1. CAPITAL MANAGEMENT

Our Treasury function manages our capital at Group level and locally in each region. The allocation of financial resources, in general, and capital, in particular, favours business portfolios with the highest positive impact on the Group's profitability and shareholder value. As a result, Treasury periodically reallocates capital among business portfolios.

Regional capital plans covering the capital needs are presented to the Group Investment Committee. Local Asset and Liability Committees attend to those needs under the stewardship of regional Treasury teams. In developing, implementing and testing our capital and liquidity, we take legal and regulatory requirements into account.

The regulatory and economic capital demand is continuously monitored to adjust the available capital if required. Capital demand forecasts are regularly determined and carried forward based on the planned development of the business volum and results as well as expected risk parameter changes.

1.1 Capital-Assessment and Adequacy Basel III specific

1.1.1 Scope of Applications

The Pakistan Operations currently use Basel III framework for the Capital Assessment and Capital Adequacy purposes. Basel III Standardized Approach is used for calculating the Capital Adequacy for Credit and Market risk, whereas, Basic Indicator Approach (BIA) is used for Operational Risk Capital Adequacy purposes.

1.1.2 Capital Structure

The lead regulator, State Bank of Pakistan (SBP) sets and monitors capital requirements for the banks in Pakistan as a whole. With effect from 31 December 2013, the SBP has advised through its BPRD circular # 6 dated August 15, 2013 that all banks to calculate their capital requirements on Basel III Accord. The amendments have been introduced with an aim to further strengthen the existing capital related rules. Basel III instructions have become effective from 31 December 2013, however, there is a transitional phase during which the complete requirements would become applicable with full implementation by 31 December, 2020.

In implementing the current capital requirements, SBP requires the Pakistan Operations to maintain a prescribed total capital to total risk weighted assets ratio. As at the year end 2020, the SBP's minimum prescribed capital adequacy ratio is 11.5% (Total Capital 10% and Capital Conservation Buffer 1.5%). Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET1) ratio and Tier 1 ratio of 6% and 7.5% respectively as at 31 December 2020. the Pakistan Operations' ratio is compliant with this minimum benchmark.

The Pakistan Operations of Deutsche Bank calculate requirement for market risk on its portfolio based upon the methodology provided by SBP which takes account of specific and general market risk capital charge for interest rate risk using the maturity method.

Banking operations are categorized as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Pakistan Operations' regulatory capital is analyzed into following tiers:

- Tier I capital: includes Head office capital account, and un-remitted profit.
- Tier II capital: includes general provision not kept against identified debts.
- **1.1.3** The leverage ratio of the Pakistan Operations as at 31 December 2020 is 13.52% (2019: 14.92%). The ratio has been computed as prescribed by State Bank of Pakistan through Instructions for Basel-III Implementation in Pakistan.

As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: Rs. 7,268 million); whereas the total exposure measure amounts to Rs. 60,831 million (2019: Rs. 48,724 million).

1.2 Capital Adequacy Ratio (CAR) disclosure:

CAPITAL ADEQUACY RETURN AS OF 31 DECEMBER 2020

Rows # Common Equity Tier 1 capital (CET1): Instruments and reserves 1 Fully Padryup Capital Capital deposited with SBP 2 Salance in Share Premium Account 3 Reserve for issue of Borus Shares 4 Discount on Issue of shares 5 General Statutory Reserves 6 General Statutory Reserves 7 Unappropriatedumential profitsy (losses) 8 Manority Interests arising From CET1 capital instruments issued to third parties by consolidated bank budsidantes (amount allowed in CET1 capital of the consolidation group) 9 Total regulatory adjustments applied to CET1 (Note 33.2.1) 10 Total regulatory adjustments applied to CET1 (Note 33.2.1) 2 Common Equity Tier 1 2 Qualifying Additional Tier 1 capital instruments plus any related share premium 4 of which: Classified as equity 5 of which: Classified as labelilies 7 Common Equity Tier 1 8 Additional Tier 1 capital instruments plus any related share premium 9 Total regulatory adjustments applied to CET1 (Note 33.2.1) 10 Additional Tier 1 capital instruments plus any related share premium 11 Of which: Classified as labelilies 12 Qualifying Additional Tier 1 capital instruments plus any related share premium 13 of which: Classified as labelilies 14 Additional Tier 1 capital instruments souded to third parties by consolidated subsidiaries (amount allowed in group A.1 1) 15 Out which, instrument issued by subsidiaries subject to phase out 16 Out which, instrument issued by subsidiaries subject to phase out 17 Out which, instruments subject to phase out 18 Out which, instruments subject to phase out 19 Out which, instruments subject to phase out 10 Out which, instruments subject t		OALTIAL ADEQUACT RETORIC ACID TO DECEMBER 2020	2020 Rupees	2019 s in '000
1 Fully Park-up Capital Capital deposited with SBP 2 Balance in Share Premium Account 3 Reserve for Issue of Borus Shares 5 General Statutury Reserves 5 General Statutury Reserves 6 General Statutury Reserves 7 Capital Capital Capital Instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to Pind parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments plus any related share premium 12 Capital Capital Capital Instruments plus any related share premium 13 of which: Classified as liabilities 14 Additional Ter 1 capital instruments plus any related share premium 15 Additional Ter 1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1) 16 of which: Classified as liabilities 17 AT1 before regulatory adjustments 18 Total regulatory adjustments 19 Additional Ter 1 capital are regulatory adjustments 10 Additional Ter 1 capital are regulatory adjustments 10 Additional Ter 1 capital are regulatory adjustments 11 Ter 1 Capital CET1 + admissible AT1) (11+20) 18 Ter 2 Capital 18 Total regulatory adjustments subject to phase out arrangement issued with this minimum benchmark. 10 Additional Ter 1 capital are regulatory adjustments 10 Additional Ter 1 capital are regulatory adjustments 10 Additional Ter 1 capital incognition for this benchmark. 10 Additional Ter 1 capital reserves for the second part of this minimum benchmark. 11 Additional Ter 1 capital reserves for this second part with this minimum benchmark. 12 Additional Ter 1 capital reserves for this second part with this minimum be				
2 Balance in Share Premium Account 3 Reserve for issue of Bouse Shares 4 Discount on Issue of shares 5 General Statutor, Reserves 6 Genin/Losses) on derivatives held as Cash Flow Hedge 7 Unappropriatedurementary portise (Issues) 8 Minority Interests arising from CFT capital instruments issued to third parties by consolidated bank Minority Interests arising from CFT capital instruments issued to third parties by consolidated bank Minority Interests arising from CFT capital instruments issued to third parties by consolidated bank Minority Interests arising from CFT capital instruments issued to third parties by consolidated bank Minority Interests arising from CFT capital instruments issued to third parties by consolidated bank Minority Interests arising from CFT capital Instruments plus any related share premium 8.221,348 7,268,081 7,2	Rows #			
3 Reserve for issue of Bonus Shares 4 Discount on Issue of Shares 5 General Statutory Reserves 6 Garin/Losses) on derivatives held as Cash Flow Hedge 7 Unappropriate-duremitted profils (fosses) 8 Monorly 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 8, 221,348 10 Total regulatory adjustments opplied to CET1 (Rote 33.2.1) 11 Common Equity Tier 1 (AT 1) Capital 12 Qualifying Additional Tier 1 Capital instruments by any related share premium 13 of which: Classified as labilities 14 of which: Classified as labilities 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 18 Total regulatory adjustments applied to AT1 capital instruments under 8as 221, 348 17 Capital Tier 1 capital instruments under 8as 221, 348 17 Capital (TeT1 - applial instruments under 8as 221, 348) 18 Tier 2 Capital instruments subject to phase out 19 Capital (TeT1 - applial instruments under 8as 221, 348) 19 Capital (TeT1 - applial instruments under 8as 221, 348) 10 Additional Tier 1 capital instruments under 8as 221, 348 10 Additional Tier 1 capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 11 Tier 2 Capital instruments under 8as 221, 348 12 Tier 2 Capital instruments under 8as 221, 348 13 Tier 2 Capital instruments under 8as 221, 348 14 Tier 2 Capital instruments under 8as 221, 348 14 Tier 2 Capital instruments under 8as 221, 348 15 Tier 2 Capital instruments under 8as 221, 348 16 Tier 2 Capital instruments under 8as 221, 348 17 Tier 2 Capital (TeT1 capital recognized in Tier 2 Capital			6,302,781	5,563,663
Discourt on Issue of sheres			-	-
5 General Statutory Reserves 6 Gardin(coses) on derivatives held as Cash Flow Hedge 7 Unappropriated/unremitted profits/ (losses) 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 CET1 before Regulatory Adjustments 8,221,348 10 Total regulatory adjustments applied to CET1 (lotes 33.2.1) 11 Common Equity Tier 1 (AT 1) Capital 12 Qualifying Additional Tier 1 capital instruments plus any related share premium 1 of which: Classified as liabilities 2 of which: Instrument issued by subsidiaries subject to phase out 2 of which: Instrument issued by subsidiaries subject to phase out 2 of which: Instrument issued by subsidiaries subject to phase out 2 of tier 1 of Capital (CET1 + admissible AT1) (11+20) 2 of tier 2 capital instruments under Basel III plus any related share premium 2 of which: Instruments subject to phaseout arrangement issued under pre-Basel 3 rules 2 of which: Instruments subject to phaseout arrangement issued under pre-Basel 3 rules 2 of which: Instruments subject to phaseout arrangement issued under pre-Basel 3 rules 3 of which: Reserves (if any) 3 of the compositions or general reserves for foral iosses-up to maximum of 1.25% of Credit Risk 4 of which: Reserves (if any) 3 of the composition of prematical reserves for any) 3 of the composit				
6 Gain/(Losses) on derivatives held as Cash Flow Hedge 7 Unappropriated unremitted profils* (Josses) 8 Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to the parties by consolidated bank subsidiaries (amount allowed in CET1 capital instruments issued to the parties by consolidated bank subsidiaries (amount allowed in CET1 (Note 33.2.1) 9 CET1 before Regulatory Adjustments 10 Coulinying Additional Tier1 capital instruments plus any related share premium 11 Coulinying Additional Tier1 capital instruments plus any related share premium 12 of which: Classified as Equity 13 of which: Classified as Equity 14 of which: Classified as Equity 15 Additional Tier1 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 18 Total regulatory adjustments 19 Additional Tier1 capital after regulatory adjustments 20 Additional Tier1 capital after regulatory adjustments 21 Additional Tier1 capital recognized for capital adequacy 22 Tier1 Capital (EET1 + admissible AT1) (11+20) 23 Tier2 Capital 24 Coulinying fire 2 capital instruments sudged to phase out applied to AT1 (14+20) 25 Coulinying fire 2 capital instruments sudged to phase out arrangement issued under pre-Basel 3 rules 26 Construments sudged to phase out applied to AT1 (14+20) 27 Coulinying fire 2 capital instruments under Basel III plus any related share premium 28 Tier2 Capital 29 Coulinying fire 2 capital instruments under Basel III plus any related share premium 20 Coulinying fire 2 capital instruments sudged to phase out applied to AT1 (14+20) 28 County fire fire capital additions of the state of the phase out applied to AT1 (14+20) 29 County fire fire Capital additions on the AT1 (14+20) 30 Foreign Exchange Translation Reserves for loan bases—up to maximum benchmark 31 Total Tier2 capital admissible				_
1,915,667 Name of the content of			-	-
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 CET1 before Regulatory Adjustments 10 Total regulatory Adjustments applied to CET1 (Note 33.2.1) 11 Common Equity Tier 1 12 Qualifying Additional Tier 1 capital instruments plus any related share premium 13 of which: Classified as liabilities 14 Of which: Classified as liabilities 15 Additional Tier 1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT1) 16 of which: Instrument issued by subsidiaries subject to phase out 17 AT1 before regulatory adjustments 18 Total regulatory adjustments applied to AT1 capital (Note 33.2.2) 19 Additional Tier 1 capital instruments plus and relative to the parties by consolidated subsidiaries (amount allowed in group AT1) 19 Additional Tier 1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT1) 10 Total regulatory adjustments 10 Additional Tier 1 capital instruments in group adjustments 11 Total regulatory adjustment applied to AT1 capital (Note 33.2.2) 11 Ter 1 Capital (CET1 + admissible AT1) (11+20) 12 Ter 2 Capital 12 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 12 Ter 2 Capital instruments under Basel III plus any related share premium 15 Ter 2 Capital instruments under Basel III plus any related share premium 16 Ter 2 Capital instruments under Basel III plus any related share premium 17 Ter 2 Capital instruments under Basel III plus any related share premium 18			1,918,567	1,704,418
9 CET 1 before Regulatory Adjustments 10 Total regulatory adjustments applied to CET1 (Note 33.2.1) 11 Common Equity Tier 1 2 Qualifying Additional Tier 1 capital instruments plus any related share premium 2 of which: Classified as liabilities 3 of which: Classified as liabilities 4 of which: Classified as liabilities 5 Additional Tier 1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1) 6 of which: Classified as liabilities 6 of which: Classified as liabilities 7 of which: Classified as liabilities 8 of which: Classified as liabilities 9 of which: Instrument issued by subsidiaries subject to phase out 10 of which: Instrument issued by subsidiaries subject to phase out 11 AT1 before regulatory adjustments 12 of which: Instrument issued by subsidiaries subject to phase out 13 of which: Instrument issued by subsidiaries subject to phase out 14 Ter 1 Capital (CET1 + admissible AT1) (11+20) 15 Outlined Tier 1 capital instruments under Basel III plus any related share premium 16 Tier 1 Capital (CET1 + admissible AT1) (11+20) 16 Outlined Tier 1 capital instruments under Basel III plus any related share premium 17 Tier 2 Capital instruments under Basel III plus any related share premium 18 Tier 2 Capital instruments under Basel III plus any related share premium 19 Tier 2 Capital instruments under Basel III plus any related share premium 19 Tier 2 Capital instruments under Basel III plus any related share premium 19 Tier 2 Capital instruments under Basel III plus any related share premium 10 Tier 2 Capital instruments under Basel III plus any related share premium 10 Tier 2 Capital instruments under Basel III plus any related share premium 10 Tier 2 Capital instruments under Basel III plus any related share premium 11 Tier 2 Capital instruments under Basel III plus any related share premium 12 Tier 2 Capital instruments under Basel III plus any related share premium 14 Tier 2 Capital Instruments under Basel III plus any related share premium 15 Tier 2 Capital Instru	8	Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank	-	_
Additional Tier 1 (AT 1) Capital Additional Tier 1 (AT 1) Capital Coullifying Additional Tier 1 capital instruments plus any related share premium 13	9		8,221,348	7,268,081
Additional Tier 1 (AT 1) Capital 12 Qualifying Additional Tier-1 capital instruments plus any related share premium 13 of which: Classified as equity 14 of which: Classified as liabilities 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 18 Total regulatory adjustments 19 Additional Tier 1 capital face requistory adjustments 20 Additional Tier 1 capital after requistory adjustments 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 1 Capital (CET1 + admissible AT1) (11+20) 23 Tier 2 capital 24 December 2019. the Pakistan Operations' ratio is compilant with this minimum benchmark. 25 Outlifying Tier 2 capital instruments subject to phase out 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 27 Revaluation Reserves (net of taxes) 28 Of which: Revaluation reserves (net of taxes) 29 of which: Unreading adjustices on AFS 20 of Which: Unreading adjustices on AFS 21 Tier 2 capital recognized gains/losses on AFS 22 of which: Unreading adjustices on AFS 23 Tier 2 capital recognized for capital assets 24 Observable of the Assets 25 Of Which: Provisions or general reserves the subject to phase out 26 General provisions or general reserves the fortion in losses-up to maximum of 1.25% of Credit Risk 27 Verification Reserves (net of taxes) 28 Of Which: Unrealized gains/losses on AFS 29 Of Which: Unrealized gains/losses on AFS 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves of fixed assets 4 Of the Capital (T2) after regulatory adjustments 32 Tier 2 capital (T2) after regulatory adjustments 33 Tier 2 capital (T2) after regulatory adjustments 34 Tier 2 capital recognized for capital adequacy 35 Tier 2 capital recognized for capital adequacy 44 Tier 1 capital to total RWA 45 Assets Weighted Assets (RWA) (for details refer Note 33.5) 46 Ca			-	-
12 Qualifying Additional Tier-1 capital instruments plus any related share premium - 1 of which: Classified as liabilities 1 Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1) 1 of which: instrument issued by subsidiaries subject to phase out 1 AT1 before regulatory adjustments 1 Total regulatory adjustments place to AT1 capital (Note 33.2.2) 2 Additional Tier-1 capital after regulatory adjustments 2 Additional Tier-1 capital after regulatory adjustments 2 Additional Tier-1 capital recognized for capital adequacy 2 Ifer 1 Capital (CET1 + admissible AT1) (11+20) 2 Ifer 2 Capital 2 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 2 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 3 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 3 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 4 Queember 2019, the Pakistan Operations' ratio is compliant with this minimum benchmark. 5 Commission of general reserves for loan losses-up to maximum of 1.25% of Credit Risk 5 Weighted Assets 6 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 6 Weighted Assets 7 Capital Instruments Subject to phaseout arrangement issued under pre-Basel 3 rules 7 Capital Risk Weighted Assets 7 Capital Risk Weighted Assets 8 Capital Risk Weighted Assets (Risk) (From the Assets of Instruments) (Risk Assets (Risk Assets (Risk Assets)) (Risk Assets) (Risk Assets) (Risk Assets) (Risk Assets) (Risk Assets) (Risk Assets) (Risk Weighted Assets) (Risk Weighted Assets) (Risk Weighted Assets) (Risk) (Risk Assets) (Risk) (Risk) (Risk) (Risk) (Risk) (Risk) (Risk) (Risk) (R	11	Common Equity Tier 1	8,221,348	7,268,081
13 of which: Classified as equity 14 of which: Classified as liabilities 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 AT before regulatory adjustments 18 Total regulatory adjustment applied to AT1 capital (Note 33.2.2) 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital recognized for capital adequacy 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 24 December 2019, the Pakistan Operations' ratio is compliant with this minimum benchmark. 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 27 of which: Instruments issued of yes under pre-Basel 3 rules 28 of which: Pure advisor or severes for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets 30 Foreign Exchange Translation Reserves for loan losses-up to maximum of 1.25% of Credit Risk Undisclosed/Other Reserves (fiet of taxes) 31 Undisclosed/Other Reserves (fiet of taxes) 32 Total regulatory adjustments 33 Total regulatory adjustments 34 Tier 2 capital (1 regulatory adjustments) 35 Total regulatory adjustment plied to T2 capital (Note 33.2.3) 4 Tier 2 capital (1 regulatory adjustments) 4 Tier 1 capital to I regulatory adjustments 4 Tier 1 regulatory adjustments 5 Tier 2 capital admissible for capital adequacy 5 Tier 1 regulatory adjustment for 1 regulatory adjustments 5 Tier 2 capital recognized for capital adequacy 5 Tier 1 regulatory adjustment for 1 regulatory		Additional Tier 1 (AT 1) Capital		
14 of which: Classified as liabilities 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 18 Total regulatory adjustment applied to AT1 capital (Note 33.2.2) 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital after regulatory adjustments 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 1 Capital (CET1 + admissible AT1) (11+20) 23 Tier 2 Capital 24 December 2019. the Pasistan Operations' ratio is compliant with this minimum benchmark. 25 Of which: instruments subject to phaseout arrangement issued under pre-Basel 3 rules 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 26 Weighted Assets 27 Revaluation Reserves (net of taxes) 28 of which: Revaluation reserves on tixed assets 29 of which: Unrealized gains/losses on AFS 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves (if arry) 32 Tiz before regulatory adjustment applied to T2 capital (Note 33.2.3) 33 Total regulatory adjustment applied to T2 capital adequacy 34 Tier 2 capital (T1 admissible of capital adequacy 35 Total Tier 2 capital (T1 admissible of Capital adequacy 36 Portion of Additional Tier 1 capital acquacy and the subject of the Sastes of Assets (T1 admissible of Capital adequacy 40 Tier 1 admissible for Capital adequacy 41 Tier 1 capital to total RWA 45 Bank specific botter (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum capital requirement of risk weighted assets) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs.	12		-	-
15 Additional Tier1 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 AT 1 before regulatory adjustments 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital after regulatory adjustments 21 Additional Tier 1 capital after regulatory adjustments 22 Additional Tier 1 capital recognized for capital adequacy 23 Tier 2 Capital 24 December 2019, the Pakistan Operations ratio is compliant with this minimum benchmark. 25 Of which: Instruments subject to phaseout arrangement issued under pre-Basel 3 rules 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets 30 Foreign Exchange Translation reserves on fixed assets 31 Undisclosed/Other Reserves (fat of taxes) 32 February 25 February 26 February 26 February 27 February 27 February 27 February 28 February 28 February 29 Fe	13		-	-
allowed in group AT 1) 6 of which: instrument issued by subsidiaries subject to phase out 77 AT1 before regulatory adjustments 18 Total regulatory adjustment applied to AT1 capital (Note 33.2.2) 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital after regulatory adjustments 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 2 Capital 23 Tier 2 Capital instruments under Basel III plus any related share premium 24 December 2019; the Pakistan Operations ratio is compliant with this minimum benchmark. 25 of which: instruments subject to phaseout arrangement issued under pre-Basel 3 rules 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 27 Revaluation Reserves (net of taxes) 28 of which: Revaluation reserves for loan losses-up to maximum of 1.25% of Credit Risk 29 of which: Hevaluation reserves on fixed assets 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves (farny) 32 Total regulatory adjustment applied to T2 capital (Note 33.2.3) 33 Total regulatory adjustment applied to T2 capital (Note 33.2.3) 4 Tier 2 capital 172 plate regulatory adjustments 4 Tier 1 Tier 1 Tier 2 Capital adequacy 4 Tier 1 Tier 1 Tier 2 Capital adequacy 5 Total Tier 2 capital admissible for capital adequacy 5 Total Tier 2 capital admissible for capital adequacy 6 Portion of Additional Tier 1 capital recognized in Tier 2 capital and Sases (Note 1 Tier 2 capital (Note 33.2.3) 6 Portion of Additional Tier 1 capital recognized for the San Amount of Sases (Note 1 Tier 2 Capital Adequacy 7 Total Tier 2 capital admissible for capital adequacy 7 Total Tier 2 capital admissible for capital adequacy 8 Tier 1 Tier 1 capital to total RWA 9 San so 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.227 total Capital		of which: Classified as liabilities	-	-
16 of which instrument issued by subsidiaries subject to phase out 17 ATT before regulatory adjustments 18 Total regulatory adjustment applied to ATT capital (Note 33.2.2) 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital recognized for capital adequacy 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 2 Capital 22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 24 December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. 25 of which instruments issued by usbidiaries subject to phase out 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 27 Weighted Assets 28 of which: Revaluation reserves on fixed assets 29 of which: Nervaluation reserves on fixed assets 29 of which: Nervaluation reserves on fixed assets 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves (I any) 32 T2 before regulatory adjustments 33 Total regulatory adjustments 34 Tier 2 capital (T2) after regulatory adjustments 35 Tier 2 capital acquised for capital adequacy 36 Total Tier 2 capital adequacy 37 Total Tier 2 capital adequacy 38 Total Tier 2 capital adequacy 40 Additional Tier 1 capital recognized in Tier 2 capital 41 Tier 1 capital to total RWA 42 Total capital to total RWA 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement — of which: capital requirement — of which: capital requirement (minimum capital requirement) 40 Of which: Desiber of Sib buffer requirement 41 CET1 animimum ratio 42 Tier I minimum ratio 43 Tier 1 minimum ratio 44 Tier I minimum ratio	15			
AT before regulatory adjustments 18 Total regulatory adjustment applied to AT1 capital (Note 33.2.2) 19 Additional Tier 1 capital after regulatory adjustments 20 Additional Tier 1 capital after regulatory adjustments 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 1 Capital (CET1 + admissible AT1) (11+20) 38,221,348 Tre 2 Capital 22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 24 December 2019. The Paskistan Operations ratio is compliant with this minimum benchmark. 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 29 of which: Revaluation reserves on fixed assets 29 of which: Revaluation reserves on fixed assets 29 of which: Revaluation reserves on fixed assets 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves (if any) 31 Total regulatory adjustments 32 Total regulatory adjustments 33 Total regulatory adjustments 34 Tier 2 capital (T2) after regulatory adjustments 35 Tier 2 capital (T2) after regulatory adjustments 36 Tier 2 capital (T2) after regulatory adjustments 37 Total Tier 2 capital addissible for capital adequacy 38 Total Tier 2 capital admissible for capital adequacy 39 Total Risk Weighted Assets (RWA) (for details refer Note 33.5) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 46,227 47 Total capital to total RWA 48 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer sign per	40		-	-
Tier 1 Capital (CET1 + admissible AT1) (11+20) 7,268,081 Tier 2 Capital Qualifying Tier 2 capital instruments under Basel III plus any related share premium Qualifying Tier 2 capital instruments under Basel III plus any related share premium Cualifying Tier 2 capital instruments under Basel III plus any related share premium Cualifying Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules Certa Capital (CET1 + admissible AT1) (11+20) Tier 2 Capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules Certa Capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules Certa Capital instruments issued by subsidiaries subject to phase out Certa Capital instruments issued by subsidiaries subject to phase out Certa Capital (CET1 + admissible AT2) (11+20) Revaluation Reserves (net of taxes) Of which: Investigation of general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Teveluation reserves (net of taxes) Revaluation reserves (net of taxes) Of which: Revaluation reserves on fixed assets Of which: Revaluation reserves on fixed assets Total regulatory adjustments Total regulatory adjustments Table regulatory adjustments Tier 2 capital recognized for capital adequacy Tier 2 capital recognized for capital adequacy Total rier 2 capital recognized for capital adequacy Total rier 2 capital admissible for capital adequacy Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Capital to total RWA Sanks specific buffer requirement (minimum CET1 requirement plus capital conservation buffer requirement) As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019; R As on 31 December 2020; Total Tier 1 capital reservance of the weighted assets) As on 31 December 2020; Total Tier 1 capital reservance of the weighted a				
Additional Tier 1 capital after regulatory adjustments - Additional Tier 1 capital recognized for capital adequacy - Tier 1 Capital (CET1 + admissible AT1) (11+20) Tier 2 Capital Tier 2 Capital Capital instruments under Basel III plus any related share premium - Tier 2 capital instruments under Basel III plus any related share premium - Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules - December 2019, the Pakistan Operations' ratio is compliant with this minimum benchmark. - Ceneral provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - Ceneral provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - Ceneral provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - Ceneral provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - Ceneral provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets - Ceneral provisions or general reserves on fixed assets - Ceneral provision of Additional Tresserves - Ceneral provisions or fixed assets - Ceneral provisions				
20 Additional Tier 1 capital recognized for capital adequacy 21 Tier 1 Capital (CET1 + admissible AT1) (11+20) 22 Tier 2 Capital 23 Tier 2 capital instruments under Basel III plus any related share premium 24 December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. 25 of which: instruments issued by subsidiaries subject to phase out arrangement issued under pre-Basel 3 rules 26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk 27 Revaluation Reserves (net of taxes) 28 of which: Revaluation reserves for loan losses-up to maximum of 1.25% of Credit Risk 28 of which: Revaluation reserves on fixed assets 29 of which: Revaluation reserves on fixed assets 30 Foreign Exchange Translation Reserves 31 Undisclosed/Other Reserves (if any) 32 T2 before regulatory adjustments 33 Total regulatory adjustments 34 Tier 2 capital recognized for capital adequacy 36 Portion of Additional Tier 1 capital recognized in Tier 2 capital 37 Total Tier 2 capital recognized for capital adequacy 38 Portion of Additional Tier 1 capital recognized in Tier 2 capital 39 Total Risk Weighted Assets (RWA) (for details refer Note 33.5) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.229 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.229 41 Tier-1 capital to total RWA 53.78% 46.229 42 Total capital to total RWA 53.78% 46.229 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer requirement)				
Tier 2 Capital Qualifying Tier 2 capital instruments under Basel III plus any related share premium Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules December 2019. The Pakistan Operations' ratio is compliant with this minimum benchmark. General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Weighted Assets Taking Assets Ta				
Tier 2 Capital Qualifying Tier 2 capital instruments under Basel III plus any related share premium Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules December 2019. The Pakistan Operations' ratio is compliant with this minimum benchmark. General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Weighted Assets Taking Assets Ta			2 221 212	
22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium 23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules 24 December 2019, the Pakistan Operations' ratio is compliant with this minimum benchmark. 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 Weighted Assets Weighted Assets 8 of which: Revaluation reserves on fixed assets 29 of which: Unrealized gains/losses on AFS 20 Foreign Exchange Translation Reserves 20	21	Tier 1 Capital (CET1 + admissible AT1) (11+20)	8,221,348	7,268,081
Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. of which: instruments issued by subsidiaries subject to phase out General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Of which: Pakistan Operations of Italian State Stat				
December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. 1 of which: instruments issued by subsidiaries subject to phase out 2 Geared provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Weighted Assets 14,119 27 Revaluation Reserves (net of taxes) 30 foreign Exchange Translation Reserves 10 undisclosed/Other Reserves (if any) 27 Ta before regulatory adjustments 28 Tabefore regulatory adjustments 29 Lindisclosed/Other Reserves (if any) 20 Tabefore regulatory adjustments 20 Tabefore regulatory adjustments 21 Lindisclosed/Other Reserves (if any) 22 Tabefore regulatory adjustments 23 Total regulatory adjustments 24 Tier 2 capital (T2) after regulatory adjustments 25 Tier 2 capital (T2) after regulatory adjustments 26 Portion of Additional Tier 1 capital adequacy 27 Total Tier 2 capital admissible for capital adequacy 38 Portion of Additional Tier 1 capital recognized in Tier 2 capital 39 Total Tier 2 capital admissible for capital adequacy 30 Total Tier 2 capital admissible for capital adequacy 30 Total Tier 2 capital admissible for capital adequacy 31 Total Tier 2 capital admissible for capital adequacy 41 Tier-1 capital to total RWA 41 Tier-1 capital to total RWA 42 Total capital to total RWA 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement 1.50% 1.90%			-	-
25 Of which: instruments issued by subsidiaries subject to phase out -			-	-
General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets Weighted Assets Revaluation Reserves (net of taxes) Revaluation Reserves (net of taxes) of which: Revaluation reserves on fixed assets				
Veighted Assets 14,119 1			-	-
27 Revaluation Reserves (net of taxes)	20		14.119	14,119
28	27		,	,
29 of which: Unrealized gains/losses on AFS - - -			-	-
31 Undisclosed/Other Reserves (if any) - - - - - - - - -	29	of which: Unrealized gains/losses on AFS	-	-
T2 before regulatory adjustments Total regulatory adjustment applied to T2 capital (Note 33.2.3) Total regulatory adjustment applied to T2 capital (Note 33.2.3) Tier 2 capital (T2) after regulatory adjustments Tier 2 capital (T2) after regulatory adjustments Tier 2 capital recognized for capital adequacy Portion of Additional Tier 1 capital recognized in Tier 2 capital Total Tier 2 capital admissible for capital adequacy Total Tier 2 capital admissible for capital adequacy Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Capital Ratios and buffers (in percentage of risk weighted assets) As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R Tier-1 capital to total RWA Tier-1 capital to total RWA Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) Total capital conservation buffer requirement of which: capital conservation buffer requirement Edicapital conservation buffer requirement T.50% T.90% T.	30		-	
Total regulatory adjustment applied to T2 capital (Note 33.2.3) Tier 2 capital (T2) after regulatory adjustments Tier 2 capital (T2) after regulatory adjustments Tier 2 capital recognized for capital adequacy Portion of Additional Tier 1 capital recognized in Tier 2 capital Total Tier 2 capital admissible for capital adequacy Total Tier 2 capital admissible for capital adequacy Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Capital Ratios and buffers (in percentage of risk weighted assets) As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% Tier-1 capital to total RWA Total capital to total RWA Total capital to total RWA Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement (minimum CET1 requirement plus capital conservation buffer plus of which: countercyclical buffer requirement T.50% T.90% T.90% National minimum capital requirements prescribed by SBP EET1 minimum ratio T.50% Tier 1 minimum ratio T.50% T.50% T.50% T.50% T.50%		Undisclosed/Other Reserves (if any)		
14,119 1			14,119	14,119
Tier 2 capital recognized for capital adequacy Portion of Additional Tier 1 capital recognized in Tier 2 capital Total Tier 2 capital admissible for capital adequacy Total Tier 2 capital admissible for capital adequacy Total Tier 2 capital admissible for capital adequacy Total CAPITAL (T1 + admissible T2) (21+37) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Ratios and buffers (in percentage of risk weighted assets) As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% Tier-1 capital to total RWA Tier-1 capital to total RWA Sanks specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) Total capital conservation buffer requirement Total capital capital conservation buffer requirement Total capital capita			-	-
Portion of Additional Tier 1 capital recognized in Tier 2 capital - - - - - - - - -				
Total Tier 2 capital admissible for capital adequacy TOTAL CAPITAL (T1 + admissible T2) (21+37) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Total Risk Weighted Assets (RWA) (for details refer Note 33.5) Capital Ratios and buffers (in percentage of risk weighted assets) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.22% 41 Tier-1 capital to total RWA 53.78% 46.22% 42 Total capital to total RWA 53.88% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 46.31% 47.50% 47.50% 47.50% 47.50% 47.50% 47.50% 47.78% 47.7			14,119	14,119
Total Risk Weighted Assets (RWA) {for details refer Note 33.5} Capital Ratios and buffers (in percentage of risk weighted assets) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.22% 7 Total capital to total RWA 53.78% 46.22% 8 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 41 Of which: capital conservation buffer requirement (minimum CET1 requirement) 42 Of which: capital conservation buffer requirement (minimum CET1 requirement) 43 Of which: countercyclical buffer requirement 1.50% 1.9			14.119	14.119
Capital Ratios and buffers (in percentage of risk weighted assets) 40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.229) 41 Tier-1 capital to total RWA 53.78% 46.229 42 Total capital to total RWA 53.88% 46.319 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 7.50% 7.909 44 of which: capital conservation buffer requirement 1.50% 1.909 45 of which: countercyclical buffer requirement		TOTAL CAPITAL (T1 + admissible T2) (21+37)		7,282,200
40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.229 41 Tier-1 capital to total RWA 53.78% 46.229 42 Total capital to total RWA 53.88% 46.319 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 7.50% 7.90% 44 of which: capital conservation buffer requirement 1.50% 1.90% 45 of which: countercyclical buffer requirement	39	Total Risk Weighted Assets (RWA) {for details refer Note 33.5}	15,285,940	15,725,161
40 As on 31 December 2020; Total Tier 1 capital of the Bank amounts to Rs. 8,221 million (2019: R 53.78% 46.229 41 Tier-1 capital to total RWA 53.78% 46.229 42 Total capital to total RWA 53.88% 46.319 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 7.50% 7.90% 44 of which: capital conservation buffer requirement 1.50% 1.90% 45 of which: countercyclical buffer requirement		Conital Police and huffers (in necessary of risk weighted exects)		
41 Tier-1 capital to total RWA 42 Total capital to total RWA 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 45 of which: capital conservation buffer requirement 46 of which: D-SIB or G-SIB buffer requirement 47 CET1 available to meet buffers (as a percentage of risk weighted assets) 48 CET1 minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 49 Tier 1 minimum ratio 53.78% 46.22% 46.319 7.50% 7.50% 7.50% 7.50% 6.00% 6.00% 7.50% 7.50%	40		53 78%	A6 220/
42 Total capital to total RWA 43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 44 of which: capital conservation buffer requirement 45 of which: countercyclical buffer requirement 46 of which: D-SIB or G-SIB buffer requirement 47 CET1 available to meet buffers (as a percentage of risk weighted assets) 48 CET1 minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 49 Tier 1 minimum ratio 53.88% 46.319 7.50% 7.90%				
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) 44 of which: capital conservation buffer requirement 45 of which: countercyclical buffer requirement 46 of which: D-SIB or G-SIB buffer requirement 47 CET1 available to meet buffers (as a percentage of risk weighted assets) National minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 6.00% 49 Tier 1 minimum ratio 7.50%				46.31%
44 of which: capital conservation buffer requirement 1.50% 45 of which: countercyclical buffer requirement - 46 of which: D-SIB or G-SIB buffer requirement - 47 CET1 available to meet buffers (as a percentage of risk weighted assets) 47.78% National minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 6.00% 49 Tier 1 minimum ratio 7.50%		Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus		
45				7.90%
46 of which: D-SIB or G-SIB buffer requirement			1.50%	1.90%
47 CET1 available to meet buffers (as a percentage of risk weighted assets) National minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 5.00% 49 Tier 1 minimum ratio 7.50%			-	-
National minimum capital requirements prescribed by SBP 48 CET1 minimum ratio 6.00% 6.00% 49 Tier 1 minimum ratio 7.50% 7.50%				
48 CET1 minimum ratio 6.00% 6.00% 49 Tier 1 minimum ratio 7.50% 7.50%	4/	DET Lavaliable to meet bullets (as a percentage of fish weighted assets)	41.10%	40.22%
49 Tier 1 minimum ratio 7.50% 7.50%				
				6.00%
30 10tal Capital Hillimum ratio 11.50% 12.50%				
	50	i otai capitai miliinum ratio	11.50%	12.50%

2020 2019

		2020	(Rupees in '000)	2019
	Regulatory Adjustments and Additional Information	Amount	Amounts subject to Pre- Basel III treatment*	Amount
Note 1.2.1	Common Equity Tier 1 capital: Regulatory adjustments	1		
Note 1.2.1	Goodwill (net of related deferred tax liability)		1 1	
2	All other intangibles (net of any associated deferred tax liability)	-	•	
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	-	I = : = : = : = I	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	-	11	-
7	Cash flow hedge reserve	-	11	-
8	Investment in own shares/ CET1 instruments	-		-
9	Securitization gain on sale	-		-
10	Capital shortfall of regulated subsidiaries	-	<u> </u>	-
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	IAdjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	_	1	-
21 22	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions Total regulatory adjustments applied to CET1 (sum of 1 to 21)	-]	-
22	Total regulatory adjustments applied to CET1 (sum of 1 to 21)			-
22 Note 1.2.2	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments	-		
22 Note 1.2.2	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-]	-
22 Note 1.2.2 23 24	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments	-		-
22 Note 1.2.2	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-		-
22 Note 1.2.2 23 24	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments	-]	-
22 Note 1.2.2 23 24 25	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-		-
22 Note 1.2.2 23 24 25	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-		-
22 Note 1.2.2 23 24 25 26	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of	-		-
22 Note 1.2.2 23 24 25 26	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-		-
22 Note 1.2.2 23 24 25 26 27 28	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark.	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019, the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29)	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31	Total regulatory adjustments applied to CET1 (sum of 1 to 21) Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31	Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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 Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31 32 33	Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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 Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities Investment in own Tier 2 capital instruments of banking, financial and insurance entities	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31	Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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 Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31 32 33 34	Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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 Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities Investment in own Tier 2 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)	-		-
22 Note 1.2.2 23 24 25 26 27 28 29 30 Note 1.2.3 31 32 33	Additional Tier-1 & Tier-1 Capital: regulatory adjustments Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] Investment in own AT1 capital instruments Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities 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) Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation December 2019. the Pakistan Operations' ratio is compliant with this minimum benchmark. Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions Total regulatory adjustment applied to AT1 capital (sum of 23 to 29) Tier 2 Capital: regulatory adjustments 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 Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory investment in own Tier 2 capital instruments of banking, financial and insurance entities that are outside the scope of regulatory	-		-

2020	2019
(Rupees in	(000

		(Kupees III 000)		
Note 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)	-	-	
(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			
(iv)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is	-		
(10)	more than 10% of the issued common share capital of the entity			
	inore than 1079 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	-	-	
39	Significant investments in the common stock of financial entities	-	-	
40	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
	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)	-	-	
42	Cap on inclusion of provisions in Tier 2 under standardized approach	-	-	
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

Step 1	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	2020	2020
	(Rupees	s in '000)
Assets		
Cash and balances with treasury banks	8,645,015	8,645,015
Balanced with other banks	5,268,843	5,268,843
Lending to financial institutions	26,209,833	26,209,833
Investments	-	-
Advances	2,505,899	2,505,899
Operating fixed assets	242,064	242,064
Deferred tax assets	29,127	29,127
Other assets	1,419,828	1,419,828
Total assets	44,320,609	44,320,609
Liabilities & Equity		
Bills payable	972,657	972,657
Borrowings	241,047	241,047
Deposits and other accounts	30,965,106	30,965,106
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	3,920,451	3,920,451
Total liabilities	36,099,261	36,099,261
Share capital / Head office capital account	6,302,781	6,302,781
Reserves	-	-
Unappropriated / unremitted profit	1,918,567	1,918,567
Minority Interest	-	-
Surplus on revaluation of assets		
Total liabilities & equity	44,320,609	44,320,609

Step 2	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	2020	2020	
Assets Cash and balances with treasury banks	8,645,015	8,645,015	
Balanced with other banks	5,268,843	5,268,843	
Lending to financial institutions Investments	26,209,833	26,209,833	
of which: Non-significant capital investments in capital of other financial		-	
institutions exceeding 10% threshold	_	_	а
of which: significant capital investments in financial sector entities exceeding regulatory threshold			
of which: Mutual Funds exceeding regulatory threshold		-	b C
of which: reciprocal crossholding of capital instrument	-	-	d
of which: others (mention details)	- 2 505 800	- 2 505 000	е
Advances shortfall in provisions/ excess of total EL amount over eligible provisions	2,505,899	2,505,899	
under IRB			
general provisions reflected in Tier 2 capital	14,119	14,119	f g
Fixed Assets	242,064	242,064	Ü
Deferred Tax Assets	29,127	29,127	
of which: DTAs excluding those arising from temporary differences of which: DTAs arising from temporary differences exceeding regulatory threshold	-	-	h
or which. DTA's ansing from temporary unreferices exceeding regulatory unreshold			
Other assets	1,419,828	- 1,419,828	i
of which: Goodwill	-	-	j
of which: Intangibles	-	-	k
of which: Defined-benefit pension fund net assets	-	-	I
Total assets	44,320,609	44,320,609	
Linkillaine O Famille.			
Liabilities & Equity Bills payable	972,657	972,657	
Borrowings	241,047	241,047	
Deposits and other accounts	30,965,106	30,965,106	
Sub-ordinated loans of which: eligible for inclusion in AT1		_	m
of which: eligible for inclusion in Tier 2		-	n
Liabilities against assets subject to finance lease			
Deferred tax liabilities December 2019. the Pakistan Operations' ratio is compliant with this minimum bench.		_	0
of which: DTLs related to intangible assets	-	-	р
of which: DTLs related to defined pension fund net assets	-	-	q
of which: other deferred tax liabilities Other liabilities	3,920,451	3,920,451	r
Total liabilities	36,099,261	36,099,261	
Share capital / Head office capital account	6,302,781	6,302,781	
of which: amount eligible for CET1	6,302,781	6,302,781	s
of which: amount eligible for AT1		-	t
Reserves of which: portion eligible for inclusion in CET1(provide breakup)			
of which: portion eligible for inclusion in Tier 2	-	-	u V
Unappropriated / Unremitted profit/ (losses) Minority Interest	1,918,567	1,918,567	w
of which: portion eligible for inclusion in CET1	-7	-	X
of which: portion eligible for inclusion in AT1 of which: portion eligible for inclusion in Tier 2	_ []	-	y z
Surplus on revaluation of assets		<u> </u>	_
of which: Revaluation reserves on Property	-	-	aa
of which: Unrealized Gains/Losses on AFS In case of Deficit on revaluation (deduction from CET1)	-	-	ab
Total liabilities & Equity	44,320,609	44,320,609	

	Step 3	Component of regulatory capital reported by bank (amount in thousand PKR)	Source based on reference number from step 2
	Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 2	Fully Paid-up Capital/ Capital deposited with SBP Balance in Share Premium Account	6,302,781	(s)
3 4 5	Reserve for issue of Bonus Shares General/ Statutory Reserves Gain/(Losses) on derivatives held as Cash Flow Hedge	- -	(u)
6 7	Unappropriated/unremitted profits/(losses) Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation	1,918,567	(w) (x)
8	group) CET 1 before Regulatory Adjustments	- 8,221,348	(*)
	Common Equity Tier 1 capital: Regulatory adjustments		
9 10 11 12	Goodwill (net of related deferred tax liability) All other intangibles (net of any associated deferred tax liability) Shortfall of provisions against classified assets Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	- - -	(j) - (o) (k) - (p) (f) {(h) - (r) * 40%
13 14 15 16	Defined-benefit pension fund net assets Reciprocal cross holdings in CET1 capital instruments Cash flow hedge reserve Investment in own shares/ CET1 instruments	- - - -	{(I) - (q)} * 40% (d)
17 18 19 20	Securitization gain on sale Capital shortfall of regulated subsidiaries Deficit on account of revaluation from bank's holdings of property/ AFS Investments in the capital instruments of banking, financial and insurance entities that		(ab)
	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)	-	(a) - (ac) - (ae)
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)	_	(b) - (ad) - (af)
22 23	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability) Amount exceeding 15% threshold	-	(i)
24	of which: significant investments in the common stocks of financial entities	_	
25 26 27 28	of which: deferred tax assets arising from temporary differences National specific regulatory adjustments applied to CET1 capital Investment in TFCs of other banks exceeding the prescribed limit Any other deduction specified by SBP (mention details)	-	
	b Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
30	Total regulatory adjustments applied to CET1 (sum of 9 to 25) Common Equity Tier 1	- 8,221,348	
	Additional Tier 1 (AT 1) Capital		
31 32 33	Qualifying Additional Tier-1 instruments plus any related share premium of which: Classified as equity of which: Classified as liabilities		(t) (m)
34 35 36	Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1) of which: instrument issued by subsidiaries subject to phase out AT1 before regulatory adjustments		(y)

Component of

Source based on

1.4 Main Features of Regulatory Capital Instruments

	Main Features	Common Shares
1	Issuer	N/A
2	Unique identifier (e.g. KSE Symbol or Bloomberg identifier etc.)	N/A
	Governing law(s) of the instrument	N/A
	Regulatory treatment	
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	N/A
6	Eligible at solo/ group/ group&solo	N/A
7	Instrument type	N/A
	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	N/A
9	Par value of instrument	N/A
10	Accounting classification	N/A
11	Original date of issuance	N/A
12	Perpetual or dated	N/A
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	
	Coupons / dividends	N/A
17	Fixed or floating dividend/ coupon	N/A
18	coupon rate and any related index/ benchmark	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	N/A
21	Existence of step up or other incentive to redeem	N/A
22	Noncumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
ons' ratio is	Write-down feature	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

1.5 Risk Weighted Assets

The capital requirements for the banking group as per the major risk categories should be indicated in the manner given below:-

Capital Red	quirements	Risk Weighted Assets				
2020	2019	2020	2019			
(Rupees in '000)						

Credit Risk

Cash & cash equivalents	-	-	-	-
Sovereign	2,734	1,827	27,339	18,2
Public Sector entities	-	-	-	
Banks	438,408	207,229	4,384,083	2,072,2
Corporate	534,698	838,922	5,346,975	8,389,2
Retail	1,802	2,274	18,023	22,7
Residential Mortgages	7,886	7,313	78,859	73,1
Past Due loans	-	-	-	
Operating Fixed Assets	24,111	34,536	241,111	345,3
Other assets	28,581	40,382	285,812	403,8
	1,038,220	1,132,483	10,382,202	11,324,8

Market Risk

Capital Requirement for portfolios subject

to Standardized Approach				
Interest rate risk	-	-	-	-
Foreign Exchange risk	29,817	30,232	372,713	377,900
	29,817	30,232	372,713	377,900
Operational Risk	362,482	3,218,035	4,531,025	40,225,435
Capital Requirement for operational risks				

-	TOTAL	1,430,519	4,380,750	15,285,940	51,928,161
Conital Adams on Batter		20)20	20)19
Capital Adequacy Ratios		Required	Actual	Required	Actual
	•				

Capital Adequacy Ratios	2020		2013		
Capital Adequacy Natios	Required	Actual	Required	Actual	
CET1 to total RWA	6.00%	53.78%	6.00%	46.22%	
Tier-1 capital to total RWA	7.50%	53.78%	7.50%	46.22%	
Total capital to total RWA	11.50%	53.88%	11.90%	46.31%	

1.6 Liquidity Coverage Ratio

Main drivers of LCR Results are High Quality Liquid Assets and Net cash outflows. Outflows are mainly deposit outflows net of cash inflows which consist of inflows from financing and money market placements up to 1 month. The inputs for calculation of LCR are as prescribed by the regulator.

		Total Unweighted ^a Value (average)	Total Weighted ^b Value (average)
High Quali	ty Liquid Assets	(Rupees i	•
1	Total high quality liquid assets (HQLA) Cash Outflows		24,676,669
2	Retail deposits and deposits from small business customers of which:	25,357	2,078
2.1	stable deposit	9,149	457
2.2	Less stable deposit	16,209	1,621
3	Unsecured wholesale funding of which:	27,898,548	9,544,086
3.1	Operational deposits (all counterparties)	26,610,970	8,256,508
3.2	Non-operational deposits (all counterparties)	-	-
3.3	Unsecured debt	1,287,578	1,287,578
4	Secured wholesale funding		-
5	Additional requirements of which:	17,825,447	1,782,545
5.1	Outflows related to derivative exposures and other collateral requirements	-	-
5.2	Outflows related to loss of funding on debt products	-	-
5.3	Credit and Liquidity facilities	17,825,447	1,782,545
6	Other contractual funding obligations	781,109	779,721
7	Other contingent funding obligations	17,843,880 _	893,512
8	Total Cash Outflows		12,326,232
Cash Inflo	ws	·	
9	Secured lending	7,845,331	5,177,187
10	Inflows from fully performing exposures	-	-
11	Other Cash inflows	368,310	368,310
12	Total Cash Inflows	-	5,545,497
21	Total HQLA		24,676,669
22	Total Net Cash Outflows		7,456,446
23	Liquidity Coverage Ratio*		331%

33.7 Net Stable Funding Ratio

December 2019. the Pakistan Operations' ratio is compliant with this minimum benc		unweighted value by residual maturity				weighted
	Rupees. in '000)		6 months to			
(Rupees. in			< 6 months	1 yr	≥ 1 yr	value
ASF Item		,				
1	Capital:					
2	Regulatory capital	8,221,348	-	-	-	8,221,348
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposit from small business customers:	-	-	-	-	-
5	Stable deposits	-	24,501	-	-	23,276
6	Less stable deposits	-	2,558,657	-	-	2,302,791
7	Wholesale funding:	-	-	-	-	-
8	Operational deposits	-	28,381,859	-	-	14,190,930
9	Other wholesale funding	-	-	-	-	-
10	Other liabilities:	-	-	-	-	-
11	NSFR derivative liabilities	-			230,620	-
12	All other liabilities and equity not included in other categories	_	1,443,391	3,417,403	42,741	1,592,744
13	Total ASF		.,,	5,111,100	,	26,331,089
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)			T T		6,940,913
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities:	-	-	-	-	-
17	Performing loans to financial institutions secured by Level 1 HQLA		_	_	-	_
18	HQLA and unsecured performing loans to financial institutions	-	-	-	-	-
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:	-	-	-	-	-
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	2,635,469	-	-	-	2,240,149
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	-	-	_	-	-
22	Other assets:	-	-	-	-	-
23	Physical traded commodities, including gold	_			-	_
24	Assets posted as initial margin for derivative contracts					
25	NSFR derivative assets				_	
25			<u> </u>		-	
26	NSFR derivative liabilities before deduction of variation margin posted		-	-	-	-
27	All other assets not included in the above categories	_	34,125,477	435,555	7,559,662	4,700,764
28	Off-balance sheet items		33,120,091	-	- ,000,002	1,656,005
29	Total RSF		,,			8,596,917
30	Net Stable Funding Ratio (%)*					306%