



國泰世華銀行
Cathay United Bank

國泰世華銀行 香港分行
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**CATHAY UNITED BANK COMPANY, LIMITED
HONG KONG BRANCH**

**國泰世華商業銀行股份有限公司
香港分行**

Liquidity Maintenance Ratio Information Disclosure
For The Period Ended 31 March 2020

流動性維持比率資料披露
截至二零二零年三月三十一日止

CATHAY UNITED BANK COMPANY, LIMITED - HONG KONG BRANCH
國泰世華商業銀行股份有限公司 - 香港分行

LIQUIDITY MAINTENANCE RATIO 流動性維持比率
For The Period Ended 31 March 2020 截至二零二零年三月三十一日止

The liquidity maintenance ratio ("LMR") is prepared in accordance with the completion instructions of "Liquidity Position" issued by Hong Kong Monetary Authority ("HKMA").

以下期內流動性維持比率("LMR")是依據香港金融管理局之"認可機構的流動性狀況申報表"之填報指示規定計算所得。

	For the quarter ended 31 March 2020 2020年第一季 %	For the quarter ended 31 December 2019 2019年第四季 %
The average value of LMR 平均流動性維持比率	<u>44.88%</u>	<u>44.57%</u>

LMR for quarter ended is calculated at 3 months simple average of each calendar month's average ratio for the quarter.

平均流動性維持比率是按照季度每月平均流動性維持比率以簡單平均法計算。

Governance of liquidity risk management:

Liquidity risk means that Cathay United Bank Company, Limited - Hong Kong Branch ("the Branch") is unable to meet its financial obligations in a timely manner at reasonable prices. Financial obligations include liabilities to counterparties, lending and investment commitments. Effective liquidity risk management is essential to maintain the confidence of counterparties, manage the Branch's cost of funds and to support core business activities, even under adverse circumstances.

The Branch formulates an effective governance framework for liquidity risk management in accordance with the Branch's "Rules of Liquidity Risk Management" and HKMA related liquidity management supervisory policy manual. The governance structure is described below:

- (i) Asset-Liability Committee ("ALCO"): The committee delegated by Board of Directors of Cathay United Bank Company, Limited ("the Head Office"), to establish the risk tolerance on liquidity risk, manage the relationship between liquidity risk and short-term profits, provide senior management overview of liquidity risk and ensure them understand above approaches;
- (ii) Financial Trading Department: Be responsible for the daily cash flow execution and liquidity position adjustment to maintain an adequate level of liquidity, including through a cushion of liquid assets;
- (iii) Risk Management Department: To identify and measure the full range of liquidity risks and set up liquidity risk monitoring indicators under the Branch's liquidity risk tolerance, conducting of stress test and report the liquidity measurement results to senior management;
- (iv) Compliance: Positioned as the contact window with HKMA. If any potential liquidity problem is anticipated by the Branch, the notification and rectification process reported to HKMA is required.
- (v) Finance and Accounting: To provide financial information and regulatory liquidity report in accordance with Banking (Disclosure) Rules.

Liquidity risk is managed within the framework of policies and limits that are approved by the Head Office. The Head Office will receive the Branch's reports on liquidity risk exposures regularly. If the monitoring indicators or liquidity become abnormal, each of responsible party shall report to the ALCO in time and escalated to the Head Office if required according to internal guidelines.

流動性風險管理的管制:

流動性風險是指國泰世華商業銀行股份有限公司-香港分行("本分行")未能及時以合理的價格償還財務債務的風險。財務債務包括對交易對手負債、貸款和投資承諾。有效的流動性風險管理對於即使處於不利市場環境下能維持交易對手對本分行的信心,管理本分行的資金成本以支持核心業務活動至關重要。

本分行依據內部《流動性風險管理規則》及香港金融管理局流動性相關《監管政策手冊》,為流動性風險管理制定有效的管制架構,內部分工如下:

- (i) 資產負債管理委員會("資管會"):由國泰世華商業銀行股份有限公司("總行")董事會授予分行職權,負責制定流動性風險容忍度,以取得流動性風險與短期利潤的平衡,並為管理階層提供流動性風險概況,並確保管理階層對各項評估方式充分理解;
- (ii) 金融交易部門:負責日常資金調度和流動性部位調整,以確保本分行保持足夠流動性,並具備流動性緩衝;
- (iii) 風險管理部門:辨識與衡量分行流動性風險,在本分行風險容忍度下建立流動性風險監控指標與進行壓力測試,並向管理階層彙報流動性風險概況;
- (iv) 合規部門:做為本分行聯繫監管機關之窗口。如本分行預期會有任何潛在的流動性問題,則由該部門對香港金融管理局提出報告和改善計劃;
- (v) 財務會計部門:根據《銀行業(披露)規則》,定期提供財務資料及相關流動性報告。

流動性風險管理框架與相關限額均經由總行批准,總行將定期收到本分行流動性風險概況之報告。如本分行發生監控指標或流動性異常情事,相關部門將即時於資管會呈報,嚴重時將依內部規定呈報總行。

Declaration

聲明

According to the requirement of the Hong Kong Monetary Authority on Liquidity Information Disclosure of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Quarterly Liquidity Maintenance Ratio Information of Cathay United Bank Company, Limited - Hong Kong Branch for the period ended 31 March 2020. We confirmed that the information contained therein complies, in all material respects, with the Banking (Disclosure) Rules and Supervisory Policy Manual module CA-D-1 "Guideline on the application of the Banking (Disclosure) Rules" and to the best of my knowledge and belief, it is not false or misleading.

根據香港金融管理局發出的《銀行業(披露)規則》及《監管政策手冊》單元CA-D-1「《銀行業(披露)規則》的應用指引」之指引及建議，本行現附上截至2020年3月31日止季度流動性維持比率資料。本人茲證明此份聲明書所披露之資料，在所有重要的方面，已遵從香港金融管理局披露方案之各種建議；並且就本人所知及相信，乃真確無訛，亦不具誤導成份。



Kan Kai Yuen, Chief Executive
Cathay United Bank Company, Limited
Hong Kong Branch
簡啟源, 行政總裁
國泰世華商業銀行股份有限公司
香港分行

18 MAY 2020

Date

日期