The Shanghai Commercial & Savings Bank

【Table 1】

Scope of application

Jun-30-2020

(Unit: NT$1,000)

Items	Contents				
	Subsidiary name	Amount of assets	Consolidated ratio	Reasons not included in the calculation	Amount deducted from own capital
1. Subsidiaries included in the calculation of the consolidated capital adequacy ratio	SCSB Asset Management Ltd.	1,617,469	100.00%		
	China Travel Service (Taiwan)	459,468	99.99%		
	SCSB Marketing Ltd.	11,539	100.00%		
	Shancom Reconstruction Inc.	851,475,899	100.00%		
	Wresqueue Limitada	338,300	100.00%		
	Paofoong Insurance Company Ltd.	1,267,098	40.00%		
	AMK Microfinance	12,658,390	84.89%		
2. Subsidiaries not included in the calculation of the consolidated capital adequacy ratio					
3. Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.					

【Table 2】

Description of capital adequacy management

2020

Items	Contents
A summary discussion of the bank ’s approach to assessing the adequacy of its capital to support current and future activities.	1. Manage and monitor according to the “Capital Adequacy Management Guidelines” of SCSB. 2. Standardize specific business, such as business type, commitment amount, rating, etc. Before proceeding, the Risk Management Department should be informed of the capital adequacy assessment. 3. Under the premise of assessing capital adequacy, set the business objectives of the medium and long-term strategic planning. The capital adequacy assessment process and stress testing are performed annually. 4. The forecast of capital adequacy and the use of capital analysis by various business units are reported to the Asset and Liability Management Committee. 5. According to the “Market Risk Management Policy” of SCSB, ensure that market-weighted risk assets are capped at no more than 15% of SCSB's weighted risk assets and are reported to the Asset and Liability Management Committee for periodic review.

【Table 3】

Capital adequacy ratio
Jun-30-2020

(Unit: NT$1,000；%)

Analysis items	Standalone		Consolidated	
	Jun-30-2020	Jun-30-2019	Jun-30-2020	Jun-30-2019
Eligible capital：				
Common Equity Tier 1 capital	119,061,510	109,250,174	162,394,200	146,109,140
Additional Tier 1 capital	0	0	5,994,527	5,269,004
Tier 2 capital	4,260,724	4,127,178	52,232,883	56,176,474
Eligible capital	**123,322,234**	**113,377,352**	**220,621,610**	**207,554,618**
risk weighted assets：				
Credit risk	863,601,650	793,905,516	1,464,262,734	1,398,064,427
Operational risk	42,785,341	39,612,469	67,569,151	62,268,390
Market risk	42,109,829	26,351,104	76,423,436	56,306,164
Total risk weighted assets	**948,496,820**	**859,869,089**	**1,608,255,321**	**1,516,638,981**
Ratio of common equity to risk-weighted assets	**12.55%**	**12.71%**	**10.10%**	**9.63%**
Ratio of Tier 1 capital to risk-weighted assets	**12.55%**	**12.71%**	**10.47%**	**9.98%**
Capital adequacy ratio	**13.00%**	**13.19%**	**13.72%**	**13.69%**
Leverage ratio：				
Tier 1 capital	**119,061,510**	**109,250,174**	**168,388,727**	**151,378,144**
Total exposures	1,413,321,133	1,292,915,918	2,287,581,473	2,179,719,605
Leverage ratio	**8.42%**	**8.45%**	**7.36%**	**6.94%**

【Table 4】

Capital Structure

Jun-30-2020

(Unit: NT$1,000)

Items	Standalone	Consolidated
	Jun-30-2020	Jun-30-2020
Common Equity Tier 1 Capital (CET1) ：		
Common share capital	44,816,031	44,816,031
Capital surplus—share premium	13,061,381	13,061,381
Capital collected in advance		
Capital surplus—other	3,371,181	3,371,181
Legal reserve	56,344,918	56,344,918
Special reserve	7,669,374	7,669,374
Retained earnings	18,614,562	18,614,562
Non-controlling interests	0	23,853,562
Other equity	6,044,481	6,044,481
Deduct：regulatory adjustments		
1、Gain and losses of hedging instruments (gain should be deducted, losses should be added)	0	0
2、Defined-benefit pension fund net assets	0	0
3、(Investments in own shares)Treasury shares	83,144	83,144
4、Goodwill and Other intangible assets	89,423	1,737,406
5、Deferred tax assets that rely on future profitability excluding those arising from temporary differences	0	0
6、Cumulative fair value gains or losses on liabilities of the institution that are fair-valued and result from changes in the own credit risk (gain should be deducted, losses should be added)	53,591	53,591
7、Unrealized gain of equity instruments and debt instruments measured at FVTOCI(Not investments in the common stock of banking, financial and insurance entities and other TLAC	8,501,676	8,501,676
8、Shortfall of provisions to expected losses	0	0
9、When the immovable property is first applied to the IFRSs, retained earnings increase due to the fair value or revaluation value is used as the recognized cost.	0	0
10、Securitization transactions should be deducted	0	0
11、Reciprocal cross-holdings in common equity and its unrealized gains	0	0
(1)Deduction amount from common equity Tier 1 capital		
(2)Deduction due to insufficient additional Tier 1 capital		
12、Prudential valuation adjustments(Market risk)	0	0
13、Investment properties follow-up measurement of value-added benefits recognized by the fair value model	0	0
14、Properties sale and leaseback benefits after January 1,	0	0
15、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital	0	0
(1)Amount above the threshold	0	0
(2)Deduction due to insufficient additional Tier 1 capital	0	0
16、Significant investments in the common stock of banking, financial and insurance entities	22,132,584	1,005,473
(1)Deduction amount from common equity Tier 1 capital-before December 31, 2121	14,566,292	1,005,473
(2)Deduction due to insufficient additional Tier 1 capital-before December 31, 2121	7,566,292	0

Items	Standalone	Consolidated
	Jun-30-2020	Jun-30-2020
(3)Significant investments in the common stock of banking, financial and insurance entities. (amount above 10% threshold)-applicable from January 1, 2022		
(4)Deduction due to insufficient additional Tier 1 capital-applicable from January 1, 2022		
17、Deferred income tax assets arising from temporary differences which above threshold	0	0
18、Significant investments in the common stock of banking, financial and insurance entities and deferred income tax assets arising from temporary differences, the total amount of which exceeds the 15% threshold should be deducted	0	0
19、Direct investment of industrial banks and deductions for investment in Investment properties	0	0
(1)Deduction amount from common equity Tier 1 capital		
(2)Deduction due to insufficient additional Tier 1 capital		
20、Other adjustments according to regulations or supervision requirements	0	0
(1)Deduction amount from common equity Tier 1 capital		
(2)Deduction due to insufficient additional Tier 1 capital		
Common Equity Tier 1 capital (CET1) (1)	**119,061,510**	**162,394,200**
Additional Tier 1 capital：		
Non-cumulative perpetual preferred stock and its capital stock premium	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)		
2、of which issued after January 1, 2013		
Non-cumulative perpetual subordinated debts	7,000,000	7,000,000
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)		
2、of which issued after January 1, 2013	7,000,000	7,000,000
Capital instruments are not directly or indirectly held by banks		
Deduction：1、Reciprocal cross-holdings in common equity	0	0
(1)Additional Tier 1 capital instrument		
(2)Deduction due to insufficient Tier 2 capital		
2、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital		
(1)additional Tier 1 capital instrument		
(2)Deduction due to insufficient Tier 2 capital		
3、Significant investments in the common stock of banking, financial and insurance entities	7,000,000	1,005,473
(1)Deduction amount from additional Tier 1 capital-before December 31, 2121	7,000,000	1,005,473
(2)Deduction due to insufficient Tier 2 capital-before December 31, 2121	0	
(3)additional Tier 1 capital instrument-applicable from January 1, 2022		
(4)Deduction due to insufficient Tier 2 capital-applicable from January 1, 2022		
4、Direct investment of industrial banks and deductions for investment in Investment properties	0	0
(1)additional Tier 1 capital instrument		
(2)Deduction due to insufficient Tier 2 capital		
5、Other deduction	0	0
(1)additional Tier 1 capital instrument		

Items	Standalone	Consolidated
	Jun-30-2020	Jun-30-2020
(2)Deduction due to insufficient Tier 2 capital		
Additional Tier 1 capital（2）	**0**	**5,994,527**
Tier 2 capital：		
Cumulative perpetual preferred stock and its capital stock	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Cumulative perpetual subordinated debts	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Convertible subordinated debts	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Long-term subordinated debts	22,358,000	22,358,000
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)	2,328,000	2,328,000
2、of which issued after January 1, 2013	20,030,000	20,030,000
Non-perpetual preferred stock and its capital stock premium	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earnings	0	0
The 45% of unrealized gain of equity instruments and debt instruments measured at FVTOCI(Not investments in the common stock of banking, financial and insurance entities and	3,825,754	3,825,754
The 45% of unrealized gains on changes in the fair value of investment properties using fair value method	0	
Operational reserves and loan-loss provisions	10,191,048	11,983,289
Capital instruments which are issued by banks subsidiaries, and are not directly or indirectly held by banks	0	16,104,624
Deduct：		
1、Reciprocal cross-holdings in Tier 2 capital instrument and other TLAC liabilities	0	0
2、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10%-Tier 2 capital instrument and other TLAC liabilities	0	0
3、Commercial banks capital investment in financial-related businesses classified to the banking book	32,114,078	2,038,784
(1)Deduction amount from Tier 2 capital-before December 31, 2121	32,114,078	2,038,784
(2)Tier 2 capital instrument and other TLAC liabilities-applicable from January 1, 2022		
4、Direct investment of industrial banks and deductions for investment in Investment properties-Tier 2 capital instrument		
5、Other deduction-Tier 2 capital instrument		
Tier 2 capital（3）	**4,260,724**	**52,232,883**
Total eligible capital =（1）+（2）+（3）	**123,322,234**	**220,621,610**

【Table 4】

Capital Structure

Jun-30-2019

(Unit: NT$1,000)

Items	Standalone	Consolidated
	Jun-30-2019	Jun-30-2019
Common Equity Tier 1 Capital (CET1) ：		
Common share capital	41,016,031	41,016,031
Capital collected in advance		
Capital surplus—share premium	3,181,381	3,181,381
Capital surplus—other	2,711,858	2,711,858
Legal reserve	51,946,585	51,946,585
Special reserve	7,669,374	7,669,374
Retained earnings	18,652,388	18,652,388
Non-controlling interests	0	24,699,724
Other equity	8,683,443	8,683,443
Deduct：regulatory adjustments		
1、Gain and losses of hedging instruments (gain should be deducted, losses should be added)		
2、Defined-benefit pension fund net assets		
3、Treasury shares	83,144	83,144
4、Goodwill and Other intangible assets	104,485	1,891,737
5、Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(10,677,036)	369,184
6、Cumulative fair value gains or losses on liabilities of the institution that are fair-valued and result from changes in the own credit risk (gain should be deducted, losses should be added)		
7、Unrealized gain of equity instruments and debt instruments measured at FVTOCI	8,376,583	8,376,583
8、Shortfall of provisions to expected losses		
9、When the immovable property is first applied to the IFRSs, retained earnings increase due to the fair value or revaluation value is used as the recognized cost.		
10、Securitization transactions should be deducted		
11、Commercial banks capital investment in financial-related businesses classified to the banking book	16,861,855	1,730,996
12、Direct investment of industrial banks and deductions for investment in Investment properties		
13、Prudential valuation adjustments(Market risk)		
14、Investment properties follow-up measurement of value-added benefits recognized by the fair value model		
15、Properties sale and leaseback benefits after January 1,		
16、Other adjustments according to regulations or supervision requirements		
17、Deferred income tax assets arising from temporary differences which above 10% threshold		
18、Deferred income tax assets arising from temporary differences which above 15% threshold should be deducted		
19、Regulatory deductions applied to CET1 capital due to insufficient Additional Tier 1 capital and Tier 2 capital to cover the required deductions	9,861,855	0
Common Equity Tier 1 capital (CET1) (1)	**109,250,174**	**146,109,140**
Additional Tier 1 capital：		
Non-cumulative perpetual preferred stock and its capital stock premium		
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)		

Items	Standalone	Consolidated
	Jun-30-2019	Jun-30-2019
2、of which issued after January 1, 2013		
Non-cumulative perpetual subordinated debts		
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)		
2、of which issued after January 1, 2013	7,000,000	7,000,000
Capital instruments are not directly or indirectly held by banks		
Deduct：1、Regulatory deductions applied to Additional Tier 1 capital due to insufficient Tier 2 capital to cover the required		
2、Commercial banks capital investment in financial-related businesses classified to the banking book	7,000,000	1,730,996
3、Direct investment of industrial banks and deductions for investment in Investment properties		
4、Other deduction		
Additional Tier 1 capital（2）	**0**	**5,269,004**
Tier 2 capital：		
Cumulative perpetual preferred stock and its capital stock		
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Cumulative perpetual subordinated debts		
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Convertible subordinated debts		
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
Long-term subordinated debts		
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)	3,492,000	3,492,000
2、of which issued after January 1, 2013	23,940,000	23,940,000
Non-perpetual preferred stock and its capital stock premium		
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)		
2、of which issued after January 1, 2013		
when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earnings		
The 45% of unrealized gain of equity instruments and debt instruments measured at FVTOCI	3,769,463	3,769,463
The 45% of unrealized gains on changes in the fair value of investment properties using fair value method		
Operational reserves and loan-loss provisions	9,923,819	11,617,019
Capital instruments which are issued by banks subsidiaries, and are not directly or indirectly held by banks		16,975,590
Deduct：		
1、Commercial banks capital investment in financial-related businesses classified to the banking book	36,998,104	3,617,597
2、Direct investment of industrial banks and deductions for investment in Investment properties		
3、Other deduction		
Tier 2 capital（3）	**4,127,178**	**56,176,474**
Total eligible capital =（1）+（2）+（3）	**113,377,352**	**207,554,618**

【Table 4-1】

Balance sheet

Jun-30-2020

(Unit: NT$1,000)

Items	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio
	Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets
ASSETS				
Cash and cash equivalents	44,096,918	44,096,918	73,323,410	73,323,410
Due from the Central Bank and call loans to banks	110,471,897	110,471,897	228,591,647	228,591,647
Financial assets measured at fair value through profit or loss	2,934,275	2,934,275	13,792,776	13,792,776
Financial assets measured at fair value through other comprehensive income	226,341,326	226,341,326	513,447,861	513,447,861
Debt instrument investments measured at amortized cost	87,811,238	87,811,238	89,258,300	89,258,300
Securities purchased under resale agreements	1,168,783	1,168,783	1,168,783	1,168,783
Receivables, net	10,723,781	10,723,781	22,634,063	22,634,063
Current income tax assets	108,492	108,492	236,398	236,398
Discounts and loans, net	750,331,882	750,331,882	1,136,986,364	1,136,986,364
Investments under the equity method, net	74,131,300	74,131,300	1,780,130	1,780,130
Other financial assets, net	2,709,590	2,709,590	2,709,590	2,709,590
Properties, net	11,984,260	11,984,260	21,107,688	21,107,688
Right-of-use assets, net	887,403	887,403	2,321,139	2,321,139
Investment properties, net	0	0	5,704,941	5,704,941
Intangible assets, net	89,423	89,423	1,737,406	1,737,406
Deferred income tax assets	626,079	626,079	831,435	831,435
Other assets, net	3,480,552	3,480,552	4,473,641	4,473,641
Total assets	**1,327,897,199**	**1,327,897,199**	**2,120,105,572**	**2,120,105,572**

Items	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio
	Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets
LIABILITIES				
Due to the Central Bank and banks	15,324,751	15,324,751	54,591,657	54,591,657
Financial liabilities measured at fair value through profit or	2,718,167	2,718,167	5,132,524	5,132,524
Securities sold under repurchase agreements	32,268,848	32,268,848	32,268,848	32,268,848
Payables	30,034,588	30,034,588	43,620,036	43,620,036
Current income tax liabilities	887,184	887,184	1,963,710	1,963,710
Deposits and remittances	1,012,073,210	1,012,073,210	1,675,603,567	1,675,603,567
Bank debentures	66,850,000	66,850,000	82,954,624	82,954,624
Other financial liabilities	4,542,502	4,542,502	6,276,162	6,276,162
Provisions	1,620,823	1,620,823	2,648,678	2,648,678
Lease liabilities	893,758	893,758	2,383,133	2,383,133
Deferred income tax liabilities	9,329,208	9,329,208	9,607,827	9,607,827
Other liabilities	1,515,376	1,515,376	3,459,684	3,459,684
Total liabilities	**1,178,058,415**	**1,178,058,415**	**1,920,510,450**	**1,920,510,450**
Equity				
Equity attributable to owners of the Bank			149,838,784	149,838,784
Share capital	44,816,031	44,816,031	44,816,031	44,816,031
Ordinary shares	44,816,031	44,816,031	44,816,031	44,816,031
Capital surplus	16,432,561	16,432,561	16,432,561	16,432,561
Retained earnings	82,628,856	82,628,856	82,628,856	82,628,856
Legal reserve	56,344,918	56,344,918	56,344,918	56,344,918
Special reserve	7,669,374	7,669,374	7,669,374	7,669,374
Unappropriated earnings	18,614,564	18,614,564	18,614,564	18,614,564
Other equity	6,044,480	6,044,480	6,044,480	6,044,480
Treasury shares	83,144	83,144	83,144	83,144
Non-controlling interests	0	0	49,756,338	49,756,338
Total equity	**149,838,784**	**149,838,784**	**199,595,122**	**199,595,122**
Total liabilities and equity	**1,327,897,199**	**1,327,897,199**	**2,120,105,572**	**2,120,105,572**

【Table 4-2】

Statement of assets and liabilities
Jun-30-2020

(Unit: NT$1,000)

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
ASSETS								
	Cash and cash equivalents			44,096,918	44,096,918	73,323,410	73,323,410	
	Due from the Central Bank and call loans to banks			110,471,897	110,471,897	228,591,647	228,591,647	
	Financial assets measured at fair value through profit or loss			2,934,275	2,934,275	13,792,776	13,792,776	
		Reciprocal cross-holdings in common equity and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	17					A1
		Deduction amount from additional Tier 1 capital	38					A2
		Deduction amount from Tier 2 capital	53					A3
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A4
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A5
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A6
		Deduction amount from additional Tier 1 capital	39					A7
		Deduction amount from Tier 2 capital	54					A8
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A9
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A10
		Amounts below the thresholds for deduction	72					A11
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A12
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A13
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A14
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A15
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A16
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A17
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A18
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A19
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A20
		Amounts below the thresholds for deduction-other significant investments	73					A21
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common stock equity	26d		0		0	A22
		Deduction amount from additional Tier 1 capital	41b		0		0	A23
		Deduction amount from Tier 2 capital	56d		0		0	A24
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A25

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	42		0		0	A26
		Other financial assets measured at fair value through profit or loss			2,934,275		13,792,776	
	Financial assets measured at fair value through other comprehensive income			226,341,326	226,341,326	513,447,861	513,447,861	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A27
		Deduction amount from additional Tier 1 capital	38					A28
		Deduction amount from Tier 2 capital	53					A29
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A30
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A31
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A32
		Deduction amount from additional Tier 1 capital	39					A33
		Deduction amount from Tier 2 capital	54					A34
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A35
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A36
		Amounts below the thresholds for deduction	72					A37
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			606,719		2,681,854	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A38
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A39
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A40
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A41
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19		144,720		663,505	A42
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40		0		663,504	A43
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55		317,279		1,354,845	A44
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27		144,720			A45
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A46
		Amounts below the thresholds for deduction-other significant investments	73					A47
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common equity Tier 1 capital	26d		0		0	A48
		Deduction amount from additional Tier 1 capital	41b		0		0	A49
		Deduction amount from Tier 2 capital	56d		0		0	A50
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A51
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	42		0		0	A52
		Other financial assets measured at FVOCI			0		0	
	Debt instrument investments measured at amortized cost			87,811,238	87,811,238	89,258,300	89,258,300	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Deduction amount from common equity Tier 1 capital	17					A53
		Deduction amount from additional Tier 1 capital	38					A54
		Deduction amount from Tier 2 capital	53					A55
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A56
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A57
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A58
		Deduction amount from additional Tier 1 capital	39					A59
		Deduction amount from Tier 2 capital	54					A60
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A61
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A62
		Amounts below the thresholds for deduction	72					A63
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A64
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A65
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A66
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A67
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A68
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A69
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A70
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A71
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A72
		Amounts below the thresholds for deduction-other significant investments	73					A73
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common equity Tier 1 capital	26d		0		0	A74
		Deduction amount from additional Tier 1 capital	41b		0		0	A75
		Deduction amount from Tier 2 capital	56d		0		0	A76
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A77
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	42		0		0	A78
		Other financial assets measured at fair value through profit or loss			87, 811, 238		89, 258, 300	
	Securities purchased under resale agreements			1, 168, 783	1, 168, 783	1, 168, 783	1, 168, 783	
	Receivables, net			10, 723, 781	10, 723, 781	22, 634, 063	22, 634, 063	
	Current income tax assets			108, 492	108, 492	236, 398	236, 398	
	Discounts and loans, net			750, 331, 882	750, 331, 882	1, 136, 986, 364	1, 136, 986, 364	
		Discount and loan - gross amounts (including discount and premium adjustment)			759, 785, 437		1, 148, 343, 969	
		Provision-discounts and loans			(9, 453, 555)		(11, 357, 605)	
		included in Tier 2 capital	50		(10, 191, 048)		(11, 983, 289)	A79
		others			737, 493		625, 684	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
	Investments under the equity method, net			74,131,300	74,131,300	1,780,130	1,780,130	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A80
		Deduction amount from additional Tier 1 capital	38					A81
		Deduction amount from Tier 2 capital	53					A82
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A83
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A84
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A85
		Deduction amount from additional Tier 1 capital	39					A86
		Deduction amount from Tier 2 capital	54					A87
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A88
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A89
		Amounts below the thresholds for deduction	72					A90
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			60,639,943		1,367,877	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A91
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A92
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A93
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A94
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19		14,421,572		341,969	A95
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40		7,000,000		341,969	A96
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55		31,796,799		683,939	A97
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27		7,421,572			A98
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A99
		Amounts below the thresholds for deduction-other significant investments	73					A100
		Other investments under the equity method			13,491,357		412,253	
	Other financial assets, net			2,709,590	2,709,590	2,709,590	2,709,590	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A127
		Deduction amount from additional Tier 1 capital	38					A128
		Deduction amount from Tier 2 capital	53					A129
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A130
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A131
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A132
		Deduction amount from additional Tier 1 capital	39					A133
		Deduction amount from Tier 2 capital	54					A134
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A135
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A136

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Amounts below the thresholds for deduction	72					A137
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A138
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A139
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A140
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A141
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A142
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A143
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A144
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A145
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A146
		Amounts below the thresholds for deduction-other significant investments	73					A147
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common stock equity	26d		0		0	A148
		Deduction amount from additional Tier 1 capital	41b		0		0	A149
		Deduction amount from Tier 2 capital	56d		0		0	A150
		Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	27		0		0	A151
		Regulatory adjustments applied to Additional Tier 1 capital due to insufficient Tier 2 to cover deductions	42		0		0	A152
		Other financial assets (excluding capital investment in financial related businesses)			2,709,590		2,709,590	
	Properties, net			11,984,260	11,984,260	21,107,688	21,107,688	
	Right-of-use asset			887,403	887,403	2,321,139	2,321,139	
	Investment properties, net			0	0	5,704,941	5,704,941	
	Intangible assets, net			89,423	89,423	1,737,406	1,737,406	
		Goodwill	8		0		88,762	A153
		Intangible assets (excluding goodwill)	9		89,423		1,648,644	A154
	Deferred income tax assets			626,079	626,079	831,435	831,435	
		Depending on the future profitability	10					A155
		Temporary difference			626,079		831,435	
		Amount exceeding the 10% threshold-deduct from common equity Tier 1 capital	21		0		0	A156
		Amount exceeding the 15% threshold-deduct from common equity Tier 1 capital	25		0		0	A157
		Amount below the deduction threshold	75		626,079		831,435	A158
	Other assets, net			3,480,552	3,480,552	4,473,641	4,473,641	
		Prepaid pension	15		0		0	A159
		Other assets			3,480,552		4,473,641	
Total assets				1,327,897,199	1,327,897,199	2,120,105,572	2,120,105,572	
LIABILITIES								
	Due to the Central Bank and banks			15,324,751	15,324,751	54,591,657	54,591,657	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
	Financial liabilities measured at fair value through profit or loss			2,718,167	2,718,167	5,132,524	5,132,524	
		Instruments issued by the parent company that can be included in the capital			0		0	
		Eligible additional Tier 1 capital instrument	30、32		0		0	D1
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	D2
		Eligible Tier 2 capital instrument	46		0		0	D3
		Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	D4
		Instruments issued by subsidiaries and held by third parties that can be included in the capital					0	
		Eligible additional Tier 1 capital instrument	34				0	D5
		Additional Tier 1 capital instrument-declining 10% per year from 2013	34、35				0	D6
		Eligible Tier 2 capital instrument	48				0	D7
		Tier 2 capital instrument-declining 10% per year from 2013	48、49				0	D8
		Capital surplus of non-controlling interests					0	
		Gains and losses due to changes in own credit risk on fair valued liabilities	14		(53,591)		(53,591)	D9
		Other financial liabilities measured at fair value through profit or loss			2,771,758		5,186,115	
	Securities sold under repurchase agreements			32,268,848	32,268,848	32,268,848	32,268,848	
	Payables			30,034,588	30,034,588	43,620,036	43,620,036	
	Current income tax liabilities			887,184	887,184	1,963,710	1,963,710	
	Deposits and remittances			1,012,073,210	1,012,073,210	1,675,603,567	1,675,603,567	
	Bank debentures			66,850,000	66,850,000	82,954,624	82,954,624	
		Issued by the parent company			66,850,000		66,850,000	
		Eligible additional Tier 1 capital instrument	30、32		7,000,000		7,000,000	D11
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	D12
		Eligible Tier 2 capital instrument	46		20,030,000		20,030,000	D13
		Tier 2 capital instrument-declining 10% per year from 2013	47		2,328,000		2,328,000	D14
		Bank debentures(excluding those who can be included in the capital)			37,492,000		37,492,000	
		Issued by subsidiaries and held by third parties					16,104,624	
		Eligible additional Tier 1 capital instrument	34				0	D15
		Additional Tier 1 capital instrument-declining 10% per year from 2013	34、35				0	D16
		Eligible Tier 2 capital instrument	48				16,104,624	D17
		Tier 2 capital instrument-declining 10% per year from 2013	48、49				0	D18
		Capital surplus of non-controlling interests					0	
		Bank debentures (excluding the capital can be included in and the capital surplus of non-controlling interests)					0	
	Other financial liabilities			4,542,502	4,542,502	6,276,162	6,276,162	
	Provisions			1,620,823	1,620,823	2,648,678	2,648,678	
	Lease liabilities			893,758	893,758	2,383,133	2,383,133	
	Deferred income tax liabilities			9,329,208	9,329,208	9,607,827	9,607,827	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Deductible			0		0	
		Intangible assets-Goodwill	8		0		0	D27
		Intangible assets (excluding goodwill)	9		0		0	D28
		Prepaid pension	15		0		0	D29
		Depending on the future profitability	10		0		0	D30
		Temporary difference			0		0	
		Amount exceeding the 10% threshold-deduct from common equity Tier 1 capital	21		0		0	D31
		Amount exceeding the 15% threshold-deduct from common equity Tier 1 capital	25		0		0	D32
		Amount below the deduction threshold	75		0		0	D33
		Non-deductible			9, 329, 208		9, 607, 827	
	Other liabilities			1, 515, 376	1, 515, 376	3, 459, 684	3, 459, 684	
Total liabilities				1, 178, 058, 415	1, 178, 058, 415	1, 920, 510, 450	1, 920, 510, 450	
Equity								
	Equity attributable to owners of the					149, 838, 784	149, 838, 784	
	Share capital			44, 816, 031	44, 816, 031	44, 816, 031	44, 816, 031	
		Common Equity Tier 1 capital	1		44, 816, 031		44, 816, 031	E1
		Additional Tier 1 capital			0		0	
		Eligible additional Tier 1 capital	30、31		0		0	E2
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	E3
		Tier 2 capital			0		0	
		Eligible Tier 2 capital	46		0		0	E4
		Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	E5
		Share capital that cannot be included in own capital			0		0	
	Capital surplus			16, 432, 561	16, 432, 561	16, 432, 561	16, 432, 561	
		Capital surplus-Common Equity Tier 1 capital	1		13, 061, 381		13, 061, 381	E6
		Capital surplus-Additional Tier 1 capital			0		0	
		Eligible additional Tier 1 capital	30、31		0		0	E7
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	E8
		Capital surplus-Tier 2 capital			0		0	
		Eligible tier 2 capital	46		0		0	E9
		Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	E10
		Share premium that cannot be included in own capital			0		0	
		Capital surplus(excluding share premium)	2		3, 371, 180		3, 371, 180	E11
	Retained arnings			82, 628, 856	82, 628, 856	82, 628, 856	82, 628, 856	
		Shortfall of provisions to expected losses	12		0		0	E12
		Prudential valuation adjustments	7		0		0	E13
		Shortfall of defined-benefit pension	15		0		0	E14
		Securitisation gain on sale	2、13		0		0	E15
		when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earningsretained earnings	2、26a、56a		0		0	E16
		the 45% of unrealized gains on changes in the fair value of investment properties using fair value method	2、26e、56e		0		0	E17

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Properties sale and leaseback benefits after January 1, 2012	2、26f		0		0	E18
		Other retained earnings that may not be included in CET 1 as required by regulatory or supervisory requirements	2、26g		0		0	E19
		Other retained arnings	2		82,628,856		82,628,856	E20
	Other equity	Total other equity	3	6,044,480	6,044,480	6,044,480	6,044,480	E21
		Unrealized gain of equity instruments and debt instruments measured at FVTOCI.(Not investments in the common stock of banking, financial and insurance entities and other TLAC liabilities)	26b、56b		8,501,676		8,501,676	E22
		Gain of the hedging instrument (loss)	11		0		0	E23
		Value added of properties revaluation	26e、56e		0		0	E24
		Other equity(excluding the above items)			(2,457,196)		(2,457,196)	
	Treasury shares		16	83,144	83,144	83,144	83,144	E25
	Non-controlling interests					49,756,338	49,756,338	
		Common Equity Tier 1 capital	5				23,853,562	E26
		Additional Tier 1 capital	34				0	E27
		Tier 2 capital	38				0	E28
		Capital surplus of non-controlling interests					25,902,776	
Total equity				149,838,784	149,838,784	199,595,122	199,595,122	
Total liabilities and equity				1,327,897,199	1,327,897,199	2,120,105,572	2,120,105,572	
Note		Expected loss			584,140		592,950	

【Table 4-3】

Composition of regulatory capital
Jun-30-2020

(Unit: NT$1,000)

items		Standalone	Consolidated
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	57,877,412	57,877,412
2	Retained earnings	86,000,036	86,000,036
3	Accumulated other comprehensive income and other reserves	6,044,480	6,044,480
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		23,853,562
6	Common Equity Tier 1 capital before regulatory adjustments	149,921,928	173,775,490
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0	0
8	Goodwill (net of related tax liability)	0	88,762
9	Other intangibles (net of related tax liability)	89,423	1,648,644
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	0
11	Gain and losses of hedging instruments (gain should be deducted, losses should be added)	0	0
12	Shortfall of provisions to expected losses	0	0
13	Securitisation gain on sale	0	0
14	Gains and losses due to changes in own credit risk on fair valued liabilities	53,591	53,591
15	Defined-benefit pension fund net assets	0	0
16	Investments in own shares	83,144	83,144
17	Reciprocal cross-holdings in common equity and its unrealized gains	0	0
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	0	0
19	Significant investments in the common stock of banking, financial and insurance entities are deducted from common equity tier 1 capital.【Before December 31, 2121】 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation. (amount above 10% threshold)【From January 1, 2022】	14,566,292	1,005,474
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0	0
22	Amount exceeding the 15% threshold	0	0
23	of which: significant investments in the common stock of financials	0	0
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences	0	0
26	National specific regulatory adjustments		
26a	When the immovable property is first applied to the IFRSs, retained earnings increase due to the fair value or revaluation value is used as the recognized cost.	0	0
26b	Unrealized gain of equity instruments and debt instruments measured at FVTOCI.(Not investments in the common stock of banking, financial and insurance entities and other TLAC liabilities)	8,501,676	8,501,676
26c	Classification of investments in financial-related businesses to the banking books (or direct investment in industrial banks and deductions for investment in Investment properties)		
26d	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
26e	Investment properties follow-up measurement of value-added benefits recognized by the fair value model	0	0
26f	Properties sale and leaseback benefits after January 1, 2012	0	0
26g	Other retained earnings that may not be included in CET 1 as required by regulatory or supervisory requirements	0	0

items		Standalone	Consolidated
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	7,566,292	0
28	**Total regulatory adjustments to Common equity Tier 1**	**30,860,418**	**11,381,291**
29	**Common Equity Tier 1 capital (CET1)**	**119,061,510**	**162,394,199**
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	7,000,000	7,000,000
31	of which: classified as equity under applicable accounting standards	0	0
32	of which: classified as liabilities under applicable accounting standards	7,000,000	7,000,000
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0	0
34	Additional Tier 1 instruments issued by subsidiaries and held by third parties		0
35	of which: instruments issued by subsidiaries subject to phase out		0
36	Additional Tier 1 capital before regulatory adjustments	7,000,000	7,000,000
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	0	0
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	0	0
40	Significant investments in the common stock of banking, financial and insurance entities are deducted from additional tier 1 capital.【Before December 31, 2121】 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation. (amount above 10% threshold)【Applicable from January 1, 2022】	7,000,000	1,005,473
41	National specific regulatory adjustments		
41a	Classification of investments in financial-related businesses to the banking books (or direct investment in industrial banks and deductions for investment in Investment properties)		
41b	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	0	0
43	**Total regulatory adjustments to Additional Tier 1 capital**	**7,000,000**	**1,005,473**
44	**Additional Tier 1 capital (AT1)**	**0**	**5,994,527**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**119,061,510**	**168,388,726**
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	20,030,000	20,030,000
47	Directly issued capital instruments subject to phase out from Tier 2	2,328,000	2,328,000
48	Tier 2 instruments issued by subsidiaries and held by third parties		16,104,624
49	of which: instruments issued by subsidiaries subject to phase out		0
50	Provisions	10,191,048	11,983,289
51	**Tier 2 capital before regulatory adjustments**	**32,549,048**	**50,445,913**
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments	0	0
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	0	0
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	32,114,078	2,038,784
56	National specific regulatory adjustments	(3,825,754)	(3,825,754)
56a	when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earnings	0	0

items		Standalone	Consolidated
56b	45% of Unrealized gain of equity instruments and debt instruments measured at FVTOCI	(3,825,754)	(3,825,754)
56c	Classification of investments in financial-related businesses to the banking books (or direct investment of industrial banks and deductions for investment in Investment properties)		
56d	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
56e	The 45% of unrealized gains on changes in the fair value of investment properties using fair value method	0	0
57	Total regulatory adjustments to Tier 2 capital	**28,288,324**	**-1,786,970**
58	Tier 2 capital (T2)	**4,260,724**	**52,232,883**
59	Total capital (TC = T1 + T2)	**123,322,234**	**220,621,609**
60	Total risk weighted assets	**948,496,820**	**1,608,255,321**
	Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	**12.55%**	**10.10%**
62	Tier 1 (as a percentage of risk weighted assets)	**12.55%**	**10.47%**
63	Total capital (as a percentage of risk weighted assets)	**13.00%**	**13.72%**
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)	7.0000%	7.0000%
65	of which: capital conservation buffer requirement	2.5000%	2.5000%
66	of which: bank specific countercyclical buffer requirement	0.0000%	0.0000%
67	of which: G-SIB buffer requirement		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	6.55%	4.47%
	National minima (if different from Basel 3)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)		
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)		
71	National total capital minimum ratio (if different from Basel 3 minimum)		
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	0	0
73	Significant investments in the common stock of financials	0	0
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	626,079	831,435
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	10,191,048	11,983,289
77	Cap on inclusion of provisions in Tier 2 under standardised approach	10,795,021	18,303,284
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA	NA
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA	NA
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements	0	0
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	0
84	Current cap on T2 instruments subject to phase out arrangements	28,040,000	28,040,000
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	25,712,000	25,712,000

【Table 5】

Disclosure template for main features of regulatory capital instruments

#	Items	101-3 B	101-4 B	103-1A	103-1B
1	Abbreviation of preferred stock or bond (such as the issue year and period)	01SCSB3B	01SCSB4B	03SCSB1A	03SCSB1B
2	Issuer	The Shanghai Commercial & Savings Bank			
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101463	TW000G101489	TW000G101497	TW000G101505
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.13, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.		According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	
	Regulatory treatment				
5	Capital category	Tier 2 capital			
6	Capital calculation	Declining 10% per year from 2013, the last five years are declining by 20%		The last five years are declining by 20% year after year.	
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated			
8	Capital instrument category	Long-term subordinated bond			
9	Amount recognised in regulatory capital	NT$960M	NT$1,368M	NT$0M	NT$3,060M
10	Par value of instrument	NT$4,000M	NT$5,700M	NT$1,600M	NT$5,100M
11	Accounting classification	Liabilties-Bank debentures			
12	Original date of issuance	15-Nov-12	27-Dec-12	25-Mar-14	25-Mar-14
13	Perpetual or dated	Dated			
14	Original maturity date	15-Nov-22	27-Dec-22	25-Mar-21	25-Mar-24
15	Issuer call subject to prior supervisory approval	No	No	No	No
16	Redemption clause	No	No	No	No
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.55%	1.55%	1.7%	1.85%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-cumulative	Non accumulation	Non accumulation	Non accumulation	Non accumulation
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	No	No	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital Adequacy and Capital	Yes	Yes	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	Art.11.3.(8)	Art.11.3.(8)	No	No

【Table 5】

#	Items	103-2	104-1	104-2	106-1A
1	Abbreviation of preferred stock or bond (such as the issue year and period)	03SCSB2	P04SCSB1	P04SCSB2	P06SCSB1A
2	Issuer	The Shanghai Commercial & Savings Bank			
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101513	TW000G101521	TW000G101539	TW000G101547
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.			
	Regulatory treatment				
5	Capital category	Tier 2 capital			
6	Capital calculation	The last five years are declining by 20% year after year.			
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated			
8	Capital instrument category	Long-term subordinated bond			
9	Amount recognised in regulatory capital	NT$660M	NT$430M	NT$1,800M	NT$120M
10	Par value of instrument	NT$3,300M	NT$2,150M	NT$3,000M	NT$200M
11	Accounting classification	Liabilties-Bank debentures			
12	Original date of issuance	25-Nov-14	25-Jun-15	16-Dec-15	13-Jun-17
13	Perpetual or dated	Dated			
14	Original maturity date	25-Nov-21	25-Jun-22	16-Jun-24	13-Jun-24
15	Issuer call subject to prior supervisory approval	No	No	No	No
16	Redemption clause	No	No	No	No
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.83%	1.83%	1.83%	1.5%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-cumulative	Non accumulation	Non accumulation	Non accumulation	Non accumulation
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital Adequacy and Capital	No	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No	No

【Table 5】

#	Items	106-1B	106-2A	106-2B	2017-1
1	Abbreviation of preferred stock or bond (such as the issue year and period)	P06SCSB1B	P06SCSB2A	P06SCSB2B	N/A
2	Issuer	The Shanghai Commercial & Savings Bank		The Shanghai Commercial & Savings Bank	Shanghai Commercial Bank
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101554	TW000G101562	TW000G101562	XS1720518478
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.			English Law, except that the subordination provisions shall be governed by the laws of Hong Kong.
	Regulatory treatment				
5	Capital category	Tier 2 capital			
6	Capital calculation	The last five years are declining by 20% year after year.			
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated			consolidated
8	Capital instrument category	Long-term subordinated bond			
9	Amount recognised in regulatory capital	NT$4,800M	NT$960M	NT$3,800M	HK$1,927M
10	Par value of instrument	NT$4,800M	NT$1,200M	NT$3,800M	US$250M
11	Accounting classification	Liabilties-Bank debentures			
12	Original date of issuance	13-Jun-17	15-Dec-17	15-Dec-17	29-Nov-17
13	Perpetual or dated	Dated			
14	Original maturity date	13-Jun-27	15-Dec-24	15-Dec-27	29-Nov-27
15	Issuer call subject to prior supervisory approval	No	No	No	Yes
16	Redemption clause	No	No	No	One-off call date: 29 November 2022. Additional optional redemption in whole at 100% of principal amount with accrued interest for taxation reasons, tax deductions reasons and regulatory reasons. Redemption amount subject to adjustment following occurrence of a Non-Viability Event. Redemption subject to prior written consent of the Hong Kong Monetary Authority ("HKMA").
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.85%	1.3%	1.55%	3.75%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory,Fixed until 29 November 2022 and thereafter reset to a new fixed rate equal to the sum of the then prevailing U.S. Treasury Rate and the Spread at Pricing.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-cumulative	Non accumulation	Non accumulation	Non accumulation	Cumulative
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital Adequacy and Capital	No	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No	No

【Table 5】

#	Items	107-1A	107-1B	107-3	2019-1
1	Abbreviation of preferred stock or bond (such as the issue year and period)	P07SCSB1A	P07SCSB1B	P07SCSB2	N/A
2	Issuer	The Shanghai Commercial & Savings Bank			Shanghai Commercial Bank
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101596	TW000G101604	TW000G101612	XS1892105823
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.		According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.10.2, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	English Law, except that the subordination provisions shall be governed by the laws of Hong Kong.
	Regulatory treatment				
5	Capital category	Tier 2 capital		Additional Tier 1 capital	Tier 2 capital
6	Capital calculation	The last five years are declining by 20% year after year.		All	The last five years are declining by 20% year after year.
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated		standalone and consolidated	consolidated
8	Capital instrument category	Long-term subordinated bond		Perpetual non-cumulative subordinated bond	Long-term subordinated bond
9	Amount recognised in regulatory capital	NT$2,400M	NT$2,000M	NT$7,000M	HK$2,312M
10	Par value of instrument	NT$3,000M	NT$2,000M	NT$7,000M	US$300M
11	Accounting classification	Liabilties-Bank debentures			
12	Original date of issuance	21-Jun-18	21-Jun-18	12-Dec-18	17-Jan-19
13	Perpetual or dated	Dated		Perpetual	Dated
14	Original maturity date	21-Jun-25	21-Jun-28	No maturity	17-Jan-29
15	Issuer call subject to prior supervisory approval	No	No	Yes	Yes
16	Redemption clause	No	No	After the term of the bond has expired for five years from the date of issue, the ratio of eligible capital to the risk-weighted assets after the redemption is still in line with the minimum ratio of Art. 5.1 of Regulations Governing the Capital Adequacy and Capital Category of Banks. With the consent of the competent authority, the Bank may redeem in advance; and announce it 30 days before the scheduled redemption date, pay interest at the denomination,	One-off call date: 17 January 2024. Additional optional redemption in whole at 100% of principal amount with accrued interest for taxation reasons, tax deductions reasons and regulatory reasons. Redemption amount subject to adjustment following occurrence of a Non-Viability Event. edemption subject to prior written consent of the HKMA.
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.25%	1.45%	2.15%	5.00%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	Mandatory, the explanation is as follows: Since the date of issuance, the interest is calculated according to the interest rate. The interest-bearing basis is calculated based on the actual number of days/actual days, and the interest is paid twice a year.	When the Bank has no surplus in the previous year and no ordinary dividends (including cash and stock dividends), the interest of the current year of the bond shall not be paid, but the accumulated undistributed surplus is less than the interest paid after deducting the unsettled loss of the bad debt. And the payment is subject to the conditions stipulated in this release point, not limited to this. Interest paid for the termination of the preceding paragraph shall not be accumulated or deferred.	Mandatory,Fixed until 17 January 2024 and thereafter reset to a new fixed rate equal to the sum of the then prevailing U.S. Treasury Rate and the Spread at Pricing.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-cumulative	Non accumulation	Non accumulation	Non accumulation	Cumulative
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital Adequacy and Capital	No	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No	No

【Table 6】

Summary comparison of accounting assets vs leverage ratio exposure measure

Jun-30-2020

(Unit: NT$1,000)

	項　目	Standalone		Consolidated	
		Jun-30-2020	Mar-31-2020	Jun-30-2020	
1	Total assets as per published financial statements	1,327,897,199	1,291,682,000	2,120,105,572	
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(29,222,006)	(30,387,646)	(3,748,351)	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure				
4	Adjustments for derivative financial instruments	177,396	222,468	14,645,773	
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	505,897	198,672	505,897	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	115,920,706	109,582,771	158,712,284	
7	Other adjustments	(1,958,059)	(1,378,108)	(2,639,702)	
8	**Leverage ratio exposure measure**	**1,413,321,133**	**1,369,920,157**	**2,287,581,473**	

【Table 6-1】

Leverage ratio common disclosure template

Jun-30-2020

(Unit: NT$1,000 , %)

	Items	Standalone		Consolidated	
		this quarter	last quarter	this quarter	last quarter
		Jun-30-2020	Mar-31-2020	Jun-30-2020	
	On-balance sheet exposures				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs))	1,323,800,508	1,286,073,690	2,112,678,661	
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(29,222,006)	(30,387,646)	(3,748,351)	
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)**	1,294,578,502	1,255,686,044	2,108,930,310	
	Derivative exposures				
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin)	748,998	1,000,709	3,396,864	
5	Add-on amounts for PFE associated with all derivatives transactions	398,247	427,159	14,867,335	
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework				
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)				
8	(Exempted CCP leg of client-cleared trade exposures)				
9	Adjusted effective notional amount of written credit derivatives				
10	(Adjusted effective notional offsets and add-on deductions for written credit				
11	**Total derivative exposures (sum of rows 4 to 10)**	1,147,245	1,427,868	18,264,199	
	Securities financing transaction exposures				
12	Gross SFT assets (with no recognition of netting)	1,168,783	3,024,802	1,168,783	
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)				
14	CCR exposure for SFT assets	505,897	198,672	505,897	
15	Agent transaction exposures				
16	**Total securities financing transaction exposures (sum of rows 12 to 15)**	1,674,680	3,223,474	1,674,680	
	Other off-balance sheet exposures				
17	Off-balance sheet exposure at gross notional amount	432,675,895	419,787,960	622,684,213	
18	(Adjustments for conversion to credit equivalent amounts)	(316,755,189)	(310,205,189)	(463,971,929)	
19	**Off-balance sheet items (sum of rows 17 and 18)**	115,920,706	109,582,771	158,712,284	
	Capital and total exposures				
20	**Tier 1 capital**	119,061,510	123,852,962	168,388,727	
21	**Total exposures (sum of rows 3, 11, 16 and 19)**	1,413,321,133	1,369,920,157	2,287,581,473	
	Leverage ratio				
22	**Leverage ratio**	8.42%	9.04%	7.36%	

【Table 7】

Bank risk management approach
2020

Items	Content
1.How the business model determines and interacts with the overall risk profile and how the risk profile of the bank interacts with the risk tolerance approved by the board.	SCSB classifies its main risks as credit risk, market risk, operational risk, liquidity risk, bank intereste rate risk and sovereign risk. Each business unit plans business and risk allocation in correspondence with risk tolerance set by the Board. To assure business exposures in line with SCSB's risk limits, SCSB's risk management units monitor and report risk profiles to President of SCSB and the Board on a regularly basis.
2.The risk governance structure	The board of directors is the final decision-making unit in SCSB's risk management structure, and takes ultimately responsibility for SCSB's overall risk management. To strengthen risk management, SCSB has organized the Risk Management Committee for counseling with the Board. To ensure independence, Auditing Department is organized under the Board that performing audits independently from business units and CEO. There are the Assets and Liabilities Management Committee, the Credit Review Committee and the Investment Review Committee under the President for managing SCSB's assets and liabilities, credit risk management and investment risk management respectively; Also, to strengthen operation controlling , there are operation centers that handle credit checks, estimates, credit reviews, drawdown, settlements, and check clearings imports and exports documents.
3.Channels to communicate, decline and enforce the risk culture within the bank	SCSB's bank-wide risk management policy is approved by the Board of Directors. The president is responsible for executing strategies and policy concerning business plan and risk policy which is set by the Board. Under the president, there are Risk Management Department and risk management managers of business units who are responsible for daily risk management monitoring and reporting to the top management committee timely and on a regularly basis.
4.The scope and main features of risk measurement systems.	Risk-related systems deployed on the mainframes are credit checking system, KONDOR PLUS system, the MGR system, and the Ulsteck bond trading system which are maintained by designated business units. The operation centers are entrusted by the business units to provide credit assessments and estimates. Credit reports filed by branches are sent to the operation centers for review, which are then approved and signed online. This system has improved efficiency and helped built a more comprehensive credit database. The KONDOR PLUS system, MGR system and Ulsteck bond trading system are outsourced software systems, which provide real-time control and daily valuation. The results are then transmitted to SCSB's SAS system for
5.Description of the process of risk information reporting provided to the board and senior management, in particular the scope and main content of reporting on risk exposure.	The Risk Management Department has to report risk information together with material risk issues to the the Board of Directors quarterly. For more timely managing of risk, the Risk Management Department reports to top managements and related committees at least but not limit to every month.
6.Qualitative information on stress testing (eg portfolios subject to stress testing, scenarios adopted and methodologies used, and use of stress testing in risk management).	The scope of stress testing covers from credit risk, market risk, operational risk, banking book interest rate risk, liquidity risk, SCSB's large exposure to concentration risk and risk is interested as well. Testing scenario is decided according to the current business exposures and overall macro economics while testing methodology complies with guidelines of SCSB's stress testing set by government supervisor, also.
7.The strategies and processes to manage, hedge and mitigate risks that arise from the bank's business model and the processes for monitoring the continuing effectiveness of hedges and mitigants.	In order to decrease credit risks, loan purpose and repayment of clients are required along with credit review. Moreover, use of collaterals or credit guarantee funds is set forth in the credit policies of Corporate and Personal Banking Departments as the further risk reduction tools. Document reviews or on-site inspections of loan purpose and business condition are conducted on a regular basis to ensure clients prepayment capacity. To enhance SCSB's credit spread pricing, the Corporate and Personal Banking Departments use a credit rating system to price loan interest rate. SCSB also regulate credit limitation, as applied to a single counterparty or group, industry, sovereign t, to avoid excessive risk concentration. As for reducing market risk, the predefined market risk tolerances are monitored on daily basis. In addition, all sophisticated securities investment has to be approved by top managements before placing out. As a whole, Management Department of SCSB has to monitor and report risk to top managements on daily basis, which keep senior management's well informed on the SCSB's risk profile timely.

【Table 8】

Key metrics

Jun-30-2020

(Unit: NT$1,000；%)

		Jun-30-2020	Mar-31-2020	Dec-31-2019	Dep-30-2019	Jun-30-2019
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	119,061,510	123,852,962	121,709,348	106,383,235	109,250,174
1a	Fully loaded ECL accounting mode	119,061,510	123,852,962	121,709,348	106,383,235	109,250,174
2	Tier 1	119,061,510	123,852,962	121,709,348	106,383,235	109,250,174
2a	Fully loaded ECL accounting model Tier 1	119,061,510	123,852,962	121,709,348	106,383,235	109,250,174
3	Total capital	123,322,234	128,005,307	128,226,769	115,080,881	113,377,352
3a	Fully loaded ECL accounting model total capital	123,322,234	128,005,307	128,226,769	115,080,881	113,377,352
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	948,496,820	899,906,058	880,872,708	865,254,360	859,869,089
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	12.55%	13.76%	13.82%	12.30%	12.71%
5a	Fully loaded ECL accounting model CET1 (%)	12.55%	13.76%	13.82%	12.30%	12.71%
6	Tier 1 ratio (%)	12.55%	13.76%	13.82%	12.30%	12.71%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	12.55%	13.76%	13.82%	12.30%	12.71%
7	Total capital ratio (%)	13.00%	14.22%	14.56%	13.30%	13.19%
7a	Fully loaded ECL accounting model total capital ratio (%)	13.00%	14.22%	14.56%	13.30%	13.19%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)					
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.500%	2.500%	2.500%	2.500%	2.500%
12	CET1 available after meeting the bank’s minimum capital requirements (%)	6.55%	7.76%	7.82%	6.30%	6.71%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	1,413,321,133	1,369,920,157	1,346,601,432	1,311,178,995	1,292,915,918
14	Basel III leverage ratio (%) (row 2 /row 13)	8.42%	9.04%	9.04%	8.11%	8.45%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13)	8.42%	9.04%	9.04%	8.11%	8.45%
	Liquidity Coverage Ratio (LCR)					
15	Total high-quality liquid assets	195,902,504	225,645,834	219,445,819	200,235,713	195,038,433
16	Total net cash outflow	160,948,223	194,977,660	183,864,767	187,743,852	193,221,826
17	LCR ratio (%)	121.72%	115.73%	119.35%	106.65%	100.94%
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	925,107,950	923,613,510	907,244,314	878,465,927	850,707,673
19	Total required stable funding	751,654,630	752,655,973	727,491,167	728,508,216	716,646,367
20	NSFR ratio(%)	123.08%	122.71%	124.71%	120.58%	118.71%

【Table 9】

Overview of RWA (standalone)

Jun-30-2020

(Unit: NT$1,000)

	items	RWA		Minimum capital requirements
		30-Jun-20	31-Dec-19	30-Jun-20
1	Credit risk (excluding counterparty credit risk) (CCR)	861,177,328	805,405,152	68,894,186
2	Of which standardised approach (SA)	861,177,328	805,405,152	68,894,186
3	Of which internal rating-based (IRB)			
4	Counterparty credit risk	1,171,273	793,292	93,702
5	Of which standardised approach for counterparty credit risk (SA-CCR)	1,171,273	793,292	93,702
6	Of which internal model method (IMM)			
7	Equity positions in banking book under market-based approach			
8	Equity investments in funds – look-through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall-back	401,599	0	32,128
11	Settlement risk	0	0	0
12	Securitisation exposures in banking book	851,450	869,704	68,116
13	Of which IRB ratings-based approach (RBA)			
14	Of which IRB Supervisory Formula Approach (SFA)			
15	Of which SA/simplified supervisory formula approach (SSFA)	851,450	869,704	68,116
16	Market risk	42,109,829	31,019,219	3,368,786
17	Of which standardised approach (SA)	42,109,829	31,019,219	3,368,786
18	Of which internal model approaches (IMM)			
19	Operational risk	42,785,341	42,785,341	3,422,827
20	Of which Basic Indicator Approach	42,785,341	42,785,341	3,422,827
21	Of which Standardised Approach			
22	Of which Advanced Measurement Approach			
23	Amounts below the thresholds for deduction (subject to 250% risk weight)			
24	Floor adjustment			
25	Total	948,496,820	880,872,708	75,879,746

【Table 9-1】

Overview of RWA (consolidated)

Jun-30-2020 (Unit: NT$1,000)

	items	RWA		Minimum capital requirements
		30-Jun-20	31-Mar-20	30-Jun-20
1	Credit risk (excluding counterparty credit risk) (CCR)	1,449,574,882	1,399,489,880	115,965,991
2	Of which standardised approach (SA)	1,449,574,882	1,399,489,880	115,965,991
3	Of which internal rating-based (IRB)			
4	Counterparty credit risk	13,434,803	6,675,466	1,074,784
5	Of which standardised approach for counterparty credit risk (SA-CCR)	13,434,803	6,675,466	1,074,784
6	Of which internal model method (IMM)			
7	Equity positions in banking book under market-based approach			
8	Equity investments in funds – look-through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall-back	401,599	0	32,128
11	Settlement risk	0	0	0
12	Securitisation exposures in banking book	851,450	869,704	68,116
13	Of which IRB ratings-based approach (RBA)			
14	Of which IRB Supervisory Formula Approach (SFA)			
15	Of which SA/simplified supervisory formula approach (SSFA)	851,450	869,704	68,116
16	Market risk	76,423,436	61,482,231	6,113,875
17	Of which standardised approach (SA)	76,423,436	61,482,231	6,113,875
18	Of which internal model approaches (IMM)			
19	Operational risk	67,569,151	67,569,151	5,405,532
20	Of which Basic Indicator Approach	67,569,151	67,569,151	5,405,532
21	Of which Standardised Approach			
22	Of which Advanced Measurement Approach			
23	Amounts below the thresholds for deduction (subject to 250% risk weight)			
24	Floor adjustment			
25	Total	1,608,255,321	1,536,086,432	128,660,426

【Table 13】

General qualitative information about credit risk
2020

	Items	Contents
1	How the business model translates into the components of the bank's credit risk profile	Corporate banking remained the core business. SCSB also made continued effort to upgrade the rest of business units, they are: foreign exchange business, Cross-Strait Banking, SME finance, Personal Banking and Wealth Management. Based on the risk strategy, risk appetite and business profit targets approved by the Board of Directors, the Bank established appropriate credit risk management policies, formulated various business credit risk management regulations, such as risk pricing and limits, and strengthened risk dispersion principles to effectively reduce concentration risks. , and pre-transaction risk management and measurement, regular review after the transaction and asset quality monitoring, etc., to determine the management basis of each product
2	Criteria and approach used for defining credit risk management policy and for setting credit risk limits	SCSB has developed a credit risk management policy in accordance with the Banking Law and applicable regulations, and the SCSB Risk Management Policy. SCSB conducts businesses in credit, investment and financial derivatives in strict compliance with the Banking Act and applicable laws and regulations, and in alignment with government policies for economic and financial development, while balancing security, liquidity, profitability, growth and public benefits. Strategy for credit risk management seeks risk diversification, prudent evaluation based on the 5P principles, and a right balance between risk and return. The risk management process grants credit authorization to heads of business units and regional centers.
3	Structure and organisation of the credit risk management and control function	SCSB's risk management is led by the Board of Directors, with the Risk Management Committee overseeing risk management across SCSB. The Assets and Liabilities Management Committee reports to the President and is responsible for managing SCSB's assets and liabilities, while an independent Risk Management Department is responsible for establishing and implementing a Bank-wide risk management mechanism. Each unit has set up dedicated risk management teams, according to its size, importance and complexity, for implementing risk management. In addition, there are the Credit Review Committee and the Investment Review Committee under the President responsible for credit risk management and investment risk management respectively; and the operation centers that handle credit checks, estimates, credit reviews, drawdowns, settlements, and check clearings. Foreign exchange is handled by the foreign exchange division of branches where each operation center is located.
4	Relationships between the credit risk management, risk control, compliance and internal audit functions	A comprehensive system of internal auditing and self-checking has been established, and compliance officers are appointed. Work guidelines are in place for routine operations, and all transactions are monitored by computer systems. The compliance department and the compliance officer of all departments and operating units should be responsible for enhancing awareness of compliance. The internal audit checks the compliance and implementation of the nuclear credit risk specification and is directly responsible to the board of directors. Regularly check and evaluate the integrity and actual implementation of various risk management mechanisms, and provide improvement suggestions in a timely manner to ensure the sustainable and effective implementation of various risk management mechanisms.
5	Scope and main content of the reporting on credit risk exposure and on the credit risk management function to the executive management and to the board of directors	SCSB has set up a Risk Management Department to monitor reports and integrate Bank-wide risk management .A Board - level Risk Management Committee is set up to oversee risk controls and the Risk Management Department reports Bank-wide risk status regularly to the Board of Directors. The report contains information on national, industry, group, single customer, liquidity and other business risks. Establish a clear notification procedure, each transaction has a limit and stop loss provisions, if the transaction reaches the stop loss limit should be executed immediately; if the stop loss is not implemented, the transaction unit should indicate the non-stop reason and response plan, report to the higher management level Approved and reported to the Committee on Accountability on a regular basis.
6	Core features of policies and processes for, and an indication of the extent to which the bank makes use of, on-and off-balance	When the following requirements are met, the Bank can reduce the credit risk by offsetting the in-table liabilities to the table: 1. Have a sound legal basis: ensure that the net settlement or write-off agreement is in the jurisdiction, and whether there is no counterparty The solvency is both mandatory; 2. It can determine that all assets and liabilities of the same counterparty have been included in the bank's net settlement contract; 3. There are appropriate control measures for significant risks on a net basis.
7	Core features of policies and processes for collateral evaluation and management.	The Bank has adopted a number of policies and measures to reduce credit risk for credit business. One of the main methods is to require borrowers to provide collateral. The collateral provided by the borrower shall be subject to compliance, independence, reliability, and realizable value to ensure the creditor's rights of the Bank. The Bank shall determine the conditions of the collateral and the procedures for the valuation, management and disposal of the collateral to ensure the creditor's rights of the Bank. The collateral of other non-credit business is determined by the nature of the financial instrument. Only asset-based securities and other similar financial instruments are secured by a group of asset instruments.
8	Information about market or credit risk concentrations under the credit risk mitigation instruments used (ie by guarantor type, collateral and credit derivative providers).	1.In order to mitigate credit risks, checks on the client's credit, use of funds and ability for loan repayment are required before every credit transaction. Additionally, the use of collaterals or credit guarantee funds as risk reduction tools is set forth in the credit policies of Corporate and Personal Banking Departments. Document reviews or on-site inspections are conducted on a regular basis regarding clients' use of funds, operations, finances, and repayment ability to ensure the claims. 2.In order to strengthen SCSB's credit risk control, the Corporate and Personal Banking Departments use a credit rating system to aid their credit decision-making and loan interest rate setting. This helps increase credit quality and makes credit pricing more objective and reasonable. 3.Pursuant to the Banking Act and SCSB credit risk management policies, individual customers, groups, industries, and countries (regions) are subject to credit limits in order for the Bank to avoid excessive risk concentration.

【Table 14】

Credit quality of assets

Jun-30-2020

(Unit: NT$1,000)

Items		Gross carrying values of		Allowances/ impairments C	Net values D
		Defaulted exposures A	Non-defaulted exposures B		
1	Loans	1,307,416	759,247,727	225,967	760,329,176
2	Debt Securities	0	245,977,680	0	245,977,680
3	Off-balance sheet exposures		408,818,014		408,818,014
4	Total	1,307,416	1,414,043,421	225,967	1,415,124,870

【Table 15】

Changes in stock of defaulted loans and debt securities

Jun-30-2020

(Unit: NT$1,000)

Items		Amounts A
1	Defaulted loans and debt securities at end of the previous reporting period	1,427,943
2	Loans and debt securities that have defaulted since the last reporting period	732,802
3	Returned to non-defaulted status	86,148
4	Amounts written off	292,316
5	Other changes	(474,865)
6	Defaulted loans and debt securities at end of the reporting period	1,307,416

【Table 16】

Additional disclosure related to the credit quality of assets

2020

	Items	Contents
1	The scope and definitions of “past due” and “impaired” exposures used for accounting purposes and the differences, if any, between the definition of past due and default for accounting and regulatory purposes.	The impaired and default definitions for accounting and regulatory purposes refer to those loans for which the principal or interest has been in arrears for three months or more, and those loans which the principal or interest has not yet been in arrears for more than three months, but with regard to which the bank has sought payment from primary/subordinate debtors or has disposed of collateral. The so-called "payment period" in the first paragraph shall be theagreed-upon date for restructured loans and other extensions ofcredit. However, if the bank requests earlier repayment inaccordance with contract, the repayment period of which the banknotifies the debtor shall be the payment period. The impaired exposures include the aforementioned default definition and objective evidence of impairment held by the Bank. The impaired and default definitions for regulations of capital adequacy:the loan has been in arrears for three months or more. The “impaired”and default definitions for accounting purposes could include objective evidence of impairment, which might have wider scope than the definitions used for regulations of capital adequacy.
2	The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.	The exposures that overdue more than 90 days are impaired.
3	Description of methods used for determining impairments.	Objective evidence of impairment for a portfolio of loans and receivables could include the Group’s past experience with collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with defaults on such financial assets.
4	The bank’s own definition of a restructured exposure.	

【Table 17】

Credit risk mitigation

Jun-30-2020

(Unit: NT$1,000)

Items		Exposures unsecured: carrying amount A	Exposures secured by collateral B	Exposures secured by collateral, of which: secured amount C	Exposures secured by financial guarantees D	Exposures secured by financial guarantees, of which: secured amount E	Exposures secured by credit derivatives F	Exposures secured by credit derivatives, of which: secured amount G
1	Loans	714,947,674	32,476,379	19,509,131	12,905,123	0	0	0
2	Debt securities	245,977,680	0	0	0	0	0	0
3	Total	960,925,354	32,476,379	19,509,131	12,905,123	0	0	0
4	Of which defaulted	999,862	0	0	135,611	0	0	0

【Table 18】

Qualitative disclosures on banks’ use of external credit ratings under the standardised approach for credit risk

2020

Items		Contents
1	Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) used by the bank, and the reasons for any changes over the reporting period	The should be followed the rule of "the Methods for calculating Bank's regulatory capital and Risk Weighted Assets" that is issued by the competent authority.
2	The asset classes for which each ECAI or ECA is used	
3	A description of the process used to transfer the issuer to issue credit ratings onto comparable assets in the banking book	
4	The alignment of the alphanumerical scale of each agency used with risk buckets (except where the relevant supervisor publishes a standard mapping with which the bank has to comply).	

【Table 19】

Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

Jun-30-2020

(Unit: NT$1,000 , %)

Items		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes		On-balance sheet amount A	Off-balance sheet amount B	On-balance sheet amount C	Off-balance sheet amount	RWA E	RWA density F
1	Sovereigns and their central banks	174,713,754	0	174,713,754	0	2,545,180	1.46%
2	Non-central government public sector entities	8,087,565	0	8,087,565	0	3,832,987	47.39%
3	Banks(including Multilateral development banks and central counterparties)	164,520,009	516,982	164,520,009	516,982	68,633,604	41.59%
4	Corporates(including Securities firms and Insurance company)	492,302,498	343,755,259	473,287,454	75,206,644	531,705,267	96.94%
5	Retail portfolios	157,235,566	64,374,308	156,741,480	3,545,091	129,313,610	80.68%
6	Secured by residential property	158,456,332	0	158,456,332	0	98,056,579	61.88%
7	Equity	1,594,855	0	1,594,855	0	1,594,855	100.00%
8	Equity investments in funds、venture capital	32,128	0	32,128	0	401,599	1250.00%
9	Other assets	32,023,583	171,464	32,023,583	0	25,495,246	79.61%
10	Total	1,188,966,290	408,818,013	1,169,457,160	79,268,717	861,578,927	69.00%

【Table 20】

Standardised approach – exposures by asset classes and risk weights

Jun-30-2020

(Unit: NT$1,000;%)

	Risk weight* / Asset classes	0% A	2% B	4% C	10% D	20% E	35% F	50% G	75% H	100% I	150% J	250% K	1250% L	LTA M	MBA N	FBA O	混合型 P	Total credit exposures amount (post CCF and post-
1	Sovereigns and their central banks	169,755,705	0	0	0	1,441,664	0	2,519,076	0	997,309	0	0	0	0	0	0	0	174,713,754
2	Non-central government public sector entities	0	0	0	0	702,653	0	7,384,912	0	0	0	0	0	0	0	0	0	8,087,565
3	Banks(including Multilateral development banks and central counterparties)	0	0	0	0	58,473,794	0	99,248,704	0	7,314,493	0	0	0	0	0	0	0	165,036,991
4	Corporates(including Securities firms and Insurance company)	0	0	0	0	6,597,597	0	23,021,506	0	518,874,995	0	0	0	0	0	0	0	548,494,098
5	Retail portfolios	0	0	0	0	8,988,361	0	0	95,129,091	56,169,120	0	0	0	0	0	0	0	160,286,572
6	Secured by residential property	0	0	0	0	0	51,798,945	264,367	106,393,020	0	0	0	0	0	0	0	0	158,456,332
7	Equity	0	0	0	0	0	0	0	0	1,594,855	0	0	0	0	0	0	0	1,594,855
8	Equity investments in funds、venture capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	32,128	0	32,128
9	Other assets	7,467,456	0	0	0	0	0	0	0	23,930,047	0	626,079	0	0	0	0	0	32,023,582
10	Total	177,223,161	0	0	0	76,204,069	51,798,945	132,438,565	201,522,111	608,880,819	0	626,079	0	0	0	32,128	0	1,248,725,877

【Table 27】

Qualitative disclosure related to counterparty credit risk
2020

Items		Contents
Risk management objectives and policies related to counterparty credit risk, including:		
1	The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures;	The bank sets the counterparty limit based on the credit risk policy. The credit risk limit is based on the credit quality of the counterparty and the risk appetite of the Bank for the potential future risk of the transaction.（ex: 95% confidence interval）
2	Policies relating to guarantees and other risk mitigants and assessments concerning counterparty risk, including exposures towards CCPs	Policies of credit risk hedging or mitigation a. Collateral The Bank applies series of policies to decrease credit risks in its lending business. Among those policies is to request collateral from borrowers. To secure the creditor’s rights, the Bank has established procedures for pledges, valuations, management, and disposals of collateral. The contracts between the Bank and the borrowers clearly state the protocols, including but not limited to the security of credit, procedures for collateral and for offsets. To further decrease credit risks, the contracts also proclaim that the Bank may decrease the credit facilities at its discretion, accelerate the maturity of the borrowings, demand immediate payback, or offset borrowers’ assets in the Bank against the borrowings.
		b. Limitation of credit risk and credit concentration management The credit policies of the Bank regulate the credit limitations, as applied to a single counterparty or group, to avoid excessive credit concentration. The Bank further implements concentration policies, which monitor and manage the credit limitation and concentration in one single counterparty, different enterprises, related parties, industries, and countries. The policies are based on individual criteria in different categories including but not limited to industries, enterprises, and share-pledge related loans.
		c. Other mechanisms for credit risk management The contracts between the Bank and the borrowers clearly state the protocols, including but not limited to the security of the credit, procedures for collateral and setoff. To further decrease credit risks, the contracts also proclaim that the Bank may decrease the balances, shorten the maturity period, demand immediate payback, or use borrowers’ assets in the Bank to offset their liabilities. In most circumstances, the Bank applies gross settlement with counterparties. However, to further decrease credit risks, the Bank applies net settlement or even terminates transactions with certain counterparties when default may occur.
3	Policies with respect to wrong-way risk exposures	The Bank doesn't formulate the policy of Wrong Way Risk.
4	The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade.	The Bank is based on a contract with a counterparty. When the Bank's credit rating is lowered, the amount of the collateral is required.

【Table 28】

Analysis of counterparty credit risk (CCR) exposure by approach

Jun-30-2020

(Unit: NT$1,000)

項目		Replacement cost A	Potential future exposure B	EEPE C	Alpha used for computing regulatory EAD D	EAD post-CRM E	RWA F
1	SA-CCR (for derivatives)	746,159	398,247		1.4		793,219
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)					562,280	324,510
5	Internal Model Method (VaR for SFTs)						
6	Total						1,117,729

【Table 29】

Credit valuation adjustment (CVA) capital charge

Jun-30-2020 **(Unit: NT$1,000)**

	Items	EAD post-CRM A	RWA B
Total portfolios subject to the Advanced CVA capital charge			
1	(1)VaR component (including the 3×multiplier)		
2	(2)Stressed VaR component (including the 3×multiplier)		
3	All portfolios subject to the Standardised CVA capital charge	3,480	53,544
4	Total subject to the CVA capital charge		

【Table 30】

Standardised approach – CCR exposures by regulatory portfolio and risk weights

Jun-30-2020 (Unit: NT$1,000)

	Risk weight* / Regulatory portfolio*	0%	10%	20%	50%	75%	100%	150%	1250%	Total credit exposure
1	Sovereigns	0	0	0	0	0	0	0	0	0
2	Non-central government public sector entities	0	0	0	0	0	0	0	0	0
3	Banks(including Multilateral development banks and central counterparties)	0	0	0	1,157,549	0	0	0	0	1,157,549
4	Corporates(including Securities firms and Insurance company)	0	0	0	20,366	0	528,199	0	0	548,564
5	Retail portfolios	0	0	0	0	0	573	0	0	573
6	Other assets	0	0	0	0	0	0	0	0	0
7	Total	0	0	0	1,177,915	0	528,772	0	0	1,706,686

【Table 32】

Composition of collateral for CCR exposure

Jun-30-2020 (Unit: NT$1,000)

Items	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency						
Cash – other currencies		4,479,514				
Domestic sovereign debt					50,845	29,857,779
Other sovereign debt						
Government agency debt						
Corporate bonds						
Financial bonds					1,353,724	25,779
Equity securities						
Other collateral					0	1,801,332
Total	0	4,479,514	0	0	1,404,569	31,684,890

【Table 33】

Credit derivatives exposures

Jun-30-2020 (Unit: NT$1,000)

Items	Protection bought	Protection sold
Notionals		
Single-name credit default swaps		
Index credit default swaps		
Total return swaps		
Credit options		
Other credit derivatives		
Total notionals		
Fair values		
Positive fair value (asset)		
Negative fair value (liability)		

【Table 35】

Exposures to central counterparties

Jun-30-2020 (Unit: NT$1,000)

項目		EAD (post-CRM) A	RWA B
1	**Exposures to QCCPs (total)**		
2	Exposures for trades at QCCPs (excluding initialmargin and default fund contributions); of which		
	(1) OTC derivatives		
	(2) Exchange-traded derivatives		
	(3) Securities financing		
	(4) Netting sets where cross-product netting has been		
3	Segregated initial margin		
4	Non-segregated initial margin		
5	Pre-funded default fund contributions		
6	Unfunded default fund contributions		
7	**Exposures to non-QCCPs (total)**		
8	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
	(1) OTC derivatives		
	(2) Exchange-traded derivatives		
	(3) Securities financing		
	(4) Netting sets where cross-product netting has been		
9	Segregated initial margin		
10	Non-segregated initial margin		
11	Pre-funded default fund contributions		
12	Unfunded default fund contributions		

【Table 36】

Operational risk
2020

Items	Contents
1.Strategies and Procedures for Operational Risk Management	For the management of operational risks, SCSB makes a division of duties to strengthen internal control and carry out training programs for business and regulatory awareness. A comprehensive system of internal auditing and self-checking has been established, and compliance officers are appointed. Work guidelines are in place for routine operations, and all transactions are monitored by computer systems. The Risk Management Department is also developing tools for operational risk management to enable more efficient and effective identification, assessment, monitoring and reporting of major risks.
2.Organization and Structure of Operational Risk Management	Operational risk management applies to all units of SCSB, including the business units, operational management units, and supporting logistical units. Board of Directors: the highest managing and supervisory body. Risk Management Committee: reviewing issues and activities related to risk management. President: establishing risk management procedures approved by the Board of Directors. Auditing Department: responsible for regular inspections of the effectiveness of operational risk management. Compliance Department and Compliance Officers of all departments and operating units: responsible for strengthening awareness of regulatory compliance. Risk Management Department: increasing awareness of the framework of operational risk management.
3.Scope and Features of Operational Risk Report and Evaluation System	Any major risk exposures identified that can jeopardize SCSB's finances or normal operation, or the financial market in general must be reported to the audit units promptly, and to the regulators if deemed necessary, so that actions may be taken in response. Violations of the law have to be reported by the Compliance Officer to Compliance Department. The Risk Management Department makes regular disclosures on SCSB's operational risks, risk information and other major issues, and reports to the senior management, the Assets and Liabilities Management Committee, the Strategic Planning Committee, the Risk Management Committee, and the Board of Directors. SCSB is developing a control and self-evaluation system for major operational risks and setting up compliance officers and self-audit/self-check procedures as required by law to manage and mitigate operational risks.
4.Hedging or Mitigation Policies for Operational Risk; Strategies and Procedures for Assessing the Effectiveness of Hedging or Mitigation	Based on the severity and frequency of operational risk events, countermeasures such as risk avoidance, risk transfer, risk control and absorption are taken. SCSB reduces level of risk exposure or forgo the business altogether for risks with extremely high frequency and severity. For risks with very low frequency but high severity (significant contingencies), such risks can be transferred with insurance. For risks with very high frequency and low severity, regular internal self-checks, knowing the client, and staff training can facilitate real-time detection of potential risks, so that proper measures can be taken in response. For risk of very low frequency and low severity, losses from such risk can be absorbed by operational costs. For operational risks arising from business activities, potential losses are reduced by strengthening internal controls, risk monitoring and employee training, and transferring risks through insurance or outsourcing.
5.Approach for Legal Capital Requirement	Basic Indicator Approach.

【Table 37】

Legal Capital Requirement for Operational Risk - Basic Indicator Approch and Standard Approch

Jun-30-2020

(Unit: NT$1,000)

Year	Annual Gross Income	Legal Capital Requirement
2017	20,782,346	
2018	23,012,351	
2019	24,661,849	
Total	68,456,546	3,422,827

【Table 38】

Qualitative disclosure requirements related to market risk - standardised approach

2020

Items		Contents
1	Strategies and processes for market risk of the bank	Strategy for market risk management seeks risk diversification and prudent evaluation, with a focus on balancing risk versus return. SCSB has put in place market risk management policies, guidelines for authorization, guidelines for risk management of financial derivatives and investments, and operational procedures for various financial products, which set forth allowed investments, internal controls and risk management measures. Management of market risks is monitored by the responsible units of defense of first-line and second-line based on the approved transactions or investment limits and loss tolerance for financial instruments and trading units set by the Board of Directors. Underlying exposures and profits/losses are reported by the nature of the products on a regular basis. Any overrun, exception or major event has to be reported immediately to the heads of responsible units, who will decide on a response if needed.
2	Structure and organisation of the market risk management function	SCSB's risk management is led by the Board of Directors, under which the Audit Committee is responsible for reviewing major events and procedures for derivative transactions. The purpose of the Risk Management Committee is to oversee risk management policies and strategies, risk management assessment, and risk management mechanisms for novel businesses. The Assets and Liabilities Management Committee reports to the President and is responsible for reviewing Bank-wide market risk limits and procedures, while the Investment Review Committee reviews and approves SCSB's investment in securities. The independent Risk Management Department is responsible for establishing and implementing a Bank-wide risk management mechanism.
3	Scope and nature of risk reporting and/or measurement systems	Market-related risks are managed with the securities system, SAS system, KPMG financial products assessment system (including the Treasury Plus evaluation engine), KONDOR PLUS system, MGR system, and the Ulsteck ticket/bond trading system deployed on the mainframes. This analysis provides the necessary information to the Risk Management Department for timely control of trading and investment positions, daily evaluations, and other necessary management.

【Table 40】

Market risk-weighted assets under standardised approach

Jun-30-2020 (Unit: NT$1,000)

Items		RWA A
Outright products		
1	Interest rate risk (general and specific)	28,657,515
2	Equity risk (general and specific)	11,100,764
3	Foreign exchange risk	2,314,391
4	Commodity risk	0
Options		
5	Simplified approach	37,159
6	Delta-plus method	
7	Scenario approach	
8	Securitisation	0
9	Total	42,109,829

【Table 45】

Securitisation exposures in the banking book

Jun-30-2020 (Unit: NT$1,000)

Asset classes	Bank acts as originator			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Retail (total) – of which	0	0	0	0	2,128,626	2,128,626
residential mortgage						0
credit card						0
other retail exposures						0
re-securitisation					2,128,626	2,128,626
Wholesale (total) – of which	0	0	0	0	0	0
loans to corporates						
commercial mortgage						
lease and receivables						
other wholesale						
re-securitisation					0	0
Toal	0	0	0	0	2,128,626	2,128,626

【Table 46】

Securitisation exposures in the trading book

Jun-30-2020 (Unit: NT$1,000)

Asset classes	Bank acts as originator			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Retail (total) – of which						
residential mortgage						
credit card						
other retail exposures						
re-securitisation						
Wholesale (total) – of which						
loans to corporates						
commercial mortgage						
lease and receivables						
other wholesale						
re-securitisation						
Toal						

【Table 47】

Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator

Jun-30-2020

(Unit: NT$1,000)

Items			Exposure values (by RW bands)					Exposure values				RWA				Capital charge after cap			
			≤20% RW A	>20% to 50% RW B	>50% to 100% RW C	>100% to <1250% RW D	1250%E	IRB RBA (including IAA) F	IRB SFA G	SA/SSFA H	1250% I	IRB RBA (including IAA J	IRB SFA K	SA/SSFA L	1250% M	IRB RBA (including IAA N	IRB SFA O	SA/SSFA P	1250% Q
1	Traditional securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total																	
2	Synthetic securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total																	
3	Total exposures																		

【Table 48】

Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

Jun-30-2020

(Unit: NT$1,000)

Items			Exposure values (by RW bands)					Exposure values				RWA				Capital charge after cap			
			≤20% RW A	>20% to 50% RW B	>50% to 100% RW C	>100% to <1250% RW D	1250%E	IRB RBA (including IAA) F	IRB SFA G	SA/SSFA H	1250% I	IRB RBA (including IAA J	IRB SFA K	SA/SSFA L	1250% M	IRB RBA (including IAA N	IRB SFA O	SA/SSFA P	1250% Q
1	Traditional securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Synthetic securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation		2,128,626						2,128,626				851,450				68,116	
		Of which senior		2,128,626						2,128,626				851,450					
		Of which non-senior																	
		Sub-total	0	2,128,626	0	0	0	0	0	2,128,626	0	0	0	851,450	0	0	0	68,116	0
3	Total exposures		0	2,128,626	0	0	0	0	0	2,128,626	0	0	0	851,450	0	0	0	68,116	0

【Table 49】

Interest Rate Risk in the Banking Book Management System

2020

Items	Content
1.Interest Rate Risk in the Banking Book Management Strategies and Procedures.	To enhance the interest rate risk management, SCSB has developed the "Interest Risk Risk Management Standards". The establishment and revision of this internal standard are approved by the Board of Directors. Interest rate risk in the banking book management is based on gap analysis. If there are special products and activities that affect the Bank's banking book interest rate risk such as issuing fixed-rate financial bonds and undertaking large-scale fixed-rate loans, it will be assessed on a case-by-case basis.
2.Organization and Framework of Interest Rate Risk in the Banking Book Management.	The supervision unit of the Bank's interest rate risk is the Asset and Liability Management Committee, the management unit is the Risk Management Department, and the execution unit is each business department and each business unit. The Asset and Liability Management Committee will hold regular monthly review meetings to enable the responsible units to understand the implementation of the interest rate risk in the banking book management, and promoted to the heads of various departments through the ALCO members.
3.Scope and Characteristics of Interest Rate Risk in the Banking Book Reporting and Measurement	Bank incorporates all interest rate sensitive positions on the balance sheet into interest rate risk assessments, which can reasonably assess the impact on the earnings of the coming year. The management unit uses the re-price gap analysis and assesses the impact of interest rate changes on the earnings for the next year to let senior executives and the board of directors understand the bank book interest rate risk. The “Interest Rate Sensitive Assets and Liabilities Analysis Form” is prepared monthly to report to the Asset and Liability Committee and report regularly to the Risk Management Committee and the Board of Directors.
4.Interest Rate Risk in the Banking Book Hedging or Mitigation Policy, and Strategies and Procedures for Monitoring the Continuing Effectiveness of Hedging and Mitigation Instruments.	All items on-balance sheet such as assets and liabilities are assessed by the gap analysis, which are distributed into time bands according to the regulations of the competent authority(for example, the central bank stipulates that Demand Deposits are distributed into 91-180 days time band), time remaining to maturity or the next re-pricing date.

【Table 50】

Liquidity risk management

2020

Items	Contents
1.Strategies and Procedures for Liquidity Risk Management	According to the SCSB's liquidity risk management guidelines, the liquidity risk measurement indicators and the assessment of liquidity risk support capabilities, the establishment of monitoring, periodic assessment and immediate reporting mechanisms, and the establishment of the liquidity crisis, SCSB's contingency plan With the relevant units, the appropriate measures should be taken in a timely manner.
2.Organization and Structure of Liquidity Risk Management	The Board of Directors is the highest decision-making unit for liquidity risk management of SCSB, and the Asset and Liability Management Committee reviews and evaluates issues related to liquidity risk management. It usually meets once a month and reports management situation and related recommendations to the Board of Directors on a quarterly basis; Department of Risk Management is the monitoring and reporting unit of various liquidity risk indicators, and the Financial Department is the executive unit that controls the liquidity of the day and the fund scheduling.
3.Scope and Features of Liquidity Risk Report and Evaluation System	To manage liquidity risk,SCSB establishes a management mechanism for various liquidity risk indicator limits. The risk management unit regularly monitors whether indicators such as deposit reserve, current ratio, deposit ratio, and liquidity limit comply with regulations and implementation stress tests. And report the results to the Board of Directors for reference.
4.Funding strategy, including policies on diversification in the sources and tenor of funding, and whether the funding strategy is centralised or decentralised.	SCSB’s funding strategy is to adopt centralized management, planned by the Treasury Department, and reported to the Assets and Liabilities Management Committee for decision-making; in addition to maintaining diversified and stable funding sources, SCSB strives to diversify funding sources and time periods, and has established various liquidity management indicators in terms of asset-liability structure and concentration, which are controlled by the Treasury Department.

Items	Contents
5.Hedging or Mitigation Policies for Liquidity Risk; Strategies and Procedures for Assessing the Effectiveness of Hedging or Mitigation	To properly control the rapid management of the risk, SCSB has established a liquidity risk limit management mechanism, set limits on various management indicators and regularly monitor them; If the limit is exceeded, the relevant units will report to the Asset and Liability Management Committee for review and implementation after responding to the countermeasures. In the event of a major liquidity crisis caused by an emergency,SCSB will adopt appropriate measures following SCSB's emergency response plan to ensure the normal operation of SCSB.
6.An explanation of how stress testing is used.	SCSB conducts a liquidity risk stress test every quarter. The execution procedures are as follows: . At the beginning of each year, based on the results of identifying potential sources of liquidity risks, and determining the scope of the stress test and designing the stress scenario, submitted to the Asset and Liability Management Committee for approval. . For each stress situation, regularly estimate the cash flow and accumulated funding gap of each balance sheet and off-balance sheet items. . If there is a gap, SCSB will evaluate the capital scheduling tools that can be used to make up the negative capital gap, such as the realization of financial assets. . After the stress test result report is produced, it is provided to the Asset and Liability Committee and the Risk Management Committee to take necessary measures to control the risk profile within the risk appetite.
7.An outline of the bank’s contingency funding plans.	When the liquidity of funds is in crisis, the Treasury Department should immediately report to the level of Executive Vice President or above, and the Asset and Liability Management Committee should urgently discuss the principles and measures for crisis management, as well as the need to adjust the asset and liability structure, and formulate a comprehensive communication plan to stabilize the confidence of depositors, interbanks, and counterparties. SCSB’s emergency response plan is as follows: 1. Borrow from interbanks. 2. Sell short-term bills, government bonds, financial bonds, and (convertible) corporate bonds. 3. Adjust the advertised interest rate and issuing negotiable certificates of deposit. 4. Issue subordinated financial bonds. 5. Sale listed and OTC stocks、beneficiary certificates. 6. Stop loan business and/or sell syndicated loans assets. 7. Rediscount or refinancing with the central bank. 8. Other feasible contingency measures.

【Table 51】

Liquidity Coverage Ratio (LCR)

(Unit: NT$1,000)

	Items	Jun-30-2020		Mar-31-2020	
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS					
1	**Total high-quality liquid assets (HQLA)**	**226,003,389**	**195,902,504**	**248,689,599**	**225,645,834**
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	511,362,079	36,521,142	500,706,931	35,586,887
3	Stable deposits	217,122,826	7,097,217	215,096,778	7,025,872
4	Less stable deposits	294,239,253	29,423,925	285,610,153	28,561,015
5	Unsecured wholesale funding, of which:	474,874,631	214,870,831	463,092,401	216,411,016
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks				
7	Non-operational deposits (all counterparties)	394,260,267	157,704,107	394,412,778	157,765,111
8	Unsecured debt	56,327,852	56,327,852	57,460,306	57,460,306
9	Secured wholesale funding	24,286,512	838,872	11,219,317	1,185,599
10	Additional requirements, of which:	449,736,873	50,236,263	444,898,660	58,223,962
11	Outflows related to derivative exposures and other collateral requirements	16,382,657	16,382,657	25,948,603	25,948,603
12	Outflows related to loss of funding on secured debt products include loss of funding on: assetbacked securities, covered bonds and other structured financing instruments	0	0	0	0
13	Credit and liquidity facilities	279,395,442	27,413,628	277,363,116	27,028,516
14	Other contractual funding obligations	3,930,254	3,930,254	2,889,884	2,889,884
15	Other contingent funding obligations	150,028,520	2,509,724	138,697,057	2,356,959
16	**TOTAL CASH OUTFLOWS**	**1,435,973,583**	**301,628,236**	**1,408,697,992**	**310,221,865**
CASH INFLOWS					
17	Secured lending	0	0	0	0
18	Inflows from fully performing exposures	117,322,450	108,111,444	89,338,122	77,748,049
19	Other cash inflows	32,568,569	32,568,569	37,496,156	37,496,156
20	**TOTAL CASH INFLOWS**	**149,891,019**	**140,680,013**	**126,834,278**	**115,244,205**
LIQUIDITY COVERAGE RATIO			Total adjusted value		Total adjusted value
21	TOTAL HQLA		195,902,504		225,645,834
22	TOTAL NET CASH OUTFLOWS		160,948,223		194,977,660
23	LIQUIDITY COVERAGE RATIO (%)		121.72		115.73

【Table 52】

NSFR common disclosure template

(Unit: NT$1,000)

Items		this quarter					last quarter				
		Jun-30-2020					Mar-31-2020				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
		a	b	c	d	e	a	b	c	d	e
ASF Item											
1	Capital:	149,055,389	-	-	104,004,035	253,059,424	155,627,132	-	-	103,985,814	259,612,946
2	Regulatory capital	149,055,389	-	-	76,060,469	225,115,858	155,627,132	-	-	75,997,746	231,624,878
3	Other capital instruments	-	-	-	27,943,566	27,943,566	-	-	-	27,988,068	27,988,068
4	Retail deposits and deposits from small business customers:	276,407,997	133,312,921	77,344,719	7,527,162	459,381,647	264,403,762	132,212,645	82,704,089	7,464,005	452,173,654
5	Stable deposits	156,127,881	63,052,159	50,728,186	6,391,892	262,804,707	150,632,533	62,265,053	53,526,485	6,377,804	259,480,671
6	Less stable deposits	120,280,116	70,260,762	26,616,533	1,135,270	196,576,940	113,771,229	69,947,593	29,177,604	1,086,200	192,692,982
7	Wholesale funding:	59,893,539	310,416,794	51,823,819	1,599,803	212,666,879	45,002,107	307,382,787	67,994,416	1,637,255	211,826,910
8	Operational deposits: including deposits in institutional networks of cooperative banks	-	-	-	-		-	-	-	-	
9	Other wholesale funding	59,893,539	310,416,794	51,823,819	1,599,803	212,666,879	45,002,107	307,382,787	67,994,416	1,637,255	211,826,910
10	Liabilities with matching interdependent assets	-	906,062	696,134	-	-	-	503,705	1,098,490	-	-
11	Other liabilities and equity :	92,401,956	80,898,589	-	-	-	87,086,815	74,604,807	-	-	-
12	Net NSFR derivative liabilities	-				-					
13	All other liabilities and equity not included in the above categories	92,401,956	80,898,589			-	87,086,815	74,604,807			-
14	Total ASF	577,758,881	525,534,366	129,864,671	113,131,001	925,107,950	552,119,816	514,703,944	151,796,995	113,087,074	923,613,510
RSF Item											
15	Total NSFR high-quality liquid assets					39,997,035					35,777,565
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	-	-	-	-
17	Performing loans and securities:	76,421,048	314,862,171	136,900,313	497,301,221	671,149,764	80,192,683	287,347,322	129,215,073	492,874,030	665,701,360
18	Performing loans to financial institutions secured by Level 1	-	-	-	-	-	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		130,355,841	14,144,612	17,487,295	44,112,977		95,829,096	17,253,263	17,882,376	40,883,372
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	156,971,084	114,611,797	293,504,175	385,269,989	-	165,624,429	106,339,175	287,487,209	380,345,929

	Items	this quarter Jun-30-2020 Unweighted value by residual maturity No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value	last quarter Mar-31-2020 Unweighted value by residual maturity No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
		a	b	c	d	e	a	b	c	d	e
21	With a risk weight of less than or equal to 35% under Standardised Approach for credit risk	-	-	-	-	-	-	-	-	-	-
22	Performing residential mortgages, of which:	-	1,565,824	2,207,037	153,730,492	122,357,868	-	2,025,475	1,743,350	151,498,029	120,533,469
23	With a risk weight of less than or equal to 45% under Standardised Approach for credit risk	-	352,617	449,960	50,997,403	33,549,600	-	445,362	386,797	50,621,340	33,319,950
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	76,421,048	25,969,422	5,936,867	32,579,260	119,408,930	80,192,683	23,868,323	3,879,285	36,006,417	123,938,590
25	Assets with matching interdependent liabilities	-	906,062	696,134	-	-	-	503,705	1,098,490	-	-
26	Other assets:	78,144	16,187,954	124,691	15,834,084	24,028,028	200,637	39,017,456	125,721	16,084,308	34,952,194
27	Physical traded commodities	-	-	-	-	-	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of	-				-	-				
29	Net NSFR derivative assets	-				-	-				-
30	20% of derivatives liabilities unweighted value	78,144				78,144	200,637				200,637
31	All other assets not included in the above categories		16,187,954	124,691	15,834,084	23,949,884		39,017,456	125,721	16,084,308	34,751,557
32	Off-balance sheet items	429,454,649				16,479,803	416,034,088				16,224,854
33	Total RSF	524,247,486	505,056,451	148,749,775	600,382,458	751,654,630	517,317,423	497,397,083	152,119,474	591,213,235	752,655,973
34	Net Stable Funding Ratio (%)					123.08					122.71

【Table 53】

Remuneration policy

2020

(A)Information relating to the bodies that oversee remuneration.		
1	Name, composition and mandate of the main body overseeing remuneration	The remuneration committee Duties： 1. Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors and managerial officers. 2. Periodically evaluate and prescribe the remuneration of directors and managerial officers. 3. Other matters to be discussed by the board of directors.
2	External consultants whose advice has been sought, the body by which they were commissioned	None
	and in what areas of the remuneration process.	None
3	A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign branches.	Taiwan
4	**A description of the types of employees**	
	Senior management	President,(First) Executive Vice President
	Other material risk-takers	(First) Deputy Executive Vice President

(B)Information relating to the design and structure of remuneration processes		
1	An overview of the key features and objectives of remuneration policy.	Establish a remuneration policy that combines external market competitiveness and internal fairness to attract, motivate and retain outstanding talents. Cultivate a performance-oriented corporate culture, and implement the bank's business strategy objectives.
2	Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.	Meetings of the remuneration committee shall be held at least 2 times a year. There are no changes of remuneration policy have been proposed in the past year
3	A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee	None

(C)Description of the ways in which current and future risks are taken into account in the remuneration processes.	
Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include an overview of the key risks, their measurement and how these measures affect remuneration.	The metrics of sales performance appraisal includes non-financial indicators, and its incentive bonus needs to be withheld 20~30% as deferred bonus.

(D)Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.		
1	An overview of main performance metrics for bank, top-level business lines and individuals.	The performance metrics of the bank and individuals are finance, business process, customer service, internal control and learning/growth. As to sales, the metrics are finance, customer service, internal control and learning/growth.
2	A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	Performance pay is based on compensating the employee per individual contribution as well as achieving target. The units with higher earnings target, individuals with higher responsibilities and excellent performance appraisal results can obtain higher incentive bonuses.
3	A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the bank's criteria for determining "weak" performance metrics.	The incentive bonus is linked to the individuals' performance. When the performance metrics are weak, their incentive bonus will reflect accordingly.

(E)Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance.		
1	A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	The incentive bonus are withheld 20~30% as deferred bonus, and the proportion of deferred bonus is based on the results of non-financial indicators.
2	A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.	The assessment metrics of the deferred bonus is not part of the vested condition.

(F)Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms.		
1	An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms).	There are no different forms of variable remuneration.
2	A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.	There are no different forms of variable remuneration.

(G)Additional information
None

【Table 57】

Geographical distribution of credit exposures used in the countercyclical capital buffer

Jun-30-2020 (Not applicable) (Unit: NT$1,000)

Geographical breakdown	Countercyclical capital buffer rate A	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate D	Countercyclical buffer amount E
		Exposure values B	Risk-weighted assets C		
(Home) Country 1					
Country 2					
Country 3					
…					
…					
Country N					
Sum(in jurisdictions with a non-zero countercyclical buffer rate)					
Total					