

**SCOTIABANK (HONG KONG) LIMITED**

**Regulatory Disclosures**

**April 30, 2021**

**(unaudited)**

## Template KM1: Key prudential ratios

The table below provides an overview of key prudential ratios:

		(a)	(b)	(c)	(d)	(e)
		30-Apr-21	31-Jan-21	31-Oct-20	31-Jul-20	30-Apr-20
HKD'000						
<b>Regulatory capital (amount)</b>						
1	Common Equity Tier 1 (CET1)	177,566	178,160	2,875,814	2,880,063	5,479,218
2	Tier 1	177,566	178,160	2,875,814	2,880,063	5,479,218
3	Total capital	177,566	178,160	2,875,838	2,880,228	5,481,786
<b>RWA (amount)</b>						
4	Total RWA	273,662	298,987	877,990	1,473,895	8,873,311
<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>						
5	CET1 ratio (%)	64.89%	59.59%	327.55%	195.40%	61.75%
6	Tier 1 ratio (%)	64.89%	59.59%	327.55%	195.40%	61.75%
7	Total capital ratio (%)	64.89%	59.59%	327.55%	195.42%	61.78%
<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>						
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical capital buffer requirement (%)	1.00%	1.00%	1.00%	0.99%	0.90%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	NA	NA	NA	NA	NA
11	Total AI-specific CET1 buffer requirements (%)	3.50%	3.50%	3.50%	3.49%	3.40%
12	CET1 available after meeting the AI's minimum capital requirements (%)	56.89%	51.59%	319.54%	187.42%	53.85%
<b>Basel III leverage ratio</b>						
13	Total leverage ratio (LR) exposure measure	178,047	180,722	2,888,372	3,377,509	12,701,840
14	LR (%)	99.73%	98.58%	99.57%	85.27%	43.14%
<b>Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)</b>						
Applicable to category 1 institution only:						
15	Total high quality liquid assets (HQLA)	NA	NA	NA	NA	NA
16	Total net cash outflows	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
Applicable to category 2 institution only:						
17a	LMR (%)	99,999,999.99 %	33,333,382.13 %	236.92 %	150.53 %	85.27 %
<b>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</b>						
Applicable to category 1 institution only:						
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required stable funding	NA	NA	NA	NA	NA
20	NSFR (%)	NA	NA	NA	NA	NA
Applicable to category 2A institution only:						
20a	CFR (%)	64,510.66 %	475,787.77 %	527,766.44 %	1,044.63 %	99.56 %

## Template OV1: Overview of Risk Weighted Assets

The table below provides an overview of capital requirements in terms of a detailed breakdowns of RWAs for various risks:

		(a)	(b)	(c)
		RWA		Minimum capital requirements
	HKD'000	30-Apr-21	31-Jan-21	30-Apr-21
1	Credit risk for non-securitization exposures	35,887	36,499	2,871
2	Of which STC approach	35,887	36,499	2,871
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
6	Counterparty default risk and default fund contributions	-	-	-
7	Of which SA-CCR*	-	-	-
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	-	-	-
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA*	-	-	-
13	CIS exposures – MBA*	-	-	-
14	CIS exposures – FBA*	-	-	-
14a	CIS exposures – combination of approaches*	-	-	-
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	Market risk	-	-	-
21	Of which STM approach	-	-	-
22	Of which IMM approach	-	-	-
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*	-	-	-
24	Operational risk	237,775	262,488	19,022
24a	Sovereign concentration risk*	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	-	-	-
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
27	Total	273,662	298,987	21,893

Point to note:

(i) Items marked with an asterisk (\*) will be applicable only after their respective policy frameworks take effect. Until then, "Not applicable" should be reported in the rows.

## Template CC1: Composition of regulatory capital

The below table provides a breakdown of the constituent elements of total capital

	(a)	(b)
	Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
HKD'000		
<b>CET1 capital: instruments and reserves</b>		
1 Directly issued qualifying CET1 capital instruments plus any related share premium	100,006	[7]
2 Retained earnings	77,560	[8]
3 Disclosed reserves	-	[9]
4 <i>Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)</i>	Not applicable	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)	-	
<b>6 CET1 capital before regulatory deductions</b>	177,566	
<b>CET1 capital: regulatory deductions</b>		
7 Valuation adjustments	-	
8 Goodwill (net of associated deferred tax liabilities)	-	
9 Other intangible assets (net of associated deferred tax liabilities)	-	
10 Deferred tax assets (net of associated deferred tax liabilities)	-	[5]
11 Cash flow hedge reserve	-	
12 Excess of total EL amount over total eligible provisions under the IRB approach	-	
13 Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital 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)	-	
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 LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19 Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20 Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21 Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22 Amount exceeding the 15% threshold	Not applicable	Not applicable
23 of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24 of which: mortgage servicing rights	Not applicable	Not applicable
25 of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26 National specific regulatory adjustments applied to CET1 capital	-	
26a Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	-	
26b Regulatory reserve for general banking risks	-	
26c Securitization exposures specified in a notice given by the MA	-	
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	-	
<b>28 Total regulatory deductions to CET1 capital</b>	-	
<b>29 CET1 capital</b>	177,566	

	<b>AT1 capital: instruments</b>		
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	<b>AT1 capital before regulatory deductions</b>	-	
	<b>AT1 capital: regulatory deductions</b>		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC 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	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	<b>Total regulatory deductions to AT1 capital</b>	-	
44	<b>AT1 capital</b>	-	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	177,566	
	<b>Tier 2 capital: instruments and provisions</b>		
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
47	<i>Capital instruments subject to phase-out arrangements from Tier 2 capital</i>	-	
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	<i>of which: capital instruments issued by subsidiaries subject to phase-out arrangements</i>	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	-	[1+2+3+4+6]
51	<b>Tier 2 capital before regulatory deductions</b>	-	
	<b>Tier 2 capital: regulatory deductions</b>		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	-	
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	-	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	-	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	-	
58	<b>Tier 2 capital (T2)</b>	-	
59	<b>Total regulatory capital (TC = T1 + T2)</b>	177,566	
60	<b>Total RWA</b>	273,662	
	<b>Capital ratios (as a percentage of RWA)</b>		
61	<b>CET1 capital ratio</b>	64.89%	

62	<b>Tier 1 capital ratio</b>	64.89%	
63	<b>Total capital ratio</b>	64.89%	
64	<b>Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)</b>	3.50%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical capital buffer requirement	1.00%	
67	of which: higher loss absorbency requirement	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	56.89%	
<b>National minima (if different from Basel 3 minimum)</b>			
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
<b>Applicable caps on the inclusion of provisions in Tier 2 capital</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	-	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	Current cap on CET1 capital instruments subject to phase-out arrangements	Not applicable	Not applicable
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	Not applicable
82	Current cap on AT1 capital instruments subject to phase-out arrangements	-	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on Tier 2 capital instruments subject to phase-out arrangements	-	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-	

Notes to the Template

	Description	Hong Kong basis	Basel III basis
	<b>Deferred tax assets (net of associated deferred tax liabilities)</b>	-	-
	<u>Explanation</u>		
10	As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs 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. 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 or other credit exposures to connected companies) under Basel III.		

## Template CC2: Reconciliation of regulatory capital to balance sheet

The below table shows the link between the balance sheet in published financial statements and the numbers that are used in the composition of regulatory capital disclosure template set out in Template CC1.

	(a)	(b)	(c)
	<b>Balance sheet as in published financial statements and under regulatory scope of consolidation</b>		<b>Reference</b>
HKD'000	30-Apr-21		
<b>Assets</b>			
Cash and cash equivalents		177,700	
<i>of which: collective provision eligible for Tier 2 capital</i>		-	[1]
Loans and advances		-	
<i>of which: collective provision eligible for Tier 2 capital</i>		-	[2]
Trade bills		-	
<i>of which: collective provision eligible for Tier 2 capital</i>		-	[3]
Investment securities measured at fair value through other comprehensive income		-	
<i>of which: collective provision eligible for Tier 2 capital</i>		-	[4]
Deferred tax assets		-	
<i>of which: arising from collective provision</i>		-	[5]
Other assets		347	
<b>Total assets</b>		<b>178,047</b>	
<b>Liabilities</b>			
Deposits and balances with banks		-	
Current taxation		281	
Other liabilities		200	
<i>of which: collective provision eligible for Tier 2 capital</i>		-	[6]
<b>Total liabilities</b>		<b>481</b>	
<b>Equity</b>			
Share capital		100,006	[7]
Reserves		77,560	
<i>of which: retained profits</i>		77,560	[8]
<i>of which: revaluation of investment securities eligible for CET1 capital</i>		-	[9]
<b>Total equity</b>		<b>177,566</b>	
<b>Total liabilities and equity</b>		<b>178,047</b>	

### Note:

Carrying values as reported in published financial statements and regulatory scope of consolidation are exactly the same, as the Company does not have any subsidiary.

**Table CCA: Main features of regulatory capital instruments**

The below table provides a description on the main features of the CET1, Additional Tier 1 and Tier 2 capital instruments, as applicable, that are included in regulatory capital.

		(a)
		Quantitative / qualitative information
1	Issuer	SCOTIABANK (HONG KONG) LIMITED
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	HONG KONG
<i>Regulatory treatment</i>		
4	<a href="#">Transitional Basel III rules<sup>[1]</sup></a>	NA
5	<a href="#">Post-transitional Basel III rules<sup>[2]</sup></a>	Common Equity Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD100MM
9	Par value of instrument	NA
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Since incorporation
12	Perpetual or dated	Perpetual
13	Original maturity date	NA
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
<i>Coupons / dividends</i>		
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
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	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
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).	NA
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

<sup>[1]</sup> Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H to the BCR.

<sup>[2]</sup> Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H to the BCR.



## Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer (“CCyB”)

The below table provides an overview of the geographical distribution of private sector credit exposures relevant for the calculation of CCyB ratio:

		(a)	(c)	(d)	(e)
	<b>Geographical breakdown by Jurisdiction (J)</b>	<b>Applicable JCCyB ratio in effect (%)</b>	<b>RWA used in computation of CCyB ratio (HKD'000)</b>	<b>AI-specific CCyB ratio (%)</b>	<b>CCyB amount (HKD'000)</b>
1	Hong Kong SAR	1.00%	347		
	Sum		347		
	Total (include jurisdictions with zero JCCyB ratio)		347	1.00%	3

### Template LR1: Summary comparison of accounting assets against leverage ratio (“LR”) exposure measure

The below table reconciles the total assets in the published financial statements (if any) to the LR exposure measure.

	Item	Value under the LR framework HKD'000
1	Total consolidated assets as per published financial statements	178,047
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
4	Adjustments for derivative contracts	-
5	Adjustment for SFTs (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet (“OBS”) items (i.e. conversion to credit equivalent amounts of OBS exposures)	-
6a	Adjustment for specific and collective provisions that are allowed to be excluded from exposure measure	-
7	Other adjustments	-
8	<b>Leverage ratio exposure measure</b>	178,047

## Template LR2: Leverage ratio ("LR")

The below table provides a detailed breakdown of the components of the LR denominator:

		(a)	(b)
		HKD'000	
		30-Apr-21	31-Jan-21
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	178,047	180,722
2	Less: Asset amounts deducted in determining Tier 1 capital	-	-
3	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs)</b>	178,047	180,722
<b>Exposures arising from derivative contracts</b>			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
5	Add-on amounts for PFE associated with all derivative contracts	-	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	-	-
11	<b>Total exposures arising from derivative contracts</b>	-	-
<b>Exposures arising from SFTs</b>			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	<b>Total exposures arising from SFTs</b>	-	-
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	-	-
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	<b>Off-balance sheet items</b>	-	-
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	177,566	178,160
20a	<b>Total exposures before adjustments for specific and collective provisions</b>	178,047	180,722
20b	<b>Adjustments for specific and collective provisions</b>	-	-
21	<b>Total exposures after adjustments for specific and collective provisions</b>	178,047	180,722
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	99.73%	98.58%

## Template CR1: Credit quality of exposures

The table below provides an overview of the credit quality of on- and off-balance sheet exposures as at April 30, 2021:

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Gross carrying amounts of		Allowances / impairments	Of which ECL accounting provisions for credit losses on STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values  (a+b-c)
	Defaulted exposures	Non- defaulted exposures		Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		
HKD'000							
Loans	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Off-balance sheet exposures	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

## Template CR2: Changes in defaulted loans and debt securities

The table below provides information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs as at April 30, 2021:

HKD'000		(a)
		Amount
1	<b>Defaulted loans and debt securities at end of the previous reporting period</b>	-
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	<b>Defaulted loans and debt securities at end of the current reporting period</b>	-

### Template CR3: Overview of recognized credit risk mitigation

The table below discloses the extent of credit risk exposures covered by different types of recognized CRM as at April 30, 2021:

HKD'000		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
1	Loans	-	-	-	-	-
2	Debt securities	-	-	-	-	-
<b>3</b>	<b>Total</b>	-	-	-	-	-
4	Of which defaulted	-	-	-	-	-

**Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach**

The table below illustrates the effect of any recognized CRM (including recognized collateral under both comprehensive and simple approaches) on the calculation of capital requirements, and RWA density provides a synthetic metric on riskiness of each portfolio as at April 30, 2021:

HKD'000		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	-	-	-	-	-	0%
2	PSE exposures	-	-	-	-	-	0%
2a	<i>Of which: domestic PSEs</i>	-	-	-	-	-	0%
2b	<i>Of which: foreign PSEs</i>	-	-	-	-	-	0%
3	Multilateral development bank exposures	-	-	-	-	-	0%
4	Bank exposures	177,700	-	177,700	-	35,540	20%
5	Securities firm exposures	-	-	-	-	-	0%
6	Corporate exposures	-	-	-	-	-	0%
7	CIS exposures	-	-	-	-	-	0%
8	Cash items	-	-	-	-	-	0%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	0%
10	Regulatory retail exposures	-	-	-	-	-	0%
11	Residential mortgage loans	-	-	-	-	-	0%
12	Other exposures which are not past due exposures	347	-	347	-	347	100%
13	Past due exposures	-	-	-	-	-	0%
14	Significant exposures to commercial entities	-	-	-	-	-	0%
15	<b>Total</b>	178,047	-	178,047	-	35,887	20%

## Template CR5: Credit risk exposures by asset classes and by risk weights – for STC approach

The below table presents a breakdown of credit risk exposures by asset classes and by risk weights (corresponding to the classification of exposures according to the STC approach used) as at April 30, 2021:

HKD'000		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(ha)	(i)	(j)
Risk Weight		0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
Exposure class												
1	Sovereign exposures	-	-	-	-	-	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-
2a	<i>Of which: domestic PSEs</i>	-	-	-	-	-	-	-	-	-	-	-
2b	<i>Of which: foreign PSEs</i>	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	177,700	-	-	-	-	-	-	-	177,700
5	Securities firm exposures	-	-	-	-	-	-	-	-	-	-	-
6	Corporate exposures	-	-	-	-	-	-	-	-	-	-	-
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Cash items	-	-	-	-	-	-	-	-	-	-	-
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-	-	-
10	Regulatory retail exposures	-	-	-	-	-	-	-	-	-	-	-
11	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-
12	Other exposures which are not past due exposures	-	-	-	-	-	-	347	-	-	-	347
13	Past due exposures	-	-	-	-	-	-	-	-	-	-	-
14	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
15	Total	-	-	177,700	-	-	-	347	-	-	-	178,047



**Template CR6, CR7, CR8, CR10 - Credit Risk for Non-securitization Exposures Disclosures for IRB Approach**

Not applicable as Scotiabank (Hong Kong) Limited adopts standardized approach.

**Template CCR1, CCR2, CCR3, CCR4, CCR5, CCR6, CCR7, CCR8 - Counterparty Credit Risk Disclosures**

Not applicable as Scotiabank (Hong Kong) Limited did not have exposure that was subject to counterparty credit risk capital charge.

**Template SEC1, SEC2, SEC3, SEC4 - Securitization Exposures Disclosures**

Not applicable as Scotiabank (Hong Kong) Limited did not have securitization exposures.

**Template MR1, MR2, MR3, MR4 - Market Risk Disclosures**

Not applicable as Scotiabank (Hong Kong) Limited is exempted from maintaining capital against market risk by the HKMA under S.22(1) of the Banking (Capital) Rules.