



**PEOPLE'S
BANK**

**BASEL III - DISCLOSURES UNDER PILLAR 3
AS PER THE BANKING ACT
DIRECTIONS NO.01 OF 2016
AS AT JUNE 30 2023**

TEMPLATE 1 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 30.06.2023 (Unaudited)	As at 31.12.2022 (Audited)	As at 30.06.2023 (Unaudited)	As at 31.12.2022 (Audited)
Regulatory Capital (Rs 000)				
Common Equity Tier 1 Capital	110,918,953	111,298,172	145,228,213	148,454,894
Total Tier I Capital	115,918,953	116,298,172	150,228,213	153,454,894
Total Capital	157,328,681	159,532,587	193,360,987	198,618,984
Regulatory Capital Ratio (%)				
Common Equity Tier I Capital Ratio (Minimum Requirement 8.00%)	11.20	11.37	12.65	12.83
Total Tier I Capital (Minimum Requirement 9.50%)	11.71	11.89	13.08	13.27
Total Capital (Minimum Requirement 13.50%)	15.89	16.30	16.84	17.17
Leverage Ratio (Min. requirement - 3%)	3.90	3.83	4.81	4.79
Regulatory Liquidity				
Statutory Liquid Assets - Bank				
Total Bank Rs.000	697,815,278	553,801,445	NA	NA
Domestic Banking unit Rs.000	679,915,395	540,470,752	NA	NA
Off-Shore Banking Unit USD.000	60,966	70,182	NA	NA
Statutory Liquid Assets - (Minimum Requirement 20%)				
Total Bank (%)	26.83	21.27		
Domestic Banking unit (%)	26.56	21.37	NA	NA
Off-Shore Banking Unit (%)	16.25	20.05	NA	NA
Liquidity Coverage Ratio (%) Rupee				
(Minimum Requirement 2023-100%, 2022-90%)	196.06	213.06	NA	NA
Liquidity Coverage Ratio (%) All currency				
(Minimum Requirement 2023-100%, 2022-90%)	139.14	119.47	NA	NA
Net Stable Funding Ratio				
(Min. requirement - 2023- 100% , 2022 - 90%)	138.19	117.05		

TEMPLATE 2 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 30.06.2023 (Unaudited)	As at 31.12.2022 (Audited)	As at 30.06.2023 (Unaudited)	As at 31.12.2022 (Audited)
Common Equity Tier 1 (CET I) Capital after adjustments	110,918,953	111,298,172	145,228,213	148,454,894
Common Equity Tier 1 (CET I) Capital	121,208,499	121,208,499	152,516,842	155,377,215
Equity / Assigned Capital	12,201,998	12,201,998	12,201,998	12,201,998
Reserve Fund	10,070,131	10,070,131	10,070,131	9,972,747
Public Retained Earning /(Accumulated Retained Losses)	84,624,172	84,624,172	111,194,552	113,457,633
Publish accumulated Other Comprehensive Income (OCI)	170,825	170,825	-	66,665
General and other Disclosed Reserves	14,141,373	14,141,373	14,141,373	14,141,373
Unpublished Current Year's Profit / Loss and Gain reflected in OCI	-	-	-	-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	-	-	4,908,788	5,536,799
Total Adjustments to CETI Capital	10,289,546	9,910,326	7,288,629	6,922,321
Goodwill (net)	-	-	-	-
Deffered Tax Asset (Net)	-	-	-	-
Intangible Assets (Net)	1,477,153	1,719,177	1,611,268	1,859,475
Other (Investment the in the Capital of Subsidiaries & Other Financial Institution)	3,135,032	3,428,646	-	300,343
Defined Benefit Asset	5,677,361	4,762,503	5,677,361	4,762,503
Additional Tier I (AT i) Capital after adjustments	5,000,000	5,000,000	5,000,000	5,000,000
Additional Tier I (AT i) Capital	5,000,000	5,000,000	5,000,000	5,000,000
Qualifying additional Tier I Capital instruments	5,000,000	5,000,000	5,000,000	5,000,000
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 (Specify)	-	-	-	-
Tier II Capital after adjustments	41,409,728	43,234,415	43,132,774	45,164,090
Tier II Capital	41,409,728	43,234,415	43,132,774	45,164,090
Qualifying Tier II capital instruments	21,230,350	23,176,650	21,230,350	23,176,650
Revaluation Gains	9,374,467	9,374,467	9,374,467	9,374,467
Loan Loss Provisions	10,804,911	10,683,298	12,527,958	12,612,973
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	110,918,953	111,298,172	145,228,213	148,454,894
Total Tier I Capital	115,918,953	116,298,172	150,228,213	153,454,894
Total Capital	157,328,681	159,532,587	193,360,987	198,618,984
Total Risk Weghted Assets (RWA)	989,981,945	978,475,894	1,148,350,935	1,156,661,175
RWA for Credit Risk	864,392,906	854,663,864	1,002,236,604	1,009,037,876
RWA for Market Risk	22,724,855	22,038,936	26,162,733	24,425,006
RWA for Operational Risk	102,864,183	101,773,095	119,951,598	123,198,293
CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer & Surcharge on D-SIB) (%)	11.20	11.37	12.65	12.83
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	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 (%)	11.71	11.89	13.08	13.27
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	15.89	16.30	16.84	17.17
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	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	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Tier 1 Capital	115,918,953	116,298,172	150,228,213	153,454,894
Total Exposures	2,972,072,898	3,037,485,650	3,121,435,063	3,201,579,781
On balance Sheet items (Excluding derivatives and securities financing transactions, but including collateral)	2,784,117,277	2,671,798,878	2,932,928,598	2,835,893,009
Deravitive Exposures	18,476,588	24,523,267	18,476,588	24,523,267
Securities financing transaction exposures	117,374,650	288,416,615	117,925,494	288,416,615
Other off-balance sheet exposures	52,104,383	52,746,891	52,104,383	52,746,891
Basel III Leverage ratio (%) (Tier 1/Total Expesure)	3.90%	3.83%	4.81%	4.79%

TEMPLATE 4 : COMPUTATION OF LIQUIDITY COVERAGE RATIO

	As at 30th June 2023		As at 31st December 2022	
	Total Un Weighted Value	Total Weighted Value	Total Un Weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	663,104,968	662,338,058	505,483,388	502,751,126
Level 1 Assets	661,571,147	661,571,147	497,480,281	497,480,281
Level 2A Assets	-	-	3,626,548	3,082,566
Level 2B Assets	1,533,821	766,911	4,376,559	2,188,280
Total Cash Outflows	2,715,404,141	601,595,698	2,705,630,537	583,061,521
Deposits	1,826,455,448	182,645,545	1,728,355,981	172,835,598
Unsecured Wholesale Funding	681,421,327	356,891,705	655,891,101	307,819,682
Secured Funding Transactions	16,939,487	-	5,054,298	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	152,770,589	24,241,159	234,679,545	20,756,629
Additional requirements	37,817,290	37,817,290	81,649,612	81,649,612
Total Cash Inflows	181,182,367	125,563,102	213,285,842	162,260,205
Maturing Secured Lending Transactions Backed by Collateral	19,184,755	14,160,442	27,071,732	27,071,732
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	104,828,107	73,990,405	92,324,469	53,538,861
Operational deposits	19,757,250	-	12,240,029	-
Other Cash Inflows	37,412,255	37,412,255	81,649,612	81,649,612
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next Calendar Days)* 100		139.14		119.47

TEMPLATE 5 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

	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	Additional Tier 1 Debenture 1 issued in 2021	Additional Tier 1 Debenture 2 issued in 2021
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
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private placement)	A	B	A	B	1	2
Original Date of Issuance	08 th November 2019	08 th November 2019	27 th July 2020	27 th July 2020	29 th March 2021	3rd August 2021
Par Value of Instrument	6,563,000,000	3,437,000,000	12,900,000,000	7,100,000,000	3,500,000,000	1,500,000,000
Original Maturity Date, if Applicable	08 th November 2024	08 th November 2027	27 th July 2025	27 th July 2028	N/A	N/A
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting date)	2,953,350,000	3,437,000,000	7,740,000,000	7,100,000,000	3,500,000,000	1,500,000,000
Accounting Classification (Equity/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
Subsequent Call Dates, if Applicable	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
Coupon rate and any Related Index	12.00%	12.25%	9.50%	10.25%	9.50%	9.50%
Non-Cumulative or Cumulative	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
If Convertible, Fully or Partially	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
If Convertible, Conversion rate	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 30.06.2023

	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	2,867,861,514	262,230,901	3,130,092,415	2,406,761,706	53,885,276	2,460,646,982	864,392,906	35
Claims on Central Government and Central Bank of Sri Lanka	1,267,012,670	25,000,000	1,292,012,670	1,267,012,670	79,492	1,267,092,162	49,962,969	4
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	529,195,358	28,976,010	558,171,368	110,893,589	3,962,411	114,856,001	158,076,130	138
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	51,146,353	-	51,146,353	51,146,353	-	51,146,353	17,950,161	35
Claims on Financial Institutions	6,042,238	-	6,042,238	6,042,238	-	6,042,238	3,209,983	53
Claims on Corporates	49,212,790	154,943,489	204,156,279	49,212,790	39,181,092	88,393,882	88,393,882	100
Retail claims	535,183,859	53,311,402	588,495,261	492,385,819	10,662,280	503,048,100	406,430,631	81
Claims Secured by Gold	208,377,193	-	208,377,193	208,377,193	-	208,377,193	2,911,303	1
Claims Secured by Residential Property	56,708,477	-	56,708,477	56,708,477	-	56,708,477	19,847,967	35
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	38,481,256	-	38,481,256	38,481,256	-	38,481,256	48,966,219	127
Higher-risk Categories	1,140,540	-	1,140,540	1,140,540	-	1,140,540	2,851,350	250
Cash Items, other assets	59,662,977	-	59,662,977	59,662,977	-	59,662,977	94,510	-
Other Assets	65,697,803	-	65,697,803	65,697,803	-	65,697,803	65,697,803	100

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

As at 30.06.2023

	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	3,021,237,544	262,230,901	3,283,468,445	2,560,137,736	53,885,276	2,614,023,012	1,002,236,604	38
Claims on Central Government and Central Bank of Sri Lanka	1,281,635,144	25,000,000	1,306,635,144	1,281,635,144	79,492	1,281,714,636	49,962,969	4
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	529,195,358	28,976,010	558,171,368	110,893,589	3,962,411	114,856,001	158,076,130	138
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	57,628,753	-	57,628,753	57,628,753	-	57,628,753	24,432,561	42
Claims on Financial Institutions	6,042,238	-	6,042,238	6,042,238	-	6,042,238	3,209,983	53
Claims on Corporates	49,212,790	154,943,489	204,156,279	49,212,790	39,181,092	88,393,882	88,393,882	100
Retail claims	651,509,238	53,311,402	704,820,640	608,711,198	10,662,280	619,373,479	522,756,010	84
Claims Secured by Gold	208,377,193	-	208,377,193	208,377,193	-	208,377,193	2,911,303	1
Claims Secured by Residential Property	56,708,477	-	56,708,477	56,708,477	-	56,708,477	19,847,967	35
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	38,481,256	-	38,481,256	38,481,256	-	38,481,256	48,966,219	127
Higher-risk Categories	1,452,282	-	1,452,282	1,452,282	-	1,452,282	3,630,705	250
Cash Items, other assets	61,040,449	-	61,040,449	61,040,449	-	61,040,449	94,510	-
Other Assets	79,954,366	-	79,954,366	79,954,366	-	79,954,366	79,954,366	100

TEMPLATE 9 : MARKET RISK UNDER STANDARDISED MEASUREMENT METHOD

ITEM	BANK		GROUP	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
(a) RWA for Interest Rate Risk	943,058	703,158	943,058	703,158
General Interest Risk	316,779	343,458	316,779	343,458
i) Net long or short position	316,779	343,458	316,779	343,458
ii) Horizontal disallowance	-	-	-	-
iii) Vertical disallowance	-	-	-	-
iv) Options	-	-	-	-
Specific Interest Rate Risk	626,279	359,700	626,279	359,700
(b) RWA for Equity	566,509	424,187	1,030,623	746,306
General Equity risk	285,566	213,567	517,623	374,627
Specific Equity risk	280,943	210,620	513,000	371,679
© RWA for foreign Exchange & Gold	1,558,288	1,847,912	1,558,288	1,847,912
Total Capital Charge for Market Risk	3,067,855	2,975,256	3,531,969	3,297,376
Total Risk Weighted Amount for Market Risk	22,724,855	22,038,936	26,162,733	24,425,006

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		88,456,722	115,755,885	73,520,687	92,577,765	107,354,994	136,092,122	80,422,198	107,956,438
Capital Charge for Operational Risk (LKR'000)	15%	13,268,508	17,363,383	11,028,103	13,886,665	16,103,249	20,413,818	12,063,330	16,193,466
Risk Weighted Amount for Operational Risk (LKR'000)	7.4	98,285,247	128,617,650	81,689,652	102,864,183	119,283,327	151,213,469	89,357,998	119,951,598

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
Assets					
Assets	2,901,146,341	2,904,299,783	2,890,177,432	3,832,801	10,289,550
Cash and Cash Equivalents	84,796,620	84,797,567	84,797,567	-	-
Balances with Central Bank of Sri Lanka	70,734,668	70,732,405	70,732,405	-	-
Placements with Banks	26,611,750	26,624,994	26,624,994	-	-
Derivative Financial Instruments	11,566,135	11,566,135	11,566,135	-	-
Financial Assets - At Fair Value through Profit or Loss	2,020,660	2,020,660	-	2,020,660	-
Financial Assets - At Amortised Cost	-	-	-	-	-
Loans and Receivables to Banks	5,014,245	5,016,209	5,016,209	-	-
Loans and Receivables to Other Customers	1,672,204,231	1,677,319,318	1,677,319,318	-	-
Debt instruments measured at amortised cost	904,048,777	904,230,002	904,230,002	-	-
Financial Assets - At Fair Value through Other Comprehensive Income [OCI]	-	-	-	-	-
Equity instruments at fair value through OCI	1,809,425	1,812,141	9,305,696	1,812,141	-
Debt instruments at fair value through OCI	9,305,696	9,305,696	1,145,490	-	-
Investments in Subsidiaries	4,280,522	4,280,522	-	-	3,135,032
Investments in Associates	-	-	-	-	-
Goodwill and Intangible Assets	1,477,153	1,477,157	-	-	1,477,157
Property, Plant and Equipment	49,514,134	50,482,440	50,482,440	-	-
Other Assets	57,762,325	54,634,537	48,957,176	-	5,677,361
Liabilities	2,751,165,473	2,756,087,279	-	-	-
Due to Banks	82,344,552	82,344,552	-	-	-
Derivative Financial Instruments	634,537	634,537	-	-	-
Due to Other Customers	2,496,166,483	2,503,186,894	-	-	-
Other Borrowings	97,648,154	97,648,154	-	-	-
Current Tax Liabilities	2,441,869	2,444,043	-	-	-
Net Deferred Tax Liabilities	1,746,088	631,722	-	-	-
Other Liabilities	31,935,529	30,949,116	-	-	-
Subordinated Term Debts	38,248,261	38,248,261	-	-	-
Shareholders' Equity	149,980,868	148,212,504	-	-	-
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	-	-
Statutory Reserve Fund	10,070,131	10,070,131	-	-	-
Other Reserves	38,654,170	38,801,466	-	-	-
Retained Earnings	89,054,569	87,138,909	-	-	-
Total Equity and Liabilities	2,901,146,341	2,904,299,783	-	-	-
Off-Balance Sheet Liabilities	252,848,940	252,848,940	252,848,940	-	-
Acceptance	3,050,894	3,050,894	3,050,894	-	-
Guarantees	25,030,817	25,030,817	25,030,817	-	-
Letter of Credit	58,288,565	58,288,565	58,288,565	-	-
Other Contingent Items	80,075,507	80,075,507	80,075,507	-	-
Undrawn Loan Commitments	86,815,974	86,815,974	86,815,974	-	-
(-) Allowance for ECL/impairment losses	(412,817)	(412,817)	(412,817)	-	-