



YOUR PARTNER IN PROGRESS

## Market Risk Disclosures

For the 9 months ended 30th September 2024

TEMPLATE 1				
Key regulatory ratios - Capital and liquidity				
As at September 30,	Bank		Group	
	2024	2023	2024	2023
Regulatory Capital				
Common Equity (Rs 000)	144,945,932	112,171,242	172,553,274	131,095,836
Tier 1 Capital (Rs 000)	144,945,932	112,171,242	172,553,274	131,095,836
Total Capital (Rs 000)	186,973,487	138,743,527	215,234,582	158,325,965
Regulatory Capital Ratios				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2024-8% ; 2023-8% )	15.51%	11.91%	16.72%	12.53%
Tier 1 Capital Ratio (Minimum Requirement - 2024-9.5% ; 2023-9.5%)	15.51%	11.91%	16.72%	12.53%
Total Capital Ratio (Minimum Requirement - 2024-13.5% ; 2023-13.5%)	20.01%	14.73%	20.86%	15.13%
Leverage Ratio (Minimum Requirement - 3%)	6.24%	5.51%	7.04%	6.10%
Net stable funding ratio (minimum requirement : 2024-100% , 2023-100%)	149.38%	148.67%		
Regulatory Liquidity				
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 2024-100% ; 2023-100%)	313.84%	376.66%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 2024-100% ; 2023-100%)	297.39%	509.01%		

## TEMPLATE 2

## Basel III computation of capital ratios

As at September 30,	Bank		Group	
	2024	2023	2024	2023
	(Rs 000)	(Rs 000)	(Rs 000)	(Rs 000)
<b>Common equity Tier 1 (CET1) Capital after Adjustments</b>	<b>144,945,932</b>	<b>112,171,242</b>	<b>172,553,274</b>	<b>131,095,836</b>
<b>Total common equity Tier 1 (CET1) Capital</b>	<b>183,183,537</b>	<b>155,021,477</b>	<b>203,840,262</b>	<b>173,419,458</b>
Equity Capital (Stated Capital)/Assigned Capital	42,858,227	40,955,116	42,858,227	40,955,116
Reserve fund	10,410,000	9,310,000	10,410,000	9,310,000
Published retained earnings/(Accumulated retained losses)	67,201,916	46,656,355	79,142,035	57,059,390
Published accumulated other comprehensive income (OCI)	3,613,394	6	3,613,394	519,675
General and other disclosed reserves	59,100,000	58,100,000	60,318,427	58,300,376
Unpublished current year's profit/(losses) and gains reflected in OCI		-		
Ordinary shares issued by consolidated banking and financial subsidiaries of the Bank and held by third parties		-	7,498,179	7,274,901
<b>Total adjustments to CET1 Capital</b>	<b>38,237,605</b>	<b>42,850,235</b>	<b>31,286,988</b>	<b>42,323,622</b>
Goodwill (net)		-	205,728	140,607
Intangible assets (net)	1,386,574	1,381,314	1,679,900	1,786,942
Deferred tax assets (net)	29,687,188	34,821,710	23,584,310	35,064,098
Defined benefit pension fund assets	4,158,958	3,479,578	4,158,958	3,479,578
Revaluation losses of property, plant & equipment	-	-	-	-
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity	382,355	481,710	342,848	387,792
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity	2,549,450	2,685,923	1,242,164	1,464,605
Shortfall of capital in financial subsidiaries	73,080	-	73,080	-
<b>Additional Tier 1 (AT1) capital after adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional Tier 1 (AT1) capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Qualifying additional Tier 1 capital instruments	-	-	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
<b>Total adjustments to AT1 capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
<b>Tier 2 capital after adjustments</b>	<b>42,027,555</b>	<b>26,572,285</b>	<b>42,681,308</b>	<b>27,230,129</b>
<b>Total Tier 2 Capital</b>	<b>42,027,555</b>	<b>26,572,285</b>	<b>42,681,308</b>	<b>27,230,129</b>
Qualifying Tier 2 capital instruments	22,230,972	14,163,261	21,715,252	13,835,780
Revaluation gains	9,019,057	2,090,479	9,019,057	2,090,479
General provision/eligible impairment	10,777,527	10,318,546	11,946,999	11,303,871
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
<b>Total adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Investment in own shares	-	-	-	-
Others (specify)	-	-	-	-
<b>CET1 capital</b>	<b>144,945,932</b>	<b>112,171,242</b>	<b>172,553,274</b>	<b>131,095,836</b>
<b>Total Tier 1 capital</b>	<b>144,945,932</b>	<b>112,171,242</b>	<b>172,553,274</b>	<b>131,095,836</b>
<b>Total capital</b>	<b>186,973,487</b>	<b>138,743,527</b>	<b>215,234,582</b>	<b>158,325,965</b>

As at September 30,	Bank		Group	
	2024	2023	2024	2023
	(Rs 000)	(Rs 000)	(Rs 000)	(Rs 000)
<b>Total risk weighted amount (RWA)</b>	<b>934,272,159</b>	<b>941,759,517</b>	<b>1,031,748,150</b>	<b>1,046,262,596</b>
RWAs for Credit Risk	862,202,150	825,483,675	955,759,941	904,309,706
RWAs for Market Risk	1,650,530	532,783	2,081,234	790,021
RWAs for Operational Risk	70,419,478	115,743,059	73,906,974	141,162,870
<b>CET1 capital ratio (including capital conservation buffer, countercyclical capital buffer &amp; surcharge on D-SIBs) (%)</b>	<b>15.51%</b>	<b>11.91%</b>	<b>16.72%</b>	<b>12.53%</b>
Of which: capital conservation buffer (%)	1.50%	1.50%	1.50%	1.50%
Of which: countercyclical buffer (%)				
Of which: capital surcharge on D-SIBs (%)	1.00%	1.00%	1.00%	1.00%
<b>Total Tier 1 capital ratio (%)</b>	<b>15.51%</b>	<b>11.91%</b>	<b>16.72%</b>	<b>12.53%</b>
<b>Total capital ratio (including capital conservation buffer, countercyclical capital buffer &amp; surcharge on D-SIBs) (%)</b>	<b>20.01%</b>	<b>14.73%</b>	<b>20.86%</b>	<b>15.13%</b>
Of which: capital conservation buffer (%)	1.50%	1.50%	1.50%	1.50%
Of which: countercyclical buffer (%)				
Of which: capital surcharge on D-SIBs (%)	1.00%	1.00%	1.00%	1.00%

TEMPLATE 3

Leverage Ratio

As at September 30,	Bank		Group	
	2024	2023	2024	2023
	(Rs 000)	(Rs 000)	(Rs 000)	(Rs 000)
Tier 1 capital	144,945,932	112,171,242	172,553,274	131,095,836
Total exposures	2,321,906,029	2,037,341,545	2,452,268,969	2,150,380,843
On-balance sheet items (excluding derivatives and securities financing transactions, but including collateral)	1,955,320,221	1,808,154,265	2,085,683,161	1,921,193,563
Derivative exposures	227,370,979	117,232,518	227,370,979	117,232,518
Securities financing transaction exposures	73,466,475	34,397,606	73,466,475	34,397,606
Other off-balance sheet exposures	65,748,354	77,557,156	65,748,354	77,557,156
Basel III leverage ratio (Tier 1/Total Exposure) (minimum requirement 3%)	6.24%	5.51%	7.04%	6.10%

## TEMPLATE 4

## Liquidity coverage ratio (LCR) - All currency

As at September 30,	2024		2023	
	Total unweighted Value Rs 000	Total weighted Value Rs 000	Total unweighted Value Rs 000	Total weighted Value Rs 000
<b>Total stock of High-Quality Liquid Assets (HQLA)</b>	<b>700,431,039</b>	<b>694,768,526</b>	<b>577,414,161</b>	<b>568,806,650</b>
<b>Total adjusted level 1 assets</b>	<b>671,499,044</b>	<b>671,499,044</b>	<b>522,592,048</b>	<b>522,592,048</b>
<b>Level 1 assets</b>	<b>662,879,506</b>	<b>662,879,506</b>	<b>520,263,471</b>	<b>520,263,471</b>
<b>Total adjusted level 2A assets</b>	<b>37,466,438</b>	<b>31,846,473</b>	<b>57,050,956</b>	<b>48,493,312</b>
<b>Level 2A assets</b>	<b>37,466,438</b>	<b>31,846,473</b>	<b>57,050,956</b>	<b>48,493,312</b>
<b>Total adjusted level 2B assets</b>	<b>85,095</b>	<b>42,547</b>	<b>99,735</b>	<b>49,868</b>
<b>Level 2B assets</b>	<b>85,095</b>	<b>42,547</b>	<b>99,735</b>	<b>49,868</b>
<b>Total cash outflows</b>	<b>1,946,223,510</b>	<b>319,072,601</b>	<b>1,608,691,967</b>	<b>245,533,587</b>
Deposits	1,232,240,214	123,224,021	1,192,890,754	119,289,075
Unsecured wholesale funding	362,776,860	158,584,501	226,735,587	81,359,093
Secured funding transactions	61,930,019	-	24,240,976	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	266,062,486	14,050,148	138,444,769	18,505,539
Additional requirements	23,213,931	23,213,931	26,379,880	26,379,880
<b>Total cash inflows</b>	<b>154,764,386</b>	<b>85,449,343</b>	<b>250,006,470</b>	<b>133,784,957</b>
Maturing secured lending transactions backed by collateral	-	-	-	-
Committed facilities	-	-	3,000,000	-
Other inflows by counterparty which are maturing within 30 days	130,971,592	78,000,000	185,163,762	123,324,215
Operational deposits	9,233,113	-	40,980,870	-
Other cash inflows	14,559,680	7,449,343	20,861,838	10,460,741
<b>Liquidity coverage ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100</b>		<b>297.39%</b>		<b>509.01%</b>

TEMPLATE 5

Net Stable Funding Ratio (NSFR)

As at September 30,	Bank	
	2024	2023
	Rs 000	Rs 000
Total available stable funding (ASF)	1,373,556,884	1,352,417,879
Required stable funding – On balance sheet assets	906,077,668	890,717,395
Required stable funding – Off balance sheet items	13,433,804	18,932,501
Total required stable funding (RSF)	919,511,472	909,649,897
NSFR		
(minimum requirement - 2024 - 100%, 2023 - 100%)	149.38%	148.67%

## TEMPLATE 6

## Main Features of Regulatory Capital Instruments

Description of the capital instrument	Stated Capital	Debentures - 2019 Basel III compliant – Tier 2 listed rated unsecured subordinated redeemable debentures with a non-viability conversion	Debentures - 2021 Basel III compliant – Tier 2 listed rated unsecured subordinated redeemable debentures with a non-viability conversion	Debentures - 2024 Basel III compliant – Tier 2 listed rated unsecured subordinated redeemable debentures with a non-viability conversion
Issuer	HNB PLC	HNB PLC	HNB PLC	HNB PLC
Unique identifier				
Governing law(s) of the instrument	Sri Lanka	Sri Lanka	Sri Lanka	Sri Lanka
Original date of issuance	Not Applicable	September 23, 2019	July 28, 2021	August 27, 2024
Par value of instrument		LKR 100/-	LKR 100/-	LKR 100/-
Perpetual or dated	Perpetual	Dated	Dated	Dated
Original maturity date, if applicable	Not Applicable	September 22, 2026	July 28, 2031	August 27, 2034
Amount recognised in regulatory capital (in Rs 000 as at the reporting date)	42,858,227	3,230,972	7,000,000	12,000,000
Accounting classification (equity/liability)	Equity	Liability	Liability	Liability
<b>Issuer call subject to prior supervisory approval</b>				
Optional call date, contingent call dates and redemption amount (Rs. '000)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Subsequent call dates, if applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Coupons/dividends:</b>	Dividends	Coupons	Coupons	Coupons
Fixed or floating dividend/coupon	Not Applicable	Fixed	Fixed	Fixed
Coupon rate and any related index		12.8% p.a.	9.50% p.a.	13.50% p.a.
Non-cumulative or cumulative	Non-cumulative	Cumulative	Cumulative	Cumulative
<b>Convertible or non-convertible</b>	Not Applicable	Convertible	Convertible	Convertible
If convertible, conversion trigger (s)		A "Trigger Event" is determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka (i.e., conversion of the said Debentures upon occurrence of the Trigger Event will be affected by the Bank solely upon being instructed by the Monetary Board of the Central Bank of Sri Lanka), and is defined in the Banking Act Direction No. 1 of 2016 of Web-Based Return Code 20.2.3.1.1.1.(10) (iii) (a&b) as a point/event being the earlier of – (a) "A decision that a write-down, without which the Bank would become non-viable, is necessary, as determined by the Monetary Board, OR (b) The decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the Monetary Board."	A "Trigger Event" is determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka (i.e., conversion of the said Debentures upon occurrence of the Trigger Event will be affected by the Bank solely upon being instructed by the Monetary Board of the Central Bank of Sri Lanka), and is defined in the Banking Act Direction No. 1 of 2016 of Web-Based Return Code 20.2.3.1.1.1.(10) (iii) (a&b) as a point/event being the earlier of – (a) "A decision that a write-down, without which the Bank would become non-viable, is necessary, as determined by the Monetary Board, OR (b) The decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the Monetary Board."	A "Trigger Event" is determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka (i.e., conversion of the said Debentures upon occurrence of the Trigger Event will be affected by the Bank solely upon being instructed by the Monetary Board of the Central Bank of Sri Lanka), and is defined in the Banking Act Direction No. 1 of 2016 of Web-Based Return Code 20.2.3.1.1.1.(10) (iii) (a&b) as a point/event being the earlier of – (a) "A decision that a write-down, without which the Bank would become non-viable, is necessary, as determined by the Monetary Board, OR (b) The decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the Monetary Board."
If convertible, fully or partially	Not Applicable	Fully	Fully	Fully
If convertible, mandatory or optional	Not Applicable	Optional. At the discretion of the monetary board of the Central Bank of Sri Lanka upon occurrence of trigger points as detailed above.	Optional. At the discretion of the monetary board of the Central Bank of Sri Lanka upon occurrence of trigger points as detailed above.	Optional. At the discretion of the monetary board of the Central Bank of Sri Lanka upon occurrence of trigger points as detailed above.
If convertible, conversion rate	Not Applicable	The price based on the simple average of the daily volume of weighted average price (VWAP) of an ordinary voting share of the Bank during the three (03) months period, immediately preceding the date of the Trigger Event.	The price based on the simple average of the daily volume of weighted average price (VWAP) of an ordinary voting share of the Bank during the three (03) months period, immediately preceding the date of the Trigger Event.	The price based on the simple average of the daily volume of weighted average price (VWAP) of an ordinary voting share of the Bank during the three (03) months period, immediately preceding the date of the Trigger Event.

## TEMPLATE 8

Credit risk under standardised approach  
Credit risk exposures and credit risk mitigation (CRM) effects - Bank

As at September, 2024	Bank					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-balance sheet amount (a)	Off-Balance Sheet Amount (b)	On-balance sheet amount (c)	Off-Balance Sheet Amount (d)	RWA (e)	RWA Density {e/(c+d)}
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Claims on Central Government and CBSL	826,217,473	-	794,947,171	-	17,781,243	2.24%
Claims on foreign sovereigns and their central banks	7,260,460	-	7,260,460	-	-	-
Claims on public sector entities (PSEs)	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks (MDBs)	-	-	-	-	-	-
Claims on banks exposures	44,427,157	-	44,427,157	-	11,198,661	25.21%
Claims on financial institutions	33,449,489	1,525,173	33,449,489	1,525,173	19,598,361	56.04%
Claims on corporates	479,536,172	355,625,187	461,117,353	52,333,785	468,689,016	91.28%
Retail claims	391,900,185	115,758,059	333,794,211	14,429,001	210,194,035	60.36%
Claims secured by residential property	55,802,888	-	55,802,888	-	39,247,171	70.33%
Claims secured by commercial real estate	-	-	-	-	-	-
Non-Performing Assets (NPAs) <sup>(i)</sup>	43,139,605	-	43,139,605	-	43,856,692	101.66%
Higher-risk categories	1,475,685	-	1,475,685	-	3,689,212	250.00%
Cash items and other assets	94,617,044	-	94,617,044	-	47,947,760	50.68%
<b>Total</b>	<b>1,977,826,158</b>	<b>472,908,419</b>	<b>1,870,031,062</b>	<b>68,287,960</b>	<b>862,202,150</b>	



## TEMPLATE 8

Credit risk under standardised approach  
Credit risk exposures and credit risk mitigation (CRM) effects - Group

As at September, 2024	Group					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-balance sheet amount (a)	Off-Balance Sheet Amount (b)	On-balance sheet amount (c)	Off-Balance Sheet Amount (d)	RWA (e)	RWA Density {e/[(c+d)]}
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Claims on Central Government and CBSL	834,895,673	-	803,625,371	-	17,781,243	2.21%
Claims on foreign sovereigns and their central banks	7,260,460	-	7,260,460	-	-	-
Claims on public sector entities (PSEs)	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks (MDBs)	-	-	-	-	-	-
Claims on banks exposures	59,573,764	-	59,573,764	-	18,103,419	30.39%
Claims on financial institutions	36,632,962	1,525,173	36,632,962	1,525,173	21,172,014	55.48%
Claims on corporates	514,208,491	468,254,567	495,789,672	54,586,373	505,167,053	91.79%
Retail claims	430,370,401	115,758,059	372,264,428	14,429,001	239,046,697	61.82%
Claims secured by residential property	55,802,888	-	55,802,888	-	39,247,171	70.33%
Claims secured by commercial real estate	-	-	-	-	-	-
Non-Performing Assets (NPAs) <sup>(i)</sup>	43,139,605	-	43,139,605	-	43,856,692	101.66%
Higher-risk categories	1,242,164	-	1,242,164	-	3,105,409	250.00%
Cash items and other assets	115,325,237	-	115,325,237	-	68,280,243	59.21%
<b>Total</b>	<b>2,098,451,645</b>	<b>585,537,799</b>	<b>1,990,656,550</b>	<b>70,540,548</b>	<b>955,759,941</b>	

## TEMPLATE 9

Credit risk under standardised approach  
Exposures by asset classes and risk weights (Post CCF & CRM) - Bank

As at September, 2024	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Claims on central government and central bank of sri lanka	706,040,954	-	88,906,217	-	-	-	-	-	-	-	794,947,171
Claims on foreign sovereigns and their central banks	7,260,460	-	-	-	-	-	-	-	-	-	7,260,460
Claims on public sector entities	-	-	-	-	-	-	-	-	-	-	-
Claims on official entities and multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
Claims on banks exposures	-	-	40,695,467	-	1,372,701	-	-	2,330,533	28,457	-	44,427,157
Claims on financial institutions	-	-	518,461	-	29,923,065	-	-	4,533,136	-	-	34,974,662
Claims on corporates	-	-	25,872,205	-	48,128,716	-	-	439,450,216	-	-	513,451,138
Retail claims	-	-	-	-	-	16,561,912	219,040,102	35,949,602	-	-	271,551,616
Claims secured by gold	76,535,550	-	136,047	-	-	-	-	-	-	-	76,671,597
Claims secured by residential property	-	-	-	25,470,334	-	-	-	30,332,554	-	-	55,802,888
Claims secured by commercial real estate	-	-	-	-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)	-	-	-	-	107,393	-	-	41,490,643	1,541,568	-	43,139,605
Higher-risk categories	-	-	-	-	-	-	-	-	-	1,475,685	1,475,685
Cash items and other assets	46,669,284	-	-	-	-	-	-	47,947,760	-	-	94,617,044
<b>Total</b>	<b>836,506,248</b>	<b>-</b>	<b>156,128,397</b>	<b>25,470,334</b>	<b>79,531,876</b>	<b>16,561,912</b>	<b>219,040,102</b>	<b>602,034,444</b>	<b>1,570,025</b>	<b>1,475,685</b>	<b>1,938,319,022</b>

## TEMPLATE 9

Credit risk under standardised approach  
Exposures by asset classes and risk weights (Post CCF & CRM) - Group

As at September, 2024	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Claims on central government and central bank of sri lanka	714,719,154	-	88,906,217	-	-	-	-	-	-	-	803,625,371
Claims on foreign sovereigns and their central banks	7,260,460	-	-	-	-	-	-	-	-	-	7,260,460
Claims on public sector entities	-	-	-	-	-	-	-	-	-	-	-
Claims on official entities and multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
Claims on banks exposures	-	-	42,923,953	-	14,290,822	-	-	2,330,533	28,457	-	59,573,764
Claims on financial institutions	-	-	578,740	-	33,046,259	-	-	4,533,136	-	-	38,158,135
Claims on corporates	-	-	25,872,205	-	49,022,454	-	-	475,481,385	-	-	550,376,045
Retail claims	-	-	-	-	-	16,561,912	257,510,318	35,949,602	-	-	310,021,832
Claims secured by gold	76,535,550	-	136,047	-	-	-	-	-	-	-	76,671,597
Claims secured by residential property	-	-	-	25,470,334	-	-	-	30,332,554	-	-	55,802,888
Claims secured by commercial real estate	-	-	-	-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)	-	-	-	-	107,393	-	-	41,490,643	1,541,568	-	43,139,605
Higher-risk categories	-	-	-	-	-	-	-	-	-	1,242,164	1,242,164
Cash items and other assets	47,044,994	-	-	-	-	-	-	68,280,243	-	-	115,325,237
<b>Total</b>	<b>845,560,158</b>	<b>-</b>	<b>158,417,162</b>	<b>25,470,334</b>	<b>96,466,929</b>	<b>16,561,912</b>	<b>257,510,318</b>	<b>658,398,095</b>	<b>1,570,025</b>	<b>1,242,164</b>	<b>2,061,197,097</b>

## TEMPLATE 10

## Market risk under standardised measurement method

As at September 30,	Bank		Group	
	2024	2023	2024	2023
	Rs 000	Rs 000	Rs 000	Rs 000
<b>(a) Capital charge for interest rate risk</b>	31,206	5	31,206	5
<b>General interest rate risk</b>				
(i) Net long or short position	31,206	5	31,206	5
(ii) Horizontal disallowance	-	-	-	-
(iii) Vertical disallowance	-	-	-	-
(iv) Options	-	-	-	-
<b>Specific interest rate risk</b>				
<b>(b) Capital charge for equity</b>	22,976	26,929	81,121	61,656
(i) General equity risk	11,488	13,464	40,827	31,124
(ii) Specific equity risk	11,488	13,464	40,293	30,532
<b>(c) Capital charge for foreign exchange &amp; gold</b>	168,640	44,992	168,640	44,992
<b>Capital charge for market risk [(a) + (b) + (c)] * CAR</b>	1,650,530	532,783	2,081,234	790,021

TEMPLATE 11

Operational Risk- Bank

Operational Risk under 'Alternative Standardised Approach

As at September 30, 2024		Capital Charge Factor	Fixed Factor	Gross Income			Capital Charges		
				1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr	1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr
<b>The Alternative Standardised Approach</b>				<b>1,483,119,909</b>	<b>1,750,125,302</b>	<b>1,952,109,242</b>	<b>8,675,955</b>	<b>9,398,660</b>	<b>10,445,274</b>
<b>Sub Total</b>				<b>7,888,576</b>	<b>3,872,971</b>	<b>3,772,133</b>	<b>1,419,250</b>	<b>696,490</b>	<b>675,321</b>
Corporate Finance	18%			0	0	0	0	0	0
Trading and Sales	18%			6,185,786	1,637,493	1,173,791	1,113,441	294,749	211,282
Payment and Settlement	18%			1,679,664	2,213,974	2,476,255	302,339	398,515	445,726
Agency Services	15%			23,127	21,504	122,087	3,469	3,226	18,313
Asset Management	12%			0	0	0	0	0	0
Retail Brokerage	12%			0	0	0	0	0	0
<b>Sub Total</b>				<b>1,475,231,333</b>	<b>1,746,252,331</b>	<b>1,948,337,109</b>	<b>7,256,705</b>	<b>8,702,170</b>	<b>9,769,952</b>
Retail Banking	12%		0.035	465,009,189	443,480,234	436,969,018	1,953,039	1,862,617	1,835,270
Commercial Banking	15%		0.035	1,010,222,144	1,302,772,097	1,511,368,092	5,303,666	6,839,554	7,934,682
Capital Charges for Operational Risk								9,506,630	
The Alternative Standardised Approach								9,506,630	
Risk-Weighted Amount for operational Risk								70,419,478	
The Alternative Standardised Approach								70,419,478	

Operational Risk under 'Basic Indicator Approach

As at September 30, 2023		Capital Charge Factor	Fixed Factor	Gross Income			Capital Charges		
				1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr	1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr
<b>The Basic Indicator Approach</b>		<b>15%</b>		<b>62,478,857</b>	<b>118,331,809</b>	<b>131,695,593</b>	<b>9,371,829</b>	<b>17,749,771</b>	<b>19,754,339</b>
Capital Charges for Operational Risk								15,625,313	
The Basic Indicator Approach								15,625,313	
Risk-Weighted Amount for operational Risk								115,743,059	
The Basic Indicator Approach								115,743,059	

As at September 30, 2023	Capital Charge Factor	Fixed Factor	Gross Income			Capital Charges		
			1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr	1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr
The Basic Indicator Approach	15%		80,388,902	140,531,609	160,219,237	12,058,335	21,079,741	24,032,886
Capital Charges for Operational Risk								19,056,987
The Basic Indicator Approach								19,056,987
Risk-Weighted Amount for operational Risk								141,162,870
The Basic Indicator Approach								141,162,870

## TEMPLATE 12

## Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank only

Amount as at September 30, 2024	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<b>Assets</b>	<b>1,999,700,867</b>	<b>1,999,700,867</b>	<b>1,980,583,404</b>	<b>470,196</b>	<b>34,005,567</b>
Cash and cash equivalents	57,353,201	57,353,201	57,353,201	-	-
Placements with banks	27,331,397	27,331,397	27,331,397	-	-
Balances with Central Bank of Sri Lanka	10,931,491	10,931,491	10,931,491	-	-
Reverse repurchase agreements	-	-	-	-	-
Derivative financial instruments	485,023	485,023	485,023	-	-
Financial assets measured at fair value through profit or loss	470,196	470,196	-	470,196	-
Financial assets at amortised cost - Loans and advances to banks	-	-	-	-	-
Financial assets measured at amortised cost - loans and advances to customers	1,020,123,955	1,020,123,955	1,035,482,254	-	-
Financial assets measured at amortised cost - debt and other instruments	718,824,084	718,824,084	718,824,084	-	-
Financial assets measured at fair value through other comprehensive income	73,477,928	73,477,928	72,345,408	-	1,132,520
Investment in joint venture	755,000	755,000	-	-	755,000
Investments in subsidiaries	3,017,285	3,017,285	1,973,000	-	1,044,285
Investments in associates	-	-	-	-	-
Investment properties	455,103	455,103	455,103	-	-
Property, plant and equipment	25,341,638	25,341,638	25,341,638	-	-
Right-of-use assets	4,664,507	4,664,507	4,664,507	-	-
Intangible assets and goodwill	1,386,574	1,386,574	-	-	1,386,574
Deferred tax assets	29,687,188	29,687,188	-	-	29,687,188
Other assets	25,396,297	25,396,297	25,396,297	-	-
<b>Liabilities</b>	<b>1,793,645,677</b>	<b>1,793,645,677</b>	<b>-</b>	<b>-</b>	<b>-</b>
Due to banks	8,194,296	8,194,296	-	-	-
Derivative financial instruments	2,708,072	2,708,072	-	-	-
Securities sold under repurchase agreements	68,015,403	68,015,403	-	-	-
Financial liabilities measured at amortised cost - due to depositors	1,620,613,906	1,620,613,906	-	-	-
Dividends payable	1,005,215	1,005,215	-	-	-
Financial liabilities measured at amortised cost - other borrowings	19,605,021	19,605,021	-	-	-
Debt securities issued	85,819	85,819	-	-	-
Current tax liabilities	16,596,028	16,596,028	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other provisions	10,002,735	10,002,735	-	-	-
Other liabilities	19,463,662	19,463,662	-	-	-
Due to subsidiaries	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-
Subordinated term debts	27,355,520	27,355,520	-	-	-
<b>Off-Balance Sheet Liabilities</b>	<b>871,562,135</b>	<b>871,562,135</b>	<b>472,908,419</b>	<b>-</b>	<b>-</b>
Guarantees	37,335,367	37,335,367	33,304,277	-	-
Performance Bonds	48,551,068	48,551,068	48,551,068	-	-
Letters of Credit	28,536,215	28,536,215	26,201,035	-	-
Other Contingent Items	288,343,503	288,343,503	137,916,636	-	-
Undrawn Loan Commitments	468,795,982	468,795,982	226,935,402	-	-
Other Commitments	-	-	-	-	-
<b>Shareholders' Equity</b>	<b>206,055,190</b>	<b>206,055,190</b>	<b>-</b>	<b>-</b>	<b>-</b>
Equity Capital (Stated Capital)/Assigned Capital of which Amount Eligible for CET1	42,858,227	42,858,227	-	-	-
Of which Amount Eligible for AT1	-	-	-	-	-
Retained Earnings	74,040,265	74,040,265	-	-	-
Accumulated Other Comprehensive Income	5,719,382	5,719,382	-	-	-
Other Reserves	83,437,316	83,437,316	-	-	-