

OCBC Bank (Hong Kong) Limited
(Formerly known as “OCBC Wing Hang Bank Limited”)
(the “Bank”)

A Brief Summary of Risk Appetite Statement of the Bank Group

The Risk Appetite Statement (“RAS”) is approved by the Board of Directors. Our Risk Appetite is the level and nature of risks that we are willing to take on behalf of shareholders in the conduct of our business, while maintaining our commitments to customers, debt holders, employees, regulators, and other stakeholders, as well as our commitments on sustainability. Our objective is to manage risks prudently for the long term viability of the business while balancing the interests of all stakeholders. We aim to achieve this through reinforcing our core values and observing the highest ethical standards in our culture and conduct.

The objectives of the Bank’s RAS are to:

- Articulate the medium to long term desired operating levels that are in line with our strategic goals and business model
- Cultivate robust risk culture and appropriate risk-taking decisions that support our philosophy of risk management framework
- Promote consistent understanding and application of risk appetite within the Bank
- Assess our capacity and willingness to pursue risks in normal business operating environment as well as in the event of stress
- Encourage efficient resource allocation including capital and liquidity planning across businesses and complement the Operating Planning (OP) process
- Serve as the basis for assessing the OP against our strategic targets
- Integrate risk appetite consideration in portfolio review and management like risk-return analysis and new product approval process
- Facilitate risk limit alignment and threshold setting for identified material risks and/or subsidiaries
- Inform our Board of Directors of our risk profile development and any breaches of risk appetite, or trigger consideration of potential management actions