURES

1 INTRODUCTION

This part contains Pillar 3 disclosures of DBS Group Holdings Ltd and its Subsidiaries (Group) and is made pursuant to the Monetary Authority of Singapore Notice to Designated Financial Holding Companies FHC-N637 "Notice on Risk Based Capital Adequacy Requirements" (“MAS Notice FHC-N637”). MAS Notice FHC-N637 incorporates relevant provisions in MAS Notice 637 on Risk Based Capital Requirements for Banks Incorporated in Singapore (“MAS Notice 637”).

The Group views the Basel framework as part of continuing efforts to strengthen its risk management culture and ensure that the Group pursues business growth across segments and markets with the appropriate risk management discipline, practices and processes in place.

For the purpose of calculating its risk-weighted assets, the Group applies the Foundation Internal Ratings-Based Approach to certain wholesale credit exposures, the Advanced Internal Ratings-Based Approach to certain retail credit exposures and the Standardised Approach to all other credit exposures. The Group applies the respective Standardised Approaches for operational and market risks.

The numbers in this document are presented in Singapore dollars and rounded to the nearest million, unless otherwise stated.

2 SCOPE OF CONSOLIDATION

The Group's capital requirements are based on the principles of consolidation adopted in the preparation of its financial statements. The Group’s regulatory scope of consolidation is identical to its accounting scope of consolidation. Please refer to the financial statements in the latest available annual report for the principles of consolidation.

3 DISCLOSURE POLICY

Pillar 3 disclosures are prepared in accordance with:

- The principles outlined in the Group Disclosure Policy, which specify that all disclosures must be timely, complete and accurate; as well as
- The governance required and the internal control processes prescribed in the Pillar 3 Disclosure Standard, which have been established to ensure that the Pillar 3 disclosures will meet key stakeholders' expectations.

4 OVERVIEW OF KEY PRUDENTIAL REGULATORY METRICS

The following table provides an overview of key prudential regulatory metrics for the Group.

		a	b	c	d	e
$'m		**31 Dec 23**	**30 Sep 23**	**30 Jun 23**	**31 Mar 23**	**31 Dec 22**
Available capital (amounts)						
1	CET1 capital	53,789	52,558	52,350	50,757	50,487
2	Tier 1 capital	56,182	54,951	54,743	53,150	52,880
3	Total capital	59,306	59,110	58,871	58,345	59,045
Risk-weighted assets (amounts)						
4	Total RWA	368,363	372,411	371,476	353,275	346,895
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	14.6	14.1	14.1	14.4	14.6
6	Tier 1 ratio (%)	15.3	14.8	14.7	15.0	15.2
7	Total capital ratio (%)	16.1	15.9	15.8	16.5	17.0
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement (%)	0.2	0.2	0.2	0.2	0.2
10	Bank G-SIB and/or D-SIB additional requirements (%) [1]	-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.7	2.7	2.7	2.7	2.7
12	CET1 available after meeting the Reporting Bank's minimum capital requirements (%)	6.1	5.9	5.8	6.5	7.0
Leverage Ratio						
13	Total Leverage Ratio exposure measure	851,512	853,030	836,592	828,008	825,758
14	Leverage Ratio (%) (row 2 / row 13)	6.6	6.4	6.5	6.4	6.4
Liquidity Coverage Ratio [2]						
15	Total High Quality Liquid Assets	147,500	146,007	149,084	144,349	144,682
16	Total net cash outflow	102,814	105,701	101,954	98,370	99,073
17	Liquidity Coverage Ratio (%)	144	138	146	147	146
Net Stable Funding Ratio						
18	Total available stable funding	448,070	444,804	435,574	434,340	429,998
19	Total required stable funding	380,515	379,133	375,947	369,087	366,810
20	Net Stable Funding Ratio (%)	118	117	116	118	117

[1] Even though the Group is not a G-SIB, it is required under MAS Notice 637 to disclose the G-SIB indicators. Please refer to https://www.dbs.com/investors/financials/quarterly-financials for the Group's G-SIB indicator disclosure.

[2] LCR is calculated based on average for the quarter. Please also refer to footnote 1 on Page B-1 of this document.

The Group's Common Equity Tier 1 (CET1) ratio increased from 14.1% in the previous quarter to 14.6% due to strong profit accretion and lower risk-weighted assets.

Other commentaries for the quarter explaining significant changes in the above metrics, if any, have been included in subsequent sections of this document.

5 COMPOSITION OF CAPITAL

5.1 Financial Statements and Regulatory Scope of Consolidation

	31 Dec 2023	
$m	Amount	Cross Reference to Section 5.2
ASSETS		
Cash and balances with central banks	50,213	
Government securities and treasury bills	70,565	
Due from banks	67,461	
Derivatives	22,700	
Bank and corporate securities	81,735	
of which: PE/VC investments held beyond the relevant holding periods	2	a
Loan and advances to customers	416,163	
of which: Total allowances admitted as eligible T2 Capital	(1,842)	b
Other assets	17,975	
of which: Deferred tax assets	770	c
Re-grossing of deferred tax assets and deferred tax liabilities as required under MAS Notice 637	219	d
Associates and joint ventures	2,487	
of which: Goodwill on acquisition[(1)]	15	e
Properties and other fixed assets	3,689	
Goodwill and intangibles	6,313	
of which: Goodwill	6,081	f
of which: Intangibles	232	g
TOTAL ASSETS	**739,301**	
LIABILITIES		
Due to banks	46,704	
Deposits and balances from customers	535,103	
Derivatives	23,457	
Other liabilities	22,392	
Re-grossing of deferred tax assets and deferred tax liabilities as required under MAS Notice 637	219	
of which: DTLs related to goodwill	12	h
Other debt securities	48,079	
Subordinated term debts	1,319	
TOTAL LIABILITIES	**677,054**	
NET ASSETS	**62,247**	

5.1 Financial Statements and Regulatory Scope of Consolidation (continued)

$m	31 Dec 2023 Amount	Cross Reference to Section 5.2
EQUITY		
Share capital	11,604	
of which: Amount eligible as CET1 Capital	11,826	i
of which: Treasury shares	(222)	j
Other equity instruments	2,392	k
Other reserves	(23)	l
of which: Cash flow hedge reserve	(1,380)	m
Revenue reserves	48,092	n
of which: Regulatory loss allowance reserves	-	o
of which: Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk	(50)	p
SHAREHOLDERS' FUNDS	62,065	
Non-controlling interests	182	
of which: Eligible for recognition as CET1 Capital under transitional arrangements	4	q
of which: Eligible for recognition as AT1 Capital under transitional arrangements	1	r
of which: Eligible for recognition as T2 Capital under transitional arrangements	1	s
TOTAL EQUITY	**62,247**	

(1) Not adjusted for subsequent share of losses or impairment losses (Refer to page A-3).

The Group's regulatory scope of consolidation is identical to its accounting scope of consolidation.

5.2 Capital Adequacy and Reconciliation of Regulatory Capital to the Balance Sheet

The following disclosure is made according to the template prescribed in MAS Notice 637 Annex 11B.

The alphabetic cross-references in the column "Cross Reference to Section 5.1" relate to those used in the balance sheet reconciliation in Section 5.1.

Row 64 "Bank-specific buffer requirement" and row 68 "Common Equity Tier 1 available after meeting the Reporting Bank's minimum capital requirements" are not directly comparable. Row 64 is the sum of row 69 and rows 65 to 67. Row 68 is the CET1 CAR, less the minimum CET1 CAR requirement (Row 69) and any CET1 CAR used to meet the Tier 1 and Total capital requirements, expressed as a percentage of risk-weighted assets.

$m		31 Dec 2023 Amount	31 Dec 2023 Cross Reference to Section 5.1
Common Equity Tier 1 capital: instruments and reserves			
1	Paid-up ordinary shares and share premium (if applicable)	11,826	i
2	Retained earnings	48,092	n-o
3#	Accumulated other comprehensive income and other disclosed reserves	(245)	j+l
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
5	Minority interest that meets criteria for inclusion	4	q
6	**Common Equity Tier 1 capital before regulatory adjustments**	**59,677**	
Common Equity Tier 1 capital: regulatory adjustments			
7	Valuation adjustment pursuant to Part VIII of MAS Notice 637	11	
8	Goodwill, net of associated deferred tax liability	6,084	e+f-h
9#	Intangible assets, net of associated deferred tax liability	232	g
10#	Deferred tax assets that rely on future profitability	989	c+d
11	Cash flow hedge reserve	(1,380)	m
12	Shortfall of TEP relative to EL under IRBA	-	
13	Increase in equity capital resulting from securitisation transactions	-	
14	Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk	(50)	p
15	Defined benefit pension fund assets, net of associated deferred tax liability	-	
16	Investments in own shares	0	
17	Reciprocal cross-holdings in ordinary shares of financial institutions	-	
18	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
19	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries) (amount above 10% threshold)	-	
20#	Mortgage servicing rights (amount above 10% threshold)	-	
21#	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of associated deferred tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
24#	of which: mortgage servicing rights	-	
25#	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments	2	

$m		31 Dec 2023 Amount	Cross Reference to Section 5.1
26A	PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630	2	a
26B	Capital deficits in subsidiaries and associates that are regulated financial institutions	-	
26C	Any other items which the Authority may specify	-	
27	Regulatory adjustments applied in calculation of CET1 Capital due to insufficient AT1 Capital to satisfy required deductions	-	
28	**Total regulatory adjustments to CET1 Capital**	**5,888**	
29	**Common Equity Tier 1 capital (CET1)**	**53,789**	
Additional Tier 1 capital: instruments			
30	AT1 capital instruments and share premium (if applicable)	2,392	k
31	of which: classified as equity under the Accounting Standards	2,392	
32	of which: classified as liabilities under the Accounting Standards	-	
33	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	-	
34	AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	1	r
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	**Additional Tier 1 capital before regulatory adjustments**	**2,393**	
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments of financial institutions	-	
39	Investments in AT1 capital instruments of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
40	Investments in AT1 capital instruments of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
41	National specific regulatory adjustments which the Authority may specify	-	
42	Regulatory adjustments applied in calculation of AT1 Capital due to insufficient Tier 2 Capital to satisfy required deductions	-	
43	**Total regulatory adjustments to Additional Tier 1 capital**	**-**	
44	**Additional Tier 1 capital (AT1)**	**2,393**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**56,182**	
Tier 2 capital: instruments and provisions			
46	Tier 2 capital instruments and share premium (if applicable)	1,281	
47	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	-	
48	Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	1	s
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Provisions	1,842	b
51	**Tier 2 capital before regulatory adjustments**	**3,124**	

$m		31 Dec 2023 Amount	Cross Reference to Section 5.1
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments of financial institutions	-	
54	Investments in Tier 2 capital instruments and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
54a[#]	Investments in other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake: amount previously designated for the 5% threshold but that no longer meets the conditions	-	
55	Investments in Tier 2 capital instruments and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
56	National specific regulatory adjustments which the Authority may specify	-	
57	**Total regulatory adjustments to Tier 2 capital**	**-**	
58	**Tier 2 capital (T2)**	**3,124**	
59	**Total capital (TC = T1 + T2)**	**59,306**	
60	**Floor–adjusted total risk weighted assets**	**368,363**	
Capital ratios (as a percentage of floor-adjusted risk weighted assets)			
61	**Common Equity Tier 1 CAR**	**14.6%**	
62	**Tier 1 CAR**	**15.3%**	
63	**Total CAR**	**16.1%**	
64	Bank-specific buffer requirement	9.2%	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: bank specific countercyclical buffer requirement	0.2%	
67	of which: G-SIB and/or D-SIB buffer requirement (if applicable)	-	
68	Common Equity Tier 1 available after meeting the Reporting Bank's minimum capital requirements	6.1%	
National minima			
69	Minimum CET1 CAR	6.5%	
70	Minimum Tier 1 CAR	8.0%	
71	Minimum Total CAR	10.0%	
Amounts below the thresholds for deduction (before risk weighting)			
72	Investments in ordinary shares, AT1 capital and Tier 2 capital and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	4,051	
73	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	2,109	
74	Mortgage servicing rights (net of associated deferred tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liability)	-	

$m		31 Dec 2023 Amount	Cross Reference to Section 5.1
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	520	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	470	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	2,400	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	1,372	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

For regulatory adjustments, deductions from capital are reported as positive numbers and additions to capital are reported as negative numbers.

Items marked with a hash [#] are elements where a more conservative definition has been applied in MAS Notice 637 relative to those set out under the Basel III capital standards.

5.3 Main Features of Capital Instruments

The following disclosures are made solely pursuant to the requirements of MAS Notice 637 Annex 11D. They are not a summary of the terms, do not purport to be complete, and should be read in conjunction with, and are qualified in their entirety by, the relevant transaction documents available at https://www.dbs.com/investors/fixed-income/capital-instruments. This includes the issuances made over the previous period.

31 Dec 2023		DBS Group Holdings Ltd Ordinary Shares	S$1,000,000,000 3.98% Non-Cumulative, Non-Convertible, Perpetual Capital Securities First Callable in 2025, issued pursuant to the US$30,000,000,000 Global Medium Term Note Programme
1	Issuer	DBS Group Holdings Ltd	DBS Group Holdings Ltd
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SGX Name: DBS GROUP HOLDINGS LTD ISIN Code: SG1L01001701	SGX Name: DBSGrp 3.98%PerCapSec S ISIN Code: SGXF11720293
3	Governing law(s) of the instrument	Singapore	Singapore
4	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1
6	Eligible at Solo/Group/Group & Solo	Group	Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Non-Cumulative Non-Convertible Perpetual Capital Securities
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	S$11,826 million	S$1,000 million
9	Par value of instrument	NA	S$1,000 million
10	Accounting classification	Shareholders' equity	Shareholders' equity
11	Original date of issuance	9 Mar 1999	12 Sep 2018
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date	NA	12 Sep 2025
	Contingent call dates	NA	Change of Qualification Event, or Tax Event
	Redemption amount	NA	Principal amount together with, subject to certain conditions, accrued but unpaid Distributions
16	Subsequent call dates, if applicable	NA	Optional - Any Distribution Payment Date after 12 Sep 2025
	Coupons/dividends		
17	Fixed or floating dividend/coupon	Discretionary dividend amount	Fixed to floating
18	Coupon rate and any related index	NA	3.98% p.a. up to 12 Sep 2025. 7Y SGD Swap Rate plus 1.65% p.a. thereafter, reset every 7 years
19	Existence of a dividend stopper	NA	Yes
20	Fully discretionary, partially discretionally or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or incentive to redeem	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	No	Yes
31	If write-down, write-down trigger(s)	NA	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS
32	If write-down, full or partial	NA	Fully or partially
33	If write-down, permanent or temporary	NA	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinated to Additional Tier 1 capital instruments	Immediately subordinated to Tier 2 capital instruments
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	NA	NA

5.3 Main Features of Capital Instruments (continued)

31 Dec 2023		U.S.$1,000,000,000 3.30% Perpetual Capital Securities First Callable in 2025 issued pursant to the U.S.$30,000,000,000 Global Medium Term Note Programme	JPY10,000,000,000 0.918% Subordinated Notes due 2026 issued pursuant to the US$30,000,000,000 Global Medium Term Note Programme
1	Issuer	DBS Group Holdings Ltd	DBS Group Holdings Ltd
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SGX Name: DBS GROUP US$1B3.3%PERPCAPSEC ISIN Code: XS2122408854	ISIN Code: XS1376555865
3	Governing law(s) of the instrument	English Law (Singapore Law for Subordination)	Singapore
4	Transitional Basel III rules	Additional Tier 1	Tier 2
5	Post-transitional Basel III rules	Additional Tier 1	Tier 2
6	Eligible at Solo/Group/Group & Solo	Group	Group
7	Instrument type (types to be specified by each jurisdiction)	Non-Cumulative Non-Convertible Perpetual Capital Securities	Subordinated Notes
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	S$1,392 million	S$55 million
9	Par value of instrument	US$1,000 million	JPY10,000 million
10	Accounting classification	Shareholders' equity	Liability - amortised cost
11	Original date of issuance	27 Feb 2020	8 Mar 2016
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	No maturity	8 Mar 2026
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date	27 Feb 2025	NA
	Contingent call dates	Change of Qualification Event, or Tax Event	Change of Qualification Event, or Tax Event
	Redemption amount	Principal amount together with, subject to certain conditions, accrued by unpaid Distributions	Principal amount together with accrued but unpaid interest
16	Subsequent call dates, if applicable	Optional - Any Distribution Payment Date after 27 Feb 2025	NA
	Coupons/dividends		
17	Fixed or floating dividend/coupon	Fixed to floating	Fixed
18	Coupon rate and any related index	3.30% p.a. up to 27 Feb 2025, 5Y U.S. Dollar Treasury Rate plus 1.915% p.a. thereafter, reset every 5 years	0.918% p.a.
19	Existence of a dividend stopper	Yes	No
20	Fully discretionary, partially discretionally or mandatory	Fully discretionary	Mandatory
21	Existence of step up or incentive to redeem	No	No
22	Noncumulative or cumulative	Noncumulative	Cumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS
32	If write-down, full or partial	Fully or partially	Fully or partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinated to Tier 2 capital instruments	Immediately subordinated to senior creditors
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	NA	NA

5.3 Main Features of Capital Instruments (continued)

31 Dec 2023		A$300,000,000 Floating Rate Subordinated Notes due 2031 Callable in 2026 issued pursuant to the U.S.$30,000,000,000 Global Medium Term Note Programme	RMB1,600,000,000 3.70% Subordinated Notes due 2031 Callable in 2026 issued pursuant to the U.S.$30,000,000,000 Global Medium Term Note Programme
1	Issuer	DBS Group Holdings Ltd	DBS Group Holdings Ltd
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SGX Name: DBS GRP AUD300M F310408 ISIN Code: AU3FN0056685	SGX Name: DBSGRP CNY1.6B3.7%N310303 ISIN Code: XS2306847315
3	Governing law(s) of the instrument	Singapore	Singapore
4	Transitional Basel Ill rules	Tier 2	Tier 2
5	Post-transitional Basel Ill rules	Tier 2	Tier 2
6	Eligible at Solo/Group/Group & Solo	Group	Group
7	Instrument type (types to be specified by each jurisdiction)	Subordinated Notes	Subordinated Notes
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	S$270million	S$297million
9	Par value of instrument	A$300 million	RMB1600 million
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	8 Oct 2020	3 Mar 2021
12	Perpetual or dated	Dated	Dated
13	Original maturity date	8 Apr 2031	3 Mar 2031
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date	08 Apr 2026	3 Mar 2026
	Contingent call dates	Change of Qualification Event, or Tax Event	Change of Qualification Event, or Tax Event
	Redemption amount	Principal amount together with accrued but unpaid interest	Principal amount together with accrued but unpaid interest
16	Subsequent call dates, if applicable	Optional – Any Interest Payment Date after 8 Apr 2026	Optional – Any Interest Payment Date after 3 Mar 2026
	Coupons/dividends		
17	Fixed or floating dividend/coupon	Floating	Fixed
18	Coupon rate and any related index	3 month BBSW + 190 bps up to maturity	3.70% p.a.
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionally or mandatory	Mandatory	Mandatory
21	Existence of step up or incentive to redeem	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS
32	If write-down, full or partial	Fully or partially	Fully or partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinated to senior creditors	Immediately subordinated to senior creditors
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	NA	NA

5.3 Main Features of Capital Instruments (continued)

31 Dec 2023		USD500,000,000 1.822% Subordinated Notes due 2031 Callable in 2026 issued pursuant to the U.S.$30,000,000,000 Global Medium Term Note Programme
1	Issuer	DBS Group Holdings Ltd
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SGX Name: DBSGRP US$500M1.822%N310310 ISIN Code: XS2310058891
3	Governing law(s) of the instrument	English Law (Singapore Law for Subordination)
4	Transitional Basel III rules	Tier 2
5	Post-transitional Basel III rules	Tier 2
6	Eligible at Solo/Group/Group & Solo	Group
7	Instrument type (types to be specified by each jurisdiction)	Subordinated Notes
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	S$659million
9	Par value of instrument	USD500 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	10 Mar 2021
12	Perpetual or dated	Dated
13	Original maturity date	10 Mar 2031
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date	10 Mar 2026
	Contingent call dates	Change of Qualification Event, or Tax Event
	Redemption amount	Principal amount together with accrued but unpaid interest
16	Subsequent call dates, if applicable	Optional – Any Interest Payment Date after 10 Mar 2026
	Coupons/dividends	
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	1.822% p.a. up to 10 Mar 2026, 5Y U.S. Dollar Treasury Rate plus 1.100% p.a. thereafter, 1-time reset
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionally or mandatory	Mandatory
21	Existence of step up or incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Contractual write-down. The earlier of: (i) the MAS notifying the Issuer in writing that it is of the opinion that a Write-off is necessary, without which the Issuer or the Group would become non-viable; and (ii) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group would have become non-viable, as determined by the MAS
32	If write-down, full or partial	Fully or partially
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinated to senior creditors
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

6 LINKAGES BETWEEN FINANCIAL STATEMENTS AND REGULATORY EXPOSURES

6.1 Differences between Accounting and Regulatory Scopes of Consolidation and Mapping of Financial Statement Categories with Regulatory Risk Categories

The following table shows the breakdown of the amount reported in the financial statements by regulatory risk categories.

	31 Dec 23					
	a	b	c	d	e	f
		Carrying amounts of items -				
$m	Carrying amounts as reported in balance sheet of published financial statements	Subject to credit risk requirements	Subject to CCR requirements	Subject to securitisation framework	Subject to market risk requirements	Not subject to capital requirements or subject to deduction from regulatory capital
Assets						
Cash and balances with central banks	50,213	50,213	-	-	-	-
Government securities & treasury bills	70,565	54,316	-	-	16,249	-
Due from banks	67,461	24,950	35,504	-	28,946	-
Derivatives	22,700	-	21,997	-	22,698	-
Bank & corporate securities	81,735	55,285	-	4,821	21,626	2
Loans & advances to customers	416,163	411,162	4,902	99	-	-
Other assets	17,975	13,770	2,953	-	281	959
Associates	2,487	2,487	-	-	-	-
Properties and other fixed assets	3,689	3,689	-	-	-	-
Goodwill & intangibles	6,313	-	-	-	-	6,313
Total assets	**739,301**	**615,872**	**65,356**	**4,920**	**89,800**	**7,274**
Liabilities						
Due to banks	46,704	-	19,642	-	16,482	10,579
Deposits and balances from customers	535,103	-	331	-	1,175	533,597
Derivatives	23,457	-	23,398	-	23,457	-
Other liabilities	22,392	-	-	-	2,748	19,645
Other debt securities	48,079	-	-	-	15,868	32,211
Subordinated term debts	1,319	-	-	-	-	1,319
Total liabilities	**677,054**	**-**	**43,371**	**-**	**59,730**	**597,351**

The Group's regulatory scope of consolidation is identical to its accounting scope of consolidation.

The sum of amounts disclosed under columns (b) to (f) above can be more than amounts disclosed in column (a) as some of the assets and liabilities, such as derivatives, amounts due to/from banks etc. can be subject to regulatory capital charges for credit risk, counterparty credit risk and market risk.

6.2 Main Sources of Differences between Regulatory Exposure Amounts and Carrying Amounts in Financial Statements

The following table provides information on the main sources of differences between regulatory exposure amounts and carrying amounts in the financial statements.

	31 Dec 23			
	a	b	c	d
		Items subject to -		
$m	Total	Credit risk requirements	CCR requirements	Securitisation framework
Assets carrying amount under regulatory scope of consolidation	732,027	615,872	65,356	4,920
Liabilities carrying amount under regulatory scope of consolidation	79,703	-	43,371	-
Total net amount under regulatory scope of consolidation	**652,324**	**615,872**	**21,985**	**4,920**
Off-balance sheet amounts	463,546	108,693	-	617
Differences due to netting and potential future exposures for derivatives	-	-	37,667	-
Differences due to allowances[1]	-	5,865	-	-
Other differences	-	991	44,376	(45)
Exposure amounts considered for regulatory purposes	**840,941**	**731,421**	**104,028**	**5,492**

Items subject to market risk requirements have not been included in the table above as these are computed based on notional positions in the relevant underlying instruments.

6.3 Qualitative Disclosure of Differences between Carrying Amounts in Financial Statements and Regulatory Exposure Amounts

The Group's regulatory scope of consolidation is identical to its accounting scope of consolidation.

The key differences between accounting amounts and regulatory exposure amounts are:

(i) Off-balance sheet amounts: Off-balance sheet amounts include contingent liabilities and undrawn portions of committed facilities after application of credit conversion factors;

(ii) Differences due to netting and potential future exposures for derivatives: Derivative regulatory exposures are netted (where an enforceable master netting agreement is in place) and also include potential future exposures;

(iii) Differences due to allowances[1]: The carrying values of assets in the financial statements are net of allowances. However, regulatory exposures under IRBA are gross of all allowances, while those under SA are net of specific allowances; and

(iv) Other differences: These mainly include differences arising from the recognition of credit risk mitigation, the inclusion of repurchase agreement for counterparty credit risk etc.

[1] Allowances refers to specific allowances (Expected Credit Loss Stage 3) and general allowances (Expected Credit Loss Stage 1 and 2)

6.3 Qualitative Disclosure of Differences between Carrying Amounts in Financial Statements and Regulatory Exposure Amounts (continued)

Valuation Process

The valuation processes within the Group are governed by the Valuation Policy, which is endorsed by the Valuation Committee and approved by the Audit Committee, and supporting standards, which are approved by the Head of Group Product and Valuation Control. The policy and standards apply to financial assets and liabilities classified as “fair value through profit or loss” (FVPL) and “fair value through other comprehensive income” (FVOCI).

The Valuation Policy and supporting standards govern the revaluation of all financial assets and liabilities that are measured at fair value, covering both market prices as well as model inputs. Financial assets and liabilities are marked directly using reliable and independent market prices (e.g. cash equities, fixed income securities and exchange traded futures) or by using reliable and independent market parameters (as model inputs) in conjunction with a valuation model (e.g. options and other derivatives valued using the Black Scholes model, discounted cash flows or other models). These valuation models go through an assurance process carried out by the Risk Management Group (RMG), independent of the model developers. Where necessary, the Group also imposes model reserves and other adjustments in determining fair value. Models are approved by the Group Market and Liquidity Risk Committee.

A process of independent price verification (IPV) is in place to establish the accuracy of the market parameters used when the marking is performed by the Front Office. The IPV process entails independent checks to compare traders’ marks to independent sources such as broker/dealer sources or market consensus providers. For illiquid financial instruments where mark-to-market is not possible, the Group will value these products using an approved valuation model. Prices and parameters used as inputs to the model or to any intermediate technique involving a transformation process must be derived using approved market sources. Where possible, the inputs must be checked against multiple sources for reliability and accuracy.

Where significant unobservable inputs are used in these models, valuation adjustments or reserves are taken to provide for any uncertainty in valuations. Valuation adjustments or reserve methodologies are also used to substantiate the significance of unobservable inputs. Such methodologies are governed by the Valuation Policy and supporting standards. Group Product and Valuation Control, a unit within Group Finance and independent of any business unit, is responsible for determining valuation adjustments, including prudent valuation adjustments (PVA), and ensuring compliance with MAS Notice 637 Annex 8N. These activities are overseen by the Group Market and Liquidity Risk Committee and the Valuation Committee.

MAS Notice 637 Annex 8N sets out the standards for valuing financial instruments that are accounted for at fair value, regardless of whether these are booked in the trading or banking book, for the purpose of determining capital requirements. Banks are required to apply prudence and make appropriate adjustments, taking into account valuation uncertainties. Valuation adjustments taken in addition to that which has been incorporated into the financial statements are known as prudent valuation adjustments (PVA). PVA is deducted from CET1 capital.

The Group maintains policies, systems and controls for the calculation of valuation adjustments, including PVA. The Group's PVA methodology addresses fair value uncertainties arising from the following factors (where relevant): concentrated positions, unearned credit spreads, close out costs, operational risks, early termination costs, investing and funding costs, future administrative costs and model risk.

6.4 Prudent Valuation Adjustments

The following table provides a breakdown of the elements of PVA.

	31 Dec 23							
	a	b	c	d	e	f	g	h
$m	Equity	Interest rates	FX	Credit	Commodities	Total	of which in the trading book	of which in the banking book
Closeout uncertainty	-	-	-	11	-	11	3	8
of which: midmarket value	-	-	-	-	-	-	-	-
of which: closeout cost	-	-	-	-	-	-	-	-
of which: concentration	-	-	-	11	-	11	3	8
Early termination	-	-	-	-	-	-	-	-
Model risk	-	-	-	-	-	-	-	-
Operational risk	-	-	-	-	-	-	-	-
Investing and funding costs	-	-	-	-	-	-	-	-
Unearned credit spreads	-	-	-	-	-	-	-	-
Future administrative costs	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total adjustment	-	-	-	11	-	11	3	8

	31 Dec 22							
	a	b	c	d	e	f	g	h
$m	Equity	Interest rates	FX	Credit	Commodities	Total	of which in the trading book	of which in the banking book
Closeout uncertainty	-	-	-	15	-	15	6	9
of which: midmarket value	-	-	-	-	-	-	-	-
of which: closeout cost	-	-	-	-	-	-	-	-
of which: concentration	-	-	-	15	-	15	6	9
Early termination	-	-	-	-	-	-	-	-
Model risk	-	-	-	-	-	-	-	-
Operational risk	-	-	-	-	-	-	-	-
Investing and funding costs	-	-	-	-	-	-	-	-
Unearned credit spreads	-	-	-	-	-	-	-	-
Future administrative costs	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total adjustment	-	-	-	15	-	15	6	9

The decrease in PVA was primarily due to a decrease of fair-value bonds that were held in larger concentrations.

7 MACROPRUDENTIAL SUPERVISORY MEASURES

7.1 Geographical Distribution of Credit Exposures used in the Countercyclical Capital Buffer

The table below sets out the geographical distribution of the RWA of private sector credit exposures relevant for the calculation of the countercyclical capital buffer.

	31 Dec 2023			
	(a)	(b)	(c)	(d)
Geographical breakdown	Jurisdiction-specific countercyclical buffer requirement (%)	RWA for private sector credit exposures used in the computation of the countercyclical buffer ($m)	Bank-specific countercyclical buffer requirement (%)	Countercyclical buffer amount ($m)
Australia	1.00	6,269		
France	0.50	750		
Germany	0.75	1,836		
Hong Kong	1.00	26,583		
Luxembourg	0.50	718		
Netherlands	1.00	1,093		
Sweden	2.00	1,008		
United Kingdom	2.00	12,303		
Others		208,539		
Total		259,099	0.2	891

The Basel III countercyclical capital buffer is calculated as the weighted average of the buffers in effect in the jurisdictions to which banks have private sector credit exposures. The Group attributes private sector credit exposures to jurisdictions based primarily on the jurisdiction of risk of each obligor or, if applicable, its guarantor. The determination of an obligor's jurisdiction of risk is based on the look-through approach taking into consideration factors such as the economic activity and availability of parental support.

7.2 DISCLOSURE OF G-SIB INDICATORS

The Basel Committee has developed an indicator-based methodology for assessing G-SIBs. Even though the Group is not a G-SIB, it is required to disclose the G-SIB indicators. These have been prepared in accordance with the instructions issued by the Basel Committee. Please refer to http://www.bis.org/bcbs/gsib/ for details on the framework and the indicators used in the assessment methodology.

	Category	Individual indicator	31 Dec 2023 Amount ($m)
1	Cross-jurisdictional activity	Cross-jurisdictional claims	470,270
2		Cross-jurisdictional liabilities	370,080
3	Size	Total exposures as defined for use in the Basel III leverage ratio	849,593
4	Interconnectedness	Intra-financial system assets	153,900
5		Intra-financial system liabilities	140,215
6		Securities outstanding	137,786
7	Substitutability / financial institution infrastructure	Assets under custody	1,040,693
8		Payments activity	24,283,144
9		Underwritten transactions in debt and equity markets	18,851
10		Trading Volume (fixed income)	375,455
11		Trading Volume (equities and other securities)	252,378
12	Complexity	Notional amount of over-the-counter derivatives	2,891,422
13		Level 3 assets	862
14		Trading and available-for-sale securities	45,853

The Group has been disclosing G-SIB indicators, on an annual basis, since 31 December 2013.

Please refer to https://www.dbs.com/investors/financials/quarterly-financials for the Group's G-SIB indicator disclosures for prior periods.

8 LEVERAGE RATIO

The following tables provide the breakdown of the Group's leverage ratio regulatory elements and a reconciliation of the Group's balance sheet assets with the leverage ratio exposure measure.

Leverage Ratio Common Disclosure Template

	Item	Amount[1] ($m) 31 Dec 2023	30 Sep 2023
	Exposure measures of on-balance sheet items		
1	On-balance sheet items (excluding derivative transactions and SFTs, but including on-balance sheet collateral for derivative transactions or SFTs)	656,682	651,694
2	Asset amounts deducted in determining Tier 1 capital	(5,939)	(5,041)
3	**Total exposure measures of on-balance sheet items** (excluding derivative transactions and SFTs)	**650,743**	**646,653**
	Derivative exposure measures		
4	Replacement cost associated with all derivative transactions (net of the eligible cash portion of variation margins)	14,152	16,858
5	Potential future exposure associated with all derivative transactions	31,193	33,089
6	Gross-up for derivative collaterals provided where deducted from the balance sheet assets in accordance with the Accounting Standards	-	-
7	Deductions of receivables for the cash portion of variation margins provided in derivative transactions	-	-
8	CCP leg of trade exposures excluded	-	-
9	Adjusted effective notional amount of written credit derivatives	2,112	2,608
10	Further adjustments in effective notional amounts and deductions from potential future exposures of written credit derivatives	-	-
11	**Total derivative exposure measures**	**47,457**	**52,555**
	SFT exposure measures		
12	Gross SFT assets (with no recognition of accounting netting), after adjusting for sales accounting	59,925	63,927
13	Eligible netting of cash payables and cash receivables	-	-
14	SFT counterparty exposures	2,437	1,966
15	SFT exposure measures where a Reporting Bank acts as an agent in the SFTs	-	-
16	**Total SFT exposure measures**	**62,362**	**65,893**
	Exposure measures of off-balance sheet items		
17	Off-balance sheet items at notional amount	463,546	457,885
18	Adjustments for calculation of exposure measures of off-balance sheet items	(372,596)	(369,956)
19	**Total exposure measures of off-balance sheet items**	**90,950**	**87,929**
	Capital and Total exposures		
20	Tier 1 capital	56,182	54,951
21	Total exposures	851,512	853,030
	Leverage Ratio		
22	**Leverage Ratio**	**6.6%**	**6.4%**

(1) Leverage ratio is computed using quarter-end balances.

The leverage ratio of 6.6% was more than twice the regulatory minimum of 3%.

Leverage Ratio Summary Comparison Table

	Item	31 Dec 2023 Amount[1] ($m)
1	Total consolidated assets as per published financial statements	739,301
2	Adjustment for investments in entities that are consolidated for accounting purposes but are outside the regulatory scope of consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet in accordance with the Accounting Standards but excluded from the calculation of the exposure measure	-
4	Adjustment for derivative transactions	24,757
5	Adjustment for SFTs	2,437
6	Adjustment for off-balance sheet items	90,950
7	Other adjustments	(5,933)
8	**Exposure measure**	**851,512**

[1] Leverage ratio is computed using quarter-end balances.

9 RISK MANAGEMENT APPROACH

In executing our strategic priorities and business opportunities, the Group is faced with economic, financial and other types of risks. These risks are interdependent and require a holistic approach to risk management. Very broadly, these risks can be aligned around the following risk categories:
(i) Credit
(ii) Market
(iii) Liquidity
(iv) Operational
(v) Technology
(vi) Reputational
(vii) Business and Strategic

The Board oversees the Group's affairs and provides sound leadership for the CEO and management. Authorised by the Board, various board committees oversee specific responsibilities based on clearly defined terms of reference.

Under our risk management approaches, the Board, through the Board Risk Management Committee (BRMC), sets our risk appetite, oversees the establishment of enterprise-wide risk management policies and processes, and establishes risk appetite limits to guide the Group's risk-taking. The BRMC also oversees the identification, monitoring, management and reporting of credit, market, liquidity, operational, technology and reputational risks.

In addition, the BRMC Technology Risk Committee (BTRC) has been set up to assist the BRMC in overseeing the management of technology risk across the Group. This includes providing guidance on the implementation of the plans to uplift DBS Bank’s technology resilience and the business continuity management.

To facilitate the BRMC’s risk oversight, the following risk management committees have been established:

Risk Management Committees

Risk Executive Committee (Risk EXCO)	As the overall executive body regarding risk matters, the Risk EXCO oversees the Group’s risk management.
Group Credit Risk Committee (GCRC) **Group Credit Risk Models Committee (GCRMC)** **Group Market and Liquidity Risk Committee (GMLRC)** **Group Operational Risk Committee (GORC)** **Group Technology Risk Committee (GTRC)** **Group Scenario and Stress Testing Committee (GSSTC)**	Each of the committees reports to the Risk EXCO, and serves as an executive forum to discuss and implement the Group's risk management. Key responsibilities: • Assess and approve risk-taking activities • Oversee the Group’s risk management infrastructure, which includes frameworks, decision criteria, authorities, people, policies, standards, processes, information and systems • Approve risk policies such as model governance standards, stress testing scenarios, and the evaluation and endorsement of risk models • Assess and monitor specific credit concentration • Recommend stress testing scenarios (including macroeconomic variable projections) and review the results The members in these committees comprise representatives from the Risk Management Group (RMG) as well as key business and support units.
Product Approval Committee (PAC)	The PAC provides group-wide oversight and direction for the approval of new product/ service and outsourcing initiatives. It evaluates new product/ service and outsourcing initiatives to ensure that they are in line with the Group’s strategy and risk appetite.

Our risk appetite takes into account a spectrum of risk types, and is implemented using thresholds, policies, processes and controls.

Setting thresholds is essential in making DBS’ Risk Appetite an intrinsic part of our businesses as they help to keep all our risks within acceptable levels. Portfolio risk limits for the quantifiable risk types are established top down, and these are implemented using frameworks. As for the non-quantifiable risk types, these are managed using qualitative principles.

To ensure that the thresholds pertaining to our risk appetite are completely risk-sensitive, we have adopted both economic capital (EC) and regulatory capital (RC) as our risk metrics. Additionally, both EC and RC are assessed as part of our Internal Capital Adequacy Assessment Process (ICAAP).

9 RISK MANAGEMENT APPROACH (CONTINUED)

Our capital allocation structure monitors credit, market and operational risks by assessing regulatory capital utilisation at the business unit level. The Group manages risks along the dimensions of customer-facing and non customer-facing units. As a commercial bank, the Group allocates more capital to our customer-facing units, as compared to non-customer-facing units. A buffer is also maintained for other risks, such as country, reputational, model risks, etc. Other quantitative or qualitative controls are used to manage the other risks at granular levels.

Please refer to subsequent sections for details on how we manage the risks under each risk type.

The Group adopts the Three Lines Model for risk management where each line has clear roles and responsibilities. Our business and support units are our first line. Their responsibilities include identification and management of risks arising from their respective areas of responsibilities and ensuring that our operations remain within approved boundaries of our risk appetite and policies.

Our second line including Risk Management Group and Group Legal and Compliance provide independent risk oversight, monitoring and reporting. They are responsible for the development and maintenance of risk management policies and processes, and they provide objective review and challenge on the activities undertaken by business and support units.

Group Audit forms the third line. It provides an independent assessment and assurance on the reliability, adequacy and effectiveness of our system of internal controls, risk management, governance framework and processes.

The Group believes that effective safeguards against undesired business conduct have to go beyond a “tick-the-box” mentality. Other than relying on published codes of conduct, the Group also advocates the following organisational safeguards to maintain a strong risk and governance culture:

- Tone from the top
- Aligning strategies and incentives via the balanced scorecard. Performance is assessed against the scorecard to determine remuneration, providing a clear line of sight between employee goals and organisational imperatives
- Respecting voice of control functions
- Risk ownership
- Having established escalation protocols
- Encouraging constructive challenges at all levels
- Reinforcing cultural alignment

In addition to cultivating a strong risk and governance culture, robust internal control processes and systems have been designed and implemented to support the respective risk management approaches. These are reviewed regularly by the respective risk units to assess and ensure their effectiveness.

Please refer to sections 11.1.1, 11.1.2 and 14.1 for details relating to strategies and processes that the Group uses to manage, hedge and mitigate risks, and for monitoring the continuing effectiveness of hedges and mitigants.

Risk management reports including exposure and position information for all significant risk areas are provided to the BRMC and management on a regular basis, as deemed appropriate. The Group, through various committees, determines the risk reporting requirements that best suit the business.

This includes the following:
(i) risk exposures and profile against risk limits and risk strategy
(ii) large risk events and subsequent remedial action plans
(iii) market developments such as macroeconomic and country risks, financial and operational risks, risk concentrations and stress tests related to these developments
(iv) key technology risk events and updates

Stress testing is an integral part of the Group's risk management process. It includes both sensitivity analysis and scenario analysis, and is conducted regularly. In particular, the ICAAP (a group-wide exercise spanning across risk types) is performed annually. In addition, stress tests are carried out in response to microeconomic and macroeconomic conditions or portfolio developments. Every stress test is documented and the results are reviewed by senior management and/or the BRMC.

Stress testing alerts the senior management to our potential vulnerability to exceptional but plausible adverse events. As such, stress testing enables us to assess capital adequacy and identify potentially risky portfolio segments as well as inherent systematic risks. This then allows us to develop the right contingency plans, exit strategies and mitigating actions beforehand.

The ICAAP ensures our business plans are consistent with our risk appetite. This is done by comparing the projected demand for capital to the projected supply of capital under various scenarios, including severe macroeconomic stress.

10 OVERVIEW OF RISK-WEIGHTED ASSETS

The following table sets out the Group's RWA and capital requirements.

		a	b	c
		RWA		Minimum capital requirements[1]
$m		31 Dec 2023	30 Sep 2023	31 Dec 2023
1	**Credit risk (excluding CCR)**	264,733	263,926	26,474
2	*of which: Standardised Approach*	*34,408*	*34,092*	*3,441*
3	*of which: F-IRBA*	*165,595*	*165,710*	*16,560*
4	*of which: supervisory slotting approach*	*45,540*	*44,359*	*4,554*
5	*of which: A-IRBA*	*19,190*	*19,765*	*1,919*
6	**CCR**	13,868	14,843	1,387
7	*of which: SA-CCR*	*10,125*	*11,701*	*1,013*
8	*of which: CCR Internal Models Method*	-	-	-
9	*of which: other CCR*	*3,243*	*2,526*	*324*
9a	*of which: CCP*	*500*	*616*	*50*
10	CVA	7,918	8,213	792
11	Equity exposures under the simple risk weight method	-	-	-
11a	Equity exposures under the IMM	-	-	-
12	Equity investments in funds – look-through approach	52	54	5
13	Equity investments in funds – mandate-based approach	11	12	1
14	Equity investments in funds – fall-back approach	#	#	#
14a	Equity investment in funds – partial use of an approach	424	419	42
15	**Unsettled transactions**	154	8	15
16	**Securitisation exposures in banking book**	1,314	1,319	132
17	*of which: SEC-IRBA*	-	-	-
18	*of which: SEC-ERBA, including IAA*	*1,069*	*1,081*	*107*
19	*of which: SEC-SA*	*245*	*238*	*25*
20	**Market risk**	26,144	32,681	2,614
21	*of which: SA(MR)*	*26,144*	*32,681*	*2,614*
22	*of which: IMA*	-	-	-
23	**Operational risk**	48,472	46,664	4,847
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	5,273	4,272	527
25	**Floor adjustment**	-	-	-
26	**Total**	368,363	372,411	36,836

Numbers below 0.5.

[1] Minimum capital requirements in this column correspond to 10% of the RWA in column "(a)" which is 2.0 percentage points higher than the Basel Committee’s requirement.

The decrease in RWA during the quarter was mainly driven by lower market RWA.

11 CREDIT RISK

11.1 Qualitative Disclosures

11.1.1 General Qualitative Disclosures

Credit risk arises from borrowers or counterparties failing to meet their debt or contractual obligations. It includes the risk of lending, as well as the pre-settlement and settlement risk of foreign exchange, derivatives and securities.

RMG-Credit Risk unit, acts as a second line responsible for the development and maintenance of credit risk management and internal control frameworks. It provides an independent review and challenges the first line (e.g. Business Units) who, together with RMG-Credit Risk unit, are responsible for the identification, assessment and management of risk on an end-to-end basis and in conformity with approved risk appetite and policies.

Various functions under the RMG-Credit Risk unit report to the Chief Credit Officer (CCO):
- Credit risk managers approve and control credit risk and portfolio quality as well as ensure legal, regulatory and compliance obligation issues are addressed
- Credit control units monitor compliance with credit risk policies and standards of the Group and perform independent checks on completeness of documentation and compliance of credit conditions
- Credit remediation units are responsible for establishing, formalising and standardising the end-to-end process to identify, categorise, review and monitor problem credits

RMG-Credit Risk unit also partners with the Group Legal and Compliance units to ensure all risk-taking activities abide by regulations, while Group Audit serves as a third line to provide an independent assessment and assurance on the reliability, adequacy and effectiveness of the risk management, control and governance processes in operation throughout the Group.

The Group's credit risk management is supported by policies which cover credit risk management process and establish a consistent Group-wide approach for managing credit risk in a structured, systematic and consistent manner.

These policies, supplemented by a number of operational standards and guides, ensure consistency in identifying, assessing, underwriting, measuring, reporting and controlling credit risk across the Group and provide guidance in the formulation of business-specific and/or location-specific credit risk policies and standards.

Day-to-day monitoring of credit exposures, portfolio performance and external environmental factors potentially affecting credit risk profiles is key to the Group's philosophy of effective credit risk management. Credit trends, which may include industry analysis, early warning alerts and significant weak credits are submitted to the various risk committees. Please refer to Section 9 on the risk management committees established to discuss the various risk types.

In managing its portfolio risk profile, the Group has put in place the Target Market & Risk Acceptance Criteria (TM-RAC) that support the Group's portfolio strategy and ensure well-defined and consistent customer onboarding standards across the Group.

The Delegation of Authority (DOA) Standard sets out the level of risk-based credit authority required to approve total facilities to a DOA group, taking into consideration credit risk rating and various risk parameters of the facilities. The Group's ultimate credit authority rests with the Board while the Group Credit Committee is delegated as the highest level of credit authority before exposures are escalated to Group Board Executive Committee.

The Group engages in various types of credit stress testing, and these are driven either by regulators or internal requirements and management. Independent risk management functions that report to the Chief Risk Officer (CRO) are jointly responsible for developing and maintaining a robust credit stress testing programme. These units oversee the implementation of credit stress tests as well as the analysis of the results, of which the management, various risk committees and regulators are informed.

11.1.2 Qualitative Disclosures related to CRM Techniques

The Group's policies provide detailed policy requirements and references on:
- Eligible collaterals
- Collateral valuation and valuation method
- Appointment of valuers / appraisers
- Loan-to-valuation / margin calls

Core processes for collateral evaluation include:
- Frequency of valuation for the various asset classes
- In the case of classified credits, the minimum discount to be applied to the Net Book Value / Fair Market Value
- Ownership and approving authority
- Deviations

Where possible, the Group takes collateral as a secondary source of repayment. This includes, but is not limited to, cash, marketable securities, real estate, trade receivables, inventory, equipment and other physical and/or financial collateral. The Group may also take fixed and floating charges on the assets of borrowers.

The Group's collateral is generally diversified and periodic valuations of collateral are required. Real estate constitutes the bulk of the Group's collateral, with a significantly lower proportion in marketable securities and cash.

For derivatives, repurchase agreements (repo) and other repo-style transactions with financial market counterparties, collateral arrangements are typically covered under market-standard documentation, such as International Swaps & Derivatives Association (ISDA) Agreements and Master Repurchase Agreements. The collateral exchanged mitigates marked-to-market changes at a re-margining frequency that the Group and the counterparties have mutually agreed upon. This is governed by internal guidelines with respect to collateral eligibility. In the event of a default, the credit risk exposure is reduced by master-netting arrangements where the Group is allowed to offset what is owed to a counterparty against what is due from that counterparty in a netting-eligible jurisdiction.

Collateral held against derivatives generally consists of cash in major currencies and highly rated government or quasi-government bonds. Exceptions may arise in certain countries, where due to domestic capital markets and business conditions, the Group may be required to accept less highly rated or liquid government bonds and currencies. Reverse repo-transactions are generally traded with large institutions with reasonably good credit standing. The Group takes haircuts against the underlying collateral of these transactions that commensurate with collateral quality to ensure credit risks are adequately mitigated.

In times of difficulty, the Group will review the customers' specific situation and circumstance to assist them in restructuring their financial obligations. However, should the need arise, disposal and recovery processes are in place to dispose of collateral held. The Group maintains a panel of agents and solicitors to assist in the disposal of non-liquid assets and specialised equipment quickly.

The Group also accepts guarantees as credit risk mitigants. Internal requirements for considering the eligibility of guarantors for credit risk mitigation are in place.

11.1.3 Qualitative Disclosures on the use of External Credit Ratings under SA(CR)

The Group uses external ratings for credit exposures under the Standardised Approach where relevant and only accepts ratings from Standard & Poor's Ratings Services, Moody’s Investor Services and Fitch Ratings. There has been no change in this regard during the reporting period. The Group follows the processes prescribed in MAS Notice 637 to map the ratings to the relevant risk weights across the various asset classes under the Standardised Approach.

Where the SA(CR) exposure has an issue-specific external credit assessment, the Group uses such an assessment for calculating the applicable risk weights. Where the SA(CR) exposure does not have an issue-specific external credit assessment, a process is in place to use the available external credit ratings of comparable assets as prescribed in MAS Notice 637.

11.1.4 Qualitative Disclosures for IRBA Models

The Group adopts rating systems for the different asset classes under the IRBA. There is a robust governance process for the development, independent validation and approval of any credit risk model. The roles and responsibilities between various stakeholders in the model development and management process are articulated in the Model Risk Policy. This policy applies to the Group, including its banking subsidiaries on a global basis.

The models go through a rigorous review process before they are endorsed by the GCRMC and the Risk EXCO. They must be approved by the BRMC before submission for regulatory approval. The key risk measures generated by the internal credit risk rating models to quantify regulatory capital include Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). PD measures the likelihood that a borrower defaults on its credit obligation over a period of one year. LGD is the loss likely to be incurred on an exposure upon default of an obligor relative to the amount outstanding at default, i.e., EAD. EAD is the expected amount of an exposure that the Group is exposed to upon the default of an obligor. It is measured gross of specific provisions and adjusted for the risk mitigating effects of valid bilateral netting arrangements. Models used for regulatory capital reporting under the IRBA are subject to regulatory approvals.

For portfolios under the F-IRBA, internal estimates of PD are used while the supervisory LGD and EAD estimates are applied. For retail portfolios under the A-IRBA, internal estimates of PD, LGD and EAD are used. Relevant regulatory floors are applied in regulatory capital calculation and reporting.

A-IRBA portfolios constitute 18% of the Group's Credit EAD and 7% of Group's Credit RWA. Portfolios on F-IRB approach (excluding Specialised Lending) constitute 65% of the Group's Credit EAD and 60% of Group's Credit RWA. Portfolios on SA(CR) account for 7% of Group's Credit EAD and 11% of Group's Credit RWA. Equity Exposures under SA(EQ) account for 0.3% of Group's Credit EAD and 2% of Group's Credit RWA.

The performance metrics of the rating models are monitored regularly and reported to the GCRMC, Risk EXCO and the BRMC to ensure their ongoing effectiveness. To provide assurance to the approving authority, models are independently validated by RMG-Model Validation unit prior to approval. RMG-Model Validation unit also conducts formal validations for the respective models annually. The validation processes are also independently reviewed by Group Audit.

Retail Portfolios

Retail exposures are categorised into the following asset classes under the A-IRBA: residential mortgages, qualifying revolving retail exposures and other retail exposures.

Within each asset class, exposures are managed on a portfolio basis. Each customer or account is assigned to a risk pool, considering factors such as borrower characteristics and collateral type. PD, EAD and LGD estimates are based on internal historical default, utilisation and realised losses within a defined period.

Product-specific credit risk elements such as underwriting criteria, scoring models, approving authorities, asset quality, and business strategy reviews, as well as systems, processes and techniques to monitor portfolio performance, are in place. Credit risk models for secured and unsecured portfolios are also used to update the risk level of each loan on a monthly basis, reflecting the broad usage of risk models in portfolio quality reviews.

LGD for each model segment is estimated to reflect economic downturn conditions in which credit loss is expected to be substantially higher than average. For on-balance sheet items (e.g., term loans or mortgage loans), EAD is equal to the current book value of the facility. For off-balance sheet transactions, (e.g., undrawn amount of revolving facility), EAD is computed based on expected utilisation of undrawn commitment at the time of default.

11.1.4 Qualitative Disclosures for IRBA Models (continued)

Wholesale Portfolios

Wholesale exposures are largely under the F-IRBA for capital computation. They include sovereign, bank and corporate. Specialised lending exposures are under IRBA using supervisory slotting citeria specified in Annex 7V of MAS Notice 637.

Sovereign exposures are risk-rated using internal risk-rating models. The models are built through statistical methods using external data (e.g., macroeconomic information and external ratings). Factors related to country-specific macroeconomic risk, political risk, social risk and liquidity risk are included in the sovereign rating models to assess the sovereign credit risk in an objective and systematic manner.

Bank exposures are assessed using the bank rating model, a statistical model that considers both quantitative and qualitative factors such as capital levels and liquidity, asset quality and management strength.

Large corporate exposures are assessed using internal rating model. It is a statistical model built based on internal data and calibrated to internal default experience, incorporating the impact of economic cycle(s). Factors considered in the risk assessment process include the counterparty's financial strength and qualitative factors such as industry risk, access to funding, market standing and management strength.

SME credit rating models are statistical models including risk factors on the counterparty's financial strength, qualitative factors as well as account performance. The models are calibrated to internal default experience, incorporating the impact of economic cycle(s). Credit risk ratings under the IRBA portfolios are, at a minimum, reviewed by designated officer on an annual basis unless credit conditions require more frequent assessment.

11.1.5 Additional Disclosures related to the Credit Quality of Assets

The Group's credit facilities are classified as "Performing assets" or "Non-performing assets" (NPA), in accordance with the MAS Notice to Banks No. 612 "Credit Files, Grading and Provisioning" (MAS Notice 612). This is the same basis that is adopted for the Group's financial statements.

Credit exposures are categorised into one of the following five categories, according to the Group's assessment of a borrower's ability to repay a credit facility from its normal sources of income and/ or the repayment behaviour of the borrower.

Classification grade	**Description**
Performing assets	
Pass	Indicates that the timely repayment of the outstanding credit facilities is not in doubt.
Special Mention	Indicates that the borrower exhibits potential weaknesses that, if not corrected in a timely manner, may adversely affect future repayments and warrant close attention by the Group.
Classified or NPA	
Substandard	Indicates that the borrower exhibits definable weaknesses in its business, cash flow or financial position that may jeopardise repayment on existing terms.
Doubtful	Indicates that the borrower exhibits severe weaknesses such that the prospect of full recovery of the outstanding credit facilities is questionable and the prospect of a loss is high, but the exact amount remains undeterminable as yet.
Loss	Indicates that the outstanding credit facility is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

A default is considered to have occurred with regard to a particular borrower when either or both of the following events have taken place:

- Subjective default: Borrower is considered to be unlikely to pay its credit obligations in full, without the Group taking action such as realising security (if held)
- Technical default: Borrower is more than 90 days past due on any credit obligation to the Group

11.1.5 Additional Disclosures related to the Credit Quality of Assets (continued)

For retail borrowers, the categorisation into the respective MAS loan grades is at the facility level and consistent with MAS Notice 612.

The above approach is consistent with the guidance provided under MAS Notice 637.

In estimating specific allowances, the Group assesses the gap between the borrowers' obligations to the Group and their repayment ability. The assessment takes into account various factors, including the economic or business outlook, the future cashflows of the borrowers and the liquidation value of collateral.

Credit facilities are classified as restructured assets when the Group grants non-commercial concessions to a borrower because its financial position has deteriorated or is unable to meet the original repayment schedule. A restructured credit facility is classified into the appropriate non-performing grade based on the assessment of the borrower’s financial condition and its ability to repay according to the restructured terms.

Such credit facilities are not returned to the performing status until there are reasonable grounds to conclude that the borrower will be able to service all future principal and interest payments on the credit facility in accordance with the restructured terms and MAS Notice 612.

Computation of general allowances is based on an expected credit loss (ECL) balance derived from risk models, loss experience and macroeconomic forecasts.

ECLs are unbiased estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions. The ECL associated with a financial instrument is typically a product of its probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted using the original effective interest rate to the reporting date.

The Group leverages the models and parameters implemented under the IRBA where possible, with appropriate modifications to meet SFRS(I) 9 requirements. These include:

- conversion of Basel Through-the-Cycle PDs to Point-in-Time PDs and application of forward-looking elements
- modifications to LGDs to better reflect emerging market conditions

Other relevant historical information, loss experience or proxies will be utilised for portfolios without appropriate Basel models and parameters, with a view to maximise the use of available information that is reliable and supportable.

At the same time, the Group is required to maintain a general allowance of at least 1% of the gross carrying amount of selected credit exposures net of collaterals per MAS Notice 612. When general allowances fall below 1%, the shortfall is apportioned from retained earnings in the shareholders’ funds into a non-distributable Regulatory Loss Allowance Reserve (RLAR) account.

Please refer to the Notes to the Financial Statements in the latest available annual report for more information on impairment requirements under SFRS(I) 9.

11.2 Quantitative Disclosures

11.2.1 Credit Quality of Assets

The following table provides an overview of the credit quality of the Group's on and off-balance sheet assets. Figures are based on carrying amounts as reported in the financial statements.

		31 Dec 2023						
		a	b	c	d	e	f	g
		Gross carrying amount of		Allowances and impairments	of which: allowances for standardised approach exposures		of which: allowances for IRBA exposures	Net values (a+b-c)
$m		Defaulted exposures	Non-defaulted exposures		of which: specific allowances	of which: general allowances		
1	Loans[1]	4,765	502,648	6,084	306	509	5,269	501,329
2	Debt Securities	107	108,437	149	62	1	86	108,395
3	Off-balance sheet exposures	184	113,164	243	2	2	239	113,105
4	**Total**	**5,056**	**724,249**	**6,476**	**370**	**512**	**5,594**	**722,829**

		30 Jun 2023						
		a	b	c	d	e	f	g
		Gross carrying amount of		Allowances and impairments	of which: allowances for standardised approach exposures		of which: allowances for IRBA exposures	Net values (a+b-c)
$m		Defaulted exposures	Non-defaulted exposures		of which: specific allowances	of which: general allowances		
1	Loans[1]	4,690	495,987	5,964	215	424	5,325	494,713
2	Debt Securities	88	107,053	107	59	-	48	107,034
3	Off-balance sheet exposures	212	106,108	238	-	21	217	106,082
4	**Total**	**4,990**	**709,148**	**6,309**	**274**	**445**	**5,590**	**707,829**

\# Numbers below 0.5.

[1] Loans include loans and advances to customers and other assets which give rise to credit exposures.

A default is considered to have occurred with regard to a particular borrower when either or both of the following events have taken place:

a) Subjective default: Borrower is considered to be unlikely to pay its credit obligations in full, without the Group taking action such as realising security (if held).

b) Technical default: Borrower is more than 90 days past due on any credit obligation to the Group.

Specific allowances (column d) are ascribed to the identified standardised approach exposures, while the categorisation of general allowances (column e) is consistent with the methods set out in MAS Notice 637.

11.2.2 Changes in Stock of Defaulted Loans[(1)] and Debt Securities

The following table provides the changes in the Group's defaulted loans and debt securities (excluding off-balance sheet exposures), including any (i) return to non-defaulted status, and (ii) reduction in defaulted exposures due to write-off. Figures are based on carrying amounts as reported in the financial statements.

$m		31 Dec 2023
		a
1	**Defaulted loans and debt securities at end of the previous semi-annual reporting period**	**4,778**
2	Loans and debt securities that have defaulted since the previous semi-annual reporting period	550
3	Returned to non-defaulted status	(11)
4	Amounts written off	(372)
5	Other changes	(73)
6	**Defaulted loans and debt securities at end of the semi-annual reporting period**	**4,872**

New NPA formation remained low and was offset by repayments, write-offs and upgrades as well as currency effects. The impact from Citi Taiwan consolidation was included under other changes.

11.2.3 Additional Quantitative Disclosures related to Credit Quality of Assets

The following tables show the breakdown of credit risk exposures by geographical areas, industry and residual maturity.

Breakdown by geographical areas

$m	31 Dec 2023	31 Dec 2022
	Total	
Singapore	300,736	309,861
Hong Kong	95,155	99,932
Rest of Greater China	88,187	77,920
South and Southeast Asia	54,633	53,000
Rest of the world	190,594	178,755
Total	**729,305**	**719,468**

Breakdown by industry

$m	31 Dec 2023	31 Dec 2022
	Total	
Manufacturing	65,234	66,533
Building and construction	136,469	134,887
Housing loans	94,431	88,527
General commerce	65,947	65,901
Transportation, storage and communications	44,565	45,016
Financial institutions, investment and holding companies	143,581	152,923
Government	60,871	57,474
Professional and private individuals(excluding housing loans)	39,600	37,117
Others	78,607	71,090
Total	**729,305**	**719,468**

(1) Loans include loans and advances to customers and other assets which give rise to credit exposures.

11.2.3 Additional Quantitative Disclosures related to Credit Quality of Assets (continued)

Breakdown by residual maturity

	31 Dec 2023	31 Dec 2022
$m	**Total**	
Up to 1 year	386,679	380,271
More than 1 year	337,595	334,072
No specific maturity	5,031	5,125
Total	**729,305**	**719,468**

The following tables show the breakdown of impaired exposures, specific allowances[1] and write-offs (during the year)[2] by geographical areas and industry.

Breakdown by geographical areas

	31 Dec 2023		
$m	**Impaired exposures**	**Specific allowances**	**Write-offs (during the year)[2]**
Singapore	2,233	1,232	154
Hong Kong	695	283	180
Rest of Greater China	841	294	74
South and Southeast Asia	661	505	66
Rest of the world	267	33	25
Sub-total	4,697	2,347	499
Debt Securities, contingent liabilities and others	359	233	11
Total	**5,056**	**2,580**	**510**

	31 Dec 2022		
$m	**Impaired exposures**	**Specific allowances**	**Write-offs (during the year)[2]**
Singapore	2,289	1,222	345
Hong Kong	794	374	94
Rest of Greater China	538	175	40
South and Southeast Asia	716	468	63
Rest of the world	422	60	154
Sub-total	4,759	2,299	696
Debt Securities, contingent liabilities and others	366	207	13
Total	**5,125**	**2,506**	**709**

(1) Specific allowances refer to Expected Credit Loss Stage 3.

(2) Net of recoveries

11.2.3 Additional Quantitative Disclosures related to Credit Quality of Assets (continued)

Breakdown by industry

	31 Dec 2023		
$m	Impaired exposures	Specific allowances	Write-offs (during the year)[(1)]
Manufacturing	673	309	35
Building and construction	771	334	25
Housing loans	177	17	2
General commerce	861	560	88
Transportation, storage and communications	1,121	688	97
Financial institutions, investment and holding companies	29	26	25
Professional and private individuals(excluding housing loans)	686	241	217
Others	379	172	10
Sub-total	4,697	2,347	499
Debt Securities, contingent liabilities and others	359	233	11
Total	**5,056**	**2,580**	**510**

	31 Dec 2022		
$m	Impaired exposures	Specific allowances	Write-offs (during the year)[(1)]
Manufacturing	825	359	209
Building and construction	522	187	6
Housing loans	168	12	1
General commerce	858	616	185
Transportation, storage and communications	1,441	813	128
Financial institutions, investment and holding companies	66	50	5
Professional and private individuals(excluding housing loans)	362	122	119
Others	517	140	43
Sub-total	4,759	2,299	696
Debt Securities, contingent liabilities and others	366	207	13
Total	**5,125**	**2,506**	**709**

[(1)] Net of recoveries

The following table shows the breakdown of the ageing analysis of past due exposures.

	31 Dec 2023	31 Dec 2022
$m	Total	
Within 90 days	3,015	2,865
Over 90 to 180 days	562	564
Over 180 days	2,334	2,721
Total	**5,911**	**6,150**

Credit facilities are classified as restructured assets when the Group grants non-commercial concessions to a borrower because its financial position has deteriorated or is unable to meet the original repayment schedule. A restructured credit facility is classified into the appropriate non-performing grade based on the assessment of the borrower's financial condition and its ability to repay according to the restructured terms.

The amount of impaired restructured credit exposures as at 31 December 2023 is $1,924 million.

11.2.4 Overview of CRM Techniques

The following table provides an overview on the Group's usage of CRM techniques.

		31 Dec 2023				
		a	b	c	d	e
$m		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	354,655	146,674	117,754	21,736	-
2	Debt securities	107,355	1,040	261	680	-
3	**Total**	**462,010**	**147,714**	**118,015**	**22,416**	**-**
4	Of which: defaulted	1,442	914	688	140	-

		30 Jun 2023				
		a	b	c	d	e
$m		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	346,000	148,713	118,043	22,772	-
2	Debt securities	106,021	1,013	205	688	-
3	**Total**	**452,021**	**149,726**	**118,248**	**23,460**	**-**
4	Of which: defaulted	1,380	948	744	120	-

The effects of credit risk mitigation techniques are presented in accordance with the requirements, including collateral eligibility and prescribed haircuts, outlined in MAS Notice 637. As such, the reported collateral value is a subset of the total collateral value and would have excluded, as an illustration, ineligible collateral types such as industrial properties located outside of Singapore, plant and machinery as well as the underlying assets financed through specialised lending.

Compared to 30 June 2023, the changes in the overall balances of loans and debt securities were in line with the overall balance sheet movements.

11.2.5 SA(CR) and SA(EQ) - Credit Risk Exposure and CRM Effects

The following table provides the effects of CRM on the calculation of the Group's capital requirements for SA(CR).

		31 Dec 2023					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density[1]	
		On-balance sheet amount ($m)	Off-balance sheet amount ($m)	On-balance sheet amount ($m)	Off-balance sheet amount ($m)	RWA ($m)	RWA density (%)
	Asset classes and others						
1	Cash items	4,179	-	4,179	-	29	1
2	Central government and central bank	102	-	337	-	-	-
3	PSE	1,771	42	3,236	21	297	9
4	MDB	2,052	-	2,183	-	71	3
5	Bank	277	1	174	#	88	51
6	Corporate	3,342	2,518	3,012	116	2,891	92
7	Regulatory retail	3,333	801	1,980	13	1,494	75
8	Residential mortgage	16,507	2,019	16,495	239	6,074	36
9	CRE	1,522	156	1,518	3	1,521	100
10	Equity - SA(EQ)	2,390	#	2,391	#	3,837	160
11	Past due exposures	755	43	612	1	801	131
12	Higher-risk categories	-	-	-	-	-	-
13	Other exposures	17,187	35,549	16,365	58	17,305	105
14	**Total**	**53,417**	**41,129**	**52,482**	**451**	**34,408**	**65**

		30 Jun 2023					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density[1]	
		On-balance sheet amount ($m)	Off-balance sheet amount ($m)	On-balance sheet amount ($m)	Off-balance sheet amount ($m)	RWA ($m)	RWA density (%)
	Asset classes and others						
1	Cash items	3,562	-	3,562	-	2	#
2	Central government and central bank	105	-	345	#	#	#
3	PSE	1,600	43	3,228	22	330	10
4	MDB	2,620	-	2,858	#	60	2
5	Bank	445	2	227	1	115	51
6	Corporate	2,422	2,326	2,047	88	2,010	94
7	Regulatory retail	3,385	756	1,893	20	1,435	75
8	Residential mortgage	11,030	1,005	11,015	419	4,225	37
9	CRE	1,610	163	1,602	5	1,607	100
10	Equity - SA(EQ)	2,881	210	2,881	44	4,697	161
11	Past due exposures	519	9	398	3	497	124
12	Higher-risk categories	-	-	-	-	-	-
13	Other exposures	15,388	14,244	14,556	135	15,589	106
14	**Total**	**45,567**	**18,758**	**44,612**	**737**	**30,567**	**67**

\# Numbers below 0.5.

[1] RWA density is calculated as total RWA divided by the exposures post-CCF and post-CRM, expressed as a percentage.

Compared to 30 June 2023, the increase in standardised RWA was mainly driven by the impact from Citi Taiwan consolidation.

11.2.6 SA(CR) and SA(EQ) - Exposures by Asset Classes and Risk Weights

The following table provides the breakdown of Group's credit risk exposures under the SA(CR) and SA(EQ) by asset class and risk weight.

		31 Dec 2023									
		a	b	c	d	e	f	g	h	i	j
		Risk weight									Total credit exposure amount (post-CCF and post-CRM)
$m		0%	10%	20%	35%	50%	75%	100%	150%	Others	
	Asset class and others										
1	Cash items	4,035	-	144	-	-	-	-	-	-	4,179
2	Central government and central bank	337	-	-	-	-	-	-	-	-	337
3	PSE	2,388	-	457	-	412	-	-	-	-	3,257
4	MDB	1,861	-	299	-	23	-	-	-	-	2,183
5	Bank	-	-	3	-	168	-	3	-	-	174
6	Corporate	-	-	97	-	319	-	2,712	-	-	3,128
7	Regulatory retail	-	-	-	-	-	1,993	-	-	-	1,993
8	Residential mortgage	-	-	-	16,332	-	176	226	-	-	16,734
9	CRE	-	-	-	-	-	-	1,521	-	-	1,521
10	Equity - SA(EQ)	-	-	-	-	-	-	-	-	2,391	2,391
11	Past due exposures	-	-	-	-	-	-	239	374	-	613
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other exposures	-	-	-	-	-	-	16,346	-	77	16,423
14	**Total**	**8,621**	**-**	**1,000**	**16,332**	**922**	**2,169**	**21,047**	**374**	**2,468**	**52,933**

		30 Jun 2023									
		a	b	c	d	e	f	g	h	i	j
		Risk weight									Total credit exposure amount (post-CCF and post-CRM)
$m		0%	10%	20%	35%	50%	75%	100%	150%	Others	
	Asset class and others										
1	Cash items	3,552	-	10	-	-	-	-	-	-	3,562
2	Central government and central bank	345	-	-	-	#	-	-	-	-	345
3	PSE	2,303	-	479	-	468	-	-	-	-	3,250
4	MDB	2,558	-	300	-	-	-	-	-	-	2,858
5	Bank	-	-	6	-	216	-	6	-	-	228
6	Corporate	-	-	68	-	140	-	1,927	-	-	2,135
7	Regulatory retail	-	-	-	-	-	1,913	-	-	-	1,913
8	Residential mortgage	-	-	-	10,992	-	253	189	-	-	11,434
9	CRE	-	-	-	-	-	-	1,607	-	-	1,607
10	Equity - SA(EQ)	-	-	-	-	-	-	-	-	2,925	2,925
11	Past due exposures	-	-	-	-	-	-	210	191	-	401
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other exposures	-	-	-	-	-	-	14,613	-	78	14,691
14	**Total**	**8,758**	**-**	**863**	**10,992**	**824**	**2,166**	**18,552**	**191**	**3,003**	**45,349**

Numbers below 0.5.

11.2.7 IRBA - Credit Risk Exposures by Portfolio and PD Range

The following tables provide the main parameters used to calculate the Group's capital requirements for its IRBA models[1].

11.2.7.1 Advanced IRBA

	31 Dec 2023											
	a	b	c	d	e	f	g	h	i	j	k	l
PD Range (%)	**Original on-balance sheet gross exposures ($m)**	**Off-balance sheet exposures pre CCF ($m)**	**Average CCF (%)**	**EAD post CRM and post-CCF ($m)**	**Average PD (%)**	**Number of obligors[2]**	**Average LGD (%)**	**Average maturity (years)**	**RWA ($m)**	**RWA density[3] (%)**	**EL ($m)**	**TEP ($m)**
Retail - QRRE												
0.00 to <0.15	1,083	11,621	42	5,999	0.11	639,203	68		287	5	5	
0.15 to <0.25	331	8,163	57	5,010	0.19	439,999	96		508	10	9	
0.25 to <0.50	982	3,297	45	2,476	0.35	241,819	82		360	15	7	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	1,772	5,706	53	4,781	1.59	415,776	92		2,540	53	71	
2.50 to <10.00	818	377	66	1,068	5.01	76,797	76		1,017	95	41	
10.00 to <100.00	491	152	100	642	21.33	37,268	87		1,443	225	117	
100.00 (Default)[4]	144	-	-	144	100.00	15,265	95		-	-	137	
Sub-total	**5,621**	**29,316**	**49**	**20,120**	**2.17**	**1,866,127**	**84**		**6,155**	**31**	**387**	**633**
Retail - Residential mortgage												
0.00 to <0.15	16,114	5,887	100	22,001	0.14	23,955	11		778	4	3	
0.15 to <0.25	9,350	43	100	9,393	0.17	26,443	12		422	4	2	
0.25 to <0.50	36,629	635	100	37,263	0.28	85,980	11		2,198	6	11	
0.50 to <0.75	2,440	-	-	2,440	0.63	2,912	13		315	13	2	
0.75 to <2.50	2,992	454	100	3,446	0.81	10,096	11		470	14	3	
2.50 to <10.00	500	6	100	507	4.43	1,414	12		189	37	3	
10.00 to <100.00	298	1	100	299	25.15	922	11		204	68	8	
100.00 (Default)[4]	114	-	-	114	100.00	315	28		-	-	32	
Sub-total	**68,437**	**7,026**	**100**	**75,463**	**0.54**	**152,037**	**11**		**4,576**	**6**	**64**	**107**
Other retail exposures												
0.00 to <0.15	20,661	91,601	18	36,804	0.10	60,844	23		2,204	6	8	
0.15 to <0.25	-	-	-	-	-	-	-		-	-	-	
0.25 to <0.50	1,661	1,064	6	1,721	0.33	6,960	34		344	20	2	
0.50 to <0.75	1,184	758	2	1,201	0.70	566	32		351	29	3	
0.75 to <2.50	1,563	564	1	1,570	1.57	9,505	31		630	40	8	
2.50 to <10.00	3,132	733	4	3,162	3.99	9,900	23		1,156	37	36	
10.00 to <100.00	380	254	14	416	28.05	2,097	51		524	126	56	
100.00 (Default)[4]	63	16	7	64	100.00	200	50		-	-	32	
Sub-total	**28,644**	**94,990**	**17**	**44,938**	**0.85**	**90,072**	**24**		**5,209**	**12**	**145**	**238**
Corporate												
0.00 to <0.15	4,253	18,902	15	7,140	0.11	1,098	28	3	1,462	20	2	
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	
0.25 to <0.50	1,348	532	1	1,356	0.32	196	32	1	421	31	1	
0.50 to <0.75	990	117	-	990	0.70	101	31	2	500	50	2	
0.75 to <2.50	175	183	14	201	1.52	16	46	2	208	103	1	
2.50 to <10.00	205	129	-	205	4.98	21	29	1	182	89	3	
10.00 to <100.00	199	155	8	212	30.07	20	41	1	477	225	27	
100.00 (Default)[4]	#	-	-	#	100.00	1	60	1	-	-	#	
Sub-total	**7,170**	**20,018**	**15**	**10,104**	**0.96**	**1,453**	**30**	**2**	**3,250**	**32**	**36**	**61**
Total (all portfolios)	**109,872**	**151,350**	**27**	**150,625**	**0.88**	**2,109,689**	**26**		**19,190**	**13**	**632**	**1,039**

\# Numbers below 0.5.

(1) As at the reporting date, the Group does not have any credit derivative used as CRM in its banking book.

(2) Number of obligors or accounts used in the respective asset classes as per the Group's A-IRBA models.

(3) For definition of RWA density, refer to footnote of 11.2.5.

(4) For definition of default, refer to 11.2.1.

11.2.7.1 Advanced IRBA (continued)

	30 Jun 2023											
	a	b	c	d	e	f	g	h	i	j	k	l
PD Range (%)	Original on-balance sheet gross exposures ($m)	Off-balance sheet exposures pre CCF ($m)	Average CCF (%)	EAD post CRM and post-CCF ($m)	Average PD (%)	Number of obligors[2]	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[3] (%)	EL ($m)	TEP ($m)
Retail - QRRE												
0.00 to <0.15	1,029	11,312	42	5,820	0.11	637,650	68		277	5	4	
0.15 to <0.25	331	8,297	57	5,069	0.19	436,204	95		514	10	9	
0.25 to <0.50	950	3,361	46	2,497	0.35	243,839	82		365	15	7	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	1,662	5,786	54	4,763	1.58	417,358	92		2,535	53	70	
2.50 to <10.00	751	395	70	1,026	4.89	73,569	76		964	94	38	
10.00 to <100.00	445	152	100	597	20.63	35,692	87		1,335	224	105	
100.00 (Default)[4]	138	-	-	138	100.00	15,280	95		-	-	131	
Sub-total	**5,306**	**29,303**	**50**	**19,910**	**2.07**	**1,859,592**	**84**		**5,990**	**30**	**364**	**590**
Retail - Residential mortgage												
0.00 to <0.15	15,761	5,590	100	21,351	0.14	23,061	11		753	4	3	
0.15 to <0.25	9,067	36	100	9,103	0.18	23,126	12		414	5	2	
0.25 to <0.50	34,315	607	100	34,922	0.28	80,680	11		2,071	6	11	
0.50 to <0.75	2,240	-	-	2,240	0.63	2,580	13		289	13	2	
0.75 to <2.50	3,797	447	100	4,244	0.79	12,519	11		537	13	4	
2.50 to <10.00	435	4	100	439	4.67	1,241	12		166	38	2	
10.00 to <100.00	271	1	100	271	25.19	824	11		190	70	8	
100.00 (Default)[4]	78	-	-	78	100.00	261	26		-	-	20	
Sub-total	**65,964**	**6,685**	**100**	**72,648**	**0.49**	**144,292**	**11**		**4,420**	**6**	**52**	**83**
Other retail exposures												
0.00 to <0.15	20,899	90,978	16	35,668	0.10	60,200	22		2,128	6	8	
0.15 to <0.25	-	-	-	-	-	-	-		-	-	-	
0.25 to <0.50	2,004	1,301	3	2,042	0.32	7,565	36		428	21	2	
0.50 to <0.75	1,302	530	7	1,338	0.70	569	36		440	33	3	
0.75 to <2.50	1,302	516	2	1,313	1.58	9,941	37		633	48	8	
2.50 to <10.00	3,364	1,142	2	3,387	4.24	10,116	29		1,558	46	52	
10.00 to <100.00	526	489	3	543	23.81	1,788	44		564	104	54	
100.00 (Default)[4]	16	7	6	17	100.00	143	68		-	-	11	
Sub-total	**29,413**	**94,963**	**16**	**44,308**	**0.82**	**90,322**	**25**		**5,751**	**13**	**138**	**225**
Corporate												
0.00 to <0.15	4,994	18,636	14	7,683	0.12	1,068	27	2	1,512	20	2	
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	
0.25 to <0.50	1,473	205	11	1,496	0.32	211	36	1	528	35	2	
0.50 to <0.75	648	202	1	650	0.70	85	33	1	311	48	1	
0.75 to <2.50	305	150	-	305	1.52	13	46	1	284	93	2	
2.50 to <10.00	254	365	1	257	4.66	36	38	1	296	115	5	
10.00 to <100.00	160	117	-	160	30.89	19	22	1	192	120	10	
100.00 (Default)[4]	8	-	-	8	100.00	3	60	1	-	-	5	
Sub-total	**7,842**	**19,675**	**14**	**10,559**	**0.88**	**1,435**	**29**	**2**	**3,123**	**30**	**27**	**45**
Total (all portfolios)	**108,525**	**150,626**	**26**	**147,425**	**0.83**	**2,095,641**	**26**		**19,284**	**13**	**581**	**943**

\# Numbers below 0.5.

(1) As at the reporting date, the Group does not have any credit derivative used as CRM in its banking book.

(2) Number of obligors or accounts used in the respective asset classes as per the Group's A-IRBA models.

(3) For definition of RWA density, refer to footnote of 11.2.5.

(4) For definition of default, refer to 11.2.1.

Compared to 30 June 2023, RWA density remained relatively stable.

11.2.7.2 Foundation IRBA

	31 Dec 2023											
	a	b	c	d	e	f	g	h	i	j	k	l
PD Range (%)	Original on-balance sheet gross exposures ($m)	Off-balance sheet exposures pre CCF ($m)	Average CCF (%)	EAD post CRM and post-CCF ($m)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[1] (%)	EL ($m)	TEP ($m)
Sovereign												
0.00 to <0.15	108,326	3,769	#	109,837	0.01	36	45	2	5,930	5	4	
0.15 to <0.25	2,593	#	63	2,593	0.24	5	45	2	1,295	50	3	
0.25 to <0.50	4,369	-	-	4,369	0.38	2	45	3	3,080	71	7	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	28	-	-	28	0.99	3	45	2	24	86	#	
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	
100.00 (Default)[2]	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	**115,316**	**3,769**	**#**	**116,827**	**0.03**	**46**	**45**	**2**	**10,329**	**9**	**14**	**24**
Banks												
0.00 to <0.15	40,418	5,256	37	43,229	0.06	159	46	1	8,116	19	12	
0.15 to <0.25	1,448	243	21	1,499	0.24	33	45	1	575	38	2	
0.25 to <0.50	1,684	1,173	31	2,062	0.38	29	45	1	1,144	56	4	
0.50 to <0.75	306	156	25	363	0.61	20	45	1	243	67	1	
0.75 to <2.50	609	499	22	711	1.24	57	45	#	545	77	4	
2.50 to <10.00	181	41	26	192	2.57	9	45	#	191	100	2	
10.00 to <100.00	#	-	-	#	28.19	2	45	#	#	240	#	
100.00 (Default)[2]	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	**44,646**	**7,368**	**34**	**48,056**	**0.11**	**309**	**46**	**1**	**10,814**	**23**	**25**	**40**
Corporate												
0.00 to <0.15	57,770	62,784	28	79,676	0.05	524	45	2	14,904	19	18	
0.15 to <0.25	45,732	46,774	26	60,070	0.22	579	45	2	25,266	42	59	
0.25 to <0.50	72,384	70,785	21	88,139	0.34	1,318	45	2	47,534	54	135	
0.50 to <0.75	19,513	30,930	32	28,898	0.56	899	44	2	18,867	65	71	
0.75 to <2.50	24,336	29,095	11	26,491	1.31	10,474	41	2	22,889	86	141	
2.50 to <10.00	4,775	2,683	12	4,492	4.65	1,637	39	2	5,616	125	83	
10.00 to <100.00	992	234	21	880	20.76	305	40	2	1,861	211	73	
100.00 (Default)[2]	3,404	306	55	3,571	100.00	439	44	1	-	-	1,573	
Sub-total	**228,906**	**243,591**	**24**	**292,217**	**1.69**	**16,175**	**44**	**2**	**136,937**	**47**	**2,153**	**3,620**
Corporate small business												
0.00 to <0.15	209	316	#	209	0.05	3	45	2	38	18	#	
0.15 to <0.25	103	22	-	225	0.22	5	45	1	68	30	#	
0.25 to <0.50	708	377	12	789	0.36	51	44	2	400	51	1	
0.50 to <0.75	934	802	14	1,071	0.56	282	42	3	733	68	3	
0.75 to <2.50	4,503	2,230	11	4,380	1.63	1,416	41	2	3,851	88	29	
2.50 to <10.00	1,943	677	11	1,820	3.99	1,008	40	2	2,042	112	29	
10.00 to <100.00	248	88	22	231	14.28	117	37	2	383	165	13	
100.00 (Default)[2]	328	35	3	329	100.00	114	44	2	-	-	143	
Sub-total	**8,976**	**4,547**	**11**	**9,054**	**5.69**	**2,996**	**41**	**2**	**7,515**	**83**	**218**	**356**
Total (all portfolios)	**397,844**	**259,275**	**23**	**466,154**	**1.19**	**19,526**	**45**	**2**	**165,595**	**36**	**2,410**	**4,040**

\# Numbers below 0.5.

[1] For definition of RWA density, refer to footnote of 11.2.5.

[2] For definition of default, refer to 11.2.1.

11.2.7.2 Foundation IRBA (continued)

	30 Jun 2023											
	a	b	c	d	e	f	g	h	i	j	k	l
PD Range (%)	Original on-balance sheet gross exposures ($m)	Off-balance sheet exposures pre CCF ($m)	Average CCF (%)	EAD post CRM and post-CCF ($m)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[1] (%)	EL ($m)	TEP ($m)
Sovereign												
0.00 to <0.15	102,494	3,772	#	104,388	0.01	37	45	2	5,536	5	4	
0.15 to <0.25	2,467	#	71	2,467	0.24	5	45	3	1,362	55	3	
0.25 to <0.50	4,371	7	-	4,371	0.38	2	45	3	3,212	73	7	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	26	-	-	28	0.99	5	45	1	21	77	#	
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	
100.00 (Default)[2]	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	**109,358**	**3,779**	**#**	**111,254**	**0.03**	**49**	**45**	**2**	**10,131**	**9**	**14**	**23**
Banks												
0.00 to <0.15	40,426	3,678	41	42,782	0.06	165	46	1	8,188	19	12	
0.15 to <0.25	1,148	323	21	1,216	0.24	32	45	1	434	36	1	
0.25 to <0.50	1,633	1,168	32	2,027	0.38	26	44	1	1,192	59	3	
0.50 to <0.75	528	148	24	564	0.61	20	45	1	357	63	2	
0.75 to <2.50	1,022	612	23	1,136	1.31	66	45	#	881	78	7	
2.50 to <10.00	14	17	35	12	2.57	3	45	#	12	102	#	
10.00 to <100.00	#	#	50	#	28.19	3	6	1	#	31	#	
100.00 (Default)[2]	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	**44,771**	**5,946**	**36**	**47,737**	**0.12**	**315**	**46**	**1**	**11,064**	**23**	**25**	**41**
Corporate												
0.00 to <0.15	57,891	54,768	27	77,837	0.05	500	45	2	14,880	19	17	
0.15 to <0.25	48,241	51,271	28	65,629	0.22	602	45	2	27,815	42	65	
0.25 to <0.50	72,351	69,152	21	86,426	0.34	1,261	45	2	46,642	54	132	
0.50 to <0.75	22,408	23,692	24	27,988	0.56	936	44	2	19,080	68	69	
0.75 to <2.50	26,170	28,136	13	28,188	1.33	13,666	41	2	24,523	87	153	
2.50 to <10.00	4,677	2,237	7	4,152	4.59	1,760	39	2	5,229	126	75	
10.00 to <100.00	1,232	178	17	1,091	16.60	363	40	2	2,219	203	73	
100.00 (Default)[2]	3,666	275	80	3,886	100.00	446	44	2	-	-	1,711	
Sub-total	**236,636**	**229,709**	**23**	**295,197**	**1.79**	**19,534**	**44**	**2**	**140,388**	**48**	**2,295**	**3,709**
Corporate small business												
0.00 to <0.15	226	53	2	227	0.05	4	45	2	36	16	#	
0.15 to <0.25	202	286	#	316	0.22	10	45	2	106	33	#	
0.25 to <0.50	273	198	10	311	0.33	42	43	2	152	49	#	
0.50 to <0.75	1,469	698	9	1,555	0.56	284	43	3	1,017	65	4	
0.75 to <2.50	4,495	2,261	10	4,149	1.61	1,404	41	2	3,470	84	27	
2.50 to <10.00	2,179	720	11	2,040	4.63	961	40	3	2,292	112	37	
10.00 to <100.00	281	85	21	250	16.44	136	37	3	412	165	16	
100.00 (Default)[2]	398	2	44	399	100.00	117	44	2	-	-	175	
Sub-total	**9,523**	**4,303**	**9**	**9,247**	**6.62**	**2,958**	**41**	**2**	**7,485**	**81**	**259**	**418**
Total (all portfolios)	**400,288**	**243,737**	**23**	**463,435**	**1.29**	**22,856**	**45**	**2**	**169,068**	**36**	**2,593**	**4,191**

\# Numbers below 0.5.

[1] For definition of RWA density, refer to footnote of 11.2.5.

[2] For definition of default, refer to 11.2.1.

11.2.7.2 Foundation IRBA (continued)

Compared to 30 June 2023, RWA decreased mainly due to foreign currency translation offset by asset growth. RWA density remained relatively stable in the same period.

11.2.8 IRBA - Effect on RWA of Credit Derivatives used as CRM

As at the reporting date, the Group does not have any credit derivative used as CRM in its banking book.

11.2.9 IRBA - RWA Flow Statement for Credit Risk Exposures

The following table explains the change in the Group's credit RWA under IRBA for the quarter.

		31 Dec 2023
		a
$m		RWA amounts
1	**RWA as at end of previous quarter**	**229,834**
2	Asset size	4,053
3	Asset quality [1]	(336)
4	Model updates	-
5	Methodology and Policy	-
6	Acquisitions and disposals	-
7	Foreign exchange movements	(3,226)
8	Other	-
9	**RWA as at end of quarter**	**230,325**

[1] This represents movements in RWA resulting from factors (other than exposure movements) such as changes in portfolio mix, tenor, credit risk mitigation, etc.

The increase in Credit RWA during the quarter was mainly driven by asset growth offset by foreign currency translation.

11.2.10 IRBA - Specialised Lending and Equities under the Simple Risk Weight Method

11.2.10.1 IRBA - Specialised Lending (Other than HVCRE)[1]

The following table provides the exposure amounts and RWA of the Group's specialised lending exposures by each asset sub-class in accordance with the supervisory slotting criteria.

$m	31 Dec 2023 Specialised lending [2] Other than HVCRE											
					Exposure amount							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk Weight	PF	OF	CF	IPRE	Total	RWA	Expected losses
Strong	Less than 2.5 years	15,814	2,775	50%	216	-	-	17,157	17,373	9,208	-
	Equal to or more than 2.5 years	12,452	2,644	70%	2,376	215	-	11,306	13,897	10,310	56
Good	Less than 2.5 years	11,423	1,769	70%	451	104	-	11,556	12,111	8,986	48
	Equal to or more than 2.5 years	7,687	1,885	90%	1,511	104	-	6,747	8,362	7,977	67
Satisfactory		6,022	1,260	115%	781	67	-	5,601	6,449	7,861	181
Weak		451	41	250%	44	-	-	408	452	1,198	36
Default		173	29	0%	206	18	-	144	368	-	184
Total		**54,022**	**10,403**		**5,585**	**508**	**-**	**52,919**	**59,012**	**45,540**	**572**

$m	30 Jun 2023 Specialised lending [2] Other than HVCRE											
					Exposure amount							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk Weight	PF	OF	CF	IPRE	Total	RWA	Expected losses
Strong	Less than 2.5 years	16,849	2,264	50%	97	-	-	17,871	17,968	9,524	-
	Equal to or more than 2.5 years	10,751	1,978	70%	1,636	128	-	10,039	11,803	8,757	47
Good	Less than 2.5 years	10,820	2,048	70%	950	-	-	10,662	11,612	8,616	46
	Equal to or more than 2.5 years	7,465	2,318	90%	1,883	313	-	6,337	8,533	8,141	68
Satisfactory		6,121	1,320	115%	1,143	224	-	5,236	6,603	8,049	185
Weak		465	43	250%	2	-	-	481	483	1,280	39
Default		165	25	0%	207	44	-	69	320	-	160
Total		**52,636**	**9,996**		**5,918**	**709**	**-**	**50,695**	**57,322**	**44,367**	**545**

[1] As at reporting date, the Group does not have any HVCRE exposures.

[2] Specialised lending is a type of exposure typically towards an entity specifically created to finance or operate physical assets where the primary source of income and repayment of the obligation lies directly with the assets being financed.

Compared to 30 June 2023, the increase in RWA was mainly due to higher exposures.

11.2.10.2 IRBA – Equities under the Simple Risk Weight Method

This disclosure is not applicable as the Group did not adopt the Simple Risk Weight Method (under IRBA) for its equity exposures.

11.2.11 IRBA - Backtesting of PD per portfolio[1]

The following table shows the backtesting of PD of retail portfolios whose exposures are under A-IRBA for capital computation. The portfolios comprise of QRRE, residential mortgage and other retail exposures. PD, EAD and LGD estimates are based on internal historical defaults and realised losses within a defined period. Refer to Section 11.1.4 for key rating models used for retail exposures and the percentage of RWA covered by these models.

31 Dec 2023							
a	b	c	d		e	f	g
			Number of obligors				
PD Range (%)[3]	Weighted average PD[2] (%)	Arithmetic average PD by obligors[2] (%)	End of previous annual reporting period	End of the annual reporting period	Defaulted obligors in the annual reporting period	of which: new defaulted obligors in the annual reporting period	Average historical annual default rate (%)
Retail - QRRE							
0.00 to < 0.15	0.11	0.11	605,508	639,204	521	4	0.10
0.15 to < 0.25	0.19	0.19	428,954	439,999	430	15	0.11
0.25 to < 0.50	0.35	0.36	254,886	241,819	554	4	0.25
0.50 to < 2.50	1.57	1.57	412,395	415,776	2,662	198	0.59
2.50 to < 10.00	4.82	4.89	75,733	76,797	2,951	259	3.98
10.00 to < 100.00	20.54	21.10	36,397	37,268	4,837	237	13.90
Retail - Residential mortgage							
0.00 to < 0.15	0.14	0.13	25,886	22,421	1	-	0.02
0.15 to < 0.25	0.18	0.18	22,766	23,405	3	-	0.03
0.25 to < 0.50	0.28	0.30	77,996	82,347	42	-	0.06
0.50 to < 2.50	0.74	0.74	17,899	12,783	8	-	0.08
2.50 to < 10.00	4.76	4.09	1,133	1,296	11	-	1.51
10.00 to < 100.00	25.04	24.71	734	852	73	1	8.78
Other retail exposures							
0.00 to < 0.15	0.10	0.07	63,585	62,510	22	1	0.01
0.15 to < 0.25	-	-	-	-	-	-	-
0.25 to < 0.50	0.32	0.36	6,913	7,024	10	-	0.09
0.50 to < 2.50	1.27	1.67	14,869	12,641	124	27	0.65
2.50 to < 10.00	3.79	5.01	9,772	10,046	208	41	2.26
10.00 to < 100.00	26.66	23.93	1,358	2,369	206	41	10.43
Corporate							
0.00 to < 0.15	0.12	0.11	1,131	1,054	-	-	-
0.15 to < 0.25	-	-	-	-	-	-	-
0.25 to < 0.50	0.32	0.32	196	227	-	-	-
0.50 to < 2.50	0.92	1.24	329	251	-	-	-
2.50 to < 10.00	4.43	4.05	21	31	-	-	-
10.00 to < 100.00	33.12	32.44	20	25	1	-	0.04

[1] All obligors with facilities are included.

[2] Calculated based on end of previous annual reporting period

[3] The table reflects model changes over the past 2 years

11.2.11 IRBA - Backtesting of PD per portfolio[1] (continued)

			31 Dec 2022				
a	b	c	d		e	f	g
			Number of obligors				
PD Range (%)	Weighted average PD[2] (%)	Arithmetic average PD by obligors[2] (%)	End of previous annual reporting period	End of the annual reporting period	Defaulted obligors in the annual reporting period	of which: new defaulted obligors in the annual reporting period	Average historical annual default rate (%)
Retail - QRRE							
0.00 to < 0.15	0.09	0.10	426,487	414,418	548	12	0.10
0.15 to < 0.25	0.18	0.18	549,928	544,560	714	13	0.12
0.25 to < 0.50	0.36	0.36	322,505	319,368	760	18	0.26
0.50 to < 2.50	1.53	1.54	397,898	438,356	2,676	381	0.57
2.50 to < 10.00	5.14	5.12	69,081	76,997	2,706	30	3.89
10.00 to < 100.00	22.74	26.12	25,039	26,268	3,114	20	13.60
Retail - Residential mortgage							
0.00 to < 0.15	0.14	0.13	27,173	25,887	6	-	0.02
0.15 to < 0.25	0.18	0.18	23,280	22,977	7	-	0.03
0.25 to < 0.50	0.28	0.29	74,445	78,023	28	1	0.06
0.50 to < 2.50	0.75	0.74	17,462	17,936	7	-	0.09
2.50 to < 10.00	3.91	3.61	1,399	1,144	12	-	1.53
10.00 to < 100.00	24.97	24.65	632	735	38	-	9.71
Other retail exposures							
0.00 to < 0.15	0.05	0.05	39,576	37,484	1	-	0.00
0.15 to < 0.25	-	-	-	-	-	-	-
0.25 to < 0.50	0.37	0.36	6,070	6,290	9	-	0.08
0.50 to < 2.50	1.81	1.85	9,584	9,112	102	26	1.13
2.50 to < 10.00	6.23	5.93	6,008	5,751	160	27	9.12
10.00 to < 100.00	21.37	23.05	1,087	1,204	128	19	4.14

[1] All obligors with facilities are included.

[2] Calculated based on end of previous annual reporting period

The average historical annual default rates have been lower than, or within, the PD ranges.

11.2.11 IRBA - Backtesting of PD per portfolio[1] (continued)

The following table shows the backtesting of PD of wholesale portfolios whose exposures are under F-IRBA for capital computation. The portfolios comprise of sovereign, bank and corporates. Refer to Section 11.1.4 for key rating models used for wholesale exposures and the percentage of RWA covered by these models.

31 Dec 2023										
a	b			c	d	e		f	g	h
						Number of obligors				
PD Range (%)	Standard & Poor's Ratings Services	Fitch Ratings	Moody's Investor Services	Weighted average PD[2] (%)	Arithmetic average PD by obligors[2] (%)	End of previous annual reporting period	End of the annual reporting period	Defaulted obligors in the annual reporting period	of which: new defaulted obligors in the annual reporting period	Average historical annual default rate (%)
Sovereign										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.01	0.01	58	59	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.24	0.24	5	5	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.38	0.38	3	2	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	-	-	-	-	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	0.99	0.99	2	2	-	-	-
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	-	-	-	1	-	-	-
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	-	-	-	-	-	-	-
Banks										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.06	0.07	184	187	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.24	0.24	45	44	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.38	0.38	40	39	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	0.61	0.61	26	29	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.23	1.11	55	53	-	-	-
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	2.57	2.57	3	9	-	-	-
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	28.19	28.19	3	2	-	-	-
Corporate										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.05	0.08	581	646	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.22	0.22	774	769	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.34	0.35	1,740	1,849	1	-	0.08
0.50 to < 0.75	BB+	BB+	Ba1	0.56	0.56	1,291	1,394	2	-	0.21
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.33	1.57	3,922	3,834	12	-	0.39
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	5.10	4.98	2,155	1,873	25	-	1.37
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	15.20	13.89	462	343	16	-	5.15
Corporate small business										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.05	0.04	3	4	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.22	0.22	15	7	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.37	0.39	79	70	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	0.56	0.56	330	377	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.61	1.67	1,599	1,636	3	-	0.34
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	4.84	3.43	1,017	1,090	12	-	1.33
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	14.89	15.01	200	121	11	-	5.05

[1] All obligors with facilities are included.

[2] Calculated based on end of previous annual reporting period

11.2.11 IRBA - Backtesting of PD per portfolio[1] (continued)

31 Dec 2022										
a	b			c	d	e		f	g	h
						Number of obligors				
PD Range (%)	Standard & Poor's Ratings Services	Fitch Ratings	Moody's Investor Services	Weighted average PD[2] (%)	Arithmetic average PD by obligors[2] (%)	End of previous annual reporting period	End of the annual reporting period	Defaulted obligors in the annual reporting period	of which: new defaulted obligors in the annual reporting period	Average historical annual default rate (%)
Sovereign										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.01	0.01	55	58	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.24	0.24	4	5	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.38	0.38	3	3	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	-	-	-	-	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	0.99	1.03	3	2	-	-	-
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	-	-	-	-	-	-	-
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	-	-	-	-	-	-	-
Banks										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.07	0.07	176	184	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.24	0.24	40	45	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.38	0.38	42	40	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	0.61	0.61	26	26	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.17	1.12	57	55	-	-	-
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	2.64	2.84	6	3	-	-	-
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	28.19	28.19	2	3	-	-	-
Corporate										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.05	0.08	511	581	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.22	0.22	699	774	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.34	0.35	1,475	1,740	-	-	0.06
0.50 to < 0.75	BB+	BB+	Ba1	0.56	0.56	1,100	1,291	-	-	0.18
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.33	1.54	4,070	3,922	9	-	0.43
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	5.66	4.81	2,424	2,155	30	-	1.36
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	15.64	14.21	583	462	28	-	5.91
Corporate small business										
0.00 to < 0.15	AAA to BBB+	AAA to BBB+	Aaa to Baa1	0.05	0.04	2	3	-	-	-
0.15 to < 0.25	BBB+ to BBB	BBB+ to BBB	Baa1 to Baa2	0.22	0.22	13	15	-	-	-
0.25 to < 0.50	BBB to BBB-	BBB to BBB-	Baa2 to Baa3	0.30	0.37	82	79	-	-	-
0.50 to < 0.75	BB+	BB+	Ba1	0.56	0.56	270	330	-	-	-
0.75 to < 2.50	BB to BB-	BB to BB-	Ba2 to Ba3	1.61	1.59	1,531	1,599	-	-	0.41
2.50 to < 10.00	B+ to B-	B+ to B-	B1 to B3	5.06	3.87	1,031	1,017	5	-	1.39
10.00 to < 100.00	B- to C	B- to C	B3 to Ca	14.48	18.39	253	200	5	-	6.12

[1] All obligors with facilities are included.

[2] Calculated based on end of previous annual reporting period

The average historical annual default rates have been lower than, or within, the PD ranges.

12 COUNTERPARTY CREDIT RISK ("CCR")

12.1 Qualitative Disclosures

Counterparty Credit Risk is defined as the risk that a counterparty could default before the final settlement of the cash flows of derivatives or securities financing transactions.

Pre-settlement credit risk for traded products arising from a counterparty potentially defaulting on its obligations is quantified by evaluation of the mark-to-market value, plus potential future exposure. This is included within the Group's overall credit limits to counterparties for internal risk management.

Issuer default risk that may also arise from derivatives, notes and securities is generally measured based on jump-to-default computations.

The Group policy documents set out the requirements with respect to counterparty risk for Traded Products which include Securities Trading (Equity and Debt), Over-the-counter (OTC) Derivatives Trading, Exchange Traded Derivatives and Securities Borrowing and Lending (including repos).

Credit limits and exposures to counterparties are subject to the Group's overarching credit risk management framework. Counterparties (including Central Clearing Counterparties (CCPs)) are assessed individually using an internal rating model and assigned credit risk ratings. Credit limits take into account current trading and projected volume for novation, and are approved by the credit risk function after an independent credit assessment. The Group's assessment for CCPs takes into consideration additional parameters including but not limited to default waterfall protection, margining process, risk management capabilities, segregation of margins, member liability provisions, regulatory oversight etc.

Counterparty credit exposures (including that of CCP exposures) are also subject to economic capital and limit allocation rules that are applied for Institutional Banking clients. Refer to Section 9 for more information on capital allocation approach.

The Group actively monitors and manages our exposure to counterparties for OTC derivative trades to protect our balance sheet in the event of a counterparty default. Counterparty risk exposures that may be adversely affected by market risk events are identified, reviewed and acted upon by management, and highlighted to the appropriate risk committees.

The Group enters into master netting arrangements with counterparties where it is appropriate and feasible to do netting to mitigate counterparty risk. The credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. These agreements include derivative master agreements (including ISDA Master Agreement), global master repurchase agreements and global securities lending agreements. Master netting arrangements do not result in an offset of financial assets and liabilities on the balance sheet as the legal right to offset the transactions is conditional upon default.

Please refer to Section 11.1.2 for details relating to collateral arrangements relating to derivatives, repurchase agreements (repo) and other repo style transactions as well as guarantees used as credit risk mitigants.

The Group also clears OTC Derivatives trades through CCPs to manage overall counterparty credit risks. In the recent years, regulatory changes requiring mandatory clearing of standardised OTC derivatives through central counterparties, have resulted in increasing volumes of trades being cleared through CCPs.

The Group's policies provide the definition and management of specific wrong-way risk (SWWR). SWWR arises when the credit exposure of a counterparty (from the traded product transaction) directly correlates with the probability of default of the counterparty.

The Group is required to post additional collateral in the event of a rating downgrade. As at 31 December 2023, for a three-notch downgrade of the Group's Standard & Poor's Ratings Services and Moody's Investor Services ratings, we will have to post additional collateral amounting to SGD 26 million.

12.2 Quantitative Disclosures

12.2.1 Analysis of CCR Exposure by Approach

The following table provides the methods used to calculate the Group's CCR capital requirements and the main parameters used for each method.

		31 Dec 2023					
		a	b	c	d	e	f
$m		Replacement cost	Potential future exposure	Effective EPE	α used for computing regulatory EAD	EAD (post-CRM)	RWA
1	SA-CCR (for derivatives)	7,696	10,314		1.4	25,198	10,125
2	CCR internal models method (for derivatives and SFTs)			-	-	-	-
3	FC(SA) (for SFTs)					-	-
4	FC(CA) (for SFTs)					63,889	3,243
5	VaR for SFTs					-	-
6	**Total**						**13,368**

		30 Jun 2023					
		a	b	c	d	e	f
$m		Replacement cost	Potential future exposure	Effective EPE	α used for computing regulatory EAD	EAD (post-CRM)	RWA
1	SA-CCR (for derivatives)	7,302	10,958		1.4	25,537	11,270
2	CCR internal models method (for derivatives and SFTs)			-	-	-	-
3	FC(SA) (for SFTs)					-	-
4	FC(CA) (for SFTs)					59,826	2,619
5	VaR for SFTs					-	-
6	**Total**						**13,889**

Compared to 30 June 2023, the reduction in CCR RWA was mainly due to derivative transactions offset by an increase in securities financing transactions.

12.2.2 CVA Risk Capital Requirements

The Group adopts the standardised method to compute CVA risk capital requirements. The following table provides the exposure amount (post-CRM) and RWA.

		31 Dec 2023	
		a	b
$m		EAD (post-CRM)	RWA
	Total portfolios subject to the Advanced CVA capital requirement	-	-
1	(i) VaR component (including the three-times multiplier)		-
2	(ii) Stressed VaR component (including the three-times multiplier)		-
3	All portfolios subject to the Standardised CVA capital requirement	23,717	7,918
4	**Total portfolios subject to the CVA capital requirement**	**23,717**	**7,918**

		30 Jun 2023	
		a	b
$m		EAD (post-CRM)	RWA
	Total portfolios subject to the Advanced CVA capital requirement	-	-
1	(i) VaR component (including the three-times multiplier)		-
2	(ii) Stressed VaR component (including the three-times multiplier)		-
3	All portfolios subject to the Standardised CVA capital requirement	24,112	7,790
4	**Total portfolios subject to the CVA capital requirement**	**24,112**	**7,790**

12.2.3 Credit Derivative Exposures

The following table provides the notional amounts (before any netting) and fair values of the Group's credit derivative exposures, broken down between credit derivatives bought or sold.

		31 Dec 2023	
		a	b
$m		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	4,524	4,564
2	Index credit default swaps	1,225	1,200
3	Total return swaps	15,349	177
4	Credit options	1	207
5	Other credit derivatives	-	-
6	**Total notionals**	**21,099**	**6,148**
	Fair values		
7	Positive fair value (asset)	250	88
8	Negative fair value (liability)	416	1

		30 Jun 2023	
		a	b
$m		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	6,453	6,516
2	Index credit default swaps	1,927	1,935
3	Total return swaps	13,095	295
4	Credit options	-	57
5	Other credit derivatives	-	-
6	**Total notionals**	**21,475**	**8,803**
	Fair values		
7	Positive fair value (asset)	427	132
8	Negative fair value (liability)	198	3

12.2.3 Credit Derivative Exposures (continued)

The decrease in the volumes of single name credit default swaps in the second half of 2023 was due to trade maturity. This was partly offset by the increase in total return swaps due to higher demand for exposure to credit assets from customer segments.

12.2.4 Standardised Approach - CCR Exposures by Portfolio and Risk Weights

The following table provides the breakdown of the Group's CCR exposure amounts (post-CRM) under SA(CR) by asset class and risk weight.

		31 Dec 2023								
		a	b	c	d	e	f	g	h	i
		Risk Weight								Total Credit Exposure
$m		0%	10%	20%	50%	75%	100%	150%	Others	
	Asset Classes									
1	Central government and central bank	-	-	-	-	-	-	-	-	-
2	PSE	-	-	-	-	-	-	-	-	-
3	MDB	4,053	-	197	4	-	-	-	-	4,254
4	Bank	-	-	-	44	-	-	-	-	44
6	Corporate	-	-	-	44	-	682	-	-	726
7	Regulatory retail	-	-	-	-	#	-	-	-	#
8	Other exposures	-	-	-	-	-	397	-	-	397
9	**Total**	**4,053**	**-**	**197**	**92**	**#**	**1,079**	**-**	**-**	**5,421**

		30 Jun 2023								
		a	b	c	d	e	f	g	h	i
		Risk Weight								Total Credit Exposure
$m		0%	10%	20%	50%	75%	100%	150%	Others	
	Asset Classes									
1	Central government and central bank	-	-	-	-	-	-	-	-	-
2	PSE	-	-	-	-	-	-	-	-	-
3	MDB	5,651	-	263	#	-	-	-	-	5,914
4	Bank	-	-	-	65	-	-	-	-	65
6	Corporate	-	-	-	45	-	599	-	-	644
7	Regulatory retail	-	-	-	-	1	-	-	-	1
8	Other exposures	-	-	-	-	-	338	-	-	338
9	**Total**	**5,651**	**-**	**263**	**110**	**1**	**937**	**-**	**-**	**6,962**

Numbers below 0.5.

Compared to 30 June 2023, the decrease in exposures was mainly due to lower exposures in securities financing transactions.

12.2.5 IRBA - CCR Exposures by Portfolio and PD Range

The following table sets out the parameters used to calculate the Group's CCR capital requirements for IRBA models.

12.2.5.1 Advanced IRBA

	31 Dec 2023						
	a	b	c	d	e	f	g
PD Range (%)	**EAD post CRM ($m)**	**Average PD (%)**	**Number of obligors**	**Average LGD (%)**	**Average maturity (years)**	**RWA ($m)**	**RWA density[1] (%)**
Other retail exposures							
0.00 to <0.15	15	0.11	46	100		4	29
0.15 to <0.25	-	-	-	-		-	-
0.25 to <0.50	1	0.32	1	100		#	58
0.50 to <0.75	1,363	0.70	3,869	100		1,242	91
0.75 to <2.50	26	1.52	4	100		32	126
2.50 to <10.00	#	3.30	1	100		#	150
10.00 to <100.00	-	-	-	-		-	-
100.00 (Default)[2]	-	-	-	-		-	-
Sub-total	**1,405**	**0.71**	**3,921**	**100**		**1,278**	**91**
Corporate							
0.00 to <0.15	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-
0.50 to <0.75	42	0.70	210	100	#	52	125
0.75 to <2.50	68	1.52	69	100	1	143	212
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**110**	**1.20**	**279**	**100**	**1**	**195**	**178**
Total (all portfolios)	**1,515**	**0.74**	**4,200**	**100**		**1,473**	**97**

Numbers below 0.5.

[1] For definition of RWA density, refer to footnote of 11.2.5.

[2] For definition of default, refer to 11.2.1.

12.2.5.1 Advanced IRBA (continued)

	30 Jun 2023						
	a	b	c	d	e	f	g
PD Range (%)	EAD post CRM ($m)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[1] (%)
Other retail exposures							
0.00 to <0.15	11	0.11	70	100		3	28
0.15 to <0.25	-	-	-	-		-	-
0.25 to <0.50	-	-	-	-		-	-
0.50 to <0.75	-	-	-	-		-	-
0.75 to <2.50	1,434	1.52	3,290	100		1,809	126
2.50 to <10.00	#	7.17	2	100		#	164
10.00 to <100.00	-	-	-	-		-	-
100.00 (Default)[2]	-	-	-	-		-	-
Sub-total	**1,445**	**1.51**	**3,362**	**100**		**1,812**	**125**
Corporate							
0.00 to <0.15	#	0.10	1	100	#	#	33
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	213	1.52	288	100	1	404	190
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**213**	**1.52**	**289**	**100**	**1**	**404**	**190**
Total (all portfolios)	**1,658**	**1.51**	**3,651**	**100**		**2,216**	**134**

\# Numbers below 0.5.

[1] For definition of RWA density, refer to footnote of 11.2.5.

[2] For definition of default, refer to 11.2.1.

Compared to 30 June 2023, the decrease in RWA was mainly due to lower exposures.

12.2.5.2 Foundation IRBA

	31 Dec 2023						
	a	b	c	d	e	f	g
PD Range (%)	EAD post CRM ($m)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[1] (%)
Sovereign							
0.00 to <0.15	2,022	0.01	11	14	#	20	1
0.15 to <0.25	721	0.24	2	45	#	194	27
0.25 to <0.50	778	0.38	1	45	#	279	36
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-
2.50 to <10.00	#	2.57	1	45	#	#	97
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**3,521**	**0.14**	**15**	**27**	**#**	**493**	**14**
Banks							
0.00 to <0.15	33,069	0.06	129	14	#	2,023	6
0.15 to <0.25	3,080	0.24	29	17	1	552	18
0.25 to <0.50	3,497	0.38	26	11	1	525	15
0.50 to <0.75	233	0.61	20	14	1	63	27
0.75 to <2.50	604	1.06	23	13	#	131	22
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**40,483**	**0.12**	**227**	**14**	**#**	**3,294**	**8**
Corporate							
0.00 to <0.15	16,922	0.08	136	18	1	1,959	12
0.15 to <0.25	5,400	0.22	139	12	1	627	12
0.25 to <0.50	8,186	0.34	353	18	1	1,742	21
0.50 to <0.75	2,282	0.56	164	22	1	717	31
0.75 to <2.50	4,690	1.27	383	14	#	1,517	32
2.50 to <10.00	47	3.19	71	45	1	55	118
10.00 to <100.00	3	28.28	6	45	#	8	242
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**37,530**	**0.34**	**1,252**	**17**	**1**	**6,625**	**18**
Corporate small business							
0.00 to <0.15	5	0.05	1	45	2	1	19
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	1	0.39	6	45	1	#	47
0.50 to <0.75	21	0.56	22	45	5	22	105
0.75 to <2.50	22	1.94	144	45	1	22	99
2.50 to <10.00	2	3.70	38	45	1	2	105
10.00 to <100.00	#	13.07	11	45	1	#	170
100.00 (Default)[2]	#	100.00	1	45	#	-	-
Sub-total	**51**	**1.33**	**223**	**45**	**3**	**47**	**93**
Total (all portfolios)	**81,585**	**0.22**	**1,717**	**16**	**1**	**10,459**	**13**

Numbers below 0.5.
(1) For definition of RWA density, refer to footnote of 11.2.5.
(2) For definition of default, refer to 11.2.1.

12.2.5.2 Foundation IRBA (continued)

	30 Jun 2023						
	a	b	c	d	e	f	g
PD Range (%)	EAD post CRM ($m)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA ($m)	RWA density[1] (%)
Sovereign							
0.00 to <0.15	1,837	0.01	11	7	#	7	#
0.15 to <0.25	753	0.24	2	45	#	217	29
0.25 to <0.50	40	0.38	1	45	#	15	37
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**2,630**	**0.08**	**14**	**18**	**#**	**239**	**9**
Banks							
0.00 to <0.15	35,629	0.07	128	12	#	1,947	5
0.15 to <0.25	2,912	0.24	32	24	1	613	21
0.25 to <0.50	2,827	0.38	33	21	1	891	32
0.50 to <0.75	288	0.61	17	20	1	120	42
0.75 to <2.50	729	1.13	28	17	#	227	31
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**42,385**	**0.12**	**238**	**14**	**#**	**3,798**	**9**
Corporate							
0.00 to <0.15	13,904	0.09	138	20	1	1,880	14
0.15 to <0.25	3,683	0.22	145	24	1	771	21
0.25 to <0.50	7,235	0.34	368	22	1	1,874	26
0.50 to <0.75	3,761	0.58	177	13	1	698	19
0.75 to <2.50	2,814	1.22	427	19	1	1,137	40
2.50 to <10.00	35	3.35	63	45	1	46	132
10.00 to <100.00	2	12.15	9	45	1	3	196
100.00 (Default)[2]	-	-	-	-	-	-	-
Sub-total	**31,434**	**0.32**	**1,327**	**20**	**1**	**6,409**	**20**
Corporate small business							
0.00 to <0.15	2	0.05	1	45	3	#	18
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	3	0.39	5	45	1	1	44
0.50 to <0.75	29	0.56	20	45	4	30	102
0.75 to <2.50	12	1.58	147	45	1	10	85
2.50 to <10.00	2	3.12	40	45	1	2	99
10.00 to <100.00	#	14.41	8	45	2	#	176
100.00 (Default)[2]	#	100.00	1	45	#	-	-
Sub-total	**48**	**0.99**	**222**	**45**	**3**	**43**	**91**
Total (all portfolios)	**76,497**	**0.21**	**1,801**	**16**	**1**	**10,489**	**14**

\# Numbers below 0.5.

[1] For definition of RWA density, refer to footnote of 11.2.5.

[2] For definition of default, refer to 11.2.1.

12.2.5 Foundation IRBA (continued)

Compared to 30 June 2023, RWA density remained relatively stable.

12.2.6 RWA Flow Statements under the CCR Internal Models Method

This disclosure is not applicable as the Group does not adopt the CCR Internal Models method.

12.2.7 Composition of Collateral for CCR Exposure

The following table provides a breakdown of all types of collateral posted or received by the Group to support or reduce the CCR exposures related to derivative transactions or to SFTs, including transactions cleared through a CCP.

	31 Dec 2023					
	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
$m	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	80	927	2,811
Cash - other currencies	-	5,684	556	7,614	14,006	39,156
Domestic sovereign debt	-	-	-	126	1,666	4,072
Other sovereign debt	-	1,047	-	1,460	16,408	12,178
Government agency debt	-	-	-	-	119	1,119
Corporate bonds	-	91	-	-	3,286	4,339
Equity securities	-	-	-	-	3,599	2,626
Other collateral	-	-	-	-	-	-
Total	**-**	**6,822**	**556**	**9,280**	**40,011**	**66,301**

	30 Jun 2023					
	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
$m	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	#	-	335	704	3,042
Cash - other currencies	-	5,591	320	6,714	14,766	37,620
Domestic sovereign debt	-	-	-	2	1,867	4,192
Other sovereign debt	-	1,502	-	1,435	13,353	11,617
Government agency debt	-	-	-	-	98	1,968
Corporate bonds	-	157	-	-	2,907	4,502
Equity securities	-	-	-	-	2,355	2,679
Other collateral	-	-	-	-	-	-
Total	**-**	**7,250**	**320**	**8,486**	**36,050**	**65,620**

Numbers below 0.5.

The movements in value for collateral exchanged were due to an increase in securities financing transactions.

12.2.8 Exposures to Central Counterparties

The following table provides a comprehensive picture of the Group's exposures to CCPs, including all types of exposures (due to operations, margins, contributions to default funds) and related capital requirements.

		31 Dec 2023	
		a	b
$m		EAD (post-CRM)	RWA
1	**Total exposures to qualifying CCPs**[1]		**373**
2	Exposures to qualifying CCPs (excluding collateral and default fund contributions)	12,428	303
3	arising from: OTC derivative transactions;	10,952	273
4	arising from: Exchange-traded derivative transactions;	828	17
5	arising from: SFTs; and	648	13
6	arising from: Netting sets where cross-product netting has been approved	-	-
7	Segregated collateral	778	
8	Non-segregated collateral	1,381	30
9	Pre-funded default fund contributions	136	40
10	Unfunded default fund contributions	-	-
11	**Total exposures to non-qualifying CCPs**		**127**
12	Exposures to non-qualifying CCPs (excluding initial margin and default fund contributions)	31	30
13	arising from: OTC derivative transactions;	-	-
14	arising from: Exchange-traded derivative transactions;	31	30
15	arising from: SFTs; and	-	-
16	arising from: Netting sets where cross-product netting has been approved	-	-
17	Segregated collateral	-	
18	Non-segregated collateral	185	77
19	Pre-funded default fund contributions	1	10
20	Unfunded default fund contributions	1	10

		30 Jun 2023	
		a	b
$m		EAD (post-CRM)	RWA
1	**Total exposures to qualifying CCPs**[1]		**428**
2	Exposures to qualifying CCPs (excluding collateral and default fund contributions)	13,959	367
3	arising from: OTC derivative transactions;	9,363	262
4	arising from: Exchange-traded derivative transactions;	1,390	41
5	arising from: SFTs; and	3,206	64
6	arising from: Netting sets where cross-product netting has been approved	-	-
7	Segregated collateral	448	
8	Non-segregated collateral	1,342	29
9	Pre-funded default fund contributions	99	32
10	Unfunded default fund contributions	-	-
11	**Total exposures to non-qualifying CCPs**		**230**
12	Exposures to non-qualifying CCPs (excluding initial margin and default fund contributions)	78	77
13	arising from: OTC derivative transactions;	-	-
14	arising from: Exchange-traded derivative transactions;	78	77
15	arising from: SFTs; and	-	-
16	arising from: Netting sets where cross-product netting has been approved	-	-
17	Segregated collateral	-	
18	Non-segregated collateral	383	135
19	Pre-funded default fund contributions	1	9
20	Unfunded default fund contributions	1	9

(1) The eligibility criteria for qualifying CCPs includes being based and subject to prudential standards and supervision in a jurisdiction where the financial services regulatory authority has established, and publicly indicated that the financial services regulatory authority applies to the CCP on an ongoing basis, domestic rules and regulations that are consistent with CPSS-IOSCO Principles for Financial Market Infrastructures.

13 SECURITISATION

13.1 Qualitative Disclosures

The Group arranges securitisation transactions for its clients, primarily as a way of providing alternative capital market solutions and for fees. These transactions do not involve special-purpose entities which the Group controls or to which it acts as a sponsor.

For transactions that are not underwritten, no securitisation exposures are assumed as a direct consequence of arranging the transactions. Any decision to invest in any of such arranged transactions is subject to independent risk assessment. Where the Group provides an underwriting commitment, any securitisation exposure that arises is held in the trading book to be traded or sold down in accordance with our internal policy and risk limits.

The Group invests in its clients' securitisation transactions from time to time. These may include securitisation transactions arranged by it or with other parties. We may also act as a working capital facility provider or swap counterparty. Such exposures require the approval of RMG, and are subject to regular risk reviews after they take place. The Group has processes in place to monitor the credit risk of its securitisation exposures.

In addition, the Group does not provide implicit support for any transactions it structures or has invested in.

The Group's securitisation positions are recognised as financial assets pursuant to the Group's accounting policies and valued accordingly. Please refer to the financial statements in the latest available annual report on the Group's accounting policies on financial assets.

The following approaches are used for calculation of capital for securitisation exposures in the banking and trading books:
(i) External Ratings-Based Approach where ratings from Fitch Ratings, Moody's Investor Services and/or Standard & Poor's Ratings Services are used (SEC-ERBA)
(ii) Standardised Approach (SEC-SA)
Where the above approaches are not applicable, a risk weight of 1250% will be applied.

13.2 Quantitative Disclosures

13.2.1 Securitisation Exposures in the Banking Book

The following table provides an overview of the Group's securitisation exposures in the banking book. Figures are based on carrying amounts as reported in the financial statements.

		31 Dec 2023	30 Jun 2023
		a	
		A Reporting Bank acts as investor	
$m		Traditional[1]	
1	**Total retail**	**4,522**	**4,294**
2	of which: residential mortgage	153	-
3	of which: credit card	2,569	2,354
4	of which: other retail exposures	1,800	1,940
5	**Total wholesale**	**1,015**	**1,058**
6	of which: loans to corporates	-	-
7	of which: commercial mortgage	45	46
8	of which: lease and receivables	370	301
9	of which: other wholesale	600	711

13.2.2 Securitisation Exposures in the Trading Book

The following table provides an overview of the Group's securitisation exposures in the trading book. Figures are based on carrying amounts as reported in the financial statements.

		31 Dec 2023	30 Jun 2023
		a	
		A Reporting Bank acts as investor	
$m		Traditional[1]	
1	**Total retail**	**241**	**253**
2	of which: residential mortgage	7	17
3	of which: credit card	52	43
4	of which: other retail exposures	182	193
5	**Total wholesale**	**23**	**31**
6	of which: loans to corporates	-	-
7	of which: commercial mortgage	-	-
8	of which: lease and receivables	-	-
9	of which: other wholesale	23	31

[1] The Group does not invest in synthetic securitisation structures.

13.2.3 Securitisation Exposures in the Banking Book and associated Regulatory Capital Requirements - A Reporting Bank acting as Originator or as Sponsor

The Group did not act as an Originator or a Sponsor for its securitisation exposures in the banking book.

13.2.4 Securitisation Exposures in the Banking Book and associated Regulatory Capital Requirements - A Reporting Bank acting as an Investor

The following table provides the exposure amounts, RWA and capital requirements of the Group's securitisation exposures in the banking book.

31 Dec 2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap[1]			
$m		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC-IRBA	SEC-ERBA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA	SEC-SA	1250%
1	**Total exposures**	**4,133**	**731**	**540**	**88**	**-**	**-**	**5,122**	**370**	**-**	**-**	**1,069**	**245**	**-**	**-**	**107**	**25**	**-**
2	**Traditional securitisation**	4,133	731	540	88	-	-	5,122	370	-	-	1,069	245	-	-	107	25	-
3	Of which: securitisation	4,133	731	540	88	-	-	5,122	370	-	-	1,069	245	-	-	107	25	-
4	Of which: retail underlying	4,109	-	377	36	-	-	4,522	-	-	-	774	-	-	-	77	-	-
5	Of which: wholesale	24	731	163	52	-	-	600	370	-	-	295	245	-	-	30	25	-
6	Of which: re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which: senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic securitisation**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
10	Of which: securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which: retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which: wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which: senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which: non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

30 Jun 2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap[1]			
$m		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC-IRBA	SEC-ERBA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA	SEC-SA	1250%
1	**Total exposures**	**3,836**	**859**	**434**	**176**	**-**	**-**	**5,005**	**301**	**-**	**-**	**1,148**	**187**	**-**	**-**	**115**	**19**	**-**
2	**Traditional securitisation**	3,836	859	434	176	-	-	5,005	301	-	-	1,148	187	-	-	115	19	-
3	Of which: securitisation	3,836	859	434	176	-	-	5,005	301	-	-	1,148	187	-	-	115	19	-
4	Of which: retail underlying	3,808	-	434	51	-	-	4,294	-	-	-	792	-	-	-	79	-	-
5	Of which: wholesale	28	859	-	125	-	-	711	301	-	-	356	187	-	-	36	19	-
6	Of which: re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which: senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic securitisation**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
10	Of which: securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which: retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which: wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which: senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which: non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] Capital charge after cap in these columns correspond to 10% of the relevant RWA figures in column "(j)", "(k)", "(l)" and "(m)" which are 2.0 percentage points higher than the Basel Committee's requirement.

14 MARKET RISK

14.1 Qualitative Disclosures

Market risk arises from adverse changes in interest rates, foreign exchange rates, equity prices, credit spreads and commodity prices as well as related factors. The Group's exposures in the trading portfolios are from the undertaking of trading activities, for the purpose of market-making, client-facilitation and benefiting from market opportunities.

The Group utilises Value-at-Risk (VaR), a statistical risk measure, to estimate the potential loss from market movements. This measure uses historical simulation based on data for the previous 12 months. It assumes that historical changes in market values reflect the distribution of potential outcomes in the immediate future. The Group uses Expected Shortfall (ES) to monitor and limit market risk exposures. ES is estimated by averaging the portfolio's potential losses beyond the 97.5% confidence interval, under normal market conditions and over a one-day holding period. The Group conducts backtesting to verify the predictiveness of the VaR model. To monitor the Group's vulnerability to unexpected but plausible extreme market risk-related events, we conduct multiple market risk stress tests regularly.

The Group uses a variety of financial derivatives such as swaps, forwards and futures, and options for trading and hedging against movements in interest rates, foreign exchange rates, equity prices and other market risks of the Group's (a) investments, (b) maturity mismatches between loans and deposits, (c) structured product issuances, and (d) other assets and liabilities.

Independent monitoring of the Group's market risk (including interest rate risk in the banking book) is the responsibility of the RMG Market and Liquidity Risk unit. The unit monitors, controls and analyses the Group's market risk (including interest rate risk in the banking book) regularly.

Internal control processes and systems have been designed and implemented to support our Group's market risk management approach. We review these control processes and systems regularly, and these reviews allow the management to assess their effectiveness.

The Group does not adopt Internal Models Approach (IMA) to measure its regulatory capital requirements for market risk.

14.2 Quantitative Disclosures

14.2.1 Market Risk under Standardised Approach

The following table provides the components of the Group's market risk RWA as measured under the Standardised Approach.

		31 Dec 2023	30 Jun 2023
		a	
$m		RWA[1]	
	Products excluding options		
1	Interest rate risk (general and specific)	8,771	10,735
2	Equity risk (general and specific)	553	448
3	Foreign exchange risk	7,888	15,461
4	Commodity risk	473	905
	Options		
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	8,383	8,016
8	**Securitisation**	76	98
9	**Total**	**26,144**	**35,663**

[1] The RWA is derived by multiplying the capital requirements by 12.5.

Compared to 30 June 2023, the decrease in market RWA was mainly due to lower foreign exchange risk and interest rate risk.

14.2.2 RWA Flow Statements of Market Risk Exposures under IMA, IMA Values for Trading Portfolios and Comparison of VaR Estimates with Gains or Losses

These disclosures are not applicable as the Group did not adopt IMA to measure its regulatory capital requirements for market risk.

15 OPERATIONAL AND TECHNOLOGY RISK

15.1 Operational Risk

Operational risk is inherent in our business activities and it may arise from inadequate or failed internal processes, people, systems, or from external events.

The Group's objective is to keep operational risk at appropriate levels, taking into account the markets we operate in, the characteristics of the businesses as well as our economic and regulatory environment.

Robust internal control processes and systems are integral to identifying, monitoring, managing and reporting operational risk.

The RMG-Operational Risk and Technology Risk units and other corporate oversight and control functions,
• oversee and monitor the effectiveness of operational risk management,
• assess key operational risk issues with the units and
• report and/or escalate key operational risks to relevant risk committees and recommend appropriate risk mitigation strategies.

Please refer to Section 9 on the risk management committees established to discuss the various risk types.

The Group Operational Risk Management (ORM) Policy sets our overall approach for managing operational risk in a structured, systematic and consistent manner.

There are policies, standards, tools and programmes in place to govern ORM practices across the Group. These include corporate operational risk policies and standards that are owned by the respective corporate oversight and control functions. The key policies address risk areas relating to technology, compliance, fraud, money laundering, financing of terrorism and sanctions, new product, outsourcing and ecosystem partnership.

The Group adopts the standardised approach to compute operational risk regulatory capital.

To manage and control operational risk, we use various tools, including risk and control self-assessment, operational risk event management and key risk indicator monitoring.

The Group’s Three Lines Model adopts one common risk taxonomy, and a consistent risk assessment approach to manage operational risk. Risk and control self-assessment is conducted by each business or support unit to identify key operational risk and assess the effectiveness of internal controls. When control issues are identified, the units develop action plans and track the resolution of the issues.

Operational risk events are classified in accordance with Basel standards. Such events, including any significant incidents that may impact the Group's reputation, must be reported based on certain established thresholds. Key risk indicators with pre-defined escalation triggers are employed to facilitate risk monitoring in a forward-looking manner.

Additional methodologies are in place to address subject-specific risks, including, but not limited to, the following:

Compliance risk

Compliance risk refers to the risk of the Group not being able to successfully conduct our business because of any failure to comply with laws, regulatory requirements, industry codes or standards of business and professional conduct applicable to the financial sector.

This includes, in particular, laws and regulations applicable to the licensing and conducting of banking or other financial businesses, financial crime such as anti-money laundering (AML) and countering the financing of terrorism (CFT), fraud and bribery/ corruption. We maintain a compliance programme designed to identify, assess, measure, mitigate and report on such risks through a combination of policy and relevant systems and controls.

To counter financial crime and sanctions risks, the Group established minimum standards for our business and support units to manage our actual and/ or potential risk exposures. In addition, standards aimed to provide the end-to-end management for fraud and related issues at the unit and geographical levels, are implemented through the Fraud Management Programme. We implement surveillance and compliance testing where necessary to obtain assurance that the control framework is operating effectively.

The Group also provides relevant training and implements assurance processes. The Group strongly believes in the need to promote a strong compliance culture as well, and this is developed through the leadership of our Board and senior management.

15 OPERATIONAL AND TECHNOLOGY RISK (CONTINUED)

New product, outsourcing and ecosystem partnership risks

Each new product, service, outsourcing arrangement or ecosystem partnership is subject to a risk review and signoff process, where relevant risks are identified and assessed. Variations of existing products or services and existing outsourcing arrangements and ecosystem partnerships are also subject to a similar process.

Other mitigation programmes

A robust business continuity management programme is in place to ensure that essential banking services can continue in the event of unforeseen events or business disruptions. This includes a crisis management plan to enable quick response to manage incidents. Exercises are conducted annually, simulating different scenarios to test business continuity plans and crisis management protocol. The effectiveness of these exercises as well as the Group's business continuity readiness and our alignment to regulatory guidelines are communicated and attested by senior management to the BRMC annually.

To mitigate losses from specific risk events which are unexpected and significant, we effect group-wide insurance coverage under the Group Insurance Programme. These insurance policies relate to crime and professional indemnity, directors and officers liability, cyber risk, property damage and business interruption, general liability and terrorism.

15.2 Technology risk

Technology risk

Information Technology (IT) risk is managed through an enterprise technology risk management approach. This covers risk identification, assessment, mitigation, monitoring and reporting. In addition, the appropriate governance, IT policies and standards, control processes and risk mitigation programmes are in place to support the risk management approach.

Arising from multiple digital disruptions in 2023, a comprehensive technology risk management roadmap has been put in place to address gaps in technology risk governance and oversight, incident management, system resilience and change management. The bank has established a new sub-committee of the Board Risk Management Committee (BRMC) called the BRMC Technology Risk Committee (BTRC) for dedicated oversight of technology risk.

To enhance independent checks and balances, we transferred the Technology Risk Management team to the Risk Management Group with new leadership and expanded bench strength. We strengthened our site reliability engineering with new leadership and also created a new Quality Assurance function to provide an additional independent layer of verification, controls and checks over the bank’s change management process. The Group Technology Risk Committee (GTRC) was newly constituted to enhance the oversight and management of technology risk by senior management.

Relating to incident management, we have established clearer ownership and management of incidents within the bank, as well as between the bank and its service providers and vendors. We also embarked on proactive problem management through the active review of early warning indicators, identification of other possibly affected areas, and taking preventive actions.

Cybersecurity risk

Cybersecurity risk remains a top priority for our bank. Our Chief Information Security Officer (CISO) is responsible for overseeing the cybersecurity function, serving as the central authority for all cybersecurity matters in relation to technology and operational cyber risks, data protection, and compliance with cybersecurity regulations. At DBS, we place a strong emphasis on safeguarding our people, information, network, equipment, and applications in alignment with the bank's risk tolerance.

To ensure we are proactive in addressing cyber threats, DBS allocates significant resources towards enhancing our cyber hygiene and control environment. We are committed to staying in tandem with the ever-evolving cyber threat landscape. As the second line, the CISO office conducts regular assessments to validate the effectiveness of our controls and to obtain assurance that our control framework remains resilient in the face of emerging and evolving threats.

Furthermore, at DBS, we are dedicated to promoting a culture of cybersecurity risk awareness. We believe that a strong security culture starts with our employees. As such, we provide relevant training and educational resources to empower our staff to recognize and respond to cybersecurity risks effectively. By fostering this culture of awareness, we not only enhance our defence against cyber threats but also ensure that cybersecurity is a shared responsibility across our organization.

16 INTEREST RATE RISK IN THE BANKING BOOK

16.1 Qualitative Disclosures

Interest rate risk in the banking book ("IRRBB") arises from mismatches in the interest rate profiles of assets, liabilities and capital instruments. It includes basis risk arising from different interest rate benchmarks, interest rate repricing risk, yield curve risk and optionality risk arising from the options embedded in the Bank's assets, liabilities and off-balance sheet portfolios.

The Group identifies, measures and manages IRRBB from both economic value and earning perspectives using Economic Value of Equity ("EVE") and Net Interest Income ("NII") variability as the respective key risk metrics. Internal control processes and systems have been designed and implemented to support the market risk management approach. The Group reviews these control processes and systems regularly, and these reviews allow management to assess their effectiveness. The Group measures IRRBB on a monthly basis with exposures kept within defined Risk Appetite limits. These are supplemented with risk control measures monitored on a weekly basis.

Independent monitoring of established limits and analysis of the Group's IRRBB is the responsibility of the RMG Market and Liquidity Risk unit.

Both NII and EVE are calculated under various interest rate scenarios that assess vulnerabilities in the Group's business model and key behavioural assumptions, including internally selected interest rate shock scenarios addressing the Group's profile, as well as historical and hypothetical interest rate stress scenarios. The Group also uses the six standardized interest rate shock scenarios as defined in MAS Notice 637 Annex 10C.

The Group enters into hedging transactions to manage exposures to interest rate risks. Hedge accounting is applied to manage volatility in earnings arising from changes in interest rate risks.

The modelling assumptions used internally are consistent with the assumptions prescribed under MAS Notice 637. Specifically, behavioural assumptions are applied in the assessment of the interest rate risk of administered rate products.

Behavioural assumptions are applied when managing the interest rate risk of non-maturity deposits ("NMD"). Core NMDs represents the portion of deposits with a very low probability of being drawn and largely inelastic to interest rate changes. The average repricing maturity of core NMDs takes into account regulatory caps and industry standards. As of 31 December 2023, the Group's average and longest repricing maturity of NMDs[1] is 2 years and 6 years, respectively. Behavioural assumptions calibrated based on historical data are also applied when determining the prepayment risk of customer loans and the early redemption risk for term deposits.

In the computation of the ΔEVE, commercial margins and spread components are included in the projected interest cash flows and risk-free discount curve per currency is used for computing present values. Exposures across currencies are aggregated to determine total exposures.

[1] The computation of NMDs is aggregated for all currencies.

16.2 QUANTITATIVE INFORMATION ON IRRBB

Changes in EVE and NII under standardised interest rate shock scenarios[1]		
$m	**ΔEVE[2]**	**ΔNII[2]**
Period	**31 Dec 2023**	
Parallel up	3,797	(1,524)
Parallel down	(4,920)	1,747
Steepener	1,618	
Flattener	(480)	
Short rate up	655	
Short rate down	(796)	
Maximum	**3,797**	**1,747**

Tier 1 Capital	
Period	**31 Dec 2023**
Tier 1 Capital	**56,182**

[1] The change in EVE and NII are aggregated for all currencies. The standardised interest rate shock scenarios follow MAS Notice 637 Annex 10C where interest rate shocks are prescribed for each currency. For example, for the parallel up and down scenarios, the rate shock for SGD is 150bps while the rate shock for USD and HKD is 200bps.

[2] Positive values of ΔEVE and ΔNII indicate losses under the respective scenarios, while negative values indicate gains.

17 REMUNERATION

Remuneration disclosures are disclosed in the 2023 Annual Report which is available at: https://www.dbs.com/investors/financials/group-annual-reports.

The following table signposts the disclosure requirements to the relevant pages and sections in the 2023 Annual Report.

Disclosure requirements	**Reference in 2023 Annual Report**
MAS Notice 637 Table 11-44: Remuneration Policy	
Name, composition and mandate of the main body overseeing remuneration	Page 50, 57 to 59; sub section on Compensation and Management Development Committee
External consultants engagement in the remuneration process	Page 58; sub section on Remuneration of Non-Executive Directors; para 4
Scope of the remuneration policy	Page 65; section 1
Types of employees considered as material risk-takers and as senior managers	Page 67 to 68; section 5; footnote (1 and 2)
Information relating to the design and structure of remuneration processes.	Page 65 to 67; sections 1 to 4; Page 57 to 59; sub section on Compensation and Management Development Committee
Description of the ways in which current and future risks are taken into account in the remuneration process	Page 65 to 67; sections 1 to 4
Description of the ways the Group seeks to link performance during a performance measurement period with levels of remuneration	Page 65 to 69; sections 1 to 5
Description of the ways in which the Group seeks to adjust remuneration to take account of longer-term performance.	Page 65 to 67; sections 1 to 4
Description of the different forms of variable remuneration that the Group utilises and the rationale for using these different forms.	Page 66 and 67; sections 2 to 4
MAS Notice 637 Table 11-44A: Remuneration Awarded during the Financial Year	
Quantitative information on remuneration for the financial year	Page 67; section 5; pie chart under "Senior management and material risk takers"; Page 68; section 5; table under "Breakdown of deferred remuneration awards"
MAS Notice 637 Table 11-44C: Special Payments	
Quantitative information on special payments for the financial year	Page 68; section 5; table "Guaranteed bonuses, sign-on bonuses and severance payments"
MAS Notice 637 Table 11-44E: Deferred Remuneration	
Quantitative information on deferred and retained remuneration	Page 68; section 5; table "Breakdown of deferred remuneration awards"

PART B: LIQUIDITY COVERAGE RATIO ("LCR") DISCLOSURES

The following disclosures for the Group[1] are made pursuant to the Monetary Authority of Singapore ("MAS") Notice to Designated Financial Holdings Companies FHC-N651 "Liquidity Coverage Ratio ("LCR") Disclosure".

The Group is subject to the Basel III Liquidity Coverage Ratio ("LCR") standards pursuant to MAS Notice FHC-N649. As at 1 January 2019, the Group is required to maintain daily all-currency and Singapore dollar ("SGD") LCR above 100%.

The LCR aims to ensure that a bank has an adequate stock of unencumbered High Quality Liquid Assets ("HQLA") to meet its liquidity needs for a 30-calendar day liquidity stress scenario. MAS Notice FHC-N649 stipulates the range of liquid assets that qualify as HQLA, as well as the applicable haircuts for each category. Net cash outflows are computed using the standardized 30-day cash flow rates defined in the same notice. The amounts after the application of haircuts or 30-day cash flow rates are reflected in the "weighted amount" column of the tables in this part.

The Group seeks to ensure that its LCR remains above the specified regulatory minimum requirements. This is achieved by:

(i) Establishing internal early warning triggers and thresholds based on observed movements in LCR over time;

(ii) Monitoring and managing the LCR closely to ensure it stays within established boundaries; and

(iii) Strategically managing the liquidity risk arising from the balance sheet structure.

[1] The LCR incorporates the assets and liabilities of DBS Bank Ltd., its banking subsidiaries and DBS Group Holdings Ltd.

1.1 Average All-Currency LCR for the Quarter ended 31 Dec 2023
(Number of data points: 92)

$m		31 Dec 2023 UNWEIGHTED[1]	31 Dec 2023 WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS			
1	**Total high-quality liquid assets (HQLA)[2]**		**147,500**
CASH OUTFLOWS			
2	**Retail deposits and deposits from small business customers, of which**	**252,622**	**20,574**
3	Stable deposits	93,170	4,629
4	Less stable deposits	159,452	15,945
5	**Unsecured wholesale funding, of which**	**207,561**	**113,592**
6	Operational deposits (all counterparties) and deposits in institutional networks of cooperative banks	38,870	9,404
7	Non-operational deposits (all counterparties)	161,975	97,472
8	Unsecured debt	6,716	6,716
9	**Secured wholesale funding**		**2,375**
10	**Additional requirements, of which**	**92,871**	**17,601**
11	Outflows related to derivatives exposures and other collateral requirements	20,259	8,575
12	Outflows related to loss of funding on debt products	84	84
13	Credit and liquidity facilities	72,528	8,942
14	**Other contractual funding obligations**	**2,200**	**2,183**
15	**Other contingent funding obligations**	**37,243**	**1,600**
16	**TOTAL CASH OUTFLOWS**		**157,925**
CASH INFLOWS			
17	**Secured lending (e.g. reverse repos)**	**22,988**	**1,557**
18	**Inflows from fully performing exposures**	**78,057**	**49,186**
19	**Other cash inflows**	**8,970**	**4,368**
20	**TOTAL CASH INFLOWS**	**110,015**	**55,111**
		TOTAL ADJUSTED VALUE	
21	**TOTAL HQLA[2]**		**147,500**
22	**TOTAL NET CASH OUTFLOWS**		**102,814**
23	**LIQUIDITY COVERAGE RATIO (%)[3]**		**144%**

(1) The unweighted amounts refer to cash flows due or callable within 30 days, with the exception of items in rows 13 and 15 which reflect the full notional balances.

(2) HQLA in row 1 and row 21 may not be equal as row 1 is before the application of caps on Level 2 liquid assets.

(3) The LCR is computed as an average of observations of LCR during the quarter. This may not be equal to an LCR computed with the average values of HQLA and net cash outflows disclosed in the table.

1.2 Average SGD LCR for the Quarter ended 31 Dec 2023
(Number of data points: 92)

$m		31 Dec 2023 UNWEIGHTED[1]	31 Dec 2023 WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS			
1	**Total high-quality liquid assets (HQLA)[2]**		**54,671**
CASH OUTFLOWS			
2	**Retail deposits and deposits from small business customers, of which**	**151,835**	**11,532**
3	Stable deposits	73,027	3,651
4	Less stable deposits	78,808	7,881
5	**Unsecured wholesale funding, of which**	**38,605**	**17,096**
6	Operational deposits (all counterparties) and deposits in institutional networks of cooperative banks	15,498	3,690
7	Non-operational deposits (all counterparties)	21,619	11,918
8	Unsecured debt	1,488	1,488
9	**Secured wholesale funding**		**-**
10	**Additional requirements, of which**	**33,644**	**16,830**
11	Outflows related to derivatives exposures and other collateral requirements	16,027	15,402
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	17,617	1,428
14	**Other contractual funding obligations**	**383**	**383**
15	**Other contingent funding obligations**	**4,004**	**120**
16	**TOTAL CASH OUTFLOWS**		**45,961**
CASH INFLOWS			
17	**Secured lending (e.g. reverse repos)**	**1,180**	**1**
18	**Inflows from fully performing exposures**	**10,548**	**5,470**
19	**Other cash inflows**	**22,153**	**21,899**
20	**TOTAL CASH INFLOWS**	**33,881**	**27,370**
		TOTAL ADJUSTED VALUE	
21	**TOTAL HQLA[2]**		**54,671**
22	**TOTAL NET CASH OUTFLOWS[3]**		**18,591**
23	**LIQUIDITY COVERAGE RATIO (%)[4]**		**297%**

[1] The unweighted amounts refer to cash flows due or callable within 30 days, with the exception of items in rows 13 and 15 which reflect the full notional balances.

[2] HQLA in row 1 and row 21 may not be equal as row 1 is before the application of caps on Level 2 liquid assets.

[3] Total net cash outflows may not be equal to the total cash outflows minus total cash inflows as the cap on inflows could be binding. Cash inflows may be netted against cash outflows up to an aggregate cap of 75% of total cash outflows.

[4] The LCR is computed as an average of observations of LCR during the quarter. This may not be equal to an LCR computed with the average values of HQLA and net cash outflows disclosed in the table.

1.3 Liquidity Coverage Ratio

In the fourth quarter of 2023, the average all-currency and SGD LCRs were 144% and 297%. Compared to the previous quarter, all-currency LCR increased from 138% due to growth in HQLA while SGD LCR reduced from 335% due to lower inflow from maturing derivative transactions.

The LCR remains above the regulatory minimum requirements of 100% for both all-currency and SGD. The Group maintains a healthy liquidity position by keeping a stable balance sheet structure that is supported by a diversified funding base.

The Group's LCR is sensitive to (i) balance sheet movements resulting from commercial loan/deposit activities and wholesale inter-bank lending/ borrowing; and (ii) movements due to positions falling into or out of the LCR 30-day tenor, such as loan rollovers. LCR is also sensitive to movements in HQLA, driven by balances with central banks, liquid asset holdings and collaterals from secured lending and borrowing transactions.

a) Composition of High Quality Liquid Assets (“HQLA”)

The Group holds a pool of unencumbered HQLA that are readily available to meet cash flow obligations under stress scenarios, as defined in the LCR rules. These liquid assets consist predominantly of Level 1 HQLA, which comprises cash, balances with central banks and highly rated bonds issued by governments or supranational entities. These may be included, without haircuts or limitations in quantum, in the total pool of HQLA.

The Group's HQLA include Singapore government securities and local government/central bank securities held at overseas branches and subsidiaries. This is supplemented by bonds issued by highly rated corporate issuers (including public sector entities), as well as covered bonds issued by reputable financial institutions.

b) Concentration of Funding Sources

The Group strives to develop a diversified funding base with access to funding sources across retail and wholesale channels. The Group's funding strategy is anchored on strengthening the core deposit franchise as the foundation of its long-term funding advantage. Please refer to the risk management disclosures in the latest available annual report for more information on the Group's funding strategy.

c) Derivative Exposures and Potential Collateral Calls

The Group actively manages its over-the-counter (“OTC”) and exchange-traded financial derivative exposures arising from market making, trading activities, and its commercial business (including structuring and packaging products for investors and clients). Derivative exposures are mainly from, but not limited to, interest rate swaps and futures, foreign exchange forwards and swaps, and currency swaps. These derivative positions are marked-to-market daily, affecting the collateral amounts posted to and received from interbank counterparties and/or exchanges. Cash flows resulting from potential changes in collateral amounts posted/received are incorporated into LCR net cash outflows.

1.3 Liquidity Coverage Ratio (continued)

d) Currency Mismatch

As part of its funding strategy, the Group makes use of the swap markets to support its funding needs across currencies. The Group's stable funding base of customer deposits is predominantly denominated in the local currency of its key operating locations. Matching its deposit currency mix, the main portion of the Group's liquid assets is denominated in SGD and the local currencies of key operating locations.

e) Centralization of Liquidity Management

Overseas branches and subsidiaries are encouraged but not required to centralise the majority of their borrowings and deployment of funds with Head Office. They will take into account any relevant regulatory restrictions while maintaining an adequate level of presence and participation in the local funding markets.

By managing the liquid assets as a pool, the Group expects to be able to monetize liquid assets to meet liquidity shortfalls under times of stress.

Please refer to the latest available annual report for more information on the Group's liquidity risk management.

PART C: NET STABLE FUNDING RATIO (“NSFR”) DISCLOSURES

The following disclosures for the Group are made pursuant to the Monetary Authority of Singapore (“MAS”) Notice to Designated Financial Holding Companies FHC-N653 “Net Stable Funding Ratio (“NSFR”) Disclosure”.

The Group has been subjected to the Basel III NSFR standards from 1 January 2018, pursuant to MAS Notice to Designated Financial Holding Companies FHC-N652 "Net Stable Funding Ratio (NSFR)". At the all-currency level, the Group is required to maintain NSFR of at least 100% on an ongoing basis.

NSFR aims to improve the resiliency of banks by promoting long term funding stability. It requires banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. MAS Notice FHC-N652 stipulates the applicable Required Stable Funding ("RSF") factor for each category of asset and Available Stable Funding ("ASF") factor for each type of funding source. NSFR represents the ratio of the bank's ASF to RSF. The breakdown of the bank's ASF and RSF amounts after applying the respective ASF or RSF factors are reflected in the “weighted amount” column of the tables in this part.

NSFR at the end of the third and fourth quarter of 2023 was 117% and 118% respectively, above the regulatory minimum requirement of 100%. Compared to third quarter, increase in NSFR in the fourth quarter is due to increase in capital and retail deposits. The Group continues to maintain a healthy liquidity position by keeping a stable balance sheet structure that is supported by a diversified funding base.

The Group's NSFR is sensitive to (i) balance sheet movements resulting from commercial loan and deposit activities, and (ii) movements due to positions falling into the NSFR 1-year tenor, such as when the residual maturity of capital or senior issuances fall within the 1 year tenor. The Group recognized interdependent assets and liabilities from the fourth quarter of 2018 onwards, which comprise primarily of bills receivable and payable under letters of credit.

The Group seeks to ensure that its NSFR remains above the specified regulatory minimum requirements. This is achieved by:

(i) Monitoring the NSFR closely against an established internal early warning trigger and management target.

(ii) Managing and developing strategies to build a diversified funding base with access to funding sources across retail and wholesale channels.

Please refer to the Risk Management disclosures in the latest available annual report for more information on the Group's funding strategy.

1.1 NSFR Disclosure Template

		31 Dec 2023				
		Unweighted value by residual maturity				
		No maturity [1]	< 6 months	6 months to < 1 yr	≥ 1yr	WEIGHTED VALUE
ASF Item						
1	Capital:	**65,326**	**-**	**-**	**-**	**65,326**
2	Regulatory capital	65,194	-	-	-	65,194
3	Other capital instruments	132	-	-	-	132
4	Retail deposits and deposits from small business customers:	**182,645**	**100,377**	**5,939**	**201**	**264,210**
5	Stable deposits	72,506	6,288	94	13	74,956
6	Less stable deposits	110,139	94,089	5,845	188	189,254
7	Wholesale funding:	**111,005**	**191,421**	**12,471**	**25,866**	**116,757**
8	Operational deposits	38,977	-	-	-	19,489
9	Other wholesale funding	72,028	191,421	12,471	25,866	97,268
10	Liabilities with matching interdependent assets	**-**	**986**	**-**	**-**	**-**
11	Other liabilities:	**15,536**		**4,535**		**1,777**
12	NSFR derivative liabilities			3,763		
13	All other liabilities and equity not included in the above categories	15,536	772	-	-	1,777
14	**Total ASF**					**448,070**
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					**16,903**
16	Deposits held at other financial institutions for operational purposes	**1,179**	**-**	**-**	**-**	**589**
17	Performing loans and securities:	**16,437**	**212,896**	**42,972**	**287,142**	**331,130**
18	Performing loans to financial institutions secured by Level 1 HQLA	-	18,391	787	531	2,764
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	8,783	27,408	8,016	11,893	21,345
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	7,654	158,146	25,087	163,054	214,989
21	With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk	-	64,868	2,074	5,719	42,883
22	Performing residential mortgages, of which:	-	2,495	1,893	81,900	59,910

[1] Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

1.1 NSFR Disclosure Template (continued)

		31 Dec 2023				
		Unweighted value by residual maturity				
		No maturity [1]	< 6 months	6 months to < 1 yr	≥ 1yr	WEIGHTED VALUE
23	With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk	-	2,495	1,867	80,713	58,879
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	6,456	7,189	29,764	32,122
25	Assets with matching interdependent liabilities	-	**986**	-	-	-
26	Other assets:	**16,222**	**27,775**			**28,087**
27	Physical trade commodities, including gold	22	-	-	-	19
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	2,579			2,192
29	NSFR derivative assets	-	8,754			4,991
30	NSFR derivative liabilities before deduction of variation margin posted	-	10,985			549
31	All other assets not included in the above categories	16,200	1,321	-	4,136	20,336
32	Off-balance sheet items	-	**464,083**			**3,806**
33	**Total RSF**					**380,515**
34	**Net Stable Funding Ratio (%)**					**118**

[1] Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

1.1 NSFR Disclosure Template (continued)

		30 Sep 2023				
		Unweighted value by residual maturity				
		No maturity [(1)]	< 6 months	6 months to < 1 yr	≥ 1yr	WEIGHTED VALUE
ASF Item						
1	Capital:	**63,084**	**-**	**-**	**-**	**63,084**
2	Regulatory capital	63,084	-	-	-	63,084
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	**183,235**	**97,234**	**5,916**	**296**	**261,953**
5	Stable deposits	72,456	5,639	101	15	74,302
6	Less stable deposits	110,779	91,595	5,815	281	187,651
7	Wholesale funding:	**106,455**	**196,056**	**11,762**	**28,377**	**118,036**
8	Operational deposits	37,665	-	-	-	18,832
9	Other wholesale funding	68,790	196,056	11,762	28,377	99,204
10	Liabilities with matching interdependent assets	**-**	**1,401**	**-**	**-**	**-**
11	Other liabilities:	**14,900**		**8,942**		**1,731**
12	NSFR derivative liabilities			7,162		
13	All other liabilities and equity not included in the above categories	14,900	1,780	-	-	1,731
14	**Total ASF**					**444,804**
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					**16,496**
16	Deposits held at other financial institutions for operational purposes	**478**	**-**	**-**	**-**	**240**
17	Performing loans and securities:	**17,298**	**212,403**	**44,713**	**284,839**	**329,768**
18	Performing loans to financial institutions secured by Level 1 HQLA	-	22,402	379	1,030	3,460
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	10,134	28,480	7,304	12,023	21,480
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	7,164	152,174	30,051	161,086	214,442
21	With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk	-	59,788	2,417	6,586	46,386
22	Performing residential mortgages, of which:	-	2,564	1,896	81,215	59,390

[(1)] Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

1.1 NSFR Disclosure Template (continued)

		30 Sep 2023				
		Unweighted value by residual maturity				
		No maturity [(1)]	< 6 months	6 months to < 1 yr	≥ 1yr	WEIGHTED VALUE
23	With a risk weight of less than or equal to 35% under MAS Notice 637's standardised approach to credit risk	-	2,546	1,878	80,562	58,821
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	6,783	5,083	29,485	30,996
25	Assets with matching interdependent liabilities	-	**1,401**	-	-	-
26	Other assets:	**10,563**	**41,228**			**29,070**
27	Physical trade commodities, including gold	20	-	-	-	17
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	2,312			1,966
29	NSFR derivative assets	-	12,607			5,445
30	NSFR derivative liabilities before deduction of variation margin posted	-	14,217			711
31	All other assets not included in the above categories	10,543	1,703	-	10,389	20,931
32	Off-balance sheet items	-	**458,509**			**3,559**
33	**Total RSF**					**379,133**
34	**Net Stable Funding Ratio (%)**					**117**

[(1)] Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

PART D : ATTESTATION

The Pillar 3 disclosures as at 31 December 2023 have been prepared in accordance with the internal controls processes approved by the DBSH Board of Directors.

Piyush Gupta
Chief Executive Officer

6 February 2024
Singapore

PART E: ABBREVIATIONS

Abbreviations	Brief Description
A-IRBA	Advanced Internal Ratings-Based Approach
ASF	Available Stable Funding
AT1	Additional Tier 1
BRMC	Board Risk Management Committee
CAR	Capital Adequacy Ratio
CCF	Credit Conversion Factor
CCO	Chief Credit Officer
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CEO	Chief Executive Officer
CET1	Common Equity Tier 1
CF	Commodities Finance
CISO	Chief Information Security Officer
CRE	Commercial Real Estate
CRM	Credit Risk Mitigation
CRO	Chief Risk Officer
CVA	Credit Valuation Adjustment
D-SIB	Domestic Systemically Important Banks
DOA	Delegation of Authority
EAD	Exposure at the time of default
EC	Economic Capital
ECL	Expected Credit Loss
EL	Expected Loss
EPE	Expected Positive Exposure
ES	Expected Shortfall
EVE	Economic Value of Equity

PART E: ABBREVIATIONS (CONTINUED)

Abbreviations	Brief Description
F-IRBA	Foundation Internal Ratings-Based Approach
FC(CA)	Financial Collateral Comprehensive Approach
FC(SA)	Financial Collateral Simple Approach
FX	Foreign Exchange
FVOCI	Fair Value through Other Comprehensive Income
FVPL	Fair Value through Profit or Loss
G-SIB	Global Systemically Important Banks
GCPC	Group Credit Policy Committee
GCRC	Group Credit Risk Committee
GCRMC	Group Credit Risk Models Committee
GMLRC	Group Market and Liquidity Risk Committee
GORC	Group Operational Risk Committee
GSSTC	Group Scenario and Stress Testing Committee
HQLA	High Quality Liquid Assets
HVCRE	High-volatility Commercial Real Estate
IAA	Internal Assessment Approach
ICAAP	Internal Capital Adequacy Assessment Process
IMA	Internal Models Approach
IMM	Internal Models Method
IPRE	Income-producing Real Estate
IPV	Independent Price Verification
IRBA	Internal Ratings-Based Approach
IRRBB	Interest Rate Risk in the Banking Book
ISDA	International Swaps & Derivatives Association
ISIN	International Securities Identification Number
IT	Information Technology

PART E: ABBREVIATIONS (CONTINUED)

Abbreviations	Brief Description
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LVB	Lakshmi Vilas Bank
MAS	Monetary Authority of Singapore
MDB	Multilateral Development Bank
NII	Net Interest Income
NPA	Non-performing Assets
NSFR	Net Stable Funding Ratio
OF	Object Finance
ORM	Operational Risk Management
OTC	Over-the-counter
PAC	Product Approval Committee
PD	Probability of Default
PE/VC	Private Equity and Venture Capital
PF	Project Finance
PSE	Public Sector Entity
PVA	Prudent Valuation Adjustments
QRRE	Qualifying Revolving Retail Exposures
Repo	Repurchase agreements
Risk ExCo	Risk Executive Committee
RLAR	Regulatory Loss Allowance Reserve
RMG	Risk Management Group
RSF	Required Stable Funding
RW	Risk Weight
RWA	Risk-Weighted Assets
SA	Standardised Approach

PART E: ABBREVIATIONS (CONTINUED)

Abbreviations	Brief Description
SA-CCR	Standardised Approach for Counterparty Credit Risk
SA(CR)	Standardised Approach to Credit Risk
SA(EQ)	Standardised Approach for Equity Exposures
SA(MR)	Standardised Approach to Market Risk
SEC-ERBA	Securitisation External Ratings-Based Approach
SEC-IRBA	Securitisation Internal Ratings-Based Approach
SEC-SA	Securitisation Standardised Approach
SFT	Securities or Commodities Financing Transaction
SGD	Singapore Dollar
SFRS(I)	Singapore Financial Reporting Standards (International)
SME	Small Medium Enterprise
SWWR	Specific Wrong-way Risk
TEP	Total Eligible Provisions
TLAC	Total Loss-absorbing Capacity
TMRAC	Target Market and Risk Acceptance Criteria
T1	Tier 1
T2	Tier 2
USD	United States Dollar
VaR	Value-at-risk
α	Alpha Factor