

**BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022**

Overview

The Pillar 3 Disclosure for the financial half-year as at 30 June 2022 for Bank Islam Malaysia Berhad (“the Bank”) and its subsidiaries (“the Group”) is governed by Bank Negara Malaysia’s (“BNM”) “Capital Adequacy Framework for Islamic Banks (CAFIB) – Disclosure Requirements (Pillar 3)”.

The Group adopts the following approaches in determining the capital requirements of Pillar 1 in accordance to BNM’s Guidelines on CAFIB (Basel II – Risk Weighted Assets) since January 2008:

- Credit and Market Risk – the Standardised Approach (“SA”); and
- Operational Risk – the Basic Indicator Approach (“BIA”).

Under the Standardised Approach, standard risk weights are used to assess the capital requirements whilst under the Basic Indicator Approach, the capital requirements are computed based on a fixed percentage over the Group’s average gross income for a fixed number of quarterly periods.

Medium and Location of Disclosure

The Group’s Pillar 3 Disclosure is made available at www.bankislam.com.

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Minimum Regulatory Capital Requirements

The following tables show the minimum regulatory capital requirement to support the Group's and the Bank's risk weighted assets.

GROUP	30.06.2022		31.12.2021	
	RISK-WEIGHTED ASSETS	MINIMUM CAPITAL REQUIREMENT AT 8%	RISK-WEIGHTED ASSETS	MINIMUM CAPITAL REQUIREMENT AT 8%
	RM'000	RM'000	RM'000	RM'000
Credit Risk	51,876,836	4,150,147	50,180,739	4,014,459
Less: Credit Risk absorbed by IA	(11,475,594)	(918,048)	(7,423,579)	(593,886)
Market Risk	556,650	44,532	489,559	39,165
Operational Risk	3,862,640	309,011	3,847,886	307,831
Total	44,820,532	3,585,642	47,094,605	3,767,569

BANK	30.06.2022		31.12.2021	
	RISK-WEIGHTED ASSETS	MINIMUM CAPITAL REQUIREMENT AT 8%	RISK-WEIGHTED ASSETS	MINIMUM CAPITAL REQUIREMENT AT 8%
	RM'000	RM'000	RM'000	RM'000
Credit Risk	51,783,724	4,142,698	50,080,971	4,006,478
Less: Credit Risk absorbed by IA	(11,570,315)	(925,625)	(7,513,437)	(601,075)
Market Risk	556,650	44,532	489,559	39,165
Operational Risk	3,806,378	304,510	3,797,811	303,825
Total	44,576,437	3,566,115	46,854,904	3,748,393

The Group does not have any capital requirement for Large Exposure Risk as there is no amount in excess of the lowest threshold arising from equity holdings as specified in BNM's CAFIB (Risk-Weighted Assets (RWA)) Guideline.

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1. Scope of Application

The Pillar 3 Disclosure is prepared on a consolidated basis and comprises information on the Bank (including the offshore banking operations in the Federal Territory of Labuan) and its subsidiaries.

There are no significant restrictions or impediments on the transfer of funds or regulatory capital within the Group. There were no capital deficiencies in any of the subsidiary companies of the Group as at the financial half-year.

2. Capital Adequacy Ratios

Total capital and capital adequacy ratios of the Group have been computed based on the updated BNM's CAFIB - Capital Components issued on 9 December 2020 and BNM's CAFIB – RWA Guideline issued on 3 May 2019. The minimum regulatory capital adequacy ratios requirement for Common Equity Tier 1 ("CET 1") capital ratio, Tier 1 capital ratio and Total capital ratio (TCR) including capital buffers i.e. Capital Conservation Buffers (CCB) of 2.50% are 7.00%, 8.50% and 10.50% respectively.

The CCB is intended to encourage the build-up of capital buffers by individual Islamic banking institutions during normal times that can be drawn down during stress periods.

The capital adequacy ratios of the Group and of the Bank are set out as below:

(a) The capital adequacy ratios¹ of the Group and of the Bank:

Before effect of IA	GROUP		BANK	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
<u>Before deducting proposed dividends</u>				
CET 1 Capital Ratio	10.98%	11.39%	10.63%	11.03%
Tier 1 Capital Ratio	10.98%	11.39%	10.63%	11.03%
Total Capital Ratio	15.68%	16.03%	15.35%	15.69%
<u>After deducting proposed dividends</u>				
CET 1 Capital Ratio	10.98%	10.82%	10.63%	10.45%
Tier 1 Capital Ratio	10.98%	10.82%	10.63%	10.45%
Total Capital Ratio	15.68%	15.47%	15.35%	15.11%
After effect of IA	GROUP		BANK	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
<u>Before deducting proposed dividends</u>				
CET 1 Capital Ratio	13.79%	13.18%	13.39%	12.80%
Tier 1 Capital Ratio	13.79%	13.18%	13.39%	12.80%
Total Capital Ratio	19.38%	18.56%	19.01%	18.20%
<u>After deducting proposed dividends</u>				
CET 1 Capital Ratio	13.79%	12.53%	13.39%	12.13%
Tier 1 Capital Ratio	13.79%	12.53%	13.39%	12.13%
Total Capital Ratio	19.38%	17.91%	19.01%	17.53%

¹Bank Islam will declare interim dividend after performing its limited review for the period ending 30 September 2022.

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2. Capital Adequacy Ratios (continued)

(b) CET 1, Tier I, and Tier II capital components of the Group and of the Bank:

	30.06.2022	
	Group	Bank
	RM'000	RM'000
<u>Tier I Capital</u>		
Paid-up share capital	3,645,043	3,645,043
Share Premium	-	-
Retained earnings	2,925,080	2,965,659
Other reserves	(124,333)	(275,324)
Less: Deferred tax assets	(226,050)	(225,078)
Less: 55% of fair value	-	-
Less: Regulatory Reserve attributable to financing	(40,000)	(40,000)
Less: Investment in subsidiaries	-	(100,905)
Total Common Equity Tier I Capital	6,179,740	5,969,395
Total Additional Tier I Capital	-	-
Total Tier I Capital	6,179,740	5,969,395
Subordinated sukuk	2,000,000	2,000,000
Collective assessment allowance [^]	505,016	502,668
Total Tier II Capital	2,505,016	2,502,668
Total Capital	8,684,756	8,472,063

[^] Collective assessment allowance on non-impaired financing and regulatory reserve, subject to maximum of 1.25% of total credit risk-weighted assets after deducting IA as Risk Absorbent.

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2. Capital Adequacy Ratios (continued)

(b) CET 1, Tier I and Tier II capital components of the Group and of the Bank (continued):

	31.12.2021	
	GROUP	BANK
	RM'000	RM'000
<u>Tier I Capital</u>		
Paid-up share capital	3,445,757	3,445,757
Share Premium	-	-
Retained earnings	2,965,080	2,965,659
Other reserves	(10,899)	(121,843)
Less: Deferred tax assets	(193,214)	(191,773)
Less: 55% of fair value	-	-
Less: Regulatory reserve attributable to financing	-	-
Less: Investment in subsidiaries	-	(100,905)
Total Common Equity Tier I Capital	6,206,724	5,996,895
Total Additional Tier I Capital	-	-
Total Tier I Capital	6,206,724	5,996,895
Subordinated Sukuk	2,000,000	2,000,000
Collective assessment allowance [^]	534,465	532,094
Total Tier II Capital	2,534,465	2,532,094
Total Capital	8,741,189	8,528,989

[^] Collective assessment allowance on non-impaired financing and regulatory reserve, subject to maximum of 1.25% of total credit risk-weighted assets after deducting IA as Risk Absorbent.

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2. Capital Adequacy Ratios (continued)

(c) The breakdown of risk-weighted assets by exposures in each major risk category is as follows:

(i) Group

30 JUNE 2022 EXPOSURE CLASS	GROSS EXPOSURE RM'000	NET EXPOSURE RM'000	RISK- WEIGHTED ASSET RM'000	MINIMUM CAPITAL REQUIREMENT AT 8% RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	9,142,634	9,142,634	-	-
Public Sector Entities	1,851,749	1,848,249	529,928	42,394
Banks, Developments Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	3,166,827	3,166,826	633,365	50,669
Corporate	18,078,984	17,696,446	9,999,927	799,994
Regulatory Retail	21,702,471	21,661,625	20,920,730	1,673,658
Residential Mortgages	24,790,944	24,785,201	16,241,139	1,299,291
Higher Risk Assets	3,167	3,167	4,750	380
Other Assets	1,900,803	1,900,803	995,235	79,619
Defaulted Exposures	1,043,643	1,005,279	956,446	76,516
Total for On-Balance Sheet Exposures	81,681,222	81,210,230	50,281,520	4,022,522
Off-Balance Sheet Exposures				
Credit-related Exposures	1,569,717	1,564,868	1,421,236	113,699
Derivative Financial Instruments	158,223	158,223	125,255	10,020
Defaulted Exposures	33,943	33,943	48,825	3,906
Total for Off-Balance Sheet Exposures	1,761,883	1,757,034	1,595,316	127,625
Total On and Off-Balance Sheet Exposures	83,443,105	82,967,264	51,876,836	4,150,147
Less: Credit Risk absorbed by IA			(11,475,594)	(918,048)
	Long Position	Short Position		
Market Risk				
Benchmark Rate Risk	9,066,174	(8,020,937)	1,045,237	135,853
Foreign Exchange Risk	17,991	(420,797)	(402,806)	420,797
Inventory Risk			-	-
Total Market Risk	9,084,165	(8,441,734)	642,431	556,650
Operational Risk			3,862,640	309,011
Total RWA and Capital Requirements			44,820,532	3,585,642

Note: As at 30 June 2022, the Group did not have any exposures under securitisation.

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2. Capital Adequacy Ratios (continued)

(c) The breakdown of risk-weighted assets by exposures in each major risk category is as follows (continued):

(i) Group (continued)

31 DECEMBER 2021 EXPOSURE CLASS	GROSS EXPOSURE RM'000	NET EXPOSURE RM'000	RISK- WEIGHTED ASSET RM'000	MINIMUM CAPITAL REQUIREMENT AT 8% RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	9,052,249	9,052,249	-	-
Public Sector Entities	1,701,095	1,690,995	461,944	36,955
Banks, Developments Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	1,026,027	1,026,027	206,060	16,485
Corporate	19,388,649	19,013,390	10,336,801	826,944
Regulatory Retail	20,743,307	20,708,120	20,057,433	1,604,595
Residential Mortgages	23,669,331	23,662,639	15,511,861	1,240,949
Higher Risk Assets	3,173	3,173	4,760	381
Other Assets	1,937,277	1,937,277	991,753	79,340
Defaulted Exposures	1,128,766	1,089,559	1,013,545	81,084
Total for On-Balance Sheet Exposures	78,649,874	78,183,429	48,584,157	3,886,733
Off-Balance Sheet Exposures				
Credit-related Exposures	1,623,839	1,614,088	1,478,572	118,286
Derivative Financial Instruments	116,795	116,795	68,005	5,440
Defaulted Exposures	36,288	36,278	50,005	4,000
Total for Off-Balance Sheet Exposures	1,776,922	1,767,161	1,596,582	127,726
Total On and Off-Balance Sheet Exposures	80,426,796	79,950,590	50,180,739	4,014,459
Less: Credit Risk absorbed by IA			(7,423,579)	(593,886)
Market Risk				
	Long Position	Short Position		
Benchmark Rate Risk	8,792,939	(7,505,740)	1,287,199	99,335
Foreign Exchange Risk	28,311	(390,224)	(361,914)	31,218
Inventory Risk			-	-
Total Market Risk	8,821,250	(7,895,964)	925,285	489,559
Operational Risk			3,847,886	307,831
Total RWA and Capital Requirements			47,094,605	3,767,569

Note: As at 31 December 2021, the Group did not have any exposures under securitisation.

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2. Capital Adequacy Ratios (continued)

(c) The breakdown of risk-weighted assets by exposures in each major risk category is as follows (continued):

(ii) Bank

30 JUNE 2022 EXPOSURE CLASS	GROSS EXPOSURE RM'000	NET EXPOSURE RM'000	RISK- WEIGHTED ASSET RM'000	MINIMUM CAPITAL REQUIREMENT AT 8% RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	9,142,634	9,142,634	-	-
Public Sector Entities	1,851,749	1,848,249	529,928	42,394
Banks, Developments Financial Institutions (“DFIs”) and Multilateral Development Banks (“MDBs”)	3,149,821	3,149,821	629,964	50,397
Corporate	18,078,984	17,696,446	9,999,927	799,994
Regulatory Retail	21,702,471	21,661,625	20,920,730	1,673,658
Residential Mortgages	24,790,944	24,785,201	16,241,139	1,299,291
Higher Risk Assets	3,167	3,167	4,750	380
Other Assets	1,815,329	1,815,329	905,523	72,442
Defaulted Exposures	1,043,643	1,005,279	956,446	76,516
Total for On-Balance Sheet Exposures	81,578,741	81,107,749	50,188,408	4,015,073
Off-Balance Sheet Exposures				
Credit-related Exposures	1,569,717	1,564,868	1,421,236	113,699
Derivative Financial Instruments	158,223	158,223	125,255	10,020
Defaulted Exposures	33,943	33,943	48,825	3,906
Total for Off-Balance Sheet Exposures	1,761,883	1,757,034	1,595,316	127,625
Total On and Off-Balance Sheet Exposures	83,340,624	82,864,783	51,783,724	4,142,698
Less: Credit Risk absorbed by IA			(11,570,315)	(925,625)
Market Risk				
	Long Position	Short Position		
Benchmark Rate Risk	9,066,174	(8,020,937)	1,045,237	135,853
Foreign Exchange Risk	17,991	(420,797)	(402,806)	33,664
Inventory Risk	-	-	-	-
Total Market Risk	9,084,165	(8,441,734)	642,431	44,532
Operational Risk			3,806,378	304,510
Total RWA and Capital Requirements			42,973,393	3,566,115

Note: As at 30 June 2022, the Bank did not have any exposures under securitisation.

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2. Capital Adequacy (continued)

(c) The breakdown of risk-weighted assets by exposures in each major risk category is as follows (continued):

(ii) Bank (continued)

31 DECEMBER 2021 EXPOSURE CLASS	GROSS EXPOSURE RM'000	NET EXPOSURE RM'000	RISK- WEIGHTED ASSET RM'000	MINIMUM CAPITAL REQUIREMENT AT 8% RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	9,052,249	9,052,249	-	-
Public Sector Entities	1,701,095	1,690,995	461,944	36,956
Banks, Developments Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	1,007,556	1,007,556	202,366	16,189
Corporate	19,388,649	19,013,389	10,336,801	826,944
Regulatory Retail	20,743,307	20,708,121	20,057,433	1,604,595
Residential Mortgages	23,669,331	23,662,639	15,511,861	1,240,949
Higher Risk Assets	3,173	3,173	4,760	381
Other Assets	1,846,888	1,846,888	895,679	71,654
Defaulted Exposures	1,128,766	1,089,559	1,013,545	81,084
Total for On-Balance Sheet Exposures	78,541,014	78,074,569	48,484,389	3,878,752
Off-Balance Sheet Exposures				
Credit-related Exposures	1,623,839	1,614,088	1,478,572	118,286
Derivative Financial Instruments	116,795	116,795	68,005	5,440
Defaulted Exposures	36,288	36,278	50,005	4,000
Total for Off-Balance Sheet Exposures	1,776,922	1,767,161	1,596,582	127,726
Total On and Off-Balance Sheet Exposures	80,317,936	79,841,730	50,080,971	4,006,478
Less: Credit Risk absorbed by IA			(7,513,437)	(601,075)
Market Risk				
	Long Position	Short Position		
Benchmark Rate Risk	8,792,939	(7,505,740)	1,287,199	99,335
Foreign Exchange Risk	28,311	(390,224)	(361,914)	390,224
Inventory Risk			-	-
Total Market Risk	8,821,250	(7,895,964)	925,285	489,559
Operational Risk			3,797,811	303,825
Total RWA and Capital Requirements			46,854,904	3,748,393

Note: As at 31 December 2021, the Bank did not have any exposures under securitisation.

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3. Credit Risk

3.1 Credit Quality of Gross Financing and Advances

The table below presents the Group's and the Bank's gross financing and advances analysed by credit quality:

	GROUP AND BANK	
	30.06.2022	31.12.2021
	RM'000	RM'000
Neither past due nor impaired	59,420,241	58,234,986
Past due but not impaired	587,399	414,366
Impaired	692,211	568,383
	60,699,851	59,217,735
Gross Impaired Financing as a percentage of Gross Financing and Advances	1.14%	0.96%

(a) Neither Past Due Nor Impaired

Financings classified as neither past due nor impaired are financings of which the customers have not missed contractual payments (profit or principal) when contractually due and are not impaired as there is no objective evidence of impairment in the financings.

The credit quality of gross financing and advances which are neither past due nor impaired is as follows:

	GROUP AND BANK	
	30.06.2022	31.12.2021
	RM'000	RM'000
Excellent to Good	53,177,078	52,111,710
Satisfactory	5,906,412	5,813,008
Fair	336,751	310,268
	59,420,241	58,234,986

Internal rating definition: -

- **Excellent to Good:** Sound financial position of the obligor with no difficulty in meeting its obligations.
- **Satisfactory:** Adequate safety of the obligor meeting its current obligations but more time is required to meet the entire obligations in full.
- **Fair:** High risks on payment obligations. Financial performance may continue to deteriorate.

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3. Credit Risk (continued)

3.1 Credit Quality of Gross Financing and Advances (continued)

(b) Past Due But Not Impaired

Financings classified as past due but not impaired are financings of which its contractual profit or principal payments are past due, but the Group and the Bank believe that impairment is not appropriate on the basis of the level of collateral available and/or the stage of collection amounts owed to the Group and the Bank.

Analysis of the past due but not impaired financing and advances by aging analysis:

	GROUP AND BANK	
	30.06.2022	31.12.2021
By ageing	RM'000	RM'000
Month-in-arrears 1	383,855	217,722
Month-in-arrears 2	203,544	196,644
	587,399	414,366

Analysis of the past due but not impaired financing and advances by sector:

	GROUP AND BANK	
	30.06.2022	31.12.2021
	RM'000	RM'000
Primary agriculture	-	-
Mining and quarrying	-	-
Manufacturing (including agro-based)	3,055	9,910
Electricity, gas and water	204	-
Wholesale & retail trade, and hotels & restaurants	2,149	667
Construction	3,737	342
Real estate	25,540	-
Transport, storage and communications	11,323	25,536
Finance, insurance and business activities	3,716	183
Education, health and others	361	27
Household sectors	537,314	377,701
Other sectors	-	-
	587,399	414,366

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3. Credit Risk (continued)

3.1 Credit Quality of Gross Financing and Advances (continued)

(c) Impaired Financing and Advances

A financing is classified as impaired when the principal or profit or both are past due for three months or more, or where a financing is in arrears for less than three months, but the financing exhibits indications of significant credit weakness.

Impaired financing by assessment type:

	GROUP AND BANK	
	30.06.2022	31.12.2021
	RM'000	RM'000
Individually Assessed	469,322	423,603
<i>of which:</i>		
<i>Month-in-Arrears 0</i>	13,978	268,316
<i>Month-in-Arrears 1</i>	10,259	3,478
<i>Month-in-Arrears 2</i>	8,002	1,479
<i>Month-in-Arrears 3 and above</i>	437,083	150,330
Collectively Assessed	222,889	144,780
	692,211	568,383

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3. Credit Risk (continued)

3.1 Credit Quality of Gross Financing and Advances (continued)

(c) Impaired Financing and Advances (continued)

30 JUNE 2022 RM '000	INDIVIDUAL ASSESSMENT ALLOWANCE				INDIVIDUAL ASSESSMENT AS AT 30.06.2022	COLLECTIVE ASSESSMENT ALLOWANCE AT 30.06.2022	TOTAL IMPAIRMENT ALLOWANCES FOR FINANCING AT 30.06.2022
	IMPAIRED FINANCING AT 30.06.2022	INDIVIDUAL ASSESSMENT AS AT 01.01.2022	NET CHARGE FOR THE FINANCIAL YEAR	AMOUNTS WRITTEN OFF/OTHER MOVEMENTS			
Primary Agriculture	-	-	-	-	-	14,000	14,000
Mining and Quarrying	-	-	-	-	-	1,788	1,788
Manufacturing (including Agro-based)	23,750	1,914	129,077	(128,056)	2,935	21,898	24,833
Electricity, Gas and Water	-	-	-	-	-	44,763	44,763
Wholesale & Retail Trade and Restaurants & Hotels	78,230	6,517	1,730	(1,607)	6,640	43,327	49,967
Construction	282,813	196,344	30,183	(3,482)	223,045	69,810	292,855
Real Estate	-	-	-	-	-	-	-
Transport, Storage and Communication	21,431	1,412	1,420	-	2,832	31,692	34,524
Finance, Insurance and Business Services	5,892	-	656	-	656	84,739	85,395
Education, Health and Others	621	150	(150)	-	-	13,127	13,127
Household Sectors	279,474	14,617	8,953	-	23,570	436,535	460,105
Other Sectors	-	-	-	-	-	-	-
Total	692,211	220,954	171,869	(133,145)	259,678	761,679	1,021,357

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3. Credit Risk (continued)

3.1 Credit Quality of Gross Financing and Advances (continued)

(c) Impaired Financing and Advances (continued)

31 DECEMBER 2021 RM '000	IMPAIRED FINANCING AT 31.12.2021	INDIVIDUAL ASSESSMENT AS AT 01.01.2021	INDIVIDUAL ASSESSMENT ALLOWANCE			INDIVIDUAL ASSESSMENT AS AT 31.12.2021	COLLECTIVE ASSESSMENT ALLOWANCE AT 31.12.2021	TOTAL IMPAIRMENT ALLOWANCES FOR FINANCING AT 31.12.2021
			NET CHARGE FOR THE FINANCIAL YEAR	AMOUNTS WRITTEN OFF/OTHER MOVEMENTS				
Primary Agriculture	-	-	-	-	-	14,579	14,579	
Mining and Quarrying	-	-	-	-	-	2,887	2,887	
Manufacturing (including Agro-based)	10,307	6,775	1,578	(6,439)	1,914	104,621	106,535	
Electricity, Gas and Water	-	-	-	-	-	43,233	43,233	
Wholesale & Retail Trade and Restaurants & Hotels	76,992	23,765	5,868	(23,116)	6,517	48,216	54,733	
Construction	285,246	14,432	187,722	(5,810)	196,344	74,274	270,618	
Real Estate	-	-	-	-	-	-	-	
Transport, Storage and Communication	15,311	4,567	55	(3,210)	1,412	35,947	37,359	
Finance, Insurance and Business Services	5,932	258	(257)	-	-	92,613	92,613	
Education, Health and Others	1,391	519	(369)	-	150	19,286	19,436	
Household Sectors	173,204	14,879	482	(745)	14,617	407,356	421,973	
Other Sectors	-	-	-	-	-	-	-	
Total	568,383	65,195	195,079	(39,320)	220,954	843,012	1,063,966	

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.1 Credit Quality of Gross Financing and Advances (continued)

(d) Gross Financing and Advances – Exposures by Geographical Areas

30 JUNE 2022 RM '000	GROSS FINANCING	OF WHICH:			
		PAST DUE BUT NOT IMPAIRED FINANCING	IMPAIRED FINANCING	INDIVIDUAL ALLOWANCES	COLLECTIVE ALLOWANCES
Central Region	27,067,346	303,850	466,023	243,875	441,637
Eastern Region	9,619,418	77,832	82,557	11,994	81,726
Northern Region	8,411,386	75,476	83,679	-	88,890
Southern Region	10,873,613	89,444	39,705	3,809	97,658
East Malaysia Region	4,728,088	40,797	20,247	-	51,768
Grand Total	60,699,851	587,399	692,211	259,678	761,679

31 DECEMBER 2021 RM '000	GROSS FINANCING	OF WHICH:			
		PAST DUE BUT NOT IMPAIRED FINANCING	IMPAIRED FINANCING	INDIVIDUAL ALLOWANCES	COLLECTIVE ALLOWANCES
Central Region	26,946,146	215,749	395,781	210,034	436,151
Eastern Region	9,368,591	58,516	68,146	10,063	157,554
Northern Region	8,066,342	43,096	74,751	-	93,755
Southern Region	10,247,330	73,033	17,458	857	105,491
East Malaysia Region	4,589,326	23,972	12,247	-	50,061
Grand Total	59,217,735	414,366	568,383	220,954	843,012

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures

(a) Geographic Distribution of Credit Exposures

(i) Group

30 JUNE 2022 EXPOSURE CLASS	CENTRAL REGION RM'000	EASTERN REGION RM'000	NORTHERN REGION RM'000	SOUTHERN REGION RM'000	EAST MALAYSIA REGION RM '000	TOTAL RM '000
<u>Credit Risk</u>						
On-Balance Sheet Exposures						
Sovereign/Central Banks	9,142,634	-	-	-	-	9,142,634
Public Sector Entities	1,289,396	122,345	46,320	371,849	25,283	1,855,193
Banks, Developments Institutions and Multilateral Development Banks	3,166,544	283	-	-	-	3,166,827
Corporate	14,996,216	956,069	752,596	1,495,182	696,152	18,896,215
Regulatory Retail	8,473,302	3,987,629	3,481,471	3,475,430	2,395,927	21,813,759
Residential Mortgages	9,127,033	4,531,303	4,098,863	5,534,615	1,610,805	24,902,619
Higher Risk Assets	1,854	401	218	88	610	3,171
Other Assets	1,891,861	-	-	-	8,943	1,900,804
Total for On-Balance Sheet Exposures	48,088,840	9,598,030	8,379,468	10,877,164	4,737,720	81,681,222
Off-Balance Sheet Exposures						
Credit-related Exposures	1,218,370	65,480	72,421	93,543	153,846	1,603,660
Derivative Financial Instruments	158,223	-	-	-	-	158,223
Total for Off-Balance Sheet Exposures	1,376,593	65,480	72,421	93,543	153,846	1,761,883
Total On and Off-Balance Sheet Exposures	49,465,433	9,663,510	8,451,889	10,970,707	4,891,566	83,443,105

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(a) Geographic Distribution of Credit Exposures (continued)

(i) Group (continued)

31 DECEMBER 2021 EXPOSURE CLASS	CENTRAL REGION RM'000	EASTERN REGION RM'000	NORTHERN REGION RM'000	SOUTHERN REGION RM'000	EAST MALAYSIA REGION RM '000	TOTAL RM '000
<u>Credit Risk</u>						
On-Balance Sheet Exposures						
Sovereign/Central Banks	9,052,249	-	-	-	-	9,052,249
Public Sector Entities	1,128,435	128,848	87,712	329,923	26,177	1,701,095
Banks, Developments Institutions and Multilateral Development Banks	1,025,652	299	-	75	-	1,026,026
Corporate	16,303,740	1,080,165	728,181	1,464,805	783,541	20,360,432
Regulatory Retail	8,208,436	3,790,825	3,296,613	3,285,672	2,244,038	20,825,584
Residential Mortgages	8,764,194	4,344,115	3,924,785	5,174,453	1,536,322	23,743,869
Higher Risk Assets	1,921	438	217	98	668	3,342
Other Assets	1,936,666	-	-	-	611	1,937,277
Total for On-Balance Sheet Exposures	46,421,293	9,344,690	8,037,508	10,255,026	4,591,357	78,649,874
Off-Balance Sheet Exposures						
Credit-related Exposures	1,255,100	81,379	70,193	109,475	143,976	1,660,123
Derivative Financial Instruments	116,799	-	-	-	-	116,799
Total for Off-Balance Sheet Exposures	1,371,899	81,379	70,193	109,475	143,976	1,776,922
Total On and Off-Balance Sheet Exposures	47,793,192	9,426,069	8,107,701	10,364,501	4,735,333	80,426,796

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(a) Geographic Distribution of Credit Exposures (continued)

(ii) Bank

30 JUNE 2022 EXPOSURE CLASS	CENTRAL REGION RM'000	EASTERN REGION RM'000	NORTHERN REGION RM'000	SOUTHERN REGION RM'000	EAST MALAYSIA REGION RM '000	TOTAL RM '000
<u>Credit Risk</u>						
On-Balance Sheet Exposures						
Sovereign/Central Banks	9,142,634	-	-	-	-	9,142,634
Public Sector Entities	1,289,396	122,345	46,320	371,849	25,283	1,855,193
Banks, Developments Financial Institutions and Multilateral Development Banks	3,149,538	283	-	-	-	3,149,821
Corporate	14,996,216	956,069	752,596	1,495,182	696,152	18,896,215
Regulatory Retail	8,473,302	3,987,629	3,481,471	3,475,430	2,395,927	21,813,759
Residential Mortgages	9,127,033	4,531,303	4,098,863	5,534,615	1,610,805	24,902,619
Higher Risk Assets	1,854	401	218	88	610	3,171
Other Assets	1,806,386	-	-	-	8,943	1,815,329
Total for On-Balance Sheet Exposures	47,986,359	9,598,030	8,379,468	10,877,164	4,737,720	81,578,741
Off-Balance Sheet Exposures						
Credit-related Exposures	1,218,370	65,480	72,421	93,543	153,846	1,603,660
Derivative Financial Instruments	158,223	-	-	-	-	158,223
Total for Off-Balance Sheet Exposures	1,376,593	65,480	72,421	93,543	153,846	1,761,883
Total On and Off-Balance Sheet Exposures	49,362,952	9,663,510	8,451,889	10,970,707	4,891,566	83,340,624

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(a) Geographic Distribution of Credit Exposures (continued)

(ii) Bank (continued)

31 DECEMBER 2021 Exposure Class	CENTRAL REGION RM'000	EASTERN REGION RM'000	NORTHERN REGION RM'000	SOUTHERN REGION RM'000	EAST MALAYSIA REGION RM '000	TOTAL RM '000
<u>Credit Risk</u>						
On-Balance Sheet Exposures						
Sovereign/Central Banks	9,052,249	-	-	-	-	9,052,249
Public Sector Entities	1,128,435	128,848	87,712	329,923	26,177	1,701,095
Banks, Developments Institutions and Multilateral Development Banks	1,007,181	299	-	75	-	1,007,555
Corporate	16,303,740	1,080,165	728,182	1,464,805	783,541	20,360,433
Regulatory Retail	8,208,436	3,790,825	3,296,612	3,285,672	2,244,038	20,825,583
Residential Mortgages	8,764,194	4,344,115	3,924,785	5,174,453	1,536,322	23,743,869
Higher Risk Assets	1,921	438	217	98	668	3,342
Other Assets	1,846,277	-	-	-	611	1,846,888
Total for On-Balance Sheet Exposures	46,312,433	9,344,690	8,037,508	10,255,026	4,591,357	78,541,014
Off-Balance Sheet Exposures						
Credit-related Exposures	1,255,100	81,379	70,193	109,475	143,976	1,660,123
Derivative Financial Instruments	116,799	-	-	-	-	116,799
Total for Off-Balance Sheet Exposures	1,371,899	81,379	70,193	109,475	143,976	1,776,922
Total On and Off-Balance Sheet Exposures	47,684,332	9,426,069	8,107,701	10,364,501	4,735,333	80,317,936

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(b) Distribution of Credit Exposures by Sector

(i) Group

30 JUNE 2022 EXPOSURE CLASS	PRIMARY AGRICULTURE	MINING AND QUARRYING	MANUFACTURING	ELECTRICITY, GAS AND WATER	WHOLESALE & RETAIL TRADE AND RESTAURANT & HOTELS	CONSTRUCTION	REAL ESTATE	TRANSPORT, STORAGE & COMMUNICATION	FINANCE, INSURANCE AND BUSINESS SERVICES	EDUCATION, HEALTH AND OTHERS	HOUSEHOLD SECTOR	OTHER SECTORS	TOTAL
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Credit Risk													
On-Balance Sheet Exposures													
Sovereign/Central Banks	-	-	-	-	-	-	-	-	3,531,791	-	-	5,610,843	9,142,634
Public Sector Entities	1,124	-	-	-	-	35,197	24,525	-	294,825	1,499,298	224	-	1,855,193
Banks, Developments Institutions and Multilateral Development Banks	-	-	-	-	-	-	-	-	2,015,491	-	-	1,151,336	3,166,827
Corporate	1,059,741	58,690	714,939	2,578,320	813,124	3,602,645	1,801,336	1,929,836	3,587,657	555,109	152,486	2,042,332	18,896,215
Regulatory Retail	4,793	7,866	49,665	3,272	234,981	122,695	45,608	32,371	118,028	67,834	21,120,253	6,393	21,813,759
Residential Mortgages	-	-	1,152	-	-	-	-	-	-	-	24,901,467	-	24,902,619
Higher Risk Assets	-	-	-	-	-	-	-	-	-	-	3,171	-	3,171
Other Assets	-	-	-	-	-	-	-	-	-	-	-	1,900,804	1,900,804
Total for On-Balance Sheet Exposures	1,065,658	66,556	765,756	2,581,592	1,048,105	3,760,537	1,871,469	1,962,207	9,547,792	2,122,241	46,177,601	10,711,708	81,681,222
Off-Balance Sheet Exposures													
Credit-related Exposures	17,788	6,803	128,172	72,789	91,666	314,191	13,040	106,959	99,250	141,637	422,512	188,853	1,603,660
Derivative Financial Instruments	-	-	1,412	-	2,286	-	-	112	29,987	111,814	-	12,612	158,223
Total for Off-Balance Sheet Exposures	17,788	6,803	129,584	72,789	93,952	314,191	13,040	107,071	129,237	253,451	422,512	201,465	1,761,883
Total On and Off-Balance Sheet Exposures	1,083,446	73,359	895,340	2,654,381	1,142,057	4,074,728	1,884,509	2,069,278	9,677,029	2,375,692	46,600,113	10,913,173	83,443,105

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(b) Distribution of Credit Exposures by Sector (continued)

(i) Group (continued)

31 DECEMBER 2021 EXPOSURE CLASS	PRIMARY AGRICULTURE	MINING AND QUARRYING	MANUFACTURING	ELECTRICITY, GAS AND WATER	WHOLESALE & RETAIL TRADE AND RESTAURANT & HOTELS	CONSTRUCTION	REAL ESTATE	TRANSPORT, STORAGE & COMMUNICATION	FINANCE, INSURANCE AND BUSINESS SERVICES	EDUCATION, HEALTH AND OTHERS	HOUSEHOLD SECTOR	OTHER SECTORS	TOTAL
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Credit Risk													
On-Balance Sheet Exposures													
Sovereign/Central Banks	-	-	-	-	-	-	-	-	3,789,685	-	-	5,262,565	9,052,250
Public Sector Entities	1,162	-	-	-	-	58,695	8,832	-	234,644	1,397,518	244	-	1,701,095
Banks, Developments Institutions and Multilateral Development Banks	-	-	-	-	-	-	-	-	943,022	-	374	82,629	1,026,025
Corporate	1,079,683	64,205	966,355	2,793,913	702,350	3,739,417	1,885,932	1,956,311	4,093,785	834,970	143,296	2,100,216	20,360,433
Regulatory Retail	6,426	3,945	52,606	1,023	157,189	103,232	42,637	29,645	81,752	48,037	20,294,212	4,880	20,825,584
Residential Mortgages	-	-	1,005	-	-	-	-	-	-	-	23,742,863	-	23,743,868
Higher Risk Assets	-	-	-	-	-	-	-	-	-	-	3,342	-	3,342
Other Assets	-	-	-	-	-	-	-	-	-	-	-	1,937,277	1,937,277
Total for On-Balance Sheet Exposures	1,087,271	68,150	1,019,966	2,794,936	859,539	3,901,344	1,937,401	1,985,956	9,142,888	2,280,525	44,184,331	9,387,567	78,649,874
Off-Balance Sheet Exposures													
Credit-related Exposures	25,443	7,189	110,873	70,971	103,172	409,607	10,372	89,420	109,493	184,349	381,302	157,932	1,660,123
Derivative Financial Instruments	-	-	361	-	24,175	37	-	-	27,773	50,613	-	13,840	116,799
Total for Off-Balance Sheet Exposures	25,443	7,189	111,234	70,971	127,347	409,644	10,372	89,420	137,266	234,962	381,302	171,772	1,776,922
Total On and Off-Balance Sheet Exposures	1,112,714	75,339	1,131,200	2,865,907	986,886	4,310,988	1,947,773	2,075,376	9,280,154	2,515,487	44,565,633	9,559,339	80,426,796

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(b) Distribution of Credit Exposures by Sector (continued)

(ii) Bank

30 JUNE 2022 EXPOSURE CLASS	PRIMARY AGRICULTURE	MINING AND QUARRYING	MANUFACTURING	ELECTRICITY, GAS AND WATER	WHOLESALE & RETAIL TRADE AND RESTAURANT & HOTELS	CONSTRUCTION	REAL ESTATE	TRANSPORT, STORAGE & COMMUNICATION	FINANCE, INSURANCE AND BUSINESS SERVICES	EDUCATION, HEALTH AND OTHERS	HOUSEHOLD SECTOR	OTHER SECTORS	TOTAL
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Credit Risk													
On-Balance Sheet Exposures													
Sovereign/Central Banks	-	-	-	-	-	-	-	-	3,531,791	-	-	5,610,843	9,142,634
Public Sector Entities	1,124	-	-	-	-	35,197	24,525	-	294,825	1,499,298	224	-	1,855,193
Banks, Developments Institutions and Multilateral Development Banks	-	-	-	-	-	-	-	-	2,015,491	-	-	1,134,330	3,149,821
Corporate	1,059,741	58,690	714,939	2,578,320	813,124	3,602,645	1,801,336	1,929,836	3,587,657	555,109	152,486	2,042,332	18,896,215
Regulatory Retail	4,793	7,866	49,665	3,272	234,981	122,695	45,608	32,371	118,028	67,834	21,120,253	6,393	21,813,759
Residential Mortgages	-	-	1,152	-	-	-	-	-	-	-	24,901,467	-	24,902,619
Higher Risk Assets	-	-	-	-	-	-	-	-	-	-	3,171	-	3,171
Other Assets	-	-	-	-	-	-	-	-	-	-	-	1,815,329	1,815,329
Total for On-Balance Sheet Exposures	1,065,658	66,556	765,756	2,581,592	1,048,105	3,760,537	1,871,469	1,962,207	9,547,792	2,122,241	46,177,601	10,609,227	81,578,741
Off-Balance Sheet Exposures													
Credit-related Exposures	17,788	6,803	128,172	72,789	91,666	314,191	13,040	106,960	99,249	141,637	422,512	188,853	1,603,660
Derivative Financial Instruments	-	-	1,412	-	2,286	-	-	112	29,987	111,814	-	12,612	158,223
Total for Off-Balance Sheet Exposures	17,788	6,803	129,584	72,789	93,952	314,191	13,040	107,072	129,236	253,451	422,512	201,465	1,761,883
Total On and Off-Balance Sheet Exposures	1,083,446	73,359	895,340	2,654,381	1,142,057	4,074,728	1,884,509	2,069,279	9,677,028	2,375,692	46,600,113	10,810,692	83,340,624

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(b) Distribution of Credit Exposures by Sector (continued)

(ii) Bank (continued)

31 DECEMBER 2021 EXPOSURE CLASS	PRIMARY AGRICULTURE	MINING AND QUARRYING	MANUFACTURING	ELECTRICITY, GAS AND WATER	WHOLESALE & RETAIL TRADE AND RESTAURANT & HOTELS	CONSTRUCTION	REAL ESTATE	TRANSPORT, STORAGE & COMMUNICATION	FINANCE, INSURANCE AND BUSINESS SERVICES	EDUCATION, HEALTH AND OTHERS	HOUSEHOLD SECTOR	OTHER SECTORS	TOTAL
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Credit Risk													
On-Balance Sheet Exposures													
Sovereign/Central Banks	-	-	-	-	-	-	-	-	3,789,685	-	-	5,262,565	9,052,250
Public Sector Entities	1,162	-	-	-	-	58,695	8,832	-	234,643	1,397,518	244	-	1,701,094
Banks, Developments Institutions and Multilateral Development Banks	-	-	-	-	-	-	-	-	943,023	-	374	64,158	1,007,555
Corporate	1,079,683	64,205	966,355	2,793,913	702,350	3,739,417	1,885,932	1,956,311	4,093,785	834,969	143,296	2,100,216	20,360,432
Regulatory Retail	6,426	3,945	52,606	1,023	157,190	103,232	42,637	29,645	81,752	48,037	20,294,212	4,880	20,825,585
Residential Mortgages	-	-	1,005	-	-	-	-	-	-	-	23,742,863	-	23,743,868
Higher Risk Assets	-	-	-	-	-	-	-	-	-	-	3,342	-	3,342
Other Assets	-	-	-	-	-	-	-	-	-	-	-	1,846,888	1,846,888
Total for On-Balance Sheet Exposures	1,087,271	68,150	1,019,966	2,794,936	859,540	3,901,344	1,937,401	1,985,956	9,142,888	2,280,524	44,184,331	9,278,707	78,541,014
Off-Balance Sheet Exposures													
Credit-related Exposures	25,443	7,189	110,873	70,971	103,172	409,607	10,372	89,420	109,493	184,349	381,302	157,932	1,660,123
Derivative Financial Instruments	-	-	361	-	24,175	37	-	-	27,773	50,613	-	13,840	116,799
Total for Off-Balance Sheet Exposures	25,443	7,189	111,234	70,971	127,347	409,644	10,372	89,420	137,266	234,962	381,302	171,772	1,776,922
Total On and Off-Balance Sheet Exposures	1,112,714	75,339	1,131,200	2,865,907	986,887	4,310,988	1,947,773	2,075,376	9,280,154	2,515,486	44,565,633	9,450,479	80,317,936

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(c) Residual Contractual Maturity Breakdown

(i) Group

30 JUNE 2022 EXPOSURE CLASS	UP TO 1 YEAR RM'000	> 1 – 5 YEARS RM'000	OVER 5 YEARS RM'000	TOTAL RM'000
<u>Credit Risk</u>				
On-Balance Sheet Exposures				
Sovereign/Central Banks	3,869,313	3,425,636	1,847,685	9,142,634
Public Sector Entities	136,666	943,587	774,940	1,855,193
Banks, Developments Financial Institutions and Multilateral Development Banks	3,165,984	229	614	3,166,827
Corporate	4,846,981	6,063,840	7,985,394	18,896,215
Regulatory Retail	110,986	3,092,758	18,610,015	21,813,759
Residential Mortgages	19,476	142,040	24,741,103	24,902,619
Higher Risk Assets	-	206	2,965	3,171
Other Assets	561,180	-	1,339,624	1,900,804
Total for On-Balance Sheet Exposures	12,710,586	13,668,296	55,302,340	81,681,222
Off-Balance Sheet Exposures				
Credit-related Exposures	623,148	426,361	554,152	1,603,661
Derivative Financial Instruments	157,323	899	-	158,222
Total for Off-Balance Sheet Exposures	780,471	427,260	554,152	1,761,883
Total On and Off-Balance Sheet Exposures	13,491,057	14,095,556	55,856,492	83,443,105

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(c) Residual Contractual Maturity Breakdown (continued)

(i) Group (continued)

31 DECEMBER 2021 EXPOSURE CLASS	UP TO 1 YEAR RM'000	> 1 – 5 YEARS RM'000	OVER 5 YEARS RM'000	TOTAL RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	4,574,778	2,811,303	1,666,169	9,052,250
Public Sector Entities	106,851	814,612	779,632	1,701,095
Banks, Developments Financial Institutions and Multilateral Development Banks	823,210	200,384	2,432	1,026,026
Corporate	5,152,471	6,005,414	9,202,547	20,360,432
Regulatory Retail	134,369	3,018,105	17,673,110	20,825,584
Residential Mortgages	17,442	136,540	23,589,887	23,743,869
Higher Risk Assets	-	34	3,307	3,341
Other Assets	457,052	-	1,480,225	1,937,277
Total for On-Balance Sheet Exposures	11,266,173	12,986,392	54,397,309	78,649,874
Off-Balance Sheet Exposures				
Credit-related Exposures	656,789	448,316	555,018	1,660,123
Derivative Financial Instruments	114,431	2,368	-	116,799
Total for Off-Balance Sheet Exposures	771,220	450,684	555,018	1,776,922
Total On and Off-Balance Sheet Exposures	12,037,393	13,437,076	54,952,327	80,426,796

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(c) Residual Contractual Maturity Breakdown (continued)

(ii) Bank

30 JUNE 2022 EXPOSURE CLASS	UP TO 1 YEAR RM'000	> 1 – 5 YEARS RM'000	OVER 5 YEARS RM'000	TOTAL RM'000
<u>Credit Risk</u>				
On-Balance Sheet Exposures				
Sovereign/Central Banks	3,869,313	3,425,636	1,847,685	9,142,634
Public Sector Entities	136,666	943,587	774,940	1,855,193
Banks, Developments Financial Institutions and Multilateral Development Banks	3,148,978	229	614	3,149,821
Corporate	4,846,981	6,063,840	7,985,394	18,896,215
Regulatory Retail	110,986	3,092,758	18,610,015	21,813,759
Residential Mortgages	19,476	142,040	24,741,103	24,902,619
Higher Risk Assets	-	206	2,965	3,171
Other Assets	475,705	-	1,339,624	1,815,329
Total for On-Balance Sheet Exposures	12,608,105	13,668,296	55,302,340	81,578,741
Off-Balance Sheet Exposures				
Credit-related Exposures	623,148	426,361	554,152	1,603,661
Derivative Financial Instruments	157,323	899	-	158,222
Total for Off-Balance Sheet Exposures	780,471	427,260	554,152	1,761,883
Total On and Off-Balance Sheet Exposures	13,388,576	14,095,556	55,856,492	83,340,624

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.2 Gross Credit Exposures (continued)

(c) Residual Contractual Maturity Breakdown (continued)

(ii) Bank (continued)

31 DECEMBER 2021 EXPOSURE CLASS	UP TO 1 YEAR RM'000	> 1 – 5 YEARS RM'000	OVER 5 YEARS RM'000	TOTAL RM'000
Credit Risk				
On-Balance Sheet Exposures				
Sovereign/Central Banks	4,574,778	2,811,303	1,666,169	9,052,250
Public Sector Entities	106,851	814,612	779,632	1,701,095
Banks, Developments Financial Institutions and Multilateral Development Banks	804,739	200,384	2,432	1,007,555
Corporate	5,152,471	6,005,414	9,202,547	20,360,432
Regulatory Retail	134,369	3,018,105	17,673,110	20,825,584
Residential Mortgages	17,442	136,540	23,589,887	23,743,869
Higher Risk Assets	-	34	3,307	3,341
Other Assets	366,663	-	1,480,225	1,846,888
Total for On-Balance Sheet Exposures	11,157,313	12,986,392	54,397,309	78,541,014
Off-Balance Sheet Exposures				
Credit-related Exposures	656,789	448,316	555,018	1,660,123
Derivative Financial Instruments	114,431	2,368	-	116,799
Total for Off-Balance Sheet Exposures	771,220	450,684	555,018	1,776,922
Total On and Off-Balance Sheet Exposures	11,928,533	13,437,076	54,952,327	80,317,936

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.3 Assignment of Risk Weights for Portfolios Under the Standardised Approach

The following presents the credit exposures by risk weights after the effect of credit risk mitigation of the Group:

(i) As at 30 June 2022

EXPOSURES AFTER NETTING & CREDIT RISK MITIGATION (CRM)										
RISK WEIGHTS	SOVEREIGNS / CENTRAL BANKS RM'000	PUBLIC SECTOR ENTITIES RM'000	BANKS, DFIS & MDBS RM'000	CORPORATE RM'000	REGULATORY RETAIL RM'000	RESIDENTIAL MORTGAGES RM'000	HIGHER RISK ASSETS RM'000	OTHER ASSETS RM'000	TOTAL EXPOSURES AFTER NETTING & CRM RM'000	TOTAL RISK WEIGHTED ASSET RM'000
0%	9,142,635	886,856	-	3,638,291	297,331	-	-	905,570	14,870,683	-
20%	-	212,477	3,207,009	3,018,260	79	-	-	-	6,437,825	1,287,565
35%	-	-	-	-	-	7,108,678	-	-	7,108,678	2,488,037
50%	-	526,433	2,777	3,573,643	383,043	5,026,392	-	-	9,512,288	4,756,144
75%	-	-	-	525,730	1,127,572	6,045,280	-	-	7,698,581	5,773,936
100%	-	362,877	-	8,581,993	19,918,317	7,016,897	-	995,235	36,875,319	36,875,319
150%	-	-	-	298,810	52,735	100,692	11,653	-	463,890	695,835
Total Exposures	9,142,635	1,988,643	3,209,786	19,636,727	21,779,077	25,297,939	11,653	1,900,805	82,967,264	51,876,836
RWA by Exposures	-	668,589	642,790	11,814,979	21,034,636	16,703,128	17,480	995,234	51,876,836	
Average Risk Weight	0.0%	33.6%	20.0%	60.2%	96.6%	66.0%	150.0%	52.4%	62.5%	
Deduction from Capital Base										

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.3 Assignment of Risk Weights for Portfolios Under the Standardised Approach (continued)

The following presents the credit exposures by risk weights after the effect of credit risk mitigation of the Group (continued):

(ii) As at 31 December 2021

EXPOSURES AFTER NETTING & CREDIT RISK MITIGATION (CRM)										
RISK WEIGHTS	SOVEREIGNS / CENTRAL BANKS	PUBLIC SECTOR ENTITIES	BANKS, DFIS & MDBS	CORPORATE	REGULATORY RETAIL	RESIDENTIAL MORTGAGES	HIGHER RISK ASSETS	OTHER ASSETS	TOTAL EXPOSURES AFTER NETTING & CRM	TOTAL RISK WEIGHTED ASSET
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	9,052,249	826,833	-	3,904,705	196,450	-	-	945,524	14,925,761	-
20%	-	170,004	1,076,679	3,768,647	97	-	-	-	5,015,427	1,003,085
35%	-	-	-	-	-	6,996,669	-	-	6,996,669	2,448,834
50%	-	547,870	7,322	3,841,980	398,237	5,098,127	-	-	9,893,536	4,946,768
75%	-	-	-	571,402	1,120,993	4,575,502	-	-	6,267,898	4,700,924
100%	-	230,234	-	8,755,974	19,047,746	7,365,935	-	991,753	36,391,642	36,391,642
150%	-	-	-	359,641	28,089	60,084	11,843	-	459,657	689,486
Total Exposures	9,052,249	1,774,941	1,084,001	21,202,349	20,791,612	24,096,317	11,843	1,937,277	79,950,590	50,180,739
RWA by Exposures	-	538,170	218,997	12,398,706	20,129,762	15,885,585	17,765	991,753	50,180,738	
Average Risk Weight	0.0%	30.3%	20.2%	58.5%	96.8%	65.9%	150.0%	51.2%	62.8%	
Deduction from Capital Base										

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.3 Assignment of Risk Weights for Portfolios Under the Standardised Approach (continued)

The following presents the credit exposures by risk weights after the effect of credit risk mitigation of the Bank:

(i) As at 30 June 2022

EXPOSURES AFTER NETTING & CREDIT RISK MITIGATION (CRM)										
RISK WEIGHTS	SOVEREIGNS / CENTRAL BANKS RM'000	PUBLIC SECTOR ENTITIES RM'000	BANKS, DFIS & MDBS RM'000	CORPORATE RM'000	REGULATORY RETAIL RM'000	RESIDENTIAL MORTGAGES RM'000	HIGHER RISK ASSETS RM'000	OTHER ASSETS RM'000	TOTAL EXPOSURES AFTER NETTING & CRM RM'000	TOTAL RISK WEIGHTED ASSET RM'000
0%	9,142,635	886,856	-	3,638,291	297,331	-	-	909,805	14,874,918	-
20%	-	212,477	3,190,003	3,018,260	79	-	-	-	6,420,819	1,284,164
35%	-	-	-	-	-	7,108,678	-	-	7,108,678	2,488,037
50%	-	526,433	2,777	3,573,643	383,043	5,026,392	-	-	9,512,288	4,756,144
75%	-	-	-	525,730	1,127,572	6,045,280	-	-	7,698,581	5,773,936
100%	-	362,877	-	8,581,993	19,918,317	7,016,897	-	905,524	36,785,608	36,785,608
150%	-	-	-	298,810	52,735	100,692	11,653	-	463,890	695,835
Total Exposures	9,142,635	1,988,643	3,192,780	19,636,727	21,779,077	25,297,939	11,653	1,815,329	82,864,783	51,783,724
RWA by Exposures	-	668,589	639,389	11,814,979	21,034,636	16,703,128	17,480	905,524	51,783,724	
Average Risk Weight	0.0%	33.6%	20.0%	60.2%	96.6%	66.0%	150.0%	49.9%	62.5%	
Deduction from Capital Base										

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.3 Assignment of Risk Weights for Portfolios Under the Standardised Approach (continued)

The following presents the credit exposures by risk weights after the effect of credit risk mitigation of the Bank (continued):

(ii) As at 31 December 2021

EXPOSURES AFTER NETTING & CREDIT RISK MITIGATION (CRM)										
RISK WEIGHTS	SOVEREIGNS / CENTRAL BANKS RM'000	PUBLIC SECTOR ENTITIES RM'000	BANKS, DFIS & MDBS RM'000	CORPORATE RM'000	REGULATORY RETAIL RM'000	RESIDENTIAL MORTGAGES RM'000	HIGHER RISK ASSETS RM'000	OTHER ASSETS RM'000	TOTAL EXPOSURES AFTER NETTING & CRM RM'000	TOTAL RISK WEIGHTED ASSET RM'000
0%	9,052,249	826,833	-	3,904,705	196,450	-	-	951,209	14,931,446	-
20%	-	170,004	1,058,208	3,768,647	97	-	-	-	4,996,956	999,391
35%	-	-	-	-	-	6,996,669	-	-	6,996,669	2,448,834
50%	-	547,870	7,322	3,841,980	398,237	5,098,127	-	-	9,893,536	4,946,768
75%	-	-	-	571,402	1,120,993	4,575,502	-	-	6,267,898	4,700,924
100%	-	230,234	-	8,755,974	19,047,746	7,365,935	-	895,679	36,295,568	36,295,568
150%	-	-	-	359,641	28,089	60,084	11,843	-	459,657	689,486
Total Exposures	9,052,249	1,774,941	1,065,530	21,202,349	20,791,612	24,096,317	11,843	1,846,888	79,841,730	50,080,971
RWA by Exposures	-	538,170	215,303	12,398,706	20,129,762	15,885,585	17,765	895,679	50,080,970	
Average Risk Weight	0.0%	30.3%	20.2%	58.5%	96.8%	65.9%	150.0%	48.5%	62.7%	
Deduction from Capital Base										

BANK ISLAM MALAYSIA BERHAD
PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2022

3. Credit Risk (continued)

3.4 Disclosures of Rated and Unrated Exposures According to Ratings by ECAI

a) Ratings of Sovereigns and Central Banks by Approved ECAIs

30 JUNE 2022 Exposure Class	RATINGS OF SOVEREIGNS AND CENTRAL BANKS BY APPROVED ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
<u>On and Off Balance-Sheet Credit Exposures</u>							
Sovereign and Central Banks*		-	9,142,635	-	-	-	-
Total		-	9,142,635	-	-	-	-

31 DECEMBER 2021 Exposure Class	RATINGS OF SOVEREIGNS AND CENTRAL BANKS BY APPROVED ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
<u>On and Off Balance-Sheet Credit Exposures</u>							
Sovereign and Central Banks*		-	9,052,249	-	-	-	-
Total		-	9,052,249	-	-	-	-

* These exposures refer to exposures to Federal Government of Malaysia and Bank Negara Malaysia which are accorded a preferential sovereign risk weight of 0%.

b) Ratings of Corporate by Approved ECAIs

30 JUNE 2022 Exposure Class	RATINGS OF CORPORATE BY APPROVED ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA- <td>A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td></td>	A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td>	BBB+ to BB- <td>B+ to D <td>Unrated</td> </td>	B+ to D <td>Unrated</td>	Unrated
	RAMs	AAA to AA3 <td>A to A3 <td>BBB to BB <td>B to D <td>Unrated</td> </td></td></td>	A to A3 <td>BBB to BB <td>B to D <td>Unrated</td> </td></td>	BBB to BB <td>B to D <td>Unrated</td> </td>	B to D <td>Unrated</td>	Unrated
	MARC	AAA to AA- <td>A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td></td>	A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td>	BBB+ to BB- <td>B+ to D <td>Unrated</td> </td>	B+ to D <td>Unrated</td>	Unrated
<u>On and Off Balance-Sheet Credit Exposures</u>						
Public Sector Entities		212,477	-	-	-	1,776,166
Insurance Cos, Securities Firms & Fund Manager						
Corporate		2,998,234	52,806	170,459	-	16,415,229
Total		3,210,711	52,806	170,459	-	18,191,395

31 DECEMBER 2021 Exposure Class	RATINGS OF CORPORATE BY APPROVED ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA- <td>A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td></td>	A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td>	BBB+ to BB- <td>B+ to D <td>Unrated</td> </td>	B+ to D <td>Unrated</td>	Unrated
	RAMs	AAA to AA3 <td>A to A3 <td>BBB to BB <td>B to D <td>Unrated</td> </td></td></td>	A to A3 <td>BBB to BB <td>B to D <td>Unrated</td> </td></td>	BBB to BB <td>B to D <td>Unrated</td> </td>	B to D <td>Unrated</td>	Unrated
	MARC	AAA to AA- <td>A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td></td>	A+ to A- <td>BBB+ to BB- <td>B+ to D <td>Unrated</td> </td></td>	BBB+ to BB- <td>B+ to D <td>Unrated</td> </td>	B+ to D <td>Unrated</td>	Unrated
<u>On and Off Balance-Sheet Credit Exposures</u>						
Public Sector Entities		170,004	-	-	-	1,604,937
Insurance Cos, Securities Firms & Fund Manager						
Corporate		3,757,659	27,107	77,480	-	17,334,814
Total		3,927,663	27,107	77,480	-	18,939,751

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3. Credit Risk (continued)

3.4 Disclosure of Rated and Unrated Exposures According to Ratings by ECAI (continued)

c) Ratings of Banking Institutions by Approved ECAIs

RATINGS OF BANKING INSTITUTIONS BY APPROVED ECAIS							
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1+ to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
30 JUNE 2022	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Exposure Class	RAMs	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
<u>On and Off Balance-Sheet</u>							
<u>Credit Exposures</u>							
	Banks, MDBs, and DFIs	2,768,323	150,581	-	-	-	290,882
Total		2,768,323	150,581	-	-	-	290,882

RATINGS OF BANKING INSTITUTIONS BY APPROVED ECAIS							
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1+ to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
31 DECEMBER 2021	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Exposure Class	RAMs	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
<u>On and Off Balance-Sheet</u>							
<u>Credit Exposures</u>							
	Banks, MDBs, and DFIs	743,371	151,728	-	-	-	188,903
Total		743,371	151,728	-	-	-	188,903

Note: There are no exposures under Short-term ratings for the period under review.

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3. Credit Risk (continued)

3.5 Credit Risk Mitigation (CRM)

Disclosure of Credit Risk Mitigation (CRM):

30 JUNE 2022 EXPOSURE CLASS	EXPOSURES BEFORE CRM RM'000	EXPOSURES COVERED BY GUARANTEES RM'000	EXPOSURES COVERED BY ELIGIBLE FINANCIAL AND NON-FINANCIAL COLLATERAL RM'000
On-Balance Sheet Exposures			
Sovereign/Central Banks	9,142,634	-	-
Public Sector Entities	1,851,749	-	75,385
Banks, DFIs and MDBs	3,149,821	-	-
Corporates	18,078,984	679,069	1,133,221
Regulatory Retail	21,702,471	292,008	167,130
Residential Mortgages	24,790,944	450	94,312
Higher Risk Assets	3,167	-	-
Other Assets	1,815,329	-	-
Defaulted Exposures	1,043,643	392,310	77,579
Total for On-Balance Sheet Exposures	81,578,741	1,363,837	1,547,627
Off-Balance Sheet Exposures			
Credit-related Exposures	1,569,717	4,424	40,167
Derivative Financial Instruments	158,223	-	-
Defaulted Exposures	33,943	3,265	-
Total for Off-Balance Sheet Exposures	1,761,883	7,689	40,167
Total On and Off-Balance Sheet Exposures	83,340,624	1,371,526	1,587,794

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3. Credit Risk (continued)

3.5 Credit Risk Mitigation (CRM) (continued)

Disclosure of Credit Risk Mitigation (CRM) (continued):

31 DECEMBER 2021 EXPOSURE CLASS	EXPOSURES BEFORE CRM RM'000	EXPOSURES COVERED BY GUARANTEES RM'000	EXPOSURES COVERED BY ELIGIBLE FINANCIAL AND NON-FINANCIAL COLLATERAL RM'000
On-Balance Sheet Exposures			
Sovereign/Central Banks	9,052,249	-	-
Public Sector Entities	1,701,095	-	10,101
Banks, DFIs and MDBs	1,007,555	-	-
Corporates	19,388,649	706,085	1,224,343
Regulatory Retail	20,743,307	194,327	136,111
Residential Mortgages	23,669,331	452	100,983
Higher Risk Assets	3,173	-	-
Other Assets	1,846,888	-	-
Defaulted Exposures	1,128,766	384,941	69,715
Total for On-Balance Sheet Exposures	78,541,013	1,285,805	1,541,253
Off-Balance Sheet Exposures			
Credit-related Exposures	1,623,840	4,805	56,026
Derivative Financial Instruments	116,795	-	-
Defaulted Exposures	36,288	4,752	10
Total for Off-Balance Sheet Exposures	1,776,923	9,557	56,036
Total On and Off-Balance Sheet Exposures	80,317,936	1,295,362	1,597,289

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3. Credit Risk (continued)

3.6 Off-Balance Sheet and Counterparties Credit Risk for the Group and the Bank

(i) As at 30 June 2022

NATURE OF ITEM	PRINCIPAL AMOUNT RM'000	POSITIVE FAIR VALUE OF DERIVATIVE CONTRACTS RM'000	CREDIT EQUIVALENT AMOUNT RM'000	RISK WEIGHTED ASSET RM'000
<i>Credit related Exposures</i>				
Direct credit substitutes	396,613		396,613	391,431
Assets sold with recourse	-		-	-
Transaction related contingent items	962,208		481,104	464,938
Short term self-liquidating trade related contingencies	444,691		88,938	88,402
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- not exceeding one year	-		-	-
- exceeding one year	1,274,012		637,005	525,290
Unutilised credit card lines	-		-	-
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	8,116,613		-	-
	11,194,137		1,603,660	1,470,061
<i>Derivative Financial Instruments</i>				
Foreign exchange related contracts				
- less than one year	8,021,176	77,349	157,323	124,599
- one year to less than five years	-	-	-	-
Profit rate related contracts				
- less than one year	-	-	-	-
- one year to less than five years	60,972	394	900	656
- five years and above	-	-	-	-
	8,082,148	77,743	158,223	125,255
Total	19,276,285	77,743	1,761,883	1,595,316

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3. Credit Risk (continued)

3.6 Off-Balance Sheet and Counterparties Credit Risk for the Group and the Bank (continued)

(ii) As at 31 December 2021

NATURE OF ITEM	PRINCIPLE AMOUNT RM'000	POSITIVE FAIR VALUE OF DERIVATIVE CONTRACTS RM'000	CREDIT EQUIVALENT AMOUNT RM'000	RISK WEIGHTED ASSET RM'000
<i>Credit related Exposures</i>				
Direct credit substitutes	501,511		501,511	503,088
Assets sold with recourse	-		-	-
Transaction related contingent items	903,458		451,729	438,976
Short term self-liquidating trade related contingencies	417,940		83,588	83,012
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- not exceeding one year	-		-	-
- exceeding one year	1,246,592		623,295	503,494
Unutilised credit card lines	-		-	-
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	8,110,490		-	-
	11,179,991		1,660,123	1,528,570
<i>Derivative Financial Instruments</i>				
Foreign exchange related contracts				
- less than one year	7,505,850	25,120	114,431	66,277
- one year to less than five years				
- Five years and above	-	-	-	-
Profit rate related contracts				
- less than one year	-	-	-	-
- one year to less than five years	79,153	917	2,368	1,735
- five years and above	-	-	-	-
Equity related contracts				
- less than one year	-	-	-	-
- one year to less than five years	-	-	-	-
- Five years and above	-	-	-	-
	7,585,003	26,037	116,799	68,012
Total	18,764,994	26,037	1,776,922	1,596,582

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4. Market Risk

a) Profit Rate Risk in the Banking Book Portfolio

Profit rate risk in the banking book portfolio is managed and controlled using measurement tools known as Earnings-at-Risk (“EaR”) and Economic-Value-of-Equity (“EVE”). The Group monitors the sensitivity of EaR and EVE under varying profit rate scenarios (i.e. simulation modeling). The model is a combination of standard and non-standard scenarios relevant to the local market. The standard scenarios include the parallel fall or rise in the profit rate curve and historical simulation. These scenarios assume no management action. Hence, it does not incorporate actions that would be taken by Treasury to mitigate the impact of the profit rate risk. In reality, depending on the view on future market movements, Treasury would proactively manage and strategize to change the profit rate exposure profile to minimise losses and to optimise net revenues. The Group’s hedging and risk mitigation strategies correspond to the market instruments available. These strategies range from the use of derivative financial instruments, such as profit rate swaps, to more intricate hedging strategies to address inordinate profit rate risk exposures.

The table below shows the Group’s and the Bank’s profit rate sensitivity to a 150 basis points parallel shift as at reporting date.

Group	30 June 2022		31 December 2021	
	(Decrease) / Increase		(Decrease) / Increase	
	-150bps	+150bps	-150bps	+150bps
	RM million	RM million	RM million	RM million
Impact on EaR	(181.9)	181.9	(206.6)	206.6
Impact on EVE	323.9	(323.9)	294.0	(294.0)

Bank	30 June 2022		31 December 2021	
	(Decrease) / Increase		(Decrease) / Increase	
	-150bps	+150bps	-150bps	+150bps
	RM million	RM million	RM million	RM million
Impact on EaR	(179.9)	179.9	(204.7)	204.7
Impact on EVE	323.7	(323.7)	293.6	(293.6)

b) Market Risk in the Trading Book Portfolio

Market risk in the trading book portfolio is monitored and managed by the Bank using Value-at-Risk (“VaR”). It is a technique that estimates the potential losses that could occur in the trading book positions as a result of market rates movements over a specified time horizon and to a given level of confidence. The VaR model used by the Bank is based on historical simulation which derives plausible future scenarios from past series of recorded market rates and prices. The historical VaR model used incorporates the following features:

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4. Market Risk (continued)

b) Market Risk in the Trading Book Portfolio (continued)

- Historical market movements are calculated with reference to foreign exchange rates and profit rates based on data from the past two years; and
- The VaR is calculated using a 99 per cent confidence level and for a one-day holding period.

A summary of the VaR position of the Bank's trading book portfolios as at reporting date is as follows:

Bank	As at 30.6.2022	1.1.2022 to 30.6.2022		
	Average RM million	RM million	Average RM million	RM million
Profit Rate Risk	0.49	0.33	1.14	0.10
Foreign Exchange Risk	1.78	0.90	2.07	0.36
Overall	2.27	1.23	2.90	0.50

Bank	As at 31.12.2021	1.1.2021 to 31.12.2021		
	RM million	Average RM million	Maximum RM million	Minimum RM million
Profit Rate Risk	0.14	1.05	2.39	0.14
Foreign Exchange Risk	0.36	0.66	1.19	0.34
Overall	0.50	1.71	2.78	0.50

c) Foreign Exchange Risk

The Bank manages and controls the trading book portfolio's foreign exchange risk by limiting the net open exposure to individual currencies and on an aggregate basis. For the Bank-wide (trading and banking book portfolios) foreign exchange risk, the Bank manages and controls it by limiting the net open exposure on an aggregate basis.

Sensitivity Analysis

The Bank has a sensitivity limit for managing the foreign exchange risk in place. The foreign currency revaluation sensitivity for the Bank as at reporting date is summarised as follows (only the net open positions for major currencies are shown in specific individual currencies in the table below. For other currencies, these exposures are grouped as "Others").

The table below shows the Bank's sensitivity analysis as at reporting date.

Bank	30 June 2022		31 December 2021	
	-1% Depreciation	+1% Appreciation	-1% Depreciation	+1% Appreciation
	RM'000	RM'000	RM'000	RM'000
US Dollar	14,726	(14,726)	12,136	(12,136)
Euro	3,817	(3,817)	4,576	(4,576)
Others	(176)	176	(193)	193

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4. Market Risk (continued)

4.1 Capital Treatment for Market Risk

The Group adopts the Standardised Approach to compute the market risk capital requirement under BNM's CAFIB.

5. Shariah Non-Compliant (“SNC”) Income and Events

30 June 2022	31 December 2021
RM 19,543.84	RM 41,182.96

The main contributors of the SNC income were commissions from third party investment product offering (RM12,215.26) and commissions from SNC merchants of card business (RM7,203.75). SNC income will be disposed to charitable causes upon Shariah Supervisory Council (SSC)'s approval.

As at June 2022, there were 2 (two) incidences confirmed by the SSC as SNC events. All SNC events and rectification plans were presented and approved by the Board and SSC and reported to BNM in accordance with the prescribed reporting requirement by the regulator.

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Group Chief Executive Officer's Attestation

In accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Bank (CAFIB) Disclosure Requirements (Pillar 3), I hereby attest that to the best of my knowledge, the disclosures contained in Bank Islam Malaysia Berhad's Pillar 3 Disclosure report for the financial half-year as at 30 June 2022 are consistent with the manner in which the Group and the Bank assess and manage their risk, and are not misleading in any particular way.



Mohd Muazzam Mohamed
Group Chief Executive Officer, Bank Islam Malaysia Berhad