PEOPLE'S BANK

BASEL III - DISCLOSURES UNDER PILLAR 3 AS PER THE BANKING ACT DIRECTIONS NO.01 OF 2016 AS AT SEPTEMBER 30TH 2020

TEMPLATE 1 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 30.09.2020 (Unaudited)	As at 31.12.2019 (Audited)	As at 30.09.2020 (Unaudited)	As at 31.12.2019 (Audited)
Regulatory Capital				
Common Equity Tier 1 Capital [Rs. 000]	77,549,000	77,941,284	105,396,120	106,246,759
Tier 1 Capital [Rs. 000]	77,549,000	77,941,284	105,396,120	106,246,759
Total Capital	127,100,341	106,972,204	156,409,179	136,303,475
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Ratio (Min. requirement - 2020 - 7.0%, 2019 - 8.0%,)	9.95	10.68	10.87	11.58
Tier 1 Capital Ratio (Min. requirement - 2020 - 8.5%, 2019 - 9.5%)	9.95	10.68	10.87	11.58
Total Capital Ratio (Min. requirement - 2020 - 12.5%, 2019 - 13.5%)	16.30	14.66	16.13	14.86
Regulatory Liquidity				
Statutory Liquid Assets				
Domestic Banking Unit Rs.'000	435,862,100	446,351,080	NA	NA
Off- Shore Banking Unit US$ ('000)	1,313,025	504,025	NA	NA
Statutory Liquid Assets, Ratio %				
(Minimum Requirement, 20%)				
Domestic Banking Unit , %	26.02	29.54	NA	NA
Off- Shore Banking Unit , %	70.63	34.61	NA	NA
Liquidity Coverage Ratio (%) (Minimum Requirement, (2020- 90%,2019-,100%)				
Liquidity Coverage Ratio - Rupee	141.69	160.80	NA	NA
Liquidity Coverage Ratio - All Currency	99.52	132.10	NA	NA

TEMPLATE 2 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 30.09.2020 (Unaudited)	As at 31.12.2019 (Audited)	As at 30.09.2020 (Unaudited)	As at 31.12.2019 (Audited)
Common Equity Tier 1 (CET I) Capital after adjustments	**77,549,000**	**77,941,284**	**105,396,120**	**106,246,759**
Common Equity Tier 1 (CET I) Capital	**80,480,537**	**80,750,618**	**108,438,511**	**109,238,461**
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)	48,028,369	48,307,520	70,576,664	70,855,815
Publish accumalated Other Conprehensive Income (OCI)	233,932	224,861	233,932	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Unpublished Current Year's Profit / Loss and Gain reflected in OCI	-	-	-	-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	-	-	5,409,678	5,939,548
Total Adjustments to CETI Capital	**2,931,537**	**2,809,334**	**3,042,390**	**2,991,702**
Goodwill (net)	-	-	-	-
Intangible Assets (Net)	596,894	700,875	926,476	1,090,714
Other (Investment the in the Capital of Subsidiaries & Other Financial Institution)	1,368,725	1,412,952	1,149,996	1,205,481
Defined Benefit Asset	965,918	695,507	965,918	695,507
Additional Tier I (AT i) Capital after adjustments	-	-	-	-
Additional Tier I (AT i) Capital	-	-	-	-
Qulifing additional Tier I Capital instuments	-	-	-	-
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to AT I Capital	-	-	-	-
Investment in own shares	-	-	-	-
Other (Spcify)	-	-	-	-
Tier II Capital after adjustments	**49,551,341**	**29,030,921**	**51,013,059**	**30,056,716**
Tier II Capital	**49,551,341**	**29,030,921**	**51,013,059**	**30,056,716**
Qulifing Tier II capital instruments	34,500,000	15,625,000	34,500,000	15,625,000
Revaluation Gains	7,025,956	7,025,956	7,025,956	7,025,956
Loan Loss Provissions	8,025,385	6,379,965	9,487,104	7,405,760
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties				
Total Adjustment to Tier II	-	-	-	-
Investment in own shares	-	-	-	-
Other (specify)	-	-	-	-
CET Capital	**77,549,000**	**77,941,284**	**105,396,120**	**106,246,759**
Total Tier I Capital	**77,549,000**	**77,941,284**	**105,396,120**	**106,246,759**
Total Capital	**127,100,341**	**106,972,205**	**156,409,179**	**136,303,475**
Total Risk Weghted Assets (RWA)	779,617,083	729,657,045	969,935,689	917,382,332
RWA for Credit Risk	691,730,623	650,675,272	850,280,310	815,617,770
RWA for Market Risk	5,905,856	6,430,053	13,389,327	8,402,021
RWA for Operational Risk	81,980,605	72,551,719	106,266,052	93,362,542
CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer & Surcharge on D-SIB) (%)	9.95	10.68	10.87	11.58
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
Total Tier I Capital Ratio (%)	9.95	10.68	10.87	11.58
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	16.30	14.66	16.13	14.86
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	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Tier 1 Capital	**77,549,000**	**77,941,284**	**105,396,120**	**106,246,759**
Total Exposures	**2,192,267,948**	**1,956,281,017**	**2,368,321,715**	**2,134,461,039**
On balance Sheet items (Excluding derivatives and securities financing transactions, but including collateral)	2,092,327,472	1,852,096,324	2,267,727,930	2,028,282,425
Deravitive Exposures	1,683,910.20	553,750	1,683,910.20	553,750
Securities financing transaction exposures	23,664,644.00	18,410,000	24,317,953.00	18,410,000
Other off-balance sheet exposures	74,591,922.00	85,220,942	74,591,922.00	87,214,863
Basel III Leverage ratio (%) (Tier 1/ totral Exposure)	**3.54%**	**3.98%**	**4.45%**	**4.98%**

Leverage ratio is prepared based on the consultation paper issued by the Central Bank of Sri Lanka direction no 12 of 2018 and the minimum ratio is 3%.

TEMPLATE 4 : COMPUTATION OF LIQUIDITY COVERAGE RATIO

	As at 30th September 2020		As at 31st December 2019	
	Total Un Weighted Value	Total Weighted Value	Total Un Weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	**372,215,100**	**370,695,287**	**410,810,268**	**409,287,666**
Level 1 Assets	369,175,474	369,175,474	407,765,063	407,765,063
Level 2A Assets	-	-	-	-
Level 2B Assets	3,039,626	1,519,813	3,045,205	1,522,603
Total Cash Outflows	**2,031,065,031**	**441,982,970**	**1,851,660,335**	**381,470,849**
Deposits	1,212,475,712	121,247,571	1,034,947,511	103,494,751
Unsecured Wholesale Funding	518,280,818	263,043,382	486,161,256	240,769,480
Secured Funding Transactions	15,378,522	-	11,508,468	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	255,101,879	27,863,916	306,238,279	24,401,797
Additional requirements	29,828,100	29,828,100	12,804,821	12,804,821
Total Cash Inflows	**104,784,514**	**69,493,093**	**135,011,332**	**71,650,766**
Maturing Secured Lending Transactions Backed by Collateral	15,545,491	15,545,491	29,841,508	11,415,369
Committed Facilities	-	-	-	-
Other Infolws by Counterparty which are Maturing within 30 Days	46,447,142	25,878,668	95,505,309	52,853,956
Operational deposits	14,722,947	-	2,283,074	-
Other Cash Inflows	28,068,934	28,068,934	7,381,441	7,381,441
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next Calendar Days)* 100		**99.52**		**132.10**

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	Type A- 5 Year Debenture issued in 2020	Type C - 10 Year Debenture issued in 2020
Must be provided for each type of capital instrument separately							
Description of the Capital Instrument							
Issuer	**People's Bank**	**People's Bank**	**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	Type A - 5 Years	Type C - 10 Years
Original Date of Issuance	30 th December 2009	30 th December 2011	15 th December 2013	08 th November 2019	08 th November 2019	27 th July 2020	27 th July 2020
Par Value of Instrument	2,500,000,000	5,000,000,000	5,000,000,000	6,563,000,000	3,437,000,000	12,900,000,000	7,100,000,000
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	27th July 2025	27th July 2030
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting date)	1,500,000,000	-	3,000,000,000	6,563,000,000	3,437,000,000	12,900,000,000	7,100,000,000
Accounting Classification (Equity/Liability)	Liability	Liability	Liability	Liability	Liability	Liability	Liability
Issuer Call subject to Prior Supervisory Approval							
Optional Call Date, Contingent Call dates and Redemption Amount (LKR '000)	N/A	N/A	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	N/A	N/A
Coupons/Dividends							
Fixed or Floating Dividend/Coupon	Fixed rate	Fixed rate	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%	9.50%	10.25%
Non-Cumulative or Cumulative	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Convertible or Non-Convertible							
If Convertible, Conversion trigger (s)	Non-convertible	Non-convertible	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	N/A	N/A
If Convertible, Mandatory or Optional	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If Convertible, Conversion rate	N/A	N/A	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)

BANK

As at 30.09.2020

	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		
Total Risk-weighted amount for Credit Risk	**2,018,882,856**	**391,538,468**	**2,410,421,324**	**1,854,634,926**	**75,905,375**	**1,930,540,301**	**691,730,623**	36
Claims on Central Government and Central Bank of Sri Lanka	1,010,173,480	86,845,621	1,097,019,101	868,663,721	3,287,761	871,951,482	34,425,975	4
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	138,359,219	102,839,190	241,198,409	138,359,219	13,929,475	152,288,694	95,027,723	62
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	14,540,206	-	14,540,206	14,540,206	-	14,540,206	3,352,897	23
Claims on Financial Institutions	4,115,640	-	4,115,640	4,115,640	-	4,115,640	2,424,990	59
Claims on Corporates	89,592,885	168,724,886	258,317,771	89,463,735	52,062,385	141,526,120	133,550,095	94
Retail claims	401,358,312	33,128,771	434,487,083	378,749,291	6,625,754	385,375,045	305,787,497	79
Claims Secured by Gold	173,203,939	-	173,203,939	173,203,939	-	173,203,939	375	-
Claims Secured by Residential Property	61,924,355	-	61,924,355	61,924,355	-	61,924,355	30,962,177	50
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	25,304,061	-	25,304,061	25,304,061	-	25,304,061	31,873,891	126
Higher-risk Categories	789,177	-	789,177	789,177	-	789,177	1,972,943	250
Cash Items, other assets	47,206,240	-	47,206,240	47,206,240	-	47,206,240	36,716	-
Other Assets	52,315,343	-	52,315,343	52,315,343	-	52,315,343	52,315,343	100

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

GROUP

As at 30.09.2020

	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		
Total Risk-weighted amount for Credit Risk	**2,191,203,382**	**391,538,468**	**2,582,741,849**	**2,026,955,452**	75,905,375	2,102,860,827	850,280,310	40
Claims on Central Government and Central Bank of Sri Lanka	1,019,653,004	86,845,621	1,106,498,625	878,143,245	3,287,761	881,431,006	34,425,975	4
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	138,359,219	102,839,190	241,198,409	138,359,219	13,929,475	152,288,694	95,027,723	62
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	17,243,091	-	17,243,091	17,243,091	-	17,243,091	4,142,560	24
Claims on Financial Institutions	4,828,022	-	4,828,022	4,828,022	-	4,828,022	2,847,704	59
Claims on Corporates	89,592,885	168,724,886	258,317,771	89,463,735	52,062,385	141,526,120	133,550,095	94
Retail claims	543,981,671	33,128,771	577,110,442	521,372,650	6,625,754	527,998,404	448,410,856	85
Claims Secured by Gold	173,203,939	-	173,203,939	173,203,939	-	173,203,939	375	-
Claims Secured by Residential Property	61,924,355	-	61,924,355	61,924,355	-	61,924,355	30,962,177	50
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	30,062,240	-	30,062,240	30,062,240	-	30,062,240	36,632,070	122
Higher-risk Categories	-	-	-	-	-	-	-	-
Cash Items, other assets	48,110,897	-	48,110,897	48,110,897	-	48,110,897	36,716	-
Other Assets	64,244,059	-	64,244,059	64,244,059	-	64,244,059	64,244,059	100

TEMPLATE 9 : MARKET RISK UNDER STANDARDISED MEASUREMENT METHOD

ITEM	BANK		GROUP	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
(a) RWA for Interest Rate Risk	**398,716**	**419,575**	**398,716**	**419,575**
General Interest Risk	389,443	408,483	389,443	408,483
i) Net long or short position	389,443	408,483	389,443	408,483
ii) Horizontal disallowance	-	-	-	-
iii) Vertical disallowance	-	-	-	-
iv) Options	-	-	-	-
Specific Interest Rate Risk	9,273	11,092	9,273	11,092
(b) RWA for Equity	**258,470**	**434,005**	**1,193,904**	**710,080**
General Equity risk	138,264	227,615	605,981	366,019
Specific Equity risk	120,205	206,390	587,922	344,061
© RWA for foreign Exchange & Gold	**81,046**	**46,628**	**81,046**	**46,628**
Total Capital Charge for Market Risk	**738,232**	**900,207**	**1,673,666**	**1,176,283**
Total Risk Weighted Amount for Market Risk	**5,905,856**	**6,430,053**	**13,389,327**	**8,402,021**

TEMPLATE 10 : OPERATIONAL RISK UNDER BASIC INDICATOR APPROACH

		BANK				GROUP			
		Gross Income				Gross Income			
		1st Year	2nd Year	3rd Year	Average	1st Year	2nd Year	3rd Year	Average
The Basic Indicator Approach Gross Income		70,853,642	69,836,288	64,261,582	68,317,171	89,384,167	92,182,282	84,098,681	88,555,043
Capital Charge for Operational Risk (LKR'000)	15%	10,628,046	10,475,443	9,639,237	10,247,576	13,407,625	13,827,342	12,614,802	13,283,257
Risk Weighted Amount for Operational Risk (LKR'000)	8.0	85,024,370	83,803,546	77,113,898	81,980,605	107,261,000	110,618,738	100,918,417	106,266,052

BASEL III DISCLOSURE REQUIRMENT

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
Assets	**2,095,669,360**	**2,095,701,740**	**2,012,142,651**	**80,627,551**	**2,931,538**
Cash and Cash Equivalents	64,498,835	64,498,835	64,498,835	-	-
Balances with Central Bank of Sri Lanka	13,188,370	13,188,370	13,188,370	-	-
Placements with Banks	-	-	-	-	-
Derivative Financial Instruments	410,350	410,350	410,350	-	-
Financial Assets - At Fair Value through Profit or Loss	79,701,132	79,701,132	-	79,701,132	-
Financial Assets - At Amortised Cost					
Loans and Receivables to Banks	10,244,380	10,244,380	10,244,380	-	-
Loans and Receivables to Other Customers	1,591,830,124	1,591,839,539	1,591,839,539	-	-
Debt instruments measured at amortised cost	260,221,658	260,221,658	260,221,658	-	-
Financial Assets - At Fair Value through Other Comprehensive Income [OCI]					
Equity instruments at fair value through OCI	1,860,893	1,883,858	-	926,419	957,439
Debt instruments at fair value through OCI	2,789,327	2,789,327	2,789,327	-	-
Investments in Subsidiaries	1,205,414	1,205,414	794,127	-	411,287
Goodwill and Intangible Assets	596,894	596,894	-	-	596,894
Property, Plant and Equipment & Right to use of Assets	32,063,149	32,063,149	32,063,149	-	-
Investment Properties	1,261,763	1,261,763	1,261,763	-	-
Other Assets	35,797,071	35,797,071	34,831,153	-	965,918
Liabilities	**1,996,765,183**	**1,996,765,183**	-	-	-
Due to Banks	178,978,742	178,978,742	-	-	-
Derivative Financial Instruments	78,158	78,158	-	-	-
Due to Other Customers	1,706,526,596	1,706,526,596	-	-	-
Other Borrowings	29,166,901	29,166,901	-	-	-
Current Tax Liabilities	3,265,397	3,265,397	-	-	-
Net Deferred Tax Liabilities	886,476	886,476	-	-	-
Other Liabilities	33,484,267	33,484,267	-	-	-
Subordinated Term Debts	44,378,646	44,378,646	-	-	-
Shareholders' Equity	**98,904,177**	**98,936,557**	-	-	-
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	-	-
Statutory Reserve Fund	7,315,774	7,315,774	-	-	-
Other Reserves	27,251,744	27,251,744	-	-	-
Retained Earnings	52,134,661	52,167,041	-	-	-
Total Equity and Liabilities	**2,095,669,360**	**2,095,701,740**	-	-	-
Off-Balance Sheet Liabilities	**401,559,614**	**401,559,614**	**401,559,614**	-	-
Acceptance	47,489,666	47,489,666	47,489,666	-	-
Gurantees	76,727,609	76,727,609	76,727,609	-	-
Letter of Credit	77,653,281	77,653,281	77,653,281	-	-
Other Contingent Items	76,291,991	76,291,991	76,291,991	-	-
Undrawn Loan Commitments	123,995,219	123,995,219	123,995,219	-	-
(-) Allowance for ECL/impairment losses	(598,152)	(598,152)	(598,152)	-	-