



**PEOPLE'S  
BANK**

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**BASEL III - DISCLOSURES UNDER PILLAR 3  
AS PER THE BANKING ACT  
DIRECTIONS NO.01 OF 2016  
AS AT MARCH 31<sup>ST</sup> 2020**

**TEMPLATE 1 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY**

	BANK		GROUP	
	As at 31.03.2020 (Unaudited)	As at 31.12.2019 (Audited)	As at 31.03.2020 (Unaudited)	As at 31.12.2019 (Audited)
<b>Regulatory Capital</b>				
Common Equity Tier 1 Capital [Rs. 000]	80,182,015	77,941,284	108,487,909	106,246,759
Tier 1 Capital [Rs. 000]	80,182,015	77,941,284	108,487,909	106,246,759
Total Capital	108,814,027	106,972,204	138,588,899	136,303,475
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier 1 Ratio (Min. requirement - 2020 - 7.0%, 2019 - 8.0%,)	10.31	10.68	11.16	11.58
Tier 1 Capital Ratio (Min. requirement - 2020 - 8.5%, 2019 - 9.5%)	10.31	10.68	11.16	11.58
Total Capital Ratio (Min. requirement - 2020 - 12.5%, 2019 - 13.5%)	14.00	14.66	14.25	14.86
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets				
Domestic Banking Unit Rs.'000	420,982,815	446,351,080	NA	NA
Off- Shore Banking Unit US\$ ('000)	655,742	504,025	NA	NA
<b>Statutory Liquid Assets, Ratio %</b> (Minimum Requirement, 20%)				
Domestic Banking Unit , %	27.59	29.54	NA	NA
Off- Shore Banking Unit , %	39.53	34.61	NA	NA
<b>Liquidity Coverage Ratio (%) (Minimum Requirement, (100%) 2019- 100%,2018-,90%)</b>				
Liquidity Coverage Ratio - Rupee	168.79	160.80	NA	NA
Liquidity Coverage Ratio - All Currency	113.24	132.10	NA	NA

**TEMPLATE 2 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY**

	BANK		GROUP	
	As at 31.03.2020 (Unaudited)	As at 31.12.2019 (Audited)	As at 31.03.2020 (Unaudited)	As at 31.12.2019 (Audited)
<b>Common Equity Tier 1 (CET I) Capital after adjustments</b>	<b>80,182,015</b>	<b>77,941,284</b>	<b>108,487,909</b>	<b>106,246,759</b>
<b>Common Equity Tier 1 (CET I) Capital</b>	<b>83,001,773</b>	<b>80,750,618</b>	<b>111,486,618</b>	<b>109,238,461</b>
Equity / Assigned Capital	12,201,998	12,201,998	12,201,998	12,201,998
Reserve Fund	7,315,774	7,315,774	7,315,774	7,315,774
Public Retained Earning /(Accumalated Retained Losses)	50,554,195	48,307,520	73,102,490	70,855,815
Publish accumulated Other Comprehensive Income (OCI)	229,341	224,861	229,341	224,861
General and other Disclosed Reserves	12,700,465	12,700,465	12,700,465	12,700,465
Unpublished Current Year's Profit / Loss and Gain reflected in OCI	-	-	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	5,936,550	5,939,548
<b>Total Adjustments to CETI Capital</b>	<b>2,819,757</b>	<b>2,809,334</b>	<b>2,998,709</b>	<b>2,991,702</b>
Goodwill (net)	-	-	-	-
Intangible Assets (Net)	655,780	700,875	1,026,781	1,090,714
Other ( Investment the in the Capital of Subsidiaries & Other Financial Institution)	1,389,199	1,412,952	1,197,150	1,205,481
Defined Benefit Asset	774,778	695,507	774,778	695,507
<b>Additional Tier I (AT i) Capital after adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional Tier I (AT i) Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Qualifying additional Tier I Capital instruments	-	-	-	-
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
<b>Total Adjustments to AT I Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Investment in own shares	-	-	-	-
Other ( Specify )	-	-	-	-
<b>Tier II Capital after adjustments</b>	<b>28,632,012</b>	<b>29,030,921</b>	<b>30,100,990</b>	<b>30,056,716</b>
<b>Tier II Capital</b>	<b>28,632,012</b>	<b>29,030,921</b>	<b>30,100,990</b>	<b>30,056,716</b>
Qualifying Tier II capital instruments	15,250,000	15,625,000	15,250,000	15,625,000
Revaluation Gains	7,025,956	7,025,956	7,025,956	7,025,956
Loan Loss Provisions	6,356,056	6,379,965	7,825,034	7,405,760
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
<b>Total Adjustment to Tier II</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Investment in own shares	-	-	-	-
Other (specify)	-	-	-	-
<b>CET Capital</b>	<b>80,182,015</b>	<b>77,941,284</b>	<b>108,487,909</b>	<b>106,246,759</b>
<b>Total Tier I Capital</b>	<b>80,182,015</b>	<b>77,941,284</b>	<b>108,487,909</b>	<b>106,246,759</b>
<b>Total Capital</b>	<b>108,814,027</b>	<b>106,972,205</b>	<b>138,588,899</b>	<b>136,303,475</b>
<b>Total Risk Weghted Assets (RWA)</b>	<b>777,496,029</b>	<b>729,657,045</b>	<b>972,482,196</b>	<b>917,382,332</b>
RWA for Credit Risk	687,207,042	650,675,272	854,663,521	815,617,770
RWA for Market Risk	7,479,794	6,430,053	11,382,216	8,402,021
RWA for Operational Risk	82,809,193	72,551,719	106,436,459	93,362,542
<b>CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIB) (%)</b>	<b>10.31</b>	<b>10.68</b>	<b>11.16</b>	<b>11.58</b>
of which: Capital Conservation Buffer (%)	1.50	2.50	1.50	2.50
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital surcharge Countercyclical Buffer (%)	1.00	1.00	1.00	1.00
<b>Total Tier I Capital Ratio (%)</b>	<b>10.31</b>	<b>10.68</b>	<b>11.16</b>	<b>11.58</b>
<b>Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>14.00</b>	<b>14.66</b>	<b>14.25</b>	<b>14.86</b>
of which: Capital Conservation Buffer (%)	1.50	2.50	1.50	2.50
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital surcharge on D-SIBs (%)	1.00	1.00	1.00	1.00

**TEMPLATE 03 : COMPUTATION OF LEVERAGE RATIO**

ITEM	BANK		GROUP	
	31.03.2020	31.12.2019	31.03.2020	31.12.2019
Tier 1 Capital	<b>80,182,015</b>	<b>77,941,284</b>	<b>108,487,909</b>	<b>106,246,759</b>
Total Exposures	<b>2,127,364,047</b>	<b>1,956,281,017</b>	<b>2,306,071,384</b>	<b>2,134,461,039</b>
On balance Sheet items ( Excluding derivatives and securities financing transactions, but including collateral)	2,021,938,505	1,852,096,324	2,199,006,176	2,028,282,425
Deravitive Exposures	1,289,581	553,750	1,289,581	553,750
Securities financing transaction exposures	18,458,135	18,410,000	18,463,075	18,410,000
Other off-balance sheet exposures	85,677,826	85,220,942	87,312,552	87,214,863
Basel III Leverage ratio (%) (Tier 1/ total Exposure)	<b>3.77%</b>	<b>3.98%</b>	<b>4.70%</b>	<b>4.98%</b>

## TEMPLATE 4 : COMPUTATION OF LIQUIDITY COVERAGE RATIO

	As at 31st March 2020		As at 31st December 2019	
	Total Un Weighted Value	Total Weighted Value	Total Un Weighted Value	Total Weighted Value
<b>Total Stock of High-Quality Liquid Assets (HQLA)</b>	<b>399,552,810</b>	<b>398,104,019</b>	<b>410,810,268</b>	<b>409,287,666</b>
<b>Level 1 Assets</b>	396,655,229	396,655,229	407,765,063	407,765,063
<b>Level 2A Assets</b>	-	-	-	-
<b>Level 2B Assets</b>	2,897,581	1,448,790	3,045,205	1,522,603
<b>Total Cash Outflows</b>	<b>1,979,225,638</b>	<b>437,852,886</b>	<b>1,851,660,335</b>	<b>381,470,849</b>
Deposits	1,077,227,042	107,722,704	1,034,947,511	103,494,751
Unsecured Wholesale Funding	549,701,698	272,757,220	486,161,256	240,769,480
Secured Funding Transactions	15,008,921	-	11,508,468	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	309,152,930	29,237,915	306,238,279	24,401,797
Additional requirements	28,135,047	28,135,047	12,804,821	12,804,821
<b>Total Cash Inflows</b>	<b>123,370,238</b>	<b>86,288,228</b>	<b>135,011,332</b>	<b>71,650,766</b>
Maturing Secured Lending Transactions Backed by Collateral	14,665,906	1,146,047	29,841,508	11,415,369
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing				
within 30 Days	71,111,417	57,007,134	95,505,309	52,853,956
Operational deposits	9,457,868	-	2,283,074	-
Other Cash Inflows	28,135,047	28,135,047	7,381,441	7,381,441
<b>Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next Calendar Days)* 100</b>		<b>113.24</b>		<b>132.10</b>

## TEMPLATE 5 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

	No 2 Debenture issued in 2009	No 3 Debenture issued in 2011	No 4 Debenture issued in 2013	Type A Debenture issued in 2019	Type B Debenture issued in 2019
Must be provided for each type of capital instrument separately					
<b>Description of the Capital Instrument</b>					
Issuer	People's Bank	People's Bank	People's Bank	People's Bank	People's Bank
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private placement)	2	3	4	A	B
Original Date of Issuance	30 th December 2009	30 th December 2011	15 th December 2013	08 th November 2019	08 th November 2019
Par Value of Instrument	2,500,000,000	5,000,000,000	5,000,000,000	6,563,000,000	3,437,000,000
Original Maturity Date, if Applicable	29 th December 2022	29 th December 2022	29 th December 2022	08 th November 2024	08 th November 2027
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting date)	1,750,000,000	-	3,500,000,000	6,563,000,000	3,437,000,000
Accounting Classification (Equity/Liability)	Liability	Liability	Liability	Liability	Liability
<b>Issuer Call subject to Prior Supervisory Approval</b>					
Optional Call Date, Contingent Call dates and Redemption Amount (LKR '000)	N/A	N/A	N/A	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A	N/A	N/A	N/A
<b>Coupons/Dividends</b>					
Fixed or Floating Dividend/Coupon	Fixed rate	Fixed rate	Fixed rate	Fixed rate	Fixed rate
Coupon rate and any Related Index	13.50%	13.00%	13.00%	12.00%	12.25%
Non-Cumulative or Cumulative	N/A	N/A	N/A	N/A	N/A
<b>Convertible or Non-Convertible</b>					
If Convertible, Conversion trigger (s)	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
If Convertible, Fully or Partially	N/A	N/A	N/A	N/A	N/A
If Convertible, Mandatory or Optional	N/A	N/A	N/A	N/A	N/A
If Convertible, Conversion rate	N/A	N/A	N/A	N/A	N/A

**TEMPLATE 07: CREDIT RISK UNDER STANDARDIZED APPROACH (CREDIT RISK EXPOSURES & CREDIT RISK MITIGATION (CRM) EFFECTS)**

<b>BANK</b>								
As at 31.03.2020								
	Exposures Before CCF and CRM			Exposures After CCF and CRM			Risk weighted Assets	RWA Density (%)
	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total		
<b>Total Risk-weighted amount for Credit Risk</b>	<b>1,979,262,771</b>	<b>412,881,112</b>	<b>2,392,143,883</b>	<b>1,855,901,370</b>	<b>86,833,139</b>	1,942,734,509	<b>687,207,042</b>	<b>35</b>
Claims on Central Government and Central Bank of Sri Lanka	962,772,838	60,676,332	1,023,449,169	877,836,291	2,753,552	880,589,843	44,587,862	5
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	142,253,350	161,554,782	303,808,132	142,253,350	25,121,233	167,374,582	103,085,246	62
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	10,501,997	-	10,501,997	10,501,997	-	10,501,997	3,488,049	33
Claims on Financial Institutions	8,766,525	-	8,766,525	8,766,525	-	8,766,525	5,013,625	57
Claims on Corporates	113,396,424	158,331,197	271,727,621	113,275,882	52,494,593	165,770,476	149,769,196	90
Retail claims	348,245,620	32,318,801	380,564,421	324,004,095	6,463,760	330,467,855	262,006,434	79
Claims Secured by Gold	171,348,716	-	171,348,716	171,348,716	-	171,348,716	48,809	-
Claims Secured by Residential Property	62,072,691	-	62,072,691	62,072,691	-	62,072,691	31,036,346	50
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	26,527,541	-	26,527,541	26,527,541	-	26,527,541	32,305,097	122
Higher-risk Categories	815,712	-	815,712	815,712	-	815,712	2,039,280	250
Cash Items, other assets	64,713,513	-	64,713,513	64,713,513	-	64,713,513	42,041	-
Other Assets	67,847,845	-	67,847,845	53,785,057	-	53,785,057	53,785,057	100

**TEMPLATE 07: CREDIT RISK UNDER STANDARDIZED APPROACH (CREDIT RISK EXPOSURES & CREDIT RISK MITIGATION (CRM) EFFECTS)**

GROUP	As at 31.03.2020							
	Exposures Before CCF and CRM			Exposures After CCF and CRM			Risk weighted Assets	RWA Density (%)
	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total		
<b>Total Risk-weighted amount for Credit Risk</b>	<b>2,154,344,854</b>	<b>418,230,586</b>	<b>2,572,575,440</b>	<b>2,030,983,453</b>	<b>88,467,865</b>	<b>2,119,451,318</b>	854,663,521	40
Claims on Central Government and Central Bank of Sri Lanka	968,011,122	60,676,332	1,028,687,453	883,074,575	2,753,552	885,828,127	44,587,862	5
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	142,253,350	161,554,782	303,808,132	142,253,350	25,121,233	167,374,582	103,085,246	62
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	12,744,331	-	12,744,331	12,744,331	-	12,744,331	3,936,516	31
Claims on Financial Institutions	9,844,758	-	9,844,758	9,844,758	-	9,844,758	5,871,377	60
Claims on Corporates	113,396,424	163,680,671	277,077,095	113,275,882	54,129,319	167,405,202	151,403,922	90
Retail claims	498,603,564	32,318,801	530,922,365	474,362,039	6,463,760	480,825,799	412,364,378	86
Claims Secured by Gold	171,348,716	-	171,348,716	171,348,716	-	171,348,716	48,809	-
Claims Secured by Residential Property	62,072,691	-	62,072,691	62,072,691	-	62,072,691	31,036,346	50
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	30,069,863	-	30,069,863	30,069,863	-	30,069,863	35,847,419	119
Higher-risk Categories	-	-	-	-	-	-	-	-
Cash Items, other assets	65,497,643	-	65,497,643	65,497,643	-	65,497,643	42,041	-
Other Assets	80,502,394	-	80,502,394	66,439,606	-	66,439,606	66,439,606	100



**TEMPLATE 9 : MARKET RISK UNDER STANDARDISED MEASUREMENT METHOD**

ITEM	BANK		GROUP	
	31.03.2020	31.12.2019	31.03.2020	31.12.2019
<b>(a) RWA for Interest Rate Risk</b>	<b>418,294</b>	<b>419,575</b>	<b>418,294</b>	<b>419,575</b>
<b>General Interest Risk</b>	407,202	408,483	407,202	408,483
i) Net long or short position	407,202	408,483	407,202	408,483
ii) Horizontal disallowance	-	-	-	-
iii) Vertical disallowance	-	-	-	-
iv) Options	-	-	-	-
<b>Specific Interest Rate Risk</b>	11,092	11,092	11,092	11,092
<b>(b) RWA for Equity</b>	<b>217,733</b>	<b>434,005</b>	<b>705,536</b>	<b>710,080</b>
General Equity risk	117,876	227,615	362,056	366,019
Specific Equity risk	99,857	206,390	343,480	344,061
<b>© RWA for foreign Exchange &amp; Gold</b>	<b>298,947</b>	<b>46,628</b>	<b>298,947</b>	<b>46,628</b>
<b>Total Capital Charge for Market Risk</b>	<b>934,974</b>	<b>900,207</b>	<b>1,422,777</b>	<b>1,176,283</b>
<b>Total Risk Weighted Amount for Market Risk</b>	<b>7,479,794</b>	<b>6,430,053</b>	<b>11,382,216</b>	<b>8,402,021</b>

**TEMPLATE 10 : OPERATIONAL RISK UNDER BASIC INDICATOR APPROACH**

		<b>BANK</b>				<b>GROUP</b>			
		<b>Gross Income</b>				<b>Gross Income</b>			
		<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>Average</b>	<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>Average</b>
<b>The Basic Indicator Approach</b>									
<b>Gross Income</b>		65,061,073	70,189,756	71,772,155	69,007,661	80,892,617	90,799,424	94,399,106	88,697,049
<b>Capital Charge for Operational Risk (LKR'000)</b>	15%	9,759,161	10,528,463	10,765,823	10,351,149	12,133,893	13,619,914	14,159,866	13,304,557
<b>Risk Weighted Amount for Operational Risk (LKR'000)</b>	8.0	78,073,288	84,227,707	86,126,586	82,809,194	97,071,140	108,959,309	113,278,927	106,436,459

### BASEL III DISCLOSURE REQUIREMENT

#### TEMPLATE 11 : DIFFERENCES BETWEEN ACCOUNTING AND REGULATORY SCOPES AND MAPPING OF FINANCIAL STATEMENT CATEGORIES WITH REGULATORY RISK CATEGORIES - BANK ONLY

	Carring value as reported in published Financial statements	Carring value under scope of regulatory reporting	Subject to credit risk framework	Subject to market risk framework	Subject to deduction from capital
<b>Assets</b>					
<b>Assets</b>	<b>2,038,178,621</b>	<b>2,037,514,272</b>	<b>1,975,316,169</b>	<b>59,378,346</b>	<b>2,819,757</b>
Cash and Cash Equivalents	116,604,873	116,608,332	116,608,332	-	-
Balances with Central Bank of Sri Lanka	30,070,249	30,070,249	30,070,249	-	-
Placements with Banks	-	-	-	-	-
Derivative Financial Instruments	248,705	248,705	248,705	-	-
Financial Assets - At Fair Value through Profit or Loss	58,587,356	58,587,356	-	58,587,356	-
Financial Assets - At Amortised Cost					
Loans and Receivables to Banks	24,776,798	23,976,051	23,976,051	-	-
Loans and Receivables to Other Customers	1,453,069,939	1,454,187,792	1,454,187,792	-	-
Debt instruments measured at amortised cost	279,277,010	279,277,010	279,277,010	-	-
Financial Assets - At Fair Value through Other Comprehensive Income [ OCI ]					
Equity instruments at fair value through OCI	1,772,441	1,795,437	-	790,990	1,004,447
Debt instruments at fair value through OCI	2,516,872	2,518,562	2,518,562	-	-
Investments in Subsidiaries	1,205,414	1,205,414	820,662	-	384,752
Goodwill and Intangible Assets	655,780	655,780	-	-	655,780
Property, Plant and Equipment & Right to use of Assets	33,497,818	33,987,503	33,987,503	-	-
Investment Properties	1,262,524	1,262,524	1,262,524	-	-
Other Assets	34,632,842	33,133,557	32,358,779	-	774,778
<b>Liabilities</b>	<b>1,941,185,495</b>	<b>1,939,940,434</b>	<b>-</b>	<b>-</b>	<b>-</b>
Due to Banks	266,174,969	266,174,969	-	-	-
Derivative Financial Instruments	848,292	848,292	-	-	-
Due to Other Customers	1,584,153,558	1,584,159,853	-	-	-
Other Borrowings	21,858,589	21,893,728	-	-	-
Current Tax Liabilities	3,757,741	3,699,756	-	-	-
Net Deferred Tax Liabilities	1,071,797	1,071,797	-	-	-
Other Liabilities	39,898,424	39,592,039	-	-	-
Subordinated Term Debts	23,422,125	22,500,000	-	-	-
<b>Shareholders' Equity</b>	<b>96,993,126</b>	<b>97,573,838</b>	<b>-</b>	<b>-</b>	<b>-</b>
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	-	-
Statutory Reserve Fund	7,315,774	7,315,774	-	-	-
Other Reserves	27,150,553	26,702,849	-	-	-
Retained Earnings	50,324,801	51,353,217	-	-	-
<b>Total Equity and Liabilities</b>	<b>2,038,178,621</b>	<b>2,037,514,272</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-Balance Sheet Liabilities</b>	<b>413,141,380</b>	<b>413,158,867</b>	<b>413,158,867</b>	<b>-</b>	<b>-</b>
Acceptance	80,153,782	80,153,782	80,153,782	-	-
Guarantees	86,615,513	86,615,513	86,615,513	-	-
Letter of Credit	95,265,161	95,265,161	95,265,161	-	-
Other Contingent Items	59,217,715	59,217,715	59,217,715	-	-
Undrawn Loan Commitments	93,081,039	93,081,039	93,081,039	-	-
(-) Allowance for ECL/impairment losses	(1,191,830)	(1,174,343)	(1,174,343)	-	-