



**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 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)
<b>Regulatory Capital (Rs 000)</b>				
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
<b>Regulatory Capital Ratio (%)</b>				
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
<b>Leverage Ratio (Min. requirement - 3%)</b>	3.90	3.83	4.81	4.79
<b>Regulatory Liquidity</b>				
<b>Statutory Liquid Assets - Bank</b>				
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
<b>Statutory Liquid Assets - (Minimum Requirement 20%)</b>				
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
<b>Liquidity Coverage Ratio (%) Rupee</b> (Minimum Requirement 2023-100%, 2022-90%)	196.06	213.06	NA	NA
<b>Liquidity Coverage Ratio (%) All currency</b> (Minimum Requirement 2023-100%, 2022-90%)	139.14	119.47	NA	NA
<b>Net Stable Funding Ratio</b> (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)
<b>Common Equity Tier 1 (CET I) Capital after adjustments</b>	<b>110,918,953</b>	<b>111,298,172</b>	<b>145,228,213</b>	<b>148,454,894</b>
<b>Common Equity Tier 1 (CET I) Capital</b>	<b>121,208,499</b>	<b>121,208,499</b>	<b>152,516,842</b>	<b>155,377,215</b>
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 /(Accumalated Retained Losses)	84,624,172	84,624,172	111,194,552	113,457,633
Publish accumulalated 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
<b>Total Adjustments to CETI Capital</b>	<b>10,289,546</b>	<b>9,910,326</b>	<b>7,288,629</b>	<b>6,922,321</b>
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
<b>Additional Tier I (AT i) Capital after adjustments</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Additional Tier I (AT i) Capital</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
Quilifing additional Tier I Capital instuments	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	-	-	-	-
<b>Total Adjustments to AT I Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Investment in own shares	-	-	-	-
Other ( Spcify )	-	-	-	-
<b>Tier II Capital after adjustments</b>	<b>41,409,728</b>	<b>43,234,415</b>	<b>43,132,774</b>	<b>45,164,090</b>
<b>Tier II Capital</b>	<b>41,409,728</b>	<b>43,234,415</b>	<b>43,132,774</b>	<b>45,164,090</b>
Quilifing 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	-	-	-	-
<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>110,918,953</b>	<b>111,298,172</b>	<b>145,228,213</b>	<b>148,454,894</b>
<b>Total Tier I Capital</b>	<b>115,918,953</b>	<b>116,298,172</b>	<b>150,228,213</b>	<b>153,454,894</b>
<b>Total Capital</b>	<b>157,328,681</b>	<b>159,532,587</b>	<b>193,360,987</b>	<b>198,618,984</b>
<b>Total Risk Weghted Assets (RWA)</b>	<b>989,981,945</b>	<b>978,475,894</b>	<b>1,148,350,935</b>	<b>1,156,661,175</b>
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
<b>CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>11.20</b>	<b>11.37</b>	<b>12.65</b>	<b>12.83</b>
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
<b>Total Tier I Capital Ratio (%)</b>	<b>11.71</b>	<b>11.89</b>	<b>13.08</b>	<b>13.27</b>
<b>Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>15.89</b>	<b>16.30</b>	<b>16.84</b>	<b>17.17</b>
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
Derivative 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 Exposure)	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
<b>Total Stock of High-Quality Liquid Assets (HQLA)</b>	<b>663,104,968</b>	<b>662,338,058</b>	<b>505,483,388</b>	<b>502,751,126</b>
<b>Level 1 Assets</b>	661,571,147	661,571,147	497,480,281	497,480,281
<b>Level 2A Assets</b>	-	-	3,626,548	3,082,566
<b>Level 2B Assets</b>	1,533,821	766,911	4,376,559	2,188,280
<b>Total Cash Outflows</b>	<b>2,715,404,141</b>	<b>601,595,698</b>	<b>2,705,630,537</b>	<b>583,061,521</b>
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
<b>Total Cash Inflows</b>	<b>181,182,367</b>	<b>125,563,102</b>	<b>213,285,842</b>	<b>162,260,205</b>
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
<b>Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next Calendar Days)* 100</b>		<b>139.14</b>		<b>119.47</b>



**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		
<b>Total Risk-weighted amount for Credit Risk</b>	<b>2,867,861,514</b>	<b>262,230,901</b>	<b>3,130,092,415</b>	<b>2,406,761,706</b>	<b>53,885,276</b>	<b>2,460,646,982</b>	<b>864,392,906</b>	<b>35</b>
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		
<b>Total Risk-weighted amount for Credit Risk</b>	<b>3,021,237,544</b>	<b>262,230,901</b>	<b>3,283,468,445</b>	<b>2,560,137,736</b>	<b>53,885,276</b>	<b>2,614,023,012</b>	<b>1,002,236,604</b>	<b>38</b>
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
<b>(a) RWA for Interest Rate Risk</b>	<b>943,058</b>	<b>703,158</b>	<b>943,058</b>	<b>703,158</b>
<b>General Interest Risk</b>	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	-	-	-	-
<b>Specific Interest Rate Risk</b>	626,279	359,700	626,279	359,700
<b>(b) RWA for Equity</b>	<b>566,509</b>	<b>424,187</b>	<b>1,030,623</b>	<b>746,306</b>
General Equity risk	285,566	213,567	517,623	374,627
Specific Equity risk	280,943	210,620	513,000	371,679
<b>© RWA for foreign Exchange &amp; Gold</b>	<b>1,558,288</b>	<b>1,847,912</b>	<b>1,558,288</b>	<b>1,847,912</b>
<b>Total Capital Charge for Market Risk</b>	<b>3,067,855</b>	<b>2,975,256</b>	<b>3,531,969</b>	<b>3,297,376</b>
<b>Total Risk Weighted Amount for Market Risk</b>	<b>22,724,855</b>	<b>22,038,936</b>	<b>26,162,733</b>	<b>24,425,006</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 Gross Income</b>	88,456,722	115,755,885	73,520,687	92,577,765	107,354,994	136,092,122	80,422,198	107,956,438
<b>Capital Charge for Operational Risk (LKR'000)</b> 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
<b>Risk Weighted Amount for Operational Risk (LKR'000)</b> 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
<b>Assets</b>					
<b>Assets</b>	<b>2,901,146,341</b>	<b>2,904,299,783</b>	<b>2,890,177,432</b>	<b>3,832,801</b>	<b>10,289,550</b>
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
<b>Liabilities</b>	<b>2,751,165,473</b>	<b>2,756,087,279</b>	-	-	-
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	-	-	-
<b>Shareholders' Equity</b>	<b>149,980,868</b>	<b>148,212,504</b>	-	-	-
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	-	-	-
<b>Total Equity and Liabilities</b>	<b>2,901,146,341</b>	<b>2,904,299,783</b>	-	-	-
<b>Off-Balance Sheet Liabilities</b>	<b>252,848,940</b>	<b>252,848,940</b>	<b>252,848,940</b>	-	-
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)	-	-