

補充財務資料 | Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

以下有關本集團資料披露只列作賬目中附帶資料，並不屬於經審核賬目之一部份。

The following information is disclosed as part of the accompanying information to the accounts and does not form part of the audited accounts.

一、各項客戶貸款、不履行、逾期及經重組資產

1. ADVANCES TO CUSTOMERS, NON-PERFORMING, OVERDUE AND RESCHEDULED ASSETS

(甲) 客戶貸款總額 — 按行業及貸款用途分類：

(a) Gross advances to customers by industry sector classified according to the usage of the loan are:

		2004	2003
工商金融	Industrial, commercial and financial		
— 物業發展	– Property development	179,157	74,024
— 物業投資	– Property investment	3,100,094	2,380,652
— 金融企業	– Financial concerns	537,898	385,350
— 股票經紀	– Stockbrokers	14,978	9,065
— 批發與零售	– Wholesale and retail trade	1,033,707	1,018,219
— 製造業	– Manufacturing	2,756,340	2,262,914
— 運輸及運輸設備	– Transport and transport equipment	1,904,984	1,903,823
— 其他	– Others	1,009,823	752,300
		10,536,981	8,786,347
個人	Individuals		
— 購買「居者有其屋計劃」、 「私人參建居屋計劃」及 「租者置其屋計劃」樓宇貸款	– Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	2,143,031	2,204,899
— 購買其他住宅物業的貸款	– Loans for the purchase of other residential properties	9,950,171	8,801,491
— 信用卡貸款	– Credit card advances	2,356,865	2,131,724
— 其他	– Others	3,476,438	2,770,559
		17,926,505	15,908,673
在香港使用的貸款	Loans for use in Hong Kong	28,463,486	24,695,020
貿易融資	Trade finance	3,340,369	2,657,311
在香港以外使用的貸款	Loans for use outside Hong Kong	724,559	575,033
		32,528,414	27,927,364

超過九成之客戶貸款的客戶皆在香港。

Over 90% of gross advances to customers were extended to customers located in Hong Kong.

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一、各項客戶貸款、不履行、逾期及經重組資產 (續)

1. ADVANCES TO CUSTOMERS, NON-PERFORMING, OVERDUE AND RESCHEDULED ASSETS (Continued)

(乙) 不履行貸款：

(b) Non-performing loans:

		2004	佔客戶貸款 百分比 % of Advances to Customers	2003	佔客戶貸款 百分比 % of Advances to Customers
貸款總額	Gross advances	311,928	0.96	433,346	1.55
已撥出特殊準備	Specific provisions made	(137,258)		(209,965)	
		174,670		223,381	
持有抵押品市值	Market value of securities held	248,829		228,250	
懸欠利息	Interest in suspense	16,356		24,502	

(丙) 逾期未償還貸款：

(c) Overdue advances:

		2004	佔客戶貸款 百分比 % of Advances to Customers	2003	佔客戶貸款 百分比 % of Advances to Customers
逾期未償還貸款總額：	Gross advances overdue for:				
三個月以上至六個月	Six months or less but over three months	72,042	0.22	121,029	0.43
六個月以上至一年	One year or less but over six months	75,051	0.23	68,533	0.25
一年以上	Over one year	86,347	0.27	177,266	0.63
		233,440	0.72	366,828	1.31
上述貸款之仍累計利息部份	The amount on which interest is still being accrued	16,378		32,111	
有擔保逾期貸款所持的抵押品市值	Market value of securities held against the secured advances	165,013		207,073	
有擔保逾期貸款	Secured overdue advances	127,727		189,193	
無擔保逾期貸款	Unsecured overdue advances	105,713		177,635	
已撥出特殊準備	Specific provisions made	104,429		196,964	

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一、各項客戶貸款、不履行、逾期及經重組資產 (續)

1. ADVANCES TO CUSTOMERS, NON-PERFORMING, OVERDUE AND RESCHEDULED ASSETS (Continued)

(丁) 逾期未償還貸款與不履行貸款對賬如下：

(d) *Overdue advances are reconciled to non-performing loans as follows:*

		2004	2003
貸款逾期超過三個月	Advances which are overdue for more than three months	233,440	366,828
加：逾期三個月或以下之不履行貸款	Add: non-performing loans which are overdue for three months or less	25,214	65,438
加：未逾期之不履行貸款	Add: non-performing loans which are not yet overdue	41,690	7,985
加：經重組貸款減去已列入逾期貸款內之金額	Add: rescheduled advances net of amounts included in overdue advances	27,962	25,206
減：逾期超過三個月，但仍在累計利息之貸款	Less: advances which are overdue for more than three months and on which interest is still being accrued	(16,378)	(32,111)
不履行貸款	Non-performing loans	311,928	433,346

超過九成之不履行及逾期貸款的客戶皆在香港。

Over 90% of non-performing loans and overdue loans were due from customers located in Hong Kong.

(戊) 經重組貸款 (已扣除載於上述註(丙)內逾期超過三個月以上未償還貸款)

(e) *Rescheduled advances (net of those which have been overdue for over three months and reported in Note (c) above):*

		2004	佔客戶貸款 百分比 % of Advances to Customers	2003	佔客戶貸款 百分比 % of Advances to Customers
經重組貸款	Rescheduled advances	114,762	0.35	210,515	0.75
已撥出特殊準備	Specific provisions made	12,526		12,074	

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一、各項客戶貸款、不履行、逾期及經重組資產 (續)

1. ADVANCES TO CUSTOMERS, NON-PERFORMING, OVERDUE AND RESCHEDULED ASSETS (Continued)

(己) 其他逾期資產

(f) Other overdue assets

於二零零四年十二月三十一日，在資產負債表內之「貿易票據」中，包括一項已逾期三個月以上至六個月之結欠215,000港元(2003：一項已逾期一年以上之結欠394,000港元)。除此之外，於二零零四年十二月三十一日及二零零三年十二月三十一日並無其他銀行及金融機構的貸款或其他資產被分類為不履行、逾期及經重組資產。

Included in "Trade bills" in the balance sheet is an amount of HK\$215,000 which had been overdue for six months or less but over three months as at 31st December 2004 (2003: an amount of HK\$394,000 which had been overdue for over one year). Apart from this, there were no advances to banks and other financial institutions nor other assets that were classified under non-performing, overdue and rescheduled assets as at 31st December 2004 and 31st December 2003 respectively.

(庚) 收回資產

(g) Repossessed assets

於十二月三十一日，本集團的收回資產如下：

As at 31st December, the repossessed assets of the Group were as follows:

		2004	2003
收回物業	Repossessed properties	22,163	64,629
其他	Others	—	2,850
		22,163	67,479

上述總額指該收回資產於十二月三十一日之估計市場價值。

The amount represents the estimated market value of the repossessed assets as at 31st December.

二、企業管治

2. CORPORATE GOVERNANCE

企業管治牽涉公司的監管，尤其注重董事會在維持公司的誠信和操守及履行責任時所扮演的角色及運作情況。

Corporate governance is concerned with how companies are managed and controlled, and in particular the role and operation of the Board of Directors in sustaining sound business integrity and practices, and effective accountability.

(甲) 符合聲明

(a) Statement of Compliance

本集團銀行集團已完全遵從由香港金融管理局所頒發的「本地註冊認可機構的企業管治指引」所列出的要求。

The Banking Group has fully complied with the requirements set out in the Supervisory Policy Manual entitled "Corporate Governance of Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority.

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二、 企業管治 (續)

(乙) 董事會

於二零零四年十二月三十一日，董事會包括行政主席、四位執行董事(包括集團行政總裁)及十一位非執行董事所組成。董事會會議最少每年舉行三次，其主要角色在於制定並核准企業及業務策略，檢討營運及財務表現，批核主要政策及週年業務計劃，並確保維持有效的風險管理及持續遵從監管規條。

執行董事乃是由董事會依據其在集團各類業務上的經驗、專業技能及知識而作出委任。非執行董事則將他們在其他市場及業界的豐富經驗及知識引進董事會，並協助引導行政管理層發展策略、政策執行，並對董事會所商討的事項提供寶貴的外來觀點。

(丙) 董事會及專責委員會

i) 審核委員會

由本公司(「大新集團」)董事會所成立的集團審核委員會，擁有權力審核任何與整個大新集團有關的財務報告及資料披露、內部及外聘核數師審核工作、內部監控系統、風險管理的效能及合規監督等事項。委員會對董事會匯報其關注的事項及意見，並對董事會提出有關財務報告及業績報告的建議。

由三位非執行董事所組成的集團審核委員會每年與本集團的高級管理層、內部審核部主管及外聘核數師，舉行最少兩次會議。委員會主席一職，乃由一位擁有豐富財務及審核經驗的獨立非執行董事所擔任。

集團內部審核部主管需要對審核委員會作出功能上的匯報，而外聘核數師可直接與委員會聯絡，提出任何與本集團有關的觀點及意見。

(Expressed in thousands of Hong Kong dollars)

2. CORPORATE GOVERNANCE (Continued)

(b) The Board

As at 31st December 2004, the Board comprised a Chairman, four executive directors including the Group Chief Executive, and eleven non-executive directors. The Board meets at least three times each year. Its principal roles include the formulation and approval of corporate and business strategies, review of operations and financial performance, approval of key policies and annual business plans, and ensuring the maintenance of sound risk management and regulatory compliance.

Executive directors are appointed to the Board based on their experience, specialist skill and knowledge of different businesses of the Group. Non-executive directors bring to the Board their knowledge and experience of other markets and industries, guide executive management's strategy development and policy implementation, and provide valuable external perspectives in the Board's deliberations.

(c) Board and Specialised Committees

i) Audit Committee

The Group Audit Committee, established by the Board of the Company ("DSFH"), has the authority to review all matters related to financial statements and disclosure, audit work performed by internal and external auditors, internal control systems, risk management system and compliance for the whole Group. The Committee reports to the Board its observations and comments on any issue that needs to be brought to the attention of the Board, and makes recommendations to the Board regarding financial statements and results announcements.

Three independent non-executive directors comprise the Group Audit Committee, which meets at least twice a year with the Group's senior management, the head of internal audit and the external auditors. The Chairman of the Committee is an independent non-executive director with a high level of financial and audit experience.

The head of internal audit of the Group reports functionally to the Audit Committee. External auditors have direct access to the Committee for expressing their views and comments on any matter or concern relating to the Group.

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二、企業管治 (續)

(丙) 董事會及專責委員會 (續)

ii) 風險管理委員會

大新銀行有限公司(「大新銀行」)之風險管理委員會屬董事會級之委員會，專責提供大新銀行風險管理策略及發展之指導和監督，檢討風險管理問題及有關決議，以及在董事會批核風險管理政策及主要風險限額前，進行審閱。

風險管理委員會由大新銀行行政總裁、三位執行董事及一位獨立非執行董事組成。

iii) 行政委員會

行政委員會由主席、集團行政總裁及其他兩位大新集團執行董事所組成。行政委員會專責發展並制定集團的策略及目標、向各業務部門提供發展方向及指引、檢討業務表現、監控並檢討各類風險管理系統、確保內部監控系統的效能、調配資源及決定業務發展及投資的優先次序。行政委員會在處理集團業務正常營運下的相關事項，可行使其透過董事會賦予的權力。

委員會會因應需要而要求其他高級管理層成員提供建議或參與討論。

2. CORPORATE GOVERNANCE (Continued)

(c) Board and Specialised Committees (Continued)

ii) Risk Management Committee

The Risk Management Committee of Dah Sing Bank, Limited (“DSB”) is a Board-level committee with the responsibility to provide guidance and oversight on DSB’s risk management strategy and development, review risk management issues and the resolution thereof, and review risk management policies and major risk limits prior to the approval by the Board.

The Risk Management Committee comprises the Chief Executive, three executive directors and an independent non-executive director of DSB.

iii) Executive Committee

The Executive Committee comprises the Chairman, Group Chief Executive and two executive directors of DSFH. It is responsible for developing and setting the strategy and objectives of the Group. It provides direction and guidance to business divisions, reviews business performance, monitors and reviews risk management systems, ensures effective internal control systems, allocates resources, prioritises business initiatives and investment, and is delegated with the authority of the Board to exercise the authority and power of the Board on matters relating to the normal course of business of the Group.

The Executive Committee can call upon such members of senior management for advice or participation in its discussions as it deems appropriate.

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二、企業管治 (續)

(丙) 董事會及專責委員會 (續)

iv) 資產及負債管理委員會

本集團資產及負債管理委員會需對集團行政委員會負責，並監察集團內所有對資產負債表、流動資產、融資、利率風險及市場風險的管理。資產及負債管理委員會專責制定能影響借貸事務、貸款組合、財資投資、接受存款及資本管理的業務計劃。委員會亦在集團的整體風險管治及管理上，擔當重要的角色。

資產及負債管理委員會每星期舉行會議，一般職務包括檢討主要業務重點及其發展、貸款及存款變動、融資需求、流動資產、剩餘資金投資、資本市場交易，並檢討市場的變動和競爭。委員會亦定期每月檢討整體資產負債及業務表現，包括市場趨勢分析，及實際持倉額的限額和相對目標的比對。

資產及負債管理委員會由集團行政總裁主持，委員會成員包括本集團及其附屬銀行公司執行董事、大部份的業務部門、風險管理及財務監管的主管。

(Expressed in thousands of Hong Kong dollars)

2. CORPORATE GOVERNANCE (Continued)

(c) Board and Specialised Committees (Continued)

iv) Asset and Liability Management Committee

The Group Asset and Liability Management Committee ("ALCO") is accountable to the Executive Committee of the Group, and oversees the overall management of the balance sheet, liquidity, funding, interest rate risk and market risk of the Group. It is responsible for formulating business plans affecting lending business, loan mix, treasury investments, deposit taking and capital management. It also plays a key role in the overall risk governance and management of the Group.

ALCO meets every week and its regular tasks include the review of key business emphasis and development, loan and deposit changes, funding requirement, liquidity, surplus funds investments, capital market dealing, and review of market changes and competition. ALCO also conducts a regular monthly review of overall balance sheet and business performance, including trend analysis and actual positions against limits and targets.

ALCO is chaired by the Group Chief Executive. Members of the Committee include executive directors of the Group and its banking subsidiaries, heads of most business divisions, risk management and financial control.

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二、企業管治 (續)

(丙) 董事會及專責委員會 (續)

v) 信貸及風險管理委員會

本集團每個業務部門都分別設置信貸委員會或風險管理委員會。每個委員會均由有關執行董事、高級業務、信貸及風險管理人員所組成，並由集團行政總裁主持。個別委員會專責為有關業務制定及修訂信貸及風險政策及執行情序，批核超出個別職員借貸權力的信貸或風險額，以及檢討信貸表現及貸款撥備。信貸政策及執行情序闡明授信準則及指引、信貸批核、檢討及監控貸款分類及準備的過程和系統。

本集團信貸委員會包括行政總裁、執行董事及高級信貸人員。此委員會專責檢閱及審批財資業務相關之金融機構、國家及批發信貸，及其他貸款部門超過其若干特定限額信貸之建議及限額。

集團風險管理主管乃是所有信貸及風險委員會的成員，並致力於協調整體風險管理過程及管治工作，包括訂立及持續改良信貸政策及程序，以及維持合適的信貸風險質素。

vi) 管理委員會

大新銀行有限公司之管理委員會由本集團行政總裁主持，會議每月舉行一次。委員會成員包括所有部門主管及高級行政人員。委員會專注於加強內部有關組織及業務發展、營運事務及控制與資訊科技發展的溝通和合作，並負責批核營運政策及程序。

2. CORPORATE GOVERNANCE (Continued)

(c) Board and Specialised Committees (Continued)

v) Credit and Risk Management Committees

The Group has a credit committee or risk management committee for each division. Each is made up of relevant executive directors, senior business, credit and risk officers, and is chaired by the Chief Executive of the Group. Each committee has the responsibility for formulating and revising credit and risk policies and procedures for that division, approving credits and risk exposures which exceed individual credit or risk officer's credit authority, and reviewing credit performance and loan provisioning. Credit policies and procedures define the credit extension criteria and guidelines, credit approval, review and monitoring process and the systems of loan classification and provisioning.

The Group Credit Committee comprises the Chief Executive, executive directors and the senior credit officer. This committee is responsible for reviewing and approving all credit proposals and limits on financial institutions, sovereign and wholesale credits for the treasury business, and credit proposals and limits in excess of certain defined thresholds for all other lending divisions.

The Head of Group Risk is a member of all credit and risk committees, and serves to coordinate the overall risk management process and governance, including the development and ongoing upgrade of credit policies and procedures, and the maintenance of appropriate credit quality.

vi) Management Committee

The Management Committee of Dah Sing Bank, Limited, chaired by the Group Chief Executive, meets on a monthly basis. Members of the Committee include all division heads and a number of senior executives. It operates to strengthen internal communications on corporate and business development, operational issues and control, IT development, and is responsible for approval of operating policies and procedures.

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二、 企業管治 (續)

(丙) 董事會及專責委員會 (續)

vii) 合規監督委員會

本集團合規監督委員會專責監察及指導所有為遵從規管要求而建立、維持和改良的系統、政策及措施，以確保遵從所有法定要求及規管的政策及操作。委員會致力於提升合規監督的高度意識及責任感。集團並在業務部及支援部引進對規管遵從的持續控制及監察，以加強在合規監督之管理。

合規監督委員會成員包括集團行政總裁、法律及合規部主管、數位執行董事，以及集團營運及風險管理的高級行政人員。此外，委員會亦需要將會議記錄及定期報告書呈交至集團審核委員會。

viii) 資訊科技指導委員會

集團資訊科技指導委員會專責提供資訊科技的策略性發展方向，建立可靠及健全的資訊基礎及運作程序，以支援集團業務。委員會有責任確保一切資訊風險管理、資料安全性及營運持續性均能有效地管理。委員會亦需監察集團資訊資源的調配工作，驗證各項計劃的適合程度，以及其優先處理的次序。

委員會由集團行政總裁主持，並由大部份的部門主管所組成。

(Expressed in thousands of Hong Kong dollars)

2. CORPORATE GOVERNANCE (Continued)

(c) Board and Specialised Committees (Continued)

vii) Compliance Committee

The Group Compliance Committee is responsible for overseeing and guiding the development, maintenance and enhancement of compliance system, policies and practices to ensure compliance with all statutory requirements and regulatory guidelines. The Committee serves to uphold a high level of awareness and accountability of compliance requirements. The Group has adopted an ongoing compliance control and monitoring process within business and support functions to enhance compliance control.

Members of the Compliance Committee include the Group Chief Executive, the Head of Legal and Compliance, a number of executive directors and senior operation and risk control executives of the Group. Minutes of the Committee meetings and regular report are submitted to the Group Audit Committee.

viii) IT Steering Committee

The Group IT Steering Committee is responsible for providing IT strategic direction, ensuring sound and robust IT infrastructure and processes to support the Group's businesses. It is also responsible for ensuring that IT risk control, information security and operations continuity are managed effectively, and for overseeing the Group's IT resources allocation, project justification and prioritisation.

The Committee is chaired by the Group Chief Executive and includes most division heads as its members.

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二、企業管治 (續)

(丙) 董事會及專責委員會 (續)

ix) 人力資源委員會

集團人力資源委員會專責處理集團人力資源事務的發展方向，並對人力資源在策略、政策及實踐上各方面的發展提出指引。委員會有責任監察企業文化的發展、計劃及執行工作、薪酬計劃及相關改動、員工培訓、僱員關係及人力資源系統。

委員會由集團行政總裁主持，其他成員包括集團主席及數位部門主管。

三、風險管理

甲. 集團銀行系

本集團確認各類風險會不停蛻變的特性並透過完善的管理架構作有效管理。

風險管理專注於四大範圍：信貸風險、市場風險、利率風險及流動資產風險。信貸風險之產生主要源於信貸組合，其中包括商業、批發和零售借貸、機械和租購融資及財資部和金融機構業務部的批發借貸。

大部份的市場風險是源於財資部。這主要是與本集團資產負債表內之買賣交易及資產負債表外為對沖買賣交易活動之持倉有關連。

利率風險是指因利率的不利變動而引致集團的財政狀況面臨的風險。

流動資產風險之產生橫跨本集團之資產負債表。

2. CORPORATE GOVERNANCE (Continued)

(c) Board and Specialised Committees (Continued)

ix) Human Resources Committee

The Group Human Resources Committee is responsible for setting the overall human resources direction of the Group and guiding the development of people strategy, policy and practices. It is responsible for overseeing corporate culture development, planning and implementation, remuneration programs and changes, staff development plans, employee relations projects and human resources systems.

The Committee is chaired by the Group Chief Executive. Members comprise the Chairman of the Group and a number of division heads.

3. MANAGEMENT OF RISKS

A. Banking Group

The Group recognises the changing nature of risk and manages it through a well developed management structure.

Risk management is focused on the four major areas of risk – credit risk, market risk, interest rate risk and liquidity risk. Credit risk occurs mainly in the Group's credit portfolios comprising commercial, wholesale and retail lending, equipment and hire purchase financing, and treasury and financial institutions wholesale lending.

Market risk arises mainly in Treasury and is associated principally with the Group's on-balance sheet positions in the trading book, and off-balance sheet positions taken to hedge elements of the trading book.

Interest rate risk means the risk to the Group's financial condition resulting from adverse movements in interest rates.

Liquidity risk arises across the Group's balance sheet.

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(以港幣千元位列示)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(甲) 集團風險管理架構

董事會對所有類別的風險管理負上總體的責任。關於風險控制方面，董事會的責任包括：

- 批准總體的策略及政策以確保能在交易及組合層面適當地管理信貸及其他風險；
- 財務和非財務方面的風險管理，透過營運和行政控制，包括集團審核委員會的操作；業績檢討 (比對預測)、營運統計和政策問題作出監控；及
- 比對預算業績檢討和分析主要非財務指標。

行政委員會被委任監察及領導由集團風險部和各功能委員會主導管理及處理的不同類形風險。

(乙) 集團風險部

集團的獨立風險部負責確保本集團整體的政策訂定和權責。集團風險部監察並透過行政委員會向董事會匯報集團風險狀況，制定財務風險和資料完善的標準，及確保在產品策劃和訂價的過程中，充份考慮財務方面的風險。集團風險部審閱和核定所有本集團的信貸及風險政策，包括對新市場、經濟行業、組織、信貸產品和令本集團產生信貸與相關風險的財務工具的核定。在決定信貸及風險政策時，集團風險部會考慮香港金融管理局制定的指引、業務方向及經風險調整的業務表現。集團風險部亦列席集團營運部門和業務的信貸或風險委員會。

本集團風險管理的專業知識持續提升其借貸組合的總體質素，並促使本集團能應付改變中的監管要求和有信心地掌握與授信相關的風險和回報。

在集團風險部主管領導下，本集團持續發展其風險管理能力並增加專注風險策略對風險和報酬及資本回報的影響。本集團在面對日常業務管理不同形式的風險時會採用一系列的風險管理和分析工具。此等工具亦持續地在被改良和提升以配合不斷改變的業務需要和監管機構的要求。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(a) The risk management structure of the Group

The Board of Directors has the broad overall responsibility for the management of all types of risk. The responsibilities of the Board in relation to risk control are:

- the approval of the overall strategy and policies to ensure that credit and other risks are properly managed at both the transaction and portfolio levels;
- the management of risk, both financial and non-financial, conducted through operational and administrative control systems including the operation of the Group Audit Committee; review of key results (against forecasts), operational statistics and policy issues; and
- financial performance by analysis against approved budgets and analysis of variations in key non-financial measures.

The Executive Committee has been delegated the authority to oversee and guide the management of different risks which are more particularly managed and dealt with by Group Risk and different functional committees.

(b) Group risk

The independent Group Risk function is responsible for ensuring that policies and mandates are established for the Group as a whole. Group Risk monitors and reports the Group risk positions to the Board via the Executive Committee, sets standards for financial risks and data integrity and ensures that the financial risks are fully considered in the product planning and pricing process. Group Risk reviews and approves all credit and risk exposure policies for the Group including the approval of exposures to new markets, economic sectors, organisations, credit products and financial instruments which expose the Group to credit and related risks. In determining credit and risk policies, Group Risk takes into account the guidelines established by the Hong Kong Monetary Authority, business direction, and risk adjusted performance of each business. Group Risk is also represented on the lending or risk committees of the Group's operating divisions and businesses.

The Group's risk management expertise continues to advance the overall quality of the Group's lending portfolios, and enables the Group to meet the changing regulatory requirements and enter into credit exposures with the confidence that it understands the associated risks and rewards.

The Group is continuing to evolve its risk management capabilities under the aegis of the Head of Group Risk, increasing the focus of its risk strategy on risk and reward and returns on capital. The Group uses a range of risk measurement and analytical tools in its management of the various risks which it faces in its day-to-day businesses and these are continually being enhanced and upgraded to reflect the ever-changing business needs and the requirements of the regulators.

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(丙) 業務部門信貸委員會

本集團各營運部門均擁有其信貸或風險委員會，該等委員會負責核定和推薦其業務範圍內的政策、限額和風險控制的權責。這體制反映本集團在集團風險部統籌下把風險管理的責任融入各項業務之管理運作中。故此，各業務之信貸風險功能均向其支援的業務及集團風險部匯報。風險管理及監控部乃屬集團風險部之一部份且直接向集團風險部的主管匯報。

(丁) 信貸風險

本集團之主要信貸風險為借貸人或交易對手未能履行對本集團之償款責任。此等責任乃源自本集團之融資、交易活動(以貸款形式)、持作買賣用途的資產或衍生工具。

本集團設有集團信貸委員會，每部門均設有信貸委員會，由若干執行董事及高級信貸人員組成，並由行政總裁擔任主席。每個信貸委員會負責在集團風險部所訂下之範圍內，制訂及修訂其部門之信貸政策及程序。信貸政策及程序界定提供貸款之條件及指引、信貸批核及評分、檢討及監察過程，以及貸款分類及撥備之系統。

本集團基於業務、財務、市場、行業及抵押資料，評估不同類型的客戶及交易對方的信貸風險值，並根據信貸批核及檢討政策而審慎地管理所有類型的信貸風險。不同的管理階層會基於已制定的指引而批核各種信貸產品、客戶或交易對手及信貸額。管理層、信貸委員會及集團風險部會定期監察及控制信貸風險、信貸限額及資產質素。本集團內部審核師會作定期審核及檢查以確保信貸政策、程序及規管指引得以遵從。

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(c) Business division credit committees

Each of the operating divisions of the Group has its own credit or risk committee responsible for approving and recommending policies, limits and mandates for risk control within their respective business areas. This is consistent with the Group's approach of devolving responsibility for risk management to the individual business areas under the aegis of the Group Risk function. As such, each business credit risk function reports to both Group Risk and the business area which it supports. The Risk Management and Control function is part of Group Risk and reports directly to the Head of Group Risk.

(d) Credit risk

The Group's main credit risk is that borrowers or counterparties may default on their payment obligations due to the Group. These obligations arise from the Group's financing, trading activities (taking the form of loans), trading account assets or derivative instruments.

The Group has a Group Credit Committee and a credit committee for each division, made up of certain Executive Directors and senior credit officers and chaired by the Chief Executive. Each credit committee has responsibility for formulating and revising credit policies and procedures for that division within the parameters set by Group Risk Policy. Credit policies and procedures define the credit extension criteria and guidelines, credit approval and scoring, review and monitoring process and the systems of loan classification and provisioning.

The Group manages all types of credit risk on a prudent basis, in accordance with the credit approval and review policies, by evaluating the credit worthiness of different types of customers and counterparties based on assessment of business, financial, market, industry sector and collateral information applicable to the types of loans and counterparty dealings. Credits are extended within the limits set out in the credit policies, for each product, customer or counterparty and are approved by different levels of management based upon established guidelines. Actual credit exposures, limits and asset quality are regularly monitored and controlled by management, the credit committees and Group Risk. The Group's internal auditors conduct regular reviews and audits to ensure compliance with credit policies and procedures and regulatory guidelines.

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(以港幣千元位列示)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(丁) 信貸風險 (續)

個別業務的信貸政策亦確定新產品及活動的審批政策及程序，亦兼顧信貸等級、評分、程序和撥備政策等細節事宜。

為避免風險的集中，對個別客戶或其有關集團之大額風險均被規限於資本基礎的某個百分比。對各行業的貸款亦規管於批准限額內以求組合達致平衡。

在適當的時候，為減低信貸風險，本集團會收取抵押品作為信貸額的擔保。認可抵押品之類別及其特性和各類貸款與估值比率皆確定於信貸政策內。

所有信貸，無論有否收取抵押品，皆取決於客戶或交易對手的現金流量情況及其還款能力。

(戊) 流動資產風險

本集團審慎地管理流動資產以確保流動資產比率於全年度均能保持高於法定最低要求的流動資產比率。一如上述披露的資本充足及流動資產比率，實質平均流動資產比率遠高於銀行業條例最低要求的百分之二十五。

本集團的資產及負債管理委員會定期檢討貸款和存款的組合、融資需求及預測、到期錯配狀況及對流動資產比率作出持續的監管。本集團亦對流動資產定下適當的限額及持有充足的流動資產以確保能應付所有短期資金需求。

本集團的資金主要包括客戶存款、已發行的存款證及中期票據。存款證及中期票據的發行有助延長融資的年期及減少到期錯配，在少數情況下，亦會選用短期銀行同業存款。本集團是銀行同業市場的淨放款人。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(d) Credit risk (Continued)

The individual business' credit policies also establish policies and processes for the approval and review of new products and activities, together with details of the facility grading, or credit scoring, processes and provisioning policies.

To avoid concentration of risk, large exposures to individual customers or related groups are limited to a percentage of the capital base, and advances to industry sectors are managed within approved limits to achieve a balanced portfolio.

In order to mitigate the credit risk and where appropriate, the Group will obtain collateral which is secured against the credit facility. The acceptable types of collateral and their characteristics are established within the credit policies, as are the respective margins of finance.

Irrespective of whether collateral is taken, all credit decisions are based upon the customer's or counterparty's cashflow position and ability to repay.

(e) Liquidity risk

The Group manages its liquidity on a prudent basis to ensure that a sufficiently high liquidity ratio relative to the statutory minimum is maintained throughout the year. As disclosed in the capital adequacy and liquidity ratios shown above, the average liquidity ratio of the Group for the year was well above the 25% minimum ratio set by the Banking Ordinance.

The Group's Asset and Liability Management Committee ("ALCO") regularly reviews the Group's current loan and deposit mix, funding requirements and projections, and maturity mismatch, and monitors the liquidity ratio on an ongoing basis. Appropriate liquidity limits are set and sufficient liquid assets are held to ensure that the Group can meet all short-term funding requirements.

The Group's funding comprises mainly deposits of customers, certificates of deposit and medium term notes issued. The issuance of certificates of deposit and medium term notes helps lengthen the funding maturity and reduce the maturity mismatch. Short-term interbank deposits are taken on a limited basis and the Group is a net lender to the interbank market.

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(以港幣千元位列示)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(己) 利率風險

本集團承擔的利率風險，主要是源於以浮動利率存款來融資定息貸款及固定收入證券投資。當利率上升或下降時，利率差距及淨利息收入將會因不變的定息貸款或債券所賺取的利息而受影響。市場利率的波動除了影響盈利外，亦會影響集團的資產、負債及資產負債表外狀況的經濟價值，繼而影響集團的資產淨值。

本集團應用利率對沖工具減低部份利率風險。整體及個別組合之交易賬冊及銀行賬冊之利率風險由集團風險部以合約名義金額、期限及利率感應限額為組合，分別每日及每月管理及監控。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(f) Interest rate risk

The Group's interest rate risk mainly arises from the funding of fixed-rate loans and investments in fixed income securities by floating rate deposits. When interest rates rise or fall, the interest spread and net interest income will be affected as interest income generated by the existing fixed-rate loans or securities will not change. In addition to changes in earnings, the variations in market interest rates will also affect the economic values of the Group's assets, liabilities and off-balance sheet positions, which can, in turn affect the net worth of the Group.

The Group's interest rate risk is mitigated in part by the use of interest rate hedging instruments. The overall and individual portfolio interest rate risk is managed and monitored using a combination of notional, duration and sensitivity limits by Group Risk, on a daily basis for the trading book and on a monthly basis for the banking book.

補充財務資料 | Supplementary Financial Information

(以港幣千元位列示)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(庚) 外匯風險

除美元外，本集團承擔的淨外匯風險十分有限，因為由客戶交易引致的外匯持倉及外匯結存，通常會與其他的客戶交易或市場交易互相抵銷。淨風險持倉，無論是個別貨幣或總體而言，每日皆由本集團財資部控制在已制定的外匯限額內。

若用長期外幣資金融資港元資產，通常會透過貨幣掉期或遠期外匯合約對沖而減低外匯風險。

以下為本集團於二零零四年十二月三十一日所持有的美元外匯狀況 (佔所持有外匯淨盤總額百分之十或以上)，及於當日之第二大外匯淨盤總額狀況：

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(g) Foreign exchange risk

The Group has very limited net foreign exchange exposure (except for USD) as foreign exchange positions and foreign currency balances arising from customer transactions are normally offset against other customer transactions or transactions with the market. The net exposure positions, both by individual currency and in aggregate, are managed by the Treasury of the Group on a daily basis within established foreign exchange limits.

Long-term foreign currency funding, to the extent that this is used to fund Hong Kong dollar assets, is normally hedged using currency swaps or forward exchange agreements to reduce the foreign exchange risk.

The following is the Group's net foreign exchange position in USD which constitutes more than 10% of the total net position in all foreign currencies as at 31st December 2004, and the next largest net foreign exchange position as at the same date:

		2004		2003	
		美元 USD	人民幣 CNY	美元 USD	人民幣 CNY
相等於百萬港元	Equivalent in millions of Hong Kong dollars				
現貨資產	Spot assets	21,602	557	21,236	—
現貨負債	Spot liabilities	(19,270)	(535)	(13,578)	—
遠期買入	Forward purchases	13,234	4	13,879	—
遠期賣出	Forward sales	(12,126)	—	(20,020)	—
長盤淨額	Net long position	<u>3,440</u>	<u>26</u>	<u>1,517</u>	<u>—</u>

補充財務資料 | Supplementary Financial Information

(以港幣千元位列示)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(辛) 市場風險

市場風險乃指由市場上利率及價格變化而引致對資產、負債及資產負債表外持倉之虧損風險。本集團之市場風險一般只涉及作買賣交易而在外匯、債務證券、權益性證券及衍生工具之持倉。

各類交易之市場風險均在資產及負債管理委員會及財資風險委員會所制定之風險限額及指引內處理。整體風險限額包含利率、外匯及股票價格之不同風險類別的限額細分。風險管理及監察是透過持倉上限、止蝕限額、名義金額及本金金額、感應限額及運用市場風險數值之各種風險管理方法執行。所有涉及市場風險的買賣持倉受財資部監察及管理，需要每日按市值入賬。獨立的監察、價值評估、檢查及確認交易均由本集團風險部之中的風險管理及監控部負責，該部門獨立於財資部。風險管理及監控部透過每日的風險監控過程，比較風險和已審批額度及提議具體行動去確保整體及個別市場風險被限制於在可接受水平內。

本集團之審核部則會進行定期的獨立檢查及以抽查方式查核，以確保財資部和有關負責部門遵從市場風險限額與指引。所有不符合核准限額之情況均須經適當管理層或資產及負債管理委員會審查及批准。

市場風險數值是一種按既定信心水平估計由於市場匯率、利率及股票價格在特定持盤時間內之變動而使風險持倉盤可能出現虧損之統計技巧。本集團計算市場風險數值之模式採用方差/協方差基準，利用過往市場利率及價格變動資料，按百分之九十九信心水平及一日持倉期之基準作推算。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(h) Market risk

Market risk is the risk of losses in assets, liabilities and off-balance sheet positions arising from movements in market rates and prices. Generally, the Group's market risk is associated with its positions in foreign exchange, debt securities, equity securities and derivatives in the trading book.

Market risk exposure for different types of transactions is managed within risk limits and guidelines approved by ALCO and the Treasury Risk Committee. The overall risk limits comprise sub-limits for each of the different risk categories which are, interest rate, foreign exchange and equity prices. Exposures are managed and monitored by a combination of risk management techniques including position limits, stop-loss limits, notional and principal amounts, sensitivity limits and value-at-risk ("VaR"). All market risk trading positions are subject to daily mark-to-market valuation, monitored and managed by Treasury. Independent monitoring, valuation, checking and trade confirmation are undertaken by the Risk Management and Control Department ("RMCD"), which as part of Group Risk, is independent of the Treasury Division. RMCD, through the daily risk monitoring process, measures risk exposures against approved limits and initiates specific action to ensure the overall and the individual market risks are managed within an acceptable level.

The Group's Internal Audit function performs regular independent review and testing to ensure compliance with the market risk limits and guidelines by Treasury and other relevant units. All exceptions to approved limits have to be reviewed and sanctioned by the appropriate level of management or ALCO.

VaR is a statistical technique which estimates the potential losses that could arise on risk positions taken, due to movements in foreign exchange, interest rates and equity prices over a specified time horizon and to a given level of confidence. The model used by the Group to calculate portfolio and individual VaR on a variance/co-variance basis uses historical movements in market rates and prices, a 99% confidence level and a 1-day holding period.

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(辛) 市場風險 (續)

於十二月三十一日，交易賬冊中各項風險之市場風險數值如下：

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(h) Market risk (Continued)

At 31st December, the VaR for the various types of exposures in the trading book are as follows.

		2004	2003
買賣盤之利率風險值	Interest rate risk trading exposures	2,247	3,635
外匯買賣盤之風險值	Foreign exchange trading exposures	2,892	1,882
股票買賣盤之風險值	Equity trading exposures	-	77
買賣盤之市場風險值	Market risk trading exposures	<u>5,139</u>	<u>5,594</u>
年度內平均市場風險值	Average VaR for the year	<u>4,815</u>	<u>4,398</u>

本集團在二零零四年內，從市場風險相關的財資活動賺取的收益平均每日達291,000港元(2003：332,000港元)，其標準差是2,037,000港元(2003：2,942,000港元)。主要交易活動的每日平均收益及標準差分析如下：

The average daily revenue earned from the Group's market risk related treasury activities in 2004 was HK\$291,000 (2003: HK\$332,000) and the standard deviation for such daily revenue was HK\$2,037,000 (2003: HK\$2,942,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing activities:

		每日平均收益		標準差	
		Average daily revenue		Standard deviation	
		2004	2003	2004	2003
外匯交易	Foreign exchange dealing	309	105	909	1,881
利率交易	Interest rate dealing	(18)	227	1,976	2,146

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(辛) 市場風險 (續)

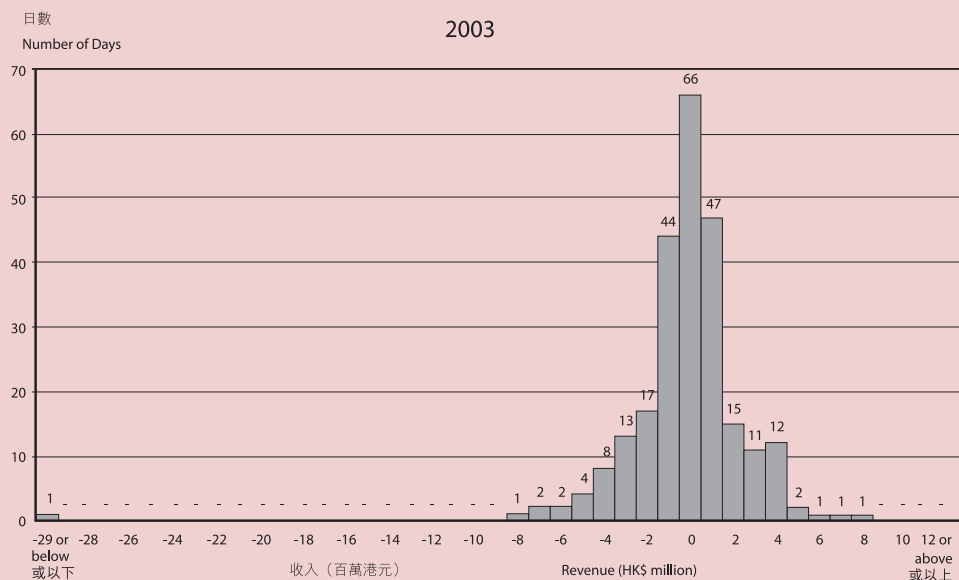
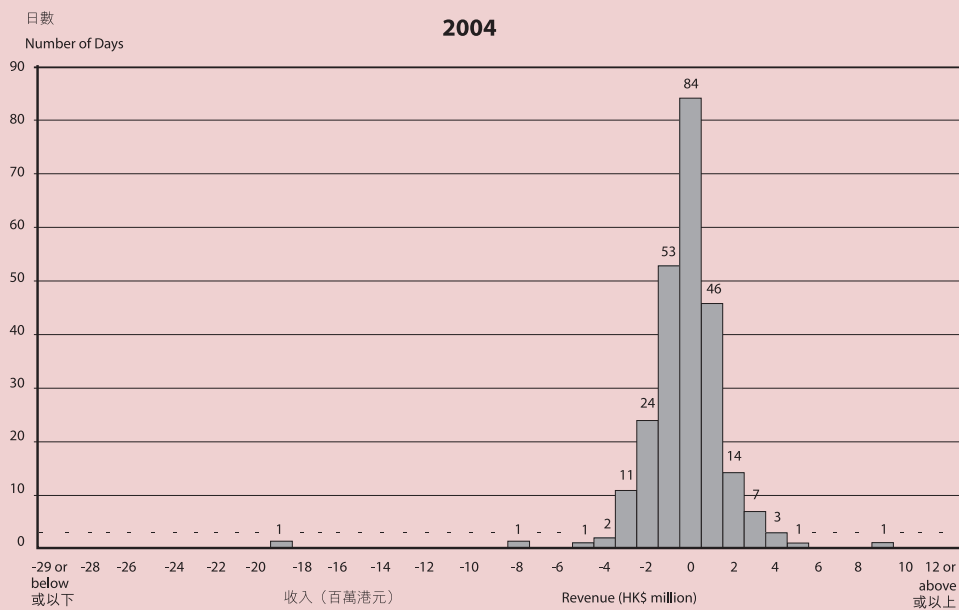
下圖是與市場風險有關的每日收入分佈情況：

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(h) Market risk (Continued)

The following histograms show the frequency of daily revenues related to market-risk activities:



本年度內，最高單日收益為 9,860,000 港元 (2003：8,700,000 港元)，最大單日虧損為 18,800,000 港元 (2003：29,055,000 港元)。

During the year, the highest daily gain was HK\$9,860,000 (2003: HK\$8,700,000) and the maximum daily loss was HK\$18,800,000 (2003: HK\$29,055,000).

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(Expressed in thousands of Hong Kong dollars)

三、 風險管理 (續)

甲. 集團銀行系 (續)

(王) 衍生工具的使用

本集團在其正常業務中，進行一系列之衍生工具交易，包括在利率、外匯及股票市場進行之遠期、期貨、掉期及期權交易。衍生工具交易是為買賣及對沖目的而進行。本集團使用衍生工具的目的包括以中介人身份滿足客戶之要求，管理本集團之風險，及在可接受的規限內進行買賣以產生收入。

(i) 持作或發行作買賣用途的衍生工具

本集團替客戶進行衍生工具合約交易或應客戶的要求組合切合個別情況的衍生工具。本集團亦就其情況進行本身的交易。本集團使用的作買賣用途的衍生工具產品主要為基於利率、外匯兌換率、信貸利率差額及股票價格之櫃檯交易的衍生工具。

(ii) 持作或發行作對沖用途的衍生工具

持作對沖用途的衍生工具主要包括用作管理利率及外匯風險的衍生工具或合約。此等工具全為櫃檯交易的衍生工具。

乙. 集團保險系

本集團的保險業務涉及多種風險，包括保險風險、產品風險、投資風險及業務風險。本集團相信有效的風險管理是控制及經營保險業務的關鍵，有助維持本集團業務的盈利能力和穩健。

3. MANAGEMENT OF RISKS (Continued)

A. Banking Group (Continued)

(i) Use of derivatives

In the normal course of business, the Group enters into a variety of derivative transactions including forwards, futures, swaps and options transactions in the interest rate, foreign exchange and equity markets. Derivative transactions are conducted for both trading and hedging purposes. The Group's objectives in using derivative instruments are to meet customers' needs by acting as an intermediary, to manage the Group's exposure to risks and to generate revenues through trading activities within acceptable limits.

i) Derivatives held or issued for trading purposes

The Group transacts derivative contracts on behalf of customers or to address customer demands in structuring tailored derivatives. The Group also takes proprietary positions for its own accounts. Trading derivative products used by the Group are primarily over-the-counter derivatives transacted based on interest rates, foreign exchange rates, credit spread and the prices of equities.

ii) Derivatives held or issued for hedging purposes

Derivatives held for hedging purposes primarily consist of derivative instruments or contracts used to manage interest rate risk and foreign exchange risk. All of these are over-the-counter derivatives.

B. Insurance Group

Our insurance business is exposed to multiple risks, including insurance risk, product risk, investment risk and business risks. We believe that effective risk management is an integral part of our insurance business' control process and operations, and that effective control of risks assists to maintain the profitability and stability of our business.

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(以港幣千元位列示)

三、 風險管理 (續)

乙. 集團保險系 (續)

保險業務的主要風險及相關的控制程序如下：

(甲) 保險風險

本集團的保險業務是承保有關保險(不包括航空保險)的風險，而所承保之各類別或事件的風險，視乎風險的種類均設有最高保額，超額的風險將按不時檢討之各種轉保及相關協議分保。另外，保險集團亦設有災難補償安排，當多項索償均涉及一項特定事件而索償總額對本集團有重大風險時安排分保。

承保及索償方法及程序均需記錄及檢討。外界獨立精算師亦被聘用負責衡量保險儲備是否充足。

(乙) 產品風險

新產品及現有產品的重大修改須通過產品認可程序，包括檢討產品的盈利能力及如有需要交由內部及外部的獨立精算師評核。

(丙) 投資風險

保險集團的投資方式是維持盡量平衡保險業務資產與對保單人的負債之回報、年期及貨幣的配合，並以保守投資組合盡力保持投資價值，當中考慮的因素包括相關的風險、稅務及監管規定，如有需要，亦會衡量是否需要作出額外的儲備以應付任何誤差。

(丁) 業務風險

保險業務按照本集團的政策及程序評估其業務風險，包括緊急應變及對影響業務持續營運的計劃，及為僱員及代理提供培訓，以符合保險業有關法規與監管要求。內部及外部的審核人員經常檢討本集團的保險業務以評審任何違規事項。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)

B. Insurance Group (Continued)

The key risks of our insurance business and related risk control process are as follows:

(a) Insurance risk

The Group's insurance operation is in the business of underwriting insurance risk except those risks involving aviation, and retains various maximum amounts per risk or event dependent on the type of risk with the excess being reinsured through various reinsurance and related agreements which are regularly reviewed. Catastrophe cover arrangements are also in place whereby a number of claims relating to a specific incident in aggregate would represent a material risk to the Group are reinsured.

Underwriting and claims practices and procedures are documented and reviewed. External independent actuaries are engaged to evaluate the adequacy of the insurance reserves.

(b) Product risk

New products and major revisions to existing products undergo a product approval process with the profitability being reviewed and where appropriate assessed by internal and external independent actuaries.

(c) Investment risk

Our investment practice is to maintain a conservatively invested portfolio which attempts to maintain value whilst matching assets and policyholder liabilities where appropriate, by yield, duration and currency taking account of the associated risks, taxation and regulatory requirements, and if necessary, quantify the need for additional reserves for any deviations.

(d) Business risks

The insurance businesses follow the policies and procedures of the Group in assessing its business risks in terms of contingency and interruption planning as well as providing training for its staff and agents to comply with the relevant rules and regulations covering the insurance businesses. Both internal and external auditors regularly review these insurance businesses to evaluate any non-compliance.

補充財務資料 | Supplementary Financial Information

(以港幣千元位列示)

三、 風險管理 (續)**丙. 審核處的角色**

本集團之審核部是一獨立、客觀及顧問性質的部門，集中於改進和維持本集團業務及後勤部門良好的內部控制。該部向一獨立非執行董事所主持的集團審核委員會作出功能上的匯報。審核部處理各類不同形式的內部控制活動，例如合規性審計、操作和系統覆查以確定本集團控制系統的完整性、效率和有效性。

(Expressed in thousands of Hong Kong dollars)

3. MANAGEMENT OF RISKS (Continued)**C. The role of Internal Audit**

The Group's Internal Audit Division is an independent, objective assurance and consulting unit which is designed to focus on enhancing and sustaining sound internal control in all business and operational units of the Group. The Division reports functionally to the Group Audit Committee which is chaired by an Independent Non-Executive Director. The Division conducts a wide variety of internal control activities such as compliance audits and operations and systems reviews to ensure the integrity, efficiency and effectiveness of the systems of control of the Group.