

Capital Adequacy Ratio (CAR) & Liquidity disclosure: Consolidated
As at December 31st, 2020

1 CAPITAL ADEQUACY

	2020	2019
	Rupees in '000	
	Amount	Amount
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital/ Capital deposited with SBP	12,602,602	12,602,602
2 Balance in Share Premium Account	234,669	234,669
3 Reserve for issue of Bonus Shares	-	-
4 Discount on Issue of shares	-	-
5 General/ Statutory Reserves	25,182,314	18,901,222
6 Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7 Unappropriated/unremitted profits/ (losses)	8,706,053	6,000,082
8 Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
9 CET 1 before Regulatory Adjustments	46,725,638	37,738,575
10 Total regulatory adjustments applied to CET1 (Note 1.2.1)	1,771,927	1,366,858
11 Common Equity Tier 1	44,953,711	36,371,717
Additional Tier 1 (AT 1) Capital		
12 Qualifying Additional Tier-1 capital instruments plus any related share premium	6,000,000	6,000,000
13 of which: Classified as equity	-	-
14 of which: Classified as liabilities	6,000,000	6,000,000
15 Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)	-	-
16 of which: instrument issued by subsidiaries subject to phase out	-	-
17 AT1 before regulatory adjustments	6,000,000	6,000,000
18 Total regulatory adjustment applied to AT1 capital (Note 1.2.2)	71,462	116,248
19 Additional Tier 1 capital after regulatory adjustments	5,928,538	5,883,752
20 Additional Tier 1 capital recognized for capital adequacy	5,928,538	5,883,752
21 Tier 1 Capital (CET1 + admissible AT1) (11+20)	50,882,249	42,255,468
Tier 2 Capital		
22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium	6,000,000	3,190,400
23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules	-	-
24 Tier 2 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group tier 2)	-	-
25 of which: instruments issued by subsidiaries subject to phase out	-	-
26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	1,625,127	1,226,892
27 Revaluation Reserves (net of taxes)	5,227,985	2,106,250
28 of which: Revaluation reserves on fixed assets	5,144,180	3,614,888
29 of which: Unrealized gains/losses on AFS	83,805	1,508,638
30 Foreign Exchange Translation Reserves	284,683	275,169
31 Undisclosed/Other Reserves (if any)	-	-
32 T2 before regulatory adjustments	13,137,795	6,798,711
33 Total regulatory adjustment applied to T2 capital (Note 1.2.3)	-	-
34 Tier 2 capital (T2) after regulatory adjustments	13,137,795	6,798,711
35 Tier 2 capital recognized for capital adequacy	13,137,795	6,798,711
36 Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37 Total Tier 2 capital admissible for capital adequacy	13,137,795	6,798,711
38 TOTAL CAPITAL (T1 + admissible T2) (21+37)	64,020,044	49,054,179
39 Total Risk Weighted Assets (RWA) (for details refer Note 1.5)	413,226,472	366,269,535
Capital Ratios and buffers (in percentage of risk weighted assets)		
40 CET1 to total RWA	10.88%	9.93%
41 Tier-1 capital to total RWA	12.31%	11.54%
42 Total capital to total RWA	15.49%	13.39%
43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	8.500%	8.500%
44 of which: capital conservation buffer requirement	1.500%	2.500%
45 of which: countercyclical buffer requirement	0.00%	0.00%
46 of which: D-SIB or G-SIB buffer requirement	0.00%	0.00%
47 CET1 available to meet buffers (as a percentage of risk weighted assets)	2.38%	1.43%
National minimum capital requirements prescribed by SBP		
48 CET1 minimum ratio	6.00%	6.00%
49 Tier 1 minimum ratio	7.50%	7.50%
50 Total capital minimum ratio	10.00%	10.00%
51 Total Capital plus CCB* ratio	11.500%	12.500%
<i>*CCB: Consisting of CET1 Only</i>		

		2020	2019
		Rupees in '000	
1.2	Regulatory Adjustments and Additional Information	Amount	Amount
1.2.1	Common Equity Tier 1 capital: Regulatory adjustments		
1	Goodwill (net of related deferred tax liability)	-	-
2	All other intangibles (net of any associated deferred tax liability)	1,158,857	808,994
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	613,070	557,864
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	-
12	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	-	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-
22	Total regulatory adjustments applied to CET1	1,771,927	1,366,858
1.2.2	Additional Tier-1 & Tier-1 Capital: regulatory adjustments		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	71,462	116,248
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	Total regulatory adjustment applied to AT1 capital	71,462	116,248
1.2.3	Tier 2 Capital: regulatory adjustments		
31	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-	-
33	Investment in own Tier 2 capital instrument	-	-
34	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
36	Total regulatory adjustment applied to T2 capital (sum of 31 to 35)	-	-

		2020	2019
		Rupees in '000	
1.2.4	Additional Information	Amount	Amount
Risk Weighted Assets subject to pre-Basel III treatment			
37	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)	-	1,958,550
(i)	of which: deferred tax assets	-	-
(ii)	of which: Defined-benefit pension fund net assets	-	-
(iii)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	1,958,550
(iv)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
Amounts below the thresholds for deduction (before risk weighting)			
38	Non-significant investments in the capital of other financial entities	1,539,724	1,643,649
39	Significant investments in the common stock of financial entities	-	-
40	Deferred tax assets arising from temporary differences (net of related tax liability)	1,597,334	2,489,752
Applicable caps on the inclusion of provisions in Tier 2			
41	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	1,625,127	1,226,892
42	Cap on inclusion of provisions in Tier 2 under standardized approach	4,064,698	3,807,625
43	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
44	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

1.3 Capital Structure Reconciliation

(in thousand PKR)	Balance sheet as in	Under regulatory scope
	published financial statements	of consolidation
	2020	2020
Assets		
Cash and balances with treasury banks	73,651,718	73,651,718
Balanced with other banks	7,961,474	7,961,474
Lending to financial institutions	-	-
Investments	449,611,987	449,611,987
Advances	395,416,055	395,416,055
Operating fixed assets	22,391,607	22,391,607
Deferred tax assets	1,597,334	1,597,334
Other assets & Assets Held for Sale	42,256,487	42,256,487
Total assets	992,886,662	992,886,662
Liabilities & Equity		
Bills payable	12,629,996	12,629,996
Borrowings	84,163,669	84,163,669
Deposits and other accounts	790,982,287	790,982,287
Sub-ordinated loans	12,000,000	12,000,000
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	38,429,433	38,429,433
Total liabilities	938,205,385	938,205,385
Share capital/ Head office capital account	12,602,602	12,602,602
Reserves	25,701,666	25,701,666
Unappropriated/ Unremitted profit/ (losses)	8,706,053	8,706,053
Minority Interest	-	-
Surplus on revaluation of assets	7,670,956	7,670,956
Total liabilities & equity	992,886,662	992,886,662

1.3 Capital Structure (contd)

	Balance sheet as in published financial statements 2020	Under regulatory scope of consolidation 2020
Assets		
Cash and balances with treasury banks	73,651,718	73,651,718
Balanced with other banks	7,961,474	7,961,474
Lending to financial institutions	-	-
Investments	449,611,987	449,611,987
<i>of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold</i>	-	-
<i>of which: significant capital investments in financial sector entities exceeding regulatory threshold</i>	-	-
<i>of which: Mutual Funds exceeding regulatory threshold</i>	71,462	71,462
<i>of which: reciprocal crossholding of capital instrument CET 1</i>	613,070	613,070
<i>of which: reciprocal crossholding of capital instrument AT 1</i>	-	-
<i>of which: reciprocal crossholding of capital instrument Tier II</i>	-	-
<i>of which: others</i>	448,927,455	448,927,455
Advances	395,416,055	395,416,055
<i>shortfall in provisions/ excess of total EL amount over eligible provisions under IRB</i>	-	-
<i>general provisions reflected in Tier 2 capital</i>	1,625,127	1,625,127
Fixed Assets	22,391,607	22,391,607
<i>of which: Intangibles</i>	1,158,857	1,158,857
Deferred Tax Assets	1,597,334	1,597,334
<i>of which: DTAs excluding those pertaining to temporary differences</i>	-	-
<i>of which: DTAs arising from temporary differences below the threshold</i>	1,597,334	1,597,334
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	-	-
Other assets & Assets Held for Sale	42,256,487	42,256,487
<i>of which: Goodwill</i>	-	-
<i>of which: Intangibles</i>	-	-
<i>of which: Defined-benefit pension fund net assets</i>	-	-
Total assets	992,886,662	992,886,662
Liabilities & Equity		
Bills payable	12,629,996	12,629,996
Borrowings	84,163,669	84,163,669
Deposits and other accounts	790,982,287	790,982,287
Sub-ordinated loans	12,000,000	12,000,000
<i>of which: eligible for inclusion in AT1</i>	6,000,000	6,000,000
<i>of which: eligible for inclusion in Tier 2</i>	6,000,000	6,000,000
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
<i>of which: DTLs related to goodwill</i>	-	-
<i>of which: DTLs related to intangible assets</i>	-	-
<i>of which: DTLs related to defined pension fund net assets</i>	-	-
<i>of which: other deferred tax liabilities</i>	-	-
Other liabilities	38,429,433	38,429,433
Total liabilities	938,205,385	938,205,385
Share capital	12,602,602	12,602,602
<i>of which: amount eligible for CET1</i>	12,602,602	12,602,602
<i>of which: amount eligible for AT1</i>	-	-
Reserves	25,701,666	25,701,666
<i>of which: portion eligible for inclusion in CET1-Balance in Share Premium Account</i>	234,669	234,669
<i>of which: portion eligible for inclusion in CET1-General/ Statutory Reserves (as disclosed on Balance Sheet)</i>	25,182,314	25,182,314
<i>of which: portion eligible for inclusion in CET1-Reserve for issue of Bonus Shares</i>	-	-
<i>of which: portion eligible for inclusion in Tier 2</i>	284,683	284,683
Unappropriated profit/ (losses)	8,706,053	8,706,053
Minority Interest	-	-
<i>of which: portion eligible for inclusion in CET1</i>	-	-
<i>of which: portion eligible for inclusion in AT1</i>	-	-
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-
Surplus on revaluation of assets	7,670,956	7,670,956
<i>of which: Revaluation reserves on Property</i>	5,144,180	5,144,180
<i>of which: Unrealized Gains/Losses on AFS</i>	83,805	83,805
<i>In case of Deficit on revaluation (deduction from CET1)</i>	-	-
<i>of which on Non-Banking Assets</i>	2,442,971	2,442,971
Total liabilities & Equity	992,886,662	992,886,662

1.3 Capital Structure (contd)

Basel III Disclosure

Component of regulatory
capital reported by bank
(amount in thousand PKR)

Common Equity Tier 1 capital (CET1): Instruments and reserves	
1 Fully Paid-up Capital/ Capital deposited with SBP	12,602,602
2 Balance in Share Premium Account	234,669
3 Reserve for issue of Bonus Shares	-
4 General/ Statutory Reserves	25,182,314
5 Gain/(Losses) on derivatives held as Cash Flow Hedge	-
6 Unappropriated/unremitted profits/(losses)	8,706,053
7 Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-
8 CET 1 before Regulatory Adjustments	46,725,638
Common Equity Tier 1 capital: Regulatory adjustments	
9 Goodwill (net of related deferred tax liability)	-
10 All other intangibles (net of any associated deferred tax liability)	1,158,857
11 Shortfall of provisions against classified assets	-
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-
13 Defined-benefit pension fund net assets	-
14 Reciprocal cross holdings in CET1 capital instruments	613,070
15 Cash flow hedge reserve	-
16 Investment in own shares/ CET1 instruments	-
17 Securitization gain on sale	-
18 Capital shortfall of regulated subsidiaries	-
19 Deficit on account of revaluation from bank's holdings of property/ AFS	-
20 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
21 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-
22 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
23 Amount exceeding 15% threshold	-
24 of which: significant investments in the common stocks of financial entities	-
25 of which: deferred tax assets arising from temporary differences	-
26 National specific regulatory adjustments applied to CET1 capital	-
27 Investment in TFCs of other banks exceeding the prescribed limit	-
28 Any other deduction specified by SBP	-
29 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-
30 Total regulatory adjustments applied to CET1	1,771,927
Common Equity Tier 1	44,953,711

Additional Tier 1 (AT 1) Capital		
31	Qualifying Additional Tier-1 instruments plus any related share premium	6,000,000
32	of which: Classified as equity	-
33	of which: Classified as liabilities	6,000,000
34	Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-
35	of which: instrument issued by subsidiaries subject to phase out	-
36	AT1 before regulatory adjustments	6,000,000
Additional Tier 1 Capital: regulatory adjustments		
37	Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	71,462
38	Investment in own AT1 capital instruments	-
39	Reciprocal cross holdings in Additional Tier 1 capital instruments	-
40	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
41	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
42	Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-
43	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-
44	Total of Regulatory Adjustment applied to AT1 capital	71,462
45	Additional Tier 1 capital	5,928,538
46	Additional Tier 1 capital recognized for capital adequacy	5,928,538
Tier 1 Capital (CET1 + admissible AT1)		50,882,249
Tier 2 Capital		
47	Qualifying Tier 2 capital instruments under Basel III	6,000,000
48	Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-
49	Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-
50	of which: instruments issued by subsidiaries subject to phase out	-
51	General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	1,625,127
52	Revaluation Reserves eligible for Tier 2	5,227,985
53	of which: portion pertaining to Property	5,144,180
54	of which: portion pertaining to AFS securities	83,805
55	Foreign Exchange Translation Reserves	284,683
56	Undisclosed/Other Reserves	-
57	T2 before regulatory adjustments	13,137,795
Tier 2 Capital: regulatory adjustments		
58	Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-
59	Reciprocal cross holdings in Tier 2 instruments	-
60	Investment in own Tier 2 capital instrument	-
61	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
62	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
63	Amount of Regulatory Adjustment applied to T2 capital	-
64	Tier 2 capital (T2)	13,137,795
65	Tier 2 capital recognized for capital adequacy	13,137,795
66	Excess Additional Tier 1 capital recognized in Tier 2 capital	-
67	Total Tier 2 capital admissible for capital adequacy	13,137,795
TOTAL CAPITAL (T1 + admissible T2)		64,020,044

1.4 Main Features of Regulatory Capital Instruments

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
1	Issuer	Askari Bank - Public Limited Company	Askari Bank - Public Limited Company	Askari Bank - Public Limited Company
2	Unique identifier (eg KSE Symbol or Bloomberg identifier etc.)	AKBL	NA	NA
3	Governing law(s) of the instrument	The Companies Ordinance 1984 & Stock Exchange Regulations	The Companies Ordinance 1984	The Companies Ordinance 1984
	Regulatory treatment			
4	Transitional Basel III rules	NA	Additional Tier 1	Tier 2
5	Post-transitional Basel III rules	NA	NA	NA
6	Eligible at solo/ group/ group&solo	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Ordinary shares	Perpetual Debt Instrument	Debt Instrument
8	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	12,602,602	6,000,000	6,000,000
9	Par value of instrument	Rs. 10 per Share	Rs. 1,000 per Instrument	Rs. 1,000 per Instrument
10	Accounting classification	Shareholder's equity	Liability - amortized cost	Liability - amortized cost
11	Original date of issuance	Year 1992	July 03, 2018	March 17, 2020
12	Perpetual or dated	Perpetual/ no Maturity	Perpetual	Dated
13	Original maturity date	NA	NA	March 16, 2030
14	Issuer call subject to prior supervisory approval	NA	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	July 03, 2023, Call would be subject to SBP approval and not less than 30 days notice to investors and security trustee. Tax: as per prevailing structure.	March 17, 2025, Call would be subject to SBP approval.

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
16	Subsequent call dates, if applicable	NA	Yes	Yes
	Coupons / dividends			
17	Fixed or floating dividend/ coupon	NA	Floating	Floating
18	coupon rate and any related index/ benchmark	NA	Average Ask 6 month KIBOR + 1.5 %	Average Ask 3 month KIBOR + 1.2 %
19	Existence of a dividend stopper	No	No	No
20	Fully discretionary, partially discretionary or mandatory	NA	Full Discretionary	Full Discretionary
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Noncumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	NA	Convertible	Convertible
24	If convertible, conversion trigger (s)	NA	As deemed to be triggered by SBP	As deemed to be triggered by SBP
25	If convertible, fully or partially	NA	Fully or as deemed appropriate by SBP	Fully or as deemed appropriate by SBP
26	If convertible, conversion rate	NA	Dependent on target market value of equity per share on or before the date of trigger.	Dependent on target market value of equity per share on or before the date of trigger.
27	If convertible, mandatory or optional conversion	NA	Mandatory	Mandatory
28	If convertible, specify instrument type convertible into	NA	Common Equity Tier 1	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	NA	Askari Bank Ltd	Askari Bank Ltd
30	Write-down feature	NA	Yes	Yes

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
31	If write-down, write-down trigger(s)	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to set trigger as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to set trigger as part of the terms of contract.
32	If write-down, full or partial	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
33	If write-down, permanent or temporary	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
34	If temporary write-down, description of write-up mechanism	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	3rd, Subordinated Debt being senior	2nd, Lenders and Depositors being senior	2nd, Lenders and Depositors being senior
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA

1.5 Risk Weighted Assets

	Capital Requirement		Risk Weighted Assets	
	2020	2019	2020	2019
	----- Rupees in '000 -----			
Credit risk				
i) On-Balance Sheet				
Portfolios subject to standardised approach (comprehensive approach for CRM)				
Claims on:				
Sovereigns other than PKR claims	1,910,972	1,774,602	19,109,718	17,746,024
Public Sector Entities (PSEs)	1,608,239	1,517,584	16,082,391	15,175,842
Banks	678,422	972,164	6,784,224	9,721,640
Corporates	15,624,803	13,828,967	156,248,028	138,289,673
Retail portfolio	2,302,880	2,202,817	23,028,796	22,028,168
Residential mortgage finance	515,569	529,827	5,155,694	5,298,269
Listed equities and regulatory capital instruments issued by others banks	132,735	132,875	1,327,352	1,328,748
Unlisted equity investments	45,000	45,000	450,000	450,000
Investment in the equity of commercial entities	-	-	-	-
Significant investment and DTAs	399,334	617,238	3,993,335	6,172,380
Fixed Assets	2,123,275	1,969,657	21,232,750	19,696,568
Other Assets	798,981	780,640	7,989,806	7,806,402
Past Due Exposures	488,552	528,035	4,885,518	5,280,351
ii) Off-Balance Sheet				
Non-market related	5,466,160	5,338,503	54,661,600	53,385,031
Market Related	422,661	223,091	4,226,612	2,230,906
Market risk				
Portfolios subject to standardised approach				
Interest rate risk	2,164,132	587,197	21,641,321	5,871,974
Equity position risk	929,562	950,588	9,295,620	9,505,880
Foreign exchange risk	62,962	61,103	629,620	611,029
Operational risk	5,648,409	4,567,065	56,484,088	45,670,649
TOTAL	41,322,648	36,626,953	413,226,472	366,269,535
GROSS TOTAL (including CCB)	47,521,044	45,783,692	413,226,472	366,269,535
Capital adequacy ratio				
Capital Adequacy Ratio				
	Required		Actual	
	2020	2019	2020	2019
CET1 to total RWA	6.00%	6.00%	10.88%	9.93%
Tier-1 capital to total RWA	7.50%	7.50%	12.31%	11.54%
Total capital to total RWA	10.00%	10.00%	15.49%	13.39%
Gross Total Capital to total RWA (including CCB)	11.500%	12.500%	15.49%	13.39%

3 LEVERAGE RATIO

SBP vide BPRD Circular No. 06 dated August 15, 2013 introduced leverage ratio (Tier 1 Capital to total exposure) under Basel III Framework. Banks are required to maintain minimum leverage ratio of 3% and to disclose the same from December 31, 2015. The leverage ratio is the ratio of Tier1 capital to total exposure, including off-balance sheet exposures adjusted by regulatory credit conversion factors.

The Bank's position under Basel III's third capital standard is as under:

	2020	2019
	Rupees in '000	
Tier I Capital	50,882,249	42,255,468
Total Exposure	1,420,206,406	1,222,795,584
Leverage Ratio	3.58%	3.46%

NSFR Disclosure					LR IX	
				unweighted value by residual maturity		
<i>(Amount in PKR in thousands)</i>						
	No Maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	weighted value	
ASF Item						
1	Capital:	58,725,638	-	-	-	58,725,638
2	Regulatory capital	58,725,638	-	-	-	58,725,638
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposit from small business customers:	-	80,202,884	4,957,008	218,964,317	296,460,198
5	Stable deposits	-	15,971,502	1,068,071	42,690,878	58,878,472
6	Less stable deposits	-	64,231,382	3,888,938	176,273,439	237,581,727
7	Wholesale funding:	-	168,809,052	28,515,736	372,561,794	439,845,808
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	-	-	-	-
10	Other liabilities:	7,955,639	29,297,272	10,928,101	11,969,221	17,433,272
11	NSFR derivative liabilities	-	-	-	3,085,840	241,984
12	All other liabilities and equity not included in other categories	7,955,639	29,297,272	10,928,101	11,969,221	17,433,272
13	Total ASF					812,464,916
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)	xx			2,261,454	
15	Deposits held at other financial institutions for	-	6,958,328	1,003,146	-	3,980,737
16	Performing loans and securities:	-	203,078,195	25,706,465	114,544,309	248,065,239
17	Performing loans to financial institutions secured by Level 1 HQLA					
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		5,558,508	1,636,270	5,084,867	6,736,779
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		197,519,687	24,070,195	109,459,442	203,835,466
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				52,087,086	33,856,606
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.				4,278,104	3,636,388
22	Other assets:	-				147,907,890
23	Physical traded commodities, including gold					-
24	Assets posted as initial margin for derivative contracts				-	-
25	NSFR derivative assets				2,843,856	-
26	NSFR derivative liabilities before deduction of variation margin posted				617,168	617,168
27	All other assets not included in the above categories		37,922,489	20,100,856	132,334,214	147,290,722
28	Off-balance sheet items		273,337,324	379,208,500	144,381,508	39,846,367
29	Total RSF					442,061,686
30	Net Stable Funding Ratio (%)					183.79%

Liquidity Coverage Ratio

Long Disclosure

		Dec-20	
		TOTAL UNWEIGHTED ^a VALUE (average)	TOTAL WEIGHTED ^b VALUE (average)
<i>(in local currency)</i>			
HIGH QUALITY LIQUID ASSETS			
1	Total high quality liquid assets (HQLA)		345,807,337
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers of which:	274,873,813	25,314,840
3	stable deposit	54,752,102	2,929,330
4	Less stable deposit	220,121,711	22,385,510
5	Unsecured wholesale funding of which:	431,726,212	213,341,747
6	Operational deposits (all counterparties)	-	-
7	Non-operational deposits (all counterparties)	404,425,672	186,908,989
8	Unsecured debt	27,300,540	26,432,758
9	Secured wholesale funding		6,906,582
10	Additional requirements of which:	1,146,630	1,474,823
11	Outflows related to derivative exposures and other collateral requirements	1,146,630	1,433,800
12	Outflows related to loss of funding on debt products	-	-
13	Credit and Liquidity facilities	-	41,023
14	Other contractual funding obligations	7,943,347	8,945,836
15	Other contingent funding obligations	264,056,005	6,160,123
16	TOTAL CASH OUTFLOWS		262,603,479
CASH INFLOWS		-	-
17	Secured lending	14,075,190	-
18	Inflows from fully performing exposures	104,805,070	58,050,269
19	Other Cash inflows	9,372,956	2,582,867
20	TOTAL CASH INFLOWS	128,253,216	60,633,136
21	TOTAL HQLA		345,807,337
22	TOTAL NET CASH OUTFLOWS		201,510,814
23	LIQUIDITY COVERAGE RATIO		171.61%