



永隆銀行
WING LUNG BANK

Pillar 3 Disclosure – Composition of Capital

As at 30 June 2013

Composition of Capital

The following disclosures are made in accordance with Section 24 of the Banking (Disclosures) Rules issued by the Hong Kong Monetary Authority (“HKMA”).

The following pages disclose the Statement of Financial Position Reconciliation as required by the HKMA:

1. Consolidated statement of financial position in the published interim financial disclosure statements based on the accounting scope of consolidation and the regulatory scope of consolidation;
2. Expanded consolidated statement of financial position under the regulatory scope of consolidation with capital components breakdown; and
3. Transitional disclosure template.

Consolidated statement of financial position in the published interim financial disclosure statements based on the accounting scope of consolidation and the regulatory scope of consolidation
As at 30 June 2013

	Consolidated statement of financial position as in published interim financial disclosure statements 30/6/2013 HK\$'000	Under regulatory scope of consolidation 30/6/2013 HK\$'000
Assets		
Cash and short-term funds	20,543,702	19,644,151
Placements with and loans and advances to banks	31,395,648	31,147,312
Trading securities	2,159,163	1,879,112
Derivative financial instruments	287,102	287,102
Financial assets designated at fair value through profit or loss	2,197,771	2,196,213
Available-for-sale securities	20,761,221	20,551,024
Held-to-maturity securities	4,494,367	4,003,352
Advances and other accounts	125,189,601	124,358,182
Interests in subsidiaries	-	675,343
Interests in jointly controlled entities	211,015	130,337
Interest in an associate	4,328	-
Investment properties	2,553,350	2,650,350
Interests in leasehold land	230,892	183,416
Other properties and equipment	824,095	751,452
Tax recoverable	3,315	3,281
Deferred tax assets	80,119	44,541
Total assets	<u>210,935,689</u>	<u>208,505,168</u>
Liabilities		
Deposits and balances from banks	20,240,251	20,240,251
Trading liabilities	162,898	-
Derivative financial instruments	938,624	938,624
Financial liabilities designated at fair value through profit or loss	561,028	561,028
Deposits from customers	144,194,899	145,187,462
Certificates of deposit issued	16,469,371	16,469,371
Subordinated debt issued	4,537,677	4,537,677
Current taxation	247,034	221,689
Deferred tax liabilities	1,862	920
Other accounts and accruals	5,153,482	2,574,738
Total liabilities	<u>192,507,126</u>	<u>190,731,760</u>
Equity		
Share capital	1,160,951	1,160,951
Reserves	17,091,954	16,612,457
Total equity attributable to shareholders of the Bank	<u>18,252,905</u>	<u>17,773,408</u>
Non-controlling interests	175,658	-
Total equity	<u>18,428,563</u>	<u>17,773,408</u>
Total equity and liabilities	<u>210,935,689</u>	<u>208,505,168</u>

**Expanded consolidated statement of financial position under the regulatory scope of consolidation
with capital components breakdown
As at 30 June 2013**

	Consolidated statement of financial position as in published interim financial disclosure statements 30/6/2013 HK\$'000	Under regulatory scope of consolidation 30/6/2013 HK\$'000	Cross reference to definition of capital components
Assets			
Cash and short-term funds	20,543,702	19,644,151	
Placements with and loans and advances to banks	31,395,648	31,147,312	
Trading securities	2,159,163	1,879,112	
Derivative financial instruments	287,102	287,102	
Financial assets designated at fair value through profit or loss	2,197,771	2,196,213	
Available-for-sale securities	20,761,221	20,551,024	
Held-to-maturity securities	4,494,367	4,003,352	
Advances and other accounts	125,189,601	124,358,182	
- <i>Loans</i>			
<i>of which:</i>			
- <i>collective impairment allowances reflected in regulatory capital</i>		(228,870)	a
- <i>significant capital investments in financial sector entities exceeding 10% threshold</i>		363,097	b
- <i>Other assets</i>			
<i>of which:</i>			
- <i>Defined benefit pension fund net assets</i>		34,383	c
Interests in subsidiaries	-	675,343	
Interests in jointly controlled entities	211,015	130,337	
Interest in an associate	4,328	-	
Investment properties	2,553,350	2,650,350	
Interests in leasehold land	230,892	183,416	
Other properties and equipment	824,095	751,452	
Tax recoverable	3,315	3,281	
Deferred tax assets	80,119	44,541	d
Total assets	210,935,689	208,505,168	

**Expanded consolidated statement of financial position under the regulatory scope of consolidation
with capital components breakdown
As at 30 June 2013**

	Consolidated statement of financial position as in published interim financial disclosure statements 30/6/2013 HK\$'000	Under regulatory scope of consolidation 30/6/2013 HK\$'000	Cross reference to definition of capital components
Liabilities			
Deposits and balances from banks	20,240,251	20,240,251	
Trading liabilities	162,898	-	
Derivative financial instruments	938,624	938,624	
Financial liabilities designated at fair value through profit or loss	561,028	561,028	
Deposits from customers	144,194,899	145,187,462	
Certificates of deposit issued	16,469,371	16,469,371	
Subordinated debt issued	4,537,677	4,537,677	
<i>of which:</i>			
- subordinated debt eligible for inclusion in regulatory capital		4,083,910	e
- subordinated debt not eligible for inclusion in regulatory capital		453,767	
Current taxation	247,034	221,689	
Deferred tax liabilities	1,862	920	
Other accounts and accruals	5,153,482	2,574,738	
Total liabilities	<u>192,507,126</u>	<u>190,731,760</u>	
Equity			
Share capital	1,160,951	1,160,951	f
Reserves	17,091,954	16,612,457	
<i>of which:</i>			
- General reserve		1,003,730	g
- Capital reserve		20,000	h
- Bank premises revaluation reserve		48,219	i
- Investment revaluation reserve		77,876	j
- Retained earnings		15,462,632	k
<i>of which:</i>			
- revaluation of land and buildings		3,118,124	l
- regulatory reserve for general banking risks		1,106,864	m
Total equity attributable to shareholders of the Bank	<u>18,252,905</u>	<u>17,773,408</u>	
Non-controlling interests	175,658	-	
Total equity	<u>18,428,563</u>	<u>17,773,408</u>	
Total equity and liabilities	<u>210,935,689</u>	<u>208,505,168</u>	

Transitional Disclosure Template
As at 30 June 2013

		Amounts subject to pre-Base I treatment*	Cross-referenced to Consolidated Balance Sheet
		HK\$'000	HK\$'000
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	1,160,951	
2	Retained earnings	15,462,632	f
3	Disclosed reserves	1,149,825	k
4	<i>Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)</i>	Not applicable	g+h+i+j
	<i>Public sector capital injections grandfathered until 1 January 2018</i>	Not applicable	
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	CET1 capital before regulatory deductions	17,773,408	
CET1 capital: regulatory deductions			
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liability)	-	
9	Other intangible assets (net of associated deferred tax liability)	-	
10	Deferred tax assets net of deferred tax liabilities	(44,541)	d
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Gain-on-sale arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	-	34,383 c
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	(363,097)	b
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	
23	of which: significant investments in the common stock of financial sector entities	Not applicable	
24	of which: mortgage servicing rights	Not applicable	
25	of which: deferred tax assets arising from temporary differences	Not applicable	
26	National specific regulatory adjustments applied to CET1 capital	(4,273,207)	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	(3,166,343)	i+l
26b	Regulatory reserve for general banking risks	(1,106,864)	m
26c	Securitization exposures specified in a notice given by the Monetary Authority	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	(4,680,845)	
29	CET1 capital	13,092,563	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	<i>Capital instruments subject to phase out arrangements from AT1 capital</i>	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
35	<i>of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements</i>	-	
36	AT1 capital before regulatory deductions	-	
AT1 capital: regulatory deductions			
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
41a	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Base I treatment which, during transitional period, remain subject to deduction from Tier 1 capital	-	
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	-	
ii	of which: Capital shortfall of regulated non-bank subsidiaries	-	

Transitional Disclosure Template
As at 30 June 2013

		Amounts subject to pre- Basel III treatment*	Cross-referenced to Consolidated Balance Sheet
		HK\$'000	HK\$'000
iii	of which: Investments in own CET1 capital instruments	-	
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	-	
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
vi	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
vii	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	-	
45	Tier 1 capital (Tier 1 = CET1 + AT1)	13,092,563	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
47	Capital instruments subject to phase out arrangements from Tier 2 capital	4,083,910	e
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	
49	of which: capital instruments issued by subsidiaries subject to phase out arrangements	-	
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	1,335,734	-a+m
51	Tier 2 capital before regulatory deductions	5,419,644	
Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments	-	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
56	National specific regulatory adjustments applied to Tier 2 capital	1,424,854	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	1,424,854	45% of (i+1)
56b	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	-	
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	-	
ii	of which: Capital shortfall of regulated non-bank subsidiaries	-	
iii	of which: Investments in own CET1 capital instruments	-	
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	-	
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
vi	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
vii	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
57	Total regulatory deductions to Tier 2 capital	1,424,854	
58	Tier 2 capital	6,844,498	
59	Total capital (Total capital = Tier 1 + Tier 2)	19,937,061	
59a	Deduction items under Basel III which during transitional period remain subject to risk-weighting, based on pre-Basel III treatment	-	
i	of which: Mortgage servicing rights	-	
ii	of which: Defined benefit pension fund net assets	-	
iii	of which: Investments in own CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments	-	
iv	of which: Capital investment in a connected company which is a commercial entity	-	
v	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
vi	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
60	Total risk weighted assets	144,129,279	
Capital ratios (as a percentage of risk weighted assets)			
61	CET1 capital ratio	9.08%	
62	Tier 1 capital ratio	9.08%	
63	Total capital ratio	13.83%	

Transitional Disclosure Template
As at 30 June 2013

**Amounts subject
to pre-Basel III
treatment***

Cross-referenced
to Consolidated
Balance Sheet

		HK\$'000	HK\$'000
64	Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements)	3.50%	
65	<i>of which: capital conservation buffer requirement</i>	0.00%	
66	<i>of which: bank specific countercyclical buffer requirement</i>	0.00%	
67	<i>of which: G-SIB or D-SIB buffer requirement</i>	0.00%	
68	CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR	4.58%	
National minima (if different from Basel 3 minimum)			
69	National CET1 minimum ratio	Not applicable	
70	National Tier 1 minimum ratio	Not applicable	
71	National Total capital minimum ratio	Not applicable	
Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	427,199	
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	1,345,566	
74	Mortgage servicing rights (net of related tax liability)	Not applicable	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Not applicable	
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the basic approach and the standardized (credit risk) approach (prior to application of cap)	1,335,734	
77	Cap on inclusion of provisions in Tier 2 under the basic approach and the standardized (credit risk) approach	1,707,383	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach	-	
Capital instruments subject to phase-out arrangements			
80	<i>Current cap on CET1 capital instruments subject to phase out arrangements</i>	Not applicable	
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	Not applicable	
82	<i>Current cap on AT1 capital instruments subject to phase out arrangements</i>	-	
83	<i>Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)</i>	-	
84	<i>Current cap on Tier 2 capital instruments subject to phase out arrangements</i>	4,083,910	
85	<i>Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)</i>	453,767	

* This refers to the position under the Banking (Capital) Rules in force on 31 December 2012.

Transitional Disclosure Template
As at 30 June 2013

Notes to the template:

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

Row No.	Description	Hong Kong basis	Basel III basis
		HK\$'000	HK\$'000
	Other intangible assets (net of associated deferred tax liability)	-	-
9	<p><u>Explanation</u></p> <p>As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (MSRs) may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</p>		
10	<p>Deferred tax assets net of deferred tax liabilities</p> <p>(44,541)</p> <p>-</p> <p><u>Explanation</u></p> <p>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs that rely on future profitability of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III.</p> <p>The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities and other credit exposures to connected companies) under Basel III.</p>		
18	<p>Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)</p> <p>-</p> <p>-</p> <p><u>Explanation</u></p> <p>For the purpose of determining the total amount of insignificant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business.</p> <p>Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
19	<p>Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)</p> <p>(363,097)</p> <p>-</p> <p><u>Explanation</u></p> <p>For the purpose of determining the total amount of significant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business.</p> <p>Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
39	<p>Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)</p> <p>-</p> <p>-</p> <p><u>Explanation</u></p> <p>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		

Transitional Disclosure Template
As at 30 June 2013

Notes to the template:

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

Row No.	Description	Hong Kong basis	Basel III basis
		HK\$'000	HK\$'000
	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	-
54	<p><u>Explanation</u> The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in Tier 2 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
<p>Remarks: The amount of the 10% / 15% thresholds mentioned above is calculated based on the amount of CET1 capital determined under the Banking (Capital) Rules.</p>			

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1