

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

**1 CAPITAL ADEQUACY**

	2020	2019
	Rupees in '000	
	Amount	Amount
<b>Common Equity Tier 1 capital (CET1): Instruments and reserves</b>		
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	25,112,663	18,856,422
6 Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7 Unappropriated/unremitted profits/ (losses)	8,673,949	5,986,556
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 <b>CET 1 before Regulatory Adjustments</b>	<b>46,623,883</b>	<b>37,680,249</b>
10 Total regulatory adjustments applied to CET1 (Note 1.2.1)	1,756,216	1,366,858
11 <b>Common Equity Tier 1</b>	<b>44,867,667</b>	<b>36,313,390</b>
<b>Additional Tier 1 (AT 1) Capital</b>		
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 <b>AT1 before regulatory adjustments</b>	<b>6,000,000</b>	<b>6,000,000</b>
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 <b>Additional Tier 1 capital recognized for capital adequacy</b>	<b>5,928,538</b>	<b>5,883,752</b>
21 <b>Tier 1 Capital (CET1 + admissible AT1) (11+20)</b>	<b>50,796,205</b>	<b>42,197,142</b>
<b>Tier 2 Capital</b>		
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)	5,194,812	2,080,597
28 of which: Revaluation reserves on fixed assets	5,144,180	3,614,888
29 of which: Unrealized gains/losses on AFS	50,632	1,534,291
30 Foreign Exchange Translation Reserves	284,683	275,169
31 Undisclosed/Other Reserves (if any)	-	-
32 <b>T2 before regulatory adjustments</b>	<b>13,104,622</b>	<b>6,773,058</b>
33 Total regulatory adjustment applied to T2 capital (Note 1.2.3)	-	-
34 Tier 2 capital (T2) after regulatory adjustments	13,104,622	6,773,058
35 Tier 2 capital recognized for capital adequacy	13,104,622	6,773,058
36 Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37 <b>Total Tier 2 capital admissible for capital adequacy</b>	<b>13,104,622</b>	<b>6,773,058</b>
38 <b>TOTAL CAPITAL (T1 + admissible T2) (21+37)</b>	<b>63,900,827</b>	<b>48,970,200</b>
39 <b>Total Risk Weighted Assets (RWA) (for details refer Note 1.5)</b>	<b>412,725,814</b>	<b>366,106,330</b>
<b>Capital Ratios and buffers (in percentage of risk weighted assets)</b>		
40 <b>CET1 to total RWA</b>	<b>10.87%</b>	<b>9.92%</b>
41 <b>Tier-1 capital to total RWA</b>	<b>12.31%</b>	<b>11.53%</b>
42 <b>Total capital to total RWA</b>	<b>15.48%</b>	<b>13.38%</b>
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)	2.37%	1.42%
<b>National minimum capital requirements prescribed by SBP</b>		
48 <b>CET1 minimum ratio</b>	<b>6.00%</b>	<b>6.00%</b>
49 <b>Tier 1 minimum ratio</b>	<b>7.50%</b>	<b>7.50%</b>
50 <b>Total capital minimum ratio</b>	<b>10.00%</b>	<b>10.00%</b>
51 <b>Total Capital plus CCB* ratio</b>	<b>11.500%</b>	<b>12.500%</b>
<i>*CCB: Consisting of CET1 Only</i>		

		2020	2019
		Rupees in '000	
1.2	Regulatory Adjustments and Additional Information	Amount	Amount
<b>1.2.1</b>	<b>Common Equity Tier 1 capital: Regulatory adjustments</b>		
1	Goodwill (net of related deferred tax liability)	-	-
2	All other intangibles (net of any associated deferred tax liability)	1,143,146	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	-	-
<b>22</b>	<b>Total regulatory adjustments applied to CET1</b>	<b>1,756,216</b>	<b>1,366,858</b>
<b>1.2.2</b>	<b>Additional Tier-1 &amp; Tier-1 Capital: regulatory adjustments</b>		
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	-	-
<b>30</b>	<b>Total regulatory adjustment applied to AT1 capital</b>	<b>71,462</b>	<b>116,248</b>
<b>1.2.3</b>	<b>Tier 2 Capital: regulatory adjustments</b>		
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	-	-
<b>36</b>	<b>Total regulatory adjustment applied to T2 capital (sum of 31 to 35)</b>	<b>-</b>	<b>-</b>

		2020	2019
		Rupees in '000	
1.2.4	Additional Information	Amount	Amount
	<b>Risk Weighted Assets subject to pre-Basel III treatment</b>		
37	<b>Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)</b>	-	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	-	-
	<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
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)	1,623,001	2,489,752
	<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
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	4,060,090	3,806,028
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
<b>Assets</b>		
Cash and balances with treasury banks	73,651,718	73,651,718
Balanced with other banks	7,719,615	7,719,615
Lending to financial institutions	-	-
Investments	449,687,240	449,687,240
Advances	395,373,840	395,373,840
Operating fixed assets	22,356,855	22,356,855
Deferred tax assets	1,623,001	1,623,001
Other assets & Assets Held for Sale	42,104,793	42,104,793
<b>Total assets</b>	<b>992,517,062</b>	<b>992,517,062</b>
<b>Liabilities &amp; Equity</b>		
Bills payable	12,629,996	12,629,996
Borrowings	84,163,669	84,163,669
Deposits and other accounts	791,186,883	791,186,883
Sub-ordinated loans	12,000,000	12,000,000
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	37,990,164	37,990,164
<b>Total liabilities</b>	<b>937,970,712</b>	<b>937,970,712</b>
Share capital/ Head office capital account	12,602,602	12,602,602
Reserves	25,632,015	25,632,015
Unappropriated/ Unremitted profit/ (losses)	8,673,949	8,673,949
Minority Interest	-	-
Surplus on revaluation of assets	7,637,784	7,637,784
<b>Total liabilities &amp; equity</b>	<b>992,517,062</b>	<b>992,517,062</b>

1.3 Capital Structure (contd)

	Balance sheet as in	Under regulatory scope
	published financial statements	of consolidation
	2020	2020
<b>Assets</b>		
Cash and balances with treasury banks	73,651,718	73,651,718
Balances with other banks	7,719,615	7,719,615
Lending to financial institutions	-	-
Investments	449,687,240	449,687,240
<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>	449,002,708	449,002,708
Advances	395,373,840	395,373,840
<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	22,356,855	22,356,855
<i>of which: Intangibles</i>	1,143,146	1,143,146
Deferred Tax Assets	1,623,001	1,623,001
<i>of which: DTAs excluding those pertaining to temporary differences</i>	-	-
<i>of which: DTAs arising from temporary differences below the threshold</i>	1,623,001	1,623,001
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	-	-
Other assets & Assets Held for Sale	42,104,793	42,104,793
<i>of which: Goodwill</i>	-	-
<i>of which: Intangibles</i>	-	-
<i>of which: Defined-benefit pension fund net assets</i>	-	-
<b>Total assets</b>	<b>992,517,062</b>	<b>992,517,062</b>
<b>Liabilities &amp; Equity</b>		
Bills payable	12,629,996	12,629,996
Borrowings	84,163,669	84,163,669
Deposits and other accounts	791,186,883	791,186,883
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	37,990,164	37,990,164
<b>Total liabilities</b>	<b>937,970,712</b>	<b>937,970,712</b>
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	25,632,015	25,632,015
<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>	25,112,663	25,112,663
<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)	8,673,949	8,673,949
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	7,637,784	7,637,784
<i>of which: Revaluation reserves on Property</i>	5,144,180	5,144,180
<i>of which: Unrealized Gains/Losses on AFS</i>	50,632	50,632
<i>In case of Deficit on revaluation (deduction from CET1)</i>	-	-
<i>of which on Non-Banking Assets</i>	2,442,972	2,442,972
<b>Total liabilities &amp; Equity</b>	<b>992,517,062</b>	<b>992,517,062</b>

## 1.3 Capital Structure (contd)

## Basel III Disclosure

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

<b>Common Equity Tier 1 capital (CET1): Instruments and reserves</b>	
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	25,112,663
5 Gain/(Losses) on derivatives held as Cash Flow Hedge	-
6 Unappropriated/unremitted profits/(losses)	8,673,949
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)	-
<b>8 CET 1 before Regulatory Adjustments</b>	<b>46,623,883</b>
<b>Common Equity Tier 1 capital: Regulatory adjustments</b>	
9 Goodwill (net of related deferred tax liability)	-
10 All other intangibles (net of any associated deferred tax liability)	1,143,146
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 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)	-
20 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)	-
21 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
22 Amount exceeding 15% threshold	-
23 of which: significant investments in the common stocks of financial entities	-
24 of which: deferred tax assets arising from temporary differences	-
25 National specific regulatory adjustments applied to CET1 capital	-
26 Investment in TFCs of other banks exceeding the prescribed limit	-
27 Any other deduction specified by SBP	-
28 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-
29	-
<b>30 Total regulatory adjustments applied to CET1</b>	<b>1,756,216</b>
<b>Common Equity Tier 1</b>	<b>44,867,667</b>

<b>Additional Tier 1 (AT 1) Capital</b>	
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	-
<b>36 AT1 before regulatory adjustments</b>	<b>6,000,000</b>
<b>Additional Tier 1 Capital: regulatory adjustments</b>	
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	-
Investments in the capital instruments of banking, financial and insurance entities that are	
40 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	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on	
42 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	-
<b>44 Total of Regulatory Adjustment applied to AT1 capital</b>	<b>71,462</b>
45 Additional Tier 1 capital	5,928,538
<b>46 Additional Tier 1 capital recognized for capital adequacy</b>	<b>5,928,538</b>
<b>Tier 1 Capital (CET1 + admissible AT1)</b>	<b>50,796,205</b>
<b>Tier 2 Capital</b>	
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	5,194,812
53 of which: portion pertaining to Property	5,144,180
54 of which: portion pertaining to AFS securities	50,632
55 Foreign Exchange Translation Reserves	284,683
56 Undisclosed/Other Reserves	-
<b>57 T2 before regulatory adjustments</b>	<b>13,104,622</b>
<b>Tier 2 Capital: regulatory adjustments</b>	
Portion of deduction applied 50:50 to core capital and supplementary capital based on	
58 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	-
Investments in the capital instruments of banking, financial and insurance entities that are	
61 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	-
<b>63 Amount of Regulatory Adjustment applied to T2 capital</b>	<b>-</b>
64 Tier 2 capital (T2)	13,104,622
65 Tier 2 capital recognized for capital adequacy	13,104,622
66 Excess Additional Tier 1 capital recognized in Tier 2 capital	-
<b>67 Total Tier 2 capital admissible for capital adequacy</b>	<b>13,104,622</b>
<b>TOTAL CAPITAL (T1 + admissible T2)</b>	<b>63,900,827</b>

#### 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**

	<b>Main Features</b>	<b>Common Shares</b>	<b>Instrument (PPTFC TFC VI)</b>	<b>Instrument (PPTFC TFC VII)</b>
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**

	<b>Main Features</b>	<b>Common Shares</b>	<b>Instrument (PPTFC TFC VI)</b>	<b>Instrument (PPTFC TFC VII)</b>
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 -----			
<b>Credit risk</b>				
<b>i) On-Balance Sheet</b>				
<b>Portfolios subject to standardised approach (comprehensive approach for CRM)</b>				
<b>Claims on:</b>				
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	666,329	967,079	6,663,294	9,670,788
Corporates	15,628,107	13,812,634	156,281,066	138,126,342
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	405,750	622,438	4,057,503	6,224,380
Fixed Assets	2,121,371	1,969,657	21,213,709	19,696,568
Other Assets	784,989	785,638	7,849,890	7,856,384
Past Due Exposures	488,552	528,035	4,885,518	5,280,351
<b>ii) Off-Balance Sheet</b>				
Non-market related	5,447,562	5,336,944	54,475,624	53,369,437
Market Related	422,661	223,091	4,226,612	2,230,906
<b>Market risk</b>				
<b>Portfolios subject to standardised approach</b>				
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
<b>Operational risk</b>	5,635,209	4,563,524	56,352,087	45,635,240
<b>TOTAL</b>	<b>41,272,581</b>	<b>36,610,633</b>	<b>412,725,814</b>	<b>366,106,330</b>
<b>GROSS TOTAL (including CCB)</b>	<b>47,463,469</b>	<b>45,763,291</b>	<b>412,725,814</b>	<b>366,106,330</b>
<b>Capital adequacy ratio</b>				
Capital Adequacy Ratio			<b>Required</b>	<b>Actual</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
CET1 to total RWA	6.00%	6.00%	10.87%	9.92%
Tier-1 capital to total RWA	7.50%	7.50%	12.31%	11.53%
Total capital to total RWA	10.00%	10.00%	15.48%	13.38%
<b>Gross Total Capital to total RWA (including CCB)</b>	<b>11.500%</b>	<b>12.500%</b>	<b>15.48%</b>	<b>13.38%</b>

### 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	50,796,205	42,197,142
Total Exposure	1,419,666,541	1,222,565,769
<b>Leverage Ratio</b>	<b>3.58%</b>	<b>3.45%</b>



Liquidity Coverage Ratio			
Long Disclosure			
		Dec-20	
		TOTAL UNWEIGHTED <sup>a</sup> VALUE (average)	TOTAL WEIGHTED <sup>b</sup> VALUE (average)
<i>(in local currency)</i>			
<b>HIGH QUALITY LIQUID ASSETS</b>			
1	Total high quality liquid assets (HQLA)		345,807,337
<b>CASH OUTFLOWS</b>			
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	<b>TOTAL CASH OUTFLOWS</b>		262,603,479
<b>CASH INFLOWS</b>			
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	<b>TOTAL CASH INFLOWS</b>	128,253,216	60,633,136
21	<b>TOTAL HQLA</b>		345,807,337
22	<b>TOTAL NET CASH OUTFLOWS</b>		201,510,814
23	<b>LIQUIDITY COVERAGE RATIO</b>		171.61%