



Basel III Minimum Disclosure Requirements under Pillar III as at 31st March 2022

(Un-audited) |

SRI LANKA SAVINGS BANK

Market Discipline-Disclosure Requirements under Pillar III

Key Regulatory Ratios - Capital and Liquidity		
Item	31-Mar-22	31-Dec-21
Regulatory Capital (LKR '000)		
Common Equity Tier 1	5,710,190	5,738,006
Tier 1 Capital	5,710,190	5,738,006
Total Capital	5,710,190	5,738,006
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 7.00%)	113.41%	100.99%
Tier 1 Capital Ratio (Minimum Requirement - 8.50%)	113.41%	100.99%
Total Capital Ratio (Minimum Requirement - 12.50%)	113.41%	100.99%
Leverage Ratio (Minimum Requirement - 3.00%)	68.74%	70.28%
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000)	4,858,203	4,792,614
Statutory Liquid Assets Ratio (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	645.13%	741.68%
Off-Shore Banking Unit (%)	N/A	N/A
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 100%)	481%	1482%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 100%)	N/A	N/A

Market Discipline-Disclosure Requirements under Pillar III

Basel III Computation of Capital Ratios		
Item	Amount (LKR '000)	
	31-Mar-22	31-Dec-21
Common Equity Tier 1 (CET1) Capital after Adjustments	5,710,190	5,738,006
Common Equity Tier 1 (CET1) Capital	5,844,430	5,844,430
Equity Capital (Stated Capital)/Assigned Capital	3,805,290	3,805,290
Reserve Fund	266,507	266,507
Published Retained Earnings/(Accumulated Retained Losses)	1,772,632	1,772,632
Published Accumulated Other Comprehensive Income (OCI)	-	-
General and other Disclosed Reserves	-	-
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to CET1 Capital	134,240	106,424
Goodwill (net)		
Intangible Assets (net)	2,373	669
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	85,385	71,950
Regulatory adjustments applied to CET1 Capital due to insufficient AT1 and Tier 2 Capital to cover adjustments	46,483	33,805
Additional Tier 1 (AT1) Capital after Adjustments	-	-
Additional Tier 1 (AT1) Capital	-	-
Qualifying Additional Tier 1 Capital Instruments	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to AT1 Capital	-	-
Investment in Own Shares	-	-
Others (specify)	-	-
Tier 2 Capital after Adjustments	-	-
Tier 2 Capital	50,508	58,189

Market Discipline-Disclosure Requirements under Pillar III

Basel III Computation of Capital Ratios		
Item	Amount (LKR '000)	
	31-Mar-22	31-Dec-21
Qualifying Tier 2 Capital Instruments		
Revaluation Gains		
Loan Loss Provisions	50,508	58,189
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		
Total Adjustments to Tier 2	50,508	58,189
Investment in Own Shares		
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity	50,508	58,189
CET1 Capital	5,710,190	5,738,006
Total Tier 1 Capital	5,710,190	5,738,006
Total Capital	5,710,190	5,738,006
Total Risk Weighted Assets (RWA)	5,034,812	5,681,977
RWAs for Credit Risk	4,040,617	4,655,086
RWAs for Market Risk	-	-
RWAs for Operational Risk	994,195	1,026,890
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	113.41%	100.99%
of which: Capital Conservation Buffer (%)	2.50%	2.50%
of which: Countercyclical Buffer (%)	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-
Total Tier 1 Capital Ratio (%)	113.41%	100.99%
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	113.41%	100.99%
of which: Capital Conservation Buffer (%)	2.50%	2.50%
of which: Countercyclical Buffer (%)	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-

Market Discipline-Disclosure Requirements under Pillar III

Computation of Leverage Ratio*		
Item	Amount (LKR ‘000)	
	31-Mar-22	31-Dec-21
Tier 1 Capital	5,710,190	5,738,006
Total Exposures	8,207,766	8,164,858
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	8,209,165	7,445,550
Derivative Exposures	-	-
Securities Financing Transaction Exposures	100,841	717,037
Other Off-Balance Sheet Exposures	2,658	2,271
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	69.57%	70.28%

Computation of Net Stable Funding Ratio		
Item	Amount (LKR ‘000)	
	31-Mar-22	31-Dec-21
Total Available Stable Funding	6,709,934	6,403,855
Required Stable Funding – On Balance Sheet Assets	3,099,146	3,719,475
Required Stable Funding – Off Balance Sheet Items	266	227
Total Required Stable Funding	3,099,412	3,719,702
NSFR	216.51%	172.17%

Market Discipline-Disclosure Requirements under Pillar III

Basel III Computation of Liquidity Coverage Ratio				
Item	Amount (LKR'000)			
	31-Mar-22		31-Dec-21	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	116,369	115,005	389,510	387,779
Total Adjusted Level 1A Assets	113,641	113,641	348,408	348,408
Level 1 Assets	113,641	113,641	386,049	386,049
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	2,727	1,364	3,461	1,731
Level 2B Assets	2,727	1,364	3,461	1,731
Total Cash Outflows	479,537	95,713	578,569	104,661
Deposits	359,181	35,918	459,275	45,927
Unsecured Wholesale Funding	100,935	40,374	100,935	40,374
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	-	-	-	-
Additional Requirements	19,421	19,421	18,360	18,360
Total Cash Inflows	2,547,720	2,464,789	811,080	407,741
Maturing Secured Lending Transactions Backed by Collateral	-	-	374,360	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	2,436,544	2,409,201	424,923	401,843
Operational Deposits	-	-	-	-
Other Cash Inflows	111,176	55,588	11,797	5,899
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100		481%		1482%

Market Discipline-Disclosure Requirements under Pillar III

Main Features of Regulatory Capital Instruments	
Description of the Capital Instrument	Stated Capital
Issuer	Sri Lanka Savings Bank
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	-
Governing Law(s) of the Instrument	Sri Lanka
Original Date of Issuance	11th October 2019
Par Value of Instrument	-
Perpetual or Dated	Perpetual
Original Maturity Date, if Applicable	Not Applicable
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting Date)	3,805,290.00
Accounting Classification (Equity/Liability)	Equity
Issuer Call subject to Prior Supervisory Approval	
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000')	Not Applicable
Subsequent Call Dates, if Applicable	Not Applicable
Coupons/Dividends	
Fixed or Floating Dividend/Coupon	Floating Dividend
Coupon Rate and any Related Index	Not Applicable
Non-Cumulative or Cumulative	Non Cumulative
Convertible or Non-Convertible	Non Convertible
If Convertible, Conversion Trigger (s)	Not Applicable
If Convertible, Fully or Partially	Not Applicable
If Convertible, Mandatory or Optional	Not Applicable
If Convertible, Conversion Rate	Not Applicable

Credit Risk under Standardised Approach – Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects						
Asset Class	Amount (LKR'000) as at 31st March 2022					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On- Balance Sheet Amount	Off- Balance Sheet Amount	On- Balance Sheet Amount	Off- Balance Sheet Amount	RWA	RWA Density ⁽ⁱⁱ⁾
Claims on Central Government and CBSL	-		-		-	
Claims on Foreign Sovereigns and their Central Banks	-		-			
Claims on Public Sector Entities	164		164		164	100%
Claims on Official Entities and Multilateral Development Banks	-					
Claims on Banks Exposures	5,358,539		5,358,539		1,634,535	31%
Claims on Financial Institutions	437,211		437,211		218,606	50%
Claims on Corporates	2,727		2,727		2,727	100%
Retail Claims	789,799	200	89,799	100	638,431	81%
Claims Secured by Residential Property	358,576	5,117	358,576	2,558	361,134	100%
Claims Secured by Commercial Real Estate	-		-			
Non-Performing Assets (NPAs) ⁽ⁱ⁾	72,482		72,482		72,976	101%
Higher-risk Categories	-					
Cash Items and Other Assets	1,118,137		1,118,137		1,112,045	99%
Total	8,137,636	5,317	8,137,636	2,658	4,040,618	50%

Market Discipline-Disclosure Requirements under Pillar III

Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights								
Description	Amount (LKR'000) as at 31 st March 2022							(Post CCF & CRM)
Risk Weight Asset Classes	0%	20%	50%	75%	100%	150%	>150%	Total Credit Exposures Amount
Claims on Central Government and Central Bank of Sri Lanka	-	-	-	-	-	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	164	-	-	164
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	-	-
Claims on Banks Exposures	-	3,980,519	1,079,181	-	298,840	-	-	5,358,540
Claims on Financial Institutions	-	-	437,211	-	-	-	-	437,211
Claims on Corporates	-	-	-	-	2,727	-	-	2,727
Retail Claims	-	-	-	605,871	184,028	-	-	789,899
Claims Secured by Residential Property	-	-	-	-	361,134	-	-	361,134
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)	-	-	3,994	-	63,506	4,982	-	72,482
Higher-risk Categories	-	-	-	-	-	-	-	-
Cash Items and Other Assets	6,093	-	-	-	1,112,044	-	-	1,118,137
Total	6,093	3,980,519	1,520,386	605,871	2,022,443	4,982	-	8,140,294

Market Discipline-Disclosure Requirements under Pillar III

Operational Risk under Basic Indicator Approach/The Standardised Approach/The Alternative Standardised Approach					
Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31 st March 2022		
			1 st Year	2 nd Year	3 rd Year
The Basic Indicator Approach	15%		996.612	776,226	712,647
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach	124,274				
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach	994,194				

Market Discipline-Disclosure Requirements under Pillar III

Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank Only					
Item	Amount (LKR ‘000) as at 31 st March 2022				
	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
Assets					
Cash and Cash Equivalents	6,093	6,093	6,093	-	-
Balances with Central Banks					
Placements with Banks	5,300,117	5,300,117	5,300,117	-	-
Derivative Financial Instruments	-	-	-		
Other Financial Assets Held-For-Trading	-	-	-		
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-		
Loans and Receivables to Banks	-	-	-		
Loans and Receivables to Other Customers	1,231,633	1,231,633	1,231,633	-	-
Financial Investments - Available-For-Sale	115,658	115,658	61,376		54,282

Market Discipline-Disclosure Requirements under Pillar III

Item	Amount (LKR '000) as at 31 st March 2022				
	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
Financial Investments - Held-To- Maturity	678,657	678,657	437,178		241,480
Investments in Subsidiaries	-	-	-		
Investments in Associates and Joint Ventures	-	-	-		
Property, Plant and Equipment	886,347	886,347	886,347		
Investment Properties	204,977	204,977	204,977		
Goodwill and Intangible Assets	2,372	2,372			2,372
Deferred Tax Assets	-	-	-		
Other Assets	18,346	18,346	18,346		
Liabilities					
Due to Banks	-	-			
Derivative Financial Instruments	-	-			
Other Financial Liabilities Held-For- Trading	-	-			
Financial Liabilities Designated at Fair Value Through Profit or Loss					
Due to Other Customers	663,504	663,504			
Other Borrowings	315,285	315,285			
Debt Securities Issued	89,558	89,558			
Current Tax Liabilities	146,492	146,492			
Deferred Tax Liabilities	1,939	1,939			
Other Provisions					
Other Liabilities	418,924	418,924			

Market Discipline-Disclosure Requirements under Pillar III

Item	Amount (LKR '000) as at 31 st March 2022				
	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
Due to Subsidiaries	-	-			
Subordinated Term Debts	-	-			
Off-Balance Sheet Liabilities					
Guarantees	3,950	3,950			
Performance Bonds	-	-			
Letters of Credit	-	-			
Other Contingent Items	-	-			
Undrawn Loan Commitments	5,677	5,677			
Other Commitments	-	-			
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital					
of which Amount Eligible for CET1	3,805,290	3,805,290			
of which Amount Eligible for AT1	-	-			
Retained Earnings	2,716,745	2,716,745			
Accumulated Other Comprehensive Income	17,403	17,403			
Other Reserves	269,059	269,059			
Total Shareholders' Equity	6,808,497	6,808,497			