

**Oversea-Chinese Banking Corporation Limited**

**Pillar 3 Disclosures  
(OCBC Group – As at 30 September 2023)**



**Incorporated in Singapore  
Company Registration Number: 193200032W**

---

## Table of Contents

<b>1. Introduction</b> .....	<b>3</b>
<b>2. Key Metrics</b> .....	<b>4</b>
<b>3. Leverage Ratio</b> .....	<b>5</b>
3.1 Leverage Ratio Summary Comparison Table .....	5
3.2 Leverage Ratio Common Disclosure Table .....	5
<b>4. Overview of Risk Weighted Assets</b> .....	<b>6</b>
<b>5. RWA Flow Statement for Credit Risk Exposures</b> .....	<b>7</b>
<b>6. Liquidity Coverage Ratio</b> .....	<b>7</b>

## 1. INTRODUCTION

This document presents the information in accordance with Pillar 3 (“P3”) disclosure requirements under Monetary Authority of Singapore (“MAS”) Notice 637 on Risk Based Capital Adequacy Requirements for banks incorporated in Singapore. The P3 requirements specify reporting templates for most of the quantitative disclosures to enable market participants to better compare the capital adequacy and risk profile across banks via improved consistency in public disclosure.

For purpose of the quarterly disclosure for OCBC Group (“Group”) as at 30 September 2023, explanations of the drivers behind significant differences between reporting periods for the respective sections are provided where appropriate. The disclosure on the RWA flow statements for the following are omitted as there is no exposure treated under these approaches:

- Counterparty Credit Risk (“CCR”) under the Internal Models Method (“IMM”)
- Market Risk exposures under the Internal Models Approach (“IMA”)

## 2. KEY METRICS

The table below provides an overview of the Group's prudential regulatory metrics, as stipulated by MAS Notice 637.

	(a)	(b)	(c)	(d)	(e)	
	Sep-23	Jun-23	Mar-23	Dec-22	Sep-22	
<b>Available Capital (S\$ million)</b>						
1	CET1 Capital	36,248	36,664	36,926	35,179	34,239
2	Tier 1 Capital	37,532	38,397	38,657	36,909	35,971
3	Total Capital	41,367	42,164	42,629	40,937	40,256
<b>Risk Weighted Assets (S\$ million)</b>						
4	Total RWA	245,085	237,484	231,888	231,648	237,719
<b>Risk-based Capital Ratios as a percentage of RWA (%)</b>						
5	CET1 Ratio	14.8	15.4	15.9	15.2	14.4
6	Tier 1 Ratio	15.3	16.2	16.7	15.9	15.1
7	Total Capital Ratio	16.9	17.8	18.4	17.7	16.9
<b>Additional CET1 buffer requirements as a percentage of RWA (%)</b>						
8	Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement	0.3	0.2	0.2	0.2	0.1
10	Bank G-SIB and/or D-SIB additional requirements	-	-	-	-	-
11	Total of Bank CET1 specific requirements <sup>1/</sup>	2.8	2.7	2.7	2.7	2.6
12	CET1 available after meeting the Reporting Bank's minimum capital requirements	6.9	7.8	8.4	7.7	6.9
<b>Leverage Ratio (S\$ million)</b>						
13	Total Leverage Ratio exposure measure	549,579	540,863	529,105	512,119	529,619
14	Leverage Ratio (%) <sup>2/</sup>	6.8	7.1	7.3	7.2	6.8
<b>Liquidity Coverage Ratio (S\$ million) <sup>3/</sup></b>						
15	Total High Quality Liquid Assets	87,400	84,862	80,359	79,896	76,620
16	Total net cash outflow	55,253	51,791	52,848	50,310	50,093
17	Liquidity Coverage Ratio (%)	159	164	152	159	153
<b>Net Stable Funding Ratio (S\$ million)</b>						
18	Total available stable funding	298,113	300,546	297,412	285,347	287,125
19	Total required stable funding	256,050	252,946	247,699	243,897	249,496
20	Net Stable Funding Ratio (%)	116	119	120	117	115

<sup>1/</sup> Sum of rows 8, 9 and 10

<sup>2/</sup> Computed by row 2 / row 13

<sup>3/</sup> Reported as simple averages of daily observations for the respective quarter

### 3. LEVERAGE RATIO

#### 3.1 Leverage Ratio Summary Comparison Table

	Item	Amount <sup>1</sup> (S\$m)
		30 Sep 2023
1	Total consolidated assets as per published financial statements	582,305
2	Adjustment for investments in entities that are consolidated for accounting purposes but are outside the regulatory scope of consolidation	(104,086)
3	Adjustment for fiduciary assets recognised on the balance sheet in accordance with the Accounting Standards but excluded from the calculation of exposure measure	0
4	Adjustment for derivative transactions	27,840
5	Adjustment for SFTs	380
6	Adjustment for off-balance sheet items	52,600
7	Other adjustments	(9,460)
<b>8</b>	<b>Exposure measure</b>	<b>549,579</b>

#### 3.2 Leverage Ratio Common Disclosure Table

	Item	Amount <sup>1</sup> (S\$m)	
		30 Sep 2023	30 Jun 2023
	<b>Exposure measures of on-balance sheet items</b>		
1	On-balance sheet items (excluding derivative transactions and SFTs, but including on-balance sheet collateral for derivative transactions or SFTs)	451,558	446,359
2	Asset amounts deducted in determining Tier 1 capital	(9,460)	(9,250)
3	<b>Total exposures measures of on-balance sheet items</b> (excluding derivative transactions and SFTs)	<b>442,099</b>	<b>437,109</b>
	<b>Derivative exposure measures</b>		
4	Replacement cost associated with all derivative transactions (net of the eligible cash portion of variation margins)	20,240	20,446
5	Potential future exposure associated with all derivative transactions	25,220	23,190
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	221	193
10	Further adjustments in effective notional amounts and deductions from potential future exposures of written credit derivatives	-	-
11	<b>Total derivative exposure measures</b>	<b>45,681</b>	<b>43,829</b>
	<b>SFT exposure measures</b>		
12	Gross SFT assets (with no recognition of accounting netting), after adjusting for sales accounting	8,819	10,107
13	Eligible netting of cash payables and cash receivables	-	-
14	SFT counterparty exposures	380	247
15	SFT exposure measures where a Reporting Bank acts as an agent in the SFTs	-	-
16	<b>Total SFT exposure measures</b>	<b>9,199</b>	<b>10,354</b>
	<b>Exposure measures of off-balance sheet items</b>		
17	Off-balance sheet items at notional amount	221,181	220,510
18	Adjustments for calculation of exposure measures of off-balance sheet items	(168,581)	(170,939)
19	<b>Total exposure measures of off-balance sheet items</b>	<b>52,600</b>	<b>49,571</b>
	<b>Capital and Total exposures</b>		
20	<b>Tier 1 capital</b>	<b>37,532</b>	<b>38,397</b>
21	<b>Total exposures</b>	<b>549,579</b>	<b>540,863</b>
	<b>Leverage Ratio</b>		
22	<b>Leverage ratio</b>	<b>6.8%</b>	<b>7.1%</b>

<sup>1</sup>Computed using quarter-end balances

SFT: Securities Financing Transactions

CCP: Central Counterparty

#### 4. OVERVIEW OF RISK WEIGHTED ASSETS

The table below provides an overview of the Group's total RWA, broken down by the approaches with which the RWA are computed, as stipulated by MAS Notice 637. The increase in total RWA in the third quarter of 2023 was mainly attributed to Corporate loan growth and higher Derivative exposures.

S\$ million	RWA		Minimal Capital Requirements <sup>1/</sup>
	(a) Sep-23	(b) Jun-23	(c) Sep-23
<b>1</b> Credit Risk (excluding Counterparty Credit Risk)	189,283	185,467	18,928
<b>2</b> Of which: Standardised Approach	26,322	27,313	2,632
<b>3</b> Of which: Foundation Internal Ratings-Based Approach (F-IRBA)	146,016	140,981	14,602
<b>4</b> Of which: Supervisory Slotting Approach	3,663	4,090	366
<b>5</b> Of which: Advanced Internal Ratings-Based Approach (A-IRBA)	13,282	13,083	1,328
<b>6</b> Credit Risk: Counterparty Credit Risk (CCR)	8,180	6,390	818
<b>7</b> Of which: SA-CCR	7,030	3,571	703
<b>8</b> Of which: Internal Models Method	-	-	-
<b>9</b> Of which: Other CCR	350	563	35
<b>9a</b> Of which: Central Counterparties (CCP)	800	2,256	80
<b>10</b> Credit Valuation Adjustments (CVA)	3,901	3,039	390
<b>11</b> Equity exposures under Simple Risk Weight Method	-	-	-
<b>11a</b> Equity exposures under Internal Models Method	-	-	-
<b>12</b> Equity investments in funds - Look Through Approach	134	142	13
<b>13</b> Equity investments in funds - Mandate-Based Approach	197	226	20
<b>14</b> Equity investments in funds - Fall Back Approach	48	9	5
<b>14a</b> Equity investments in funds - Partial Use of an Approach	120	123	12
<b>15</b> Unsettled Transactions	#	1	#
<b>16</b> Securitisation exposures in banking book	-	-	-
<b>17</b> Of which: SEC-IRBA	-	-	-
<b>18</b> Of which: SEC-ERBA, including IAA	-	-	-
<b>19</b> Of which: SEC-SA	-	-	-
<b>20</b> Market Risk	10,889	10,442	1,089
<b>21</b> Of which: Standardised Approach	10,889	10,442	1,089
<b>22</b> Of which: Internal Models Approach	-	-	-
<b>23</b> Operational Risk	22,060	21,321	2,206
<b>24</b> Credit RWA pursuant to paragraph 6.1.3(p)(iii) <sup>2/</sup>	10,273	10,324	1,027
<b>25</b> Floor Adjustment	-	-	-
<b>26</b> <b>Total</b>	<b>245,085</b>	<b>237,484</b>	<b>24,508</b>

<sup>1/</sup> Minimum capital requirements are calculated at 10% of RWA

<sup>2/</sup> Refers to Credit RWA attributed to investments in the ordinary shares of unconsolidated major stake companies that are financial institutions, within the prescribed threshold amount in accordance with MAS Notice 637 paragraph 6.1.3 (p)(iii)

# Represents amounts of less than \$0.5 million

## 5. RWA FLOW STATEMENT FOR CREDIT RISK EXPOSURES

This table provides an overview of the quarter-on-quarter movement of Credit RWA (“CRWA”) attributed to the key drivers from rows 2 to 8.

The increase in CRWA during third quarter of 2023 was primarily due to the Corporate loan growth.

S\$ million	(a) RWA
<b>1 RWA as at 30 June 2023 <sup>1/</sup></b>	<b>158,154</b>
2 Asset Size <sup>2/</sup>	6,266
3 Asset Quality <sup>3/</sup>	(1,273)
4 Model Updates <sup>4/</sup>	218
5 Methodology and Policy <sup>5/</sup>	-
6 Acquisitions and Disposals <sup>6/</sup>	-
7 Foreign exchange movements <sup>7/</sup>	(404)
8 Other <sup>8/</sup>	-
<b>9 RWA as at 30 September 2023 <sup>1/</sup> (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8)</b>	<b>162,961</b>

<sup>1/</sup> Refers to RWA of Credit Risk (excluding Counterparty Credit Risk) exposures under IRB Approach and Supervisory Slotting Approach

<sup>2/</sup> Refers to organic changes in book size and composition (origination of new businesses and maturing loans), excluding acquisitions and disposal of entities

<sup>3/</sup> Refers to changes in the assessed quality of the bank’s assets due to changes in borrower risk, residual maturity or similar effects

<sup>4/</sup> Refers to changes due to model implementation, changes in model scope, or any model enhancements

<sup>5/</sup> Refers to changes driven by methodological changes such as regulatory policy changes

<sup>6/</sup> Refers to changes in book size due to acquisition and disposal of entities or portfolios

<sup>7/</sup> Refers to changes driven by market movements such as foreign exchange movements

<sup>8/</sup> Refers to changes that cannot be attributed to any other category

## 6. LIQUIDITY COVERAGE RATIO

The Group is subjected to the Liquidity Coverage Ratio (“LCR”) requirements under the MAS Notice 649. As at 1 January 2019, the Group is required to maintain daily all-currency and Singapore dollar (“SGD”) LCR of at least 100% on an ongoing basis.

LCR aims to ensure that a Bank maintains an adequate level of unencumbered High Quality Liquid Assets (“HQLA”) that can be quickly and easily converted into cash to meet any liquidity needs for a 30-calendar day liquidity stress scenario.

## 6. Liquidity Coverage Ratio (continued)

The following quarterly disclosures are made pursuant to the MAS Notice 651 “Liquidity Coverage Ratio Disclosure”.

For 3Q23, the average SGD and all-currency LCRs for the Group were 422% and 159% respectively. Compared to 2Q23, the average SGD LCR increased by 12 percentage points largely driven by an increase in HQLA. The average all-currency LCR decreased by 5 percentage points due to higher maturing outflows from wholesale funding.

The Group continues to focus on acquiring stable deposits and on maintaining a mix of HQLA comprising mainly of Level 1 central bank reserves and liquid sovereign bonds. The Asset & Liability Management Desk in Global Markets manages the day-to-day liquidity needs of the Group and is subject to liquidity limits and triggers that serve as risk control on the Group’s liquidity exposure.

### Average Group All Currency LCR for 3Q23

The data presented in the quantitative disclosure are simple averages of daily observations over the quarter. The number of data points in calculating the average figures is 92.

Group - ALL Currency (\$5m)		Total Unweighted Value (average)	Total Weighted Value (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		87,400
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	184,746	15,771
3	Stable deposits	53,168	2,658
4	Less stable deposits	131,578	13,113
5	Unsecured wholesale funding, of which:	123,524	58,956
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	36,731	8,845
7	Non-operational deposits (all counterparties)	79,321	42,638
8	Unsecured debt	7,472	7,472
9	Secured wholesale funding		842
10	Additional requirements, of which:	80,861	43,827
11	Outflows related to derivative exposures and other collateral requirements	38,933	38,824
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	41,928	5,003
14	Other contractual funding obligations	1,401	1,401
15	Other contingent funding obligations	17,725	532
16	<b>TOTAL CASH OUTFLOWS</b>		121,330
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)	3,461	1,430
18	Inflows from fully performing exposures	44,518	26,899
19	Other cash inflows	37,869	37,748
20	<b>TOTAL CASH INFLOWS</b>	85,848	66,076
			TOTAL ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		87,400
22	<b>TOTAL NET CASH OUTFLOWS</b>		55,253
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		159



## 6. Liquidity Coverage Ratio (continued)

### Average Group SGD LCR for 3Q23

The data presented in the quantitative disclosure are simple averages of daily observations over the quarter. The number of data points in calculating the average figures is 92.

Group - SGD (S\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		42,127
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	109,663	8,716
3	Stable deposits	45,009	2,250
4	Less stable deposits	64,654	6,465
5	Unsecured wholesale funding, of which:	26,829	10,522
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	10,224	2,463
7	Non-operational deposits (all counterparties)	16,342	7,796
8	Unsecured debt	263	263
9	Secured wholesale funding		-
10	Additional requirements, of which:	30,882	16,522
11	Outflows related to derivative exposures and other collateral requirements	15,125	15,125
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	15,757	1,397
14	Other contractual funding obligations	935	935
15	Other contingent funding obligations	2,068	62
16	<b>TOTAL CASH OUTFLOWS</b>		36,756
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)	1,053	-
18	Inflows from fully performing exposures	4,961	2,715
19	Other cash inflows	24,441	24,431
20	<b>TOTAL CASH INFLOWS</b>	30,455	27,146
			TOTAL ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		42,127
22	<b>TOTAL NET CASH OUTFLOWS</b>		10,131
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		422