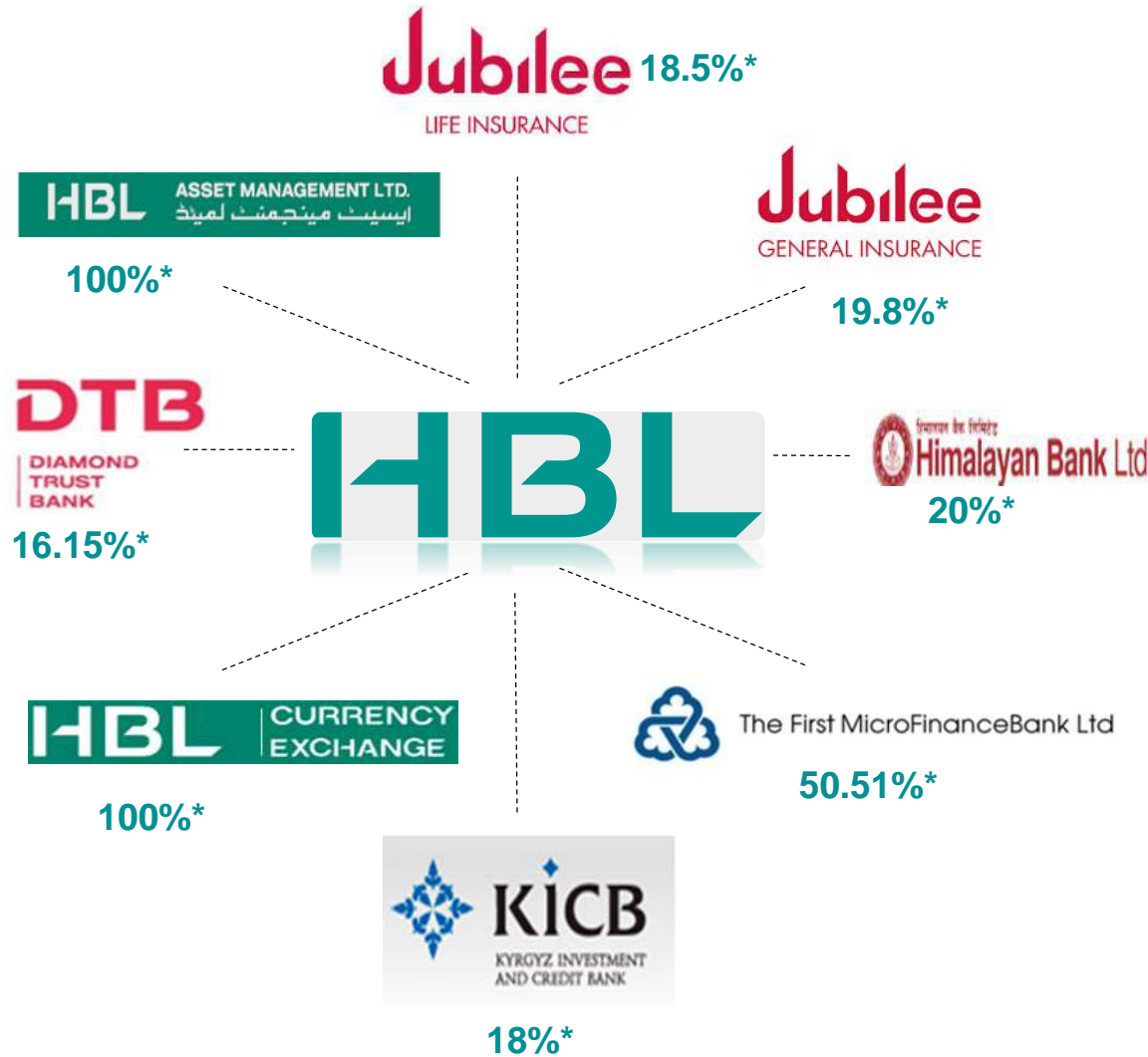


A tall, modern skyscraper with a glass facade and a grey concrete base, featuring the HBL logo on its upper sections. The building is set against a dramatic sky with orange, red, and blue clouds at sunset or sunrise. The surrounding cityscape is visible in the background.

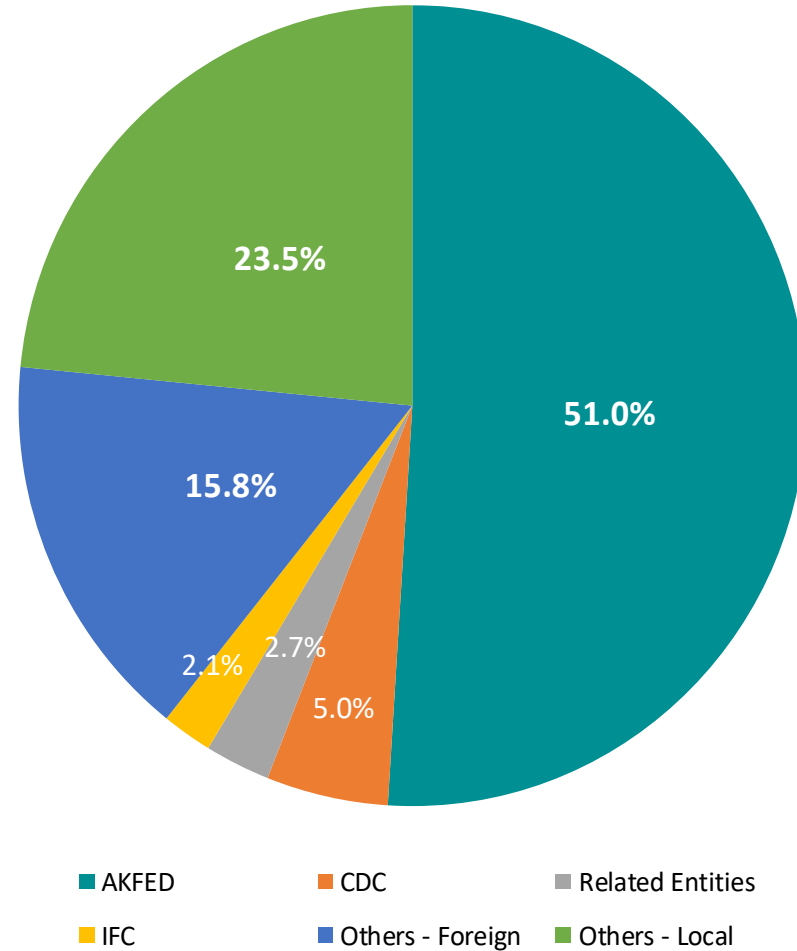
**Doing First Class Business
in a First Class way**

Corporate Briefing
26th November, 2020

More than just a Bank



Shareholding Pattern





#1 ASSETS
Rs 3.6
Trillion



#1 ADVANCES
Rs 1.1
Trillion
Market share of **11.9%**



#1 DEPOSITS
Rs 2.7
Trillion
Market share of **14.4%**



#1 CUSTOMER BASE
30M+
Incl. **5M+**
Konnnect customers & **12M** EKP beneficiaries



#1 BANK BRANCHES
1,709



#1 ATMs
2,135



#1 KONNECT AGENTS
43,540



QR Codes
31,124



#1 POS TERMINALS
28,379
ANNUAL SPEND
Rs 111B



#1 AGRI FINANCE
Rs 32B
Market share amongst Commercial Banks **31%**



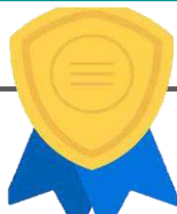
#1 SME FINANCE
Rs 50B
Market share **13%**



#1 CARDS BASE
5.9M
ANNUAL SPEND
Rs 95B



#1 EMPLOYEE BANKING
1M+ Salary Accounts with Market share of **42%**
TRANSACTION BANKING
1,600+ mandates, Market share **37%**



Asia's Best Bank Transformation
Pakistan's Best Bank



PAKISTAN
DIGITAL AWARDS

Best Banking Tech of the Year
Best Digital Campaign for Konnect by HBL



Best Domestic Bank



Best Commercial Bank
Pakistan 2020



#1 Primary Dealer in
Government Securities



Best Investment Bank



Best Investment Bank



Best Project Finance House
– Pakistan



Best Investment Bank
Best Bank for Small and Medium Businesses



Best Islamic Bank for Trade Finance 2020



Domestic Project Finance Bank of the Year
Pakistan Domestic Trade Finance Bank of the Year

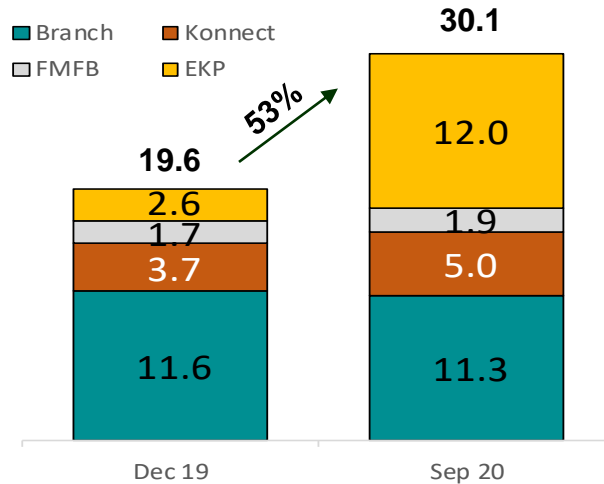


Debt Deal of the Year – Domestic
Corporate & Investment Bank of the Year - Domestic

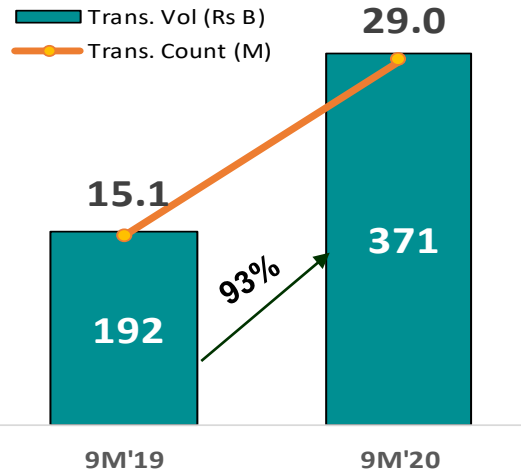


Best Local Bank in the Region for BRI (South Asia)
Best Bank for BRI-related financing in the Region (South Asia)
Best Bank for Infrastructure/Project Finance in the Region (South Asia)

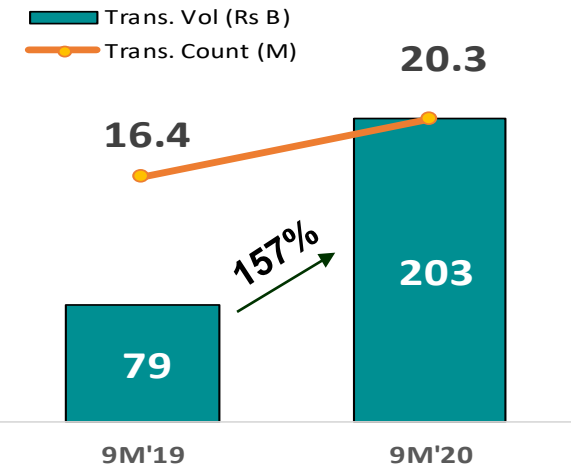
Customer base of over 30m



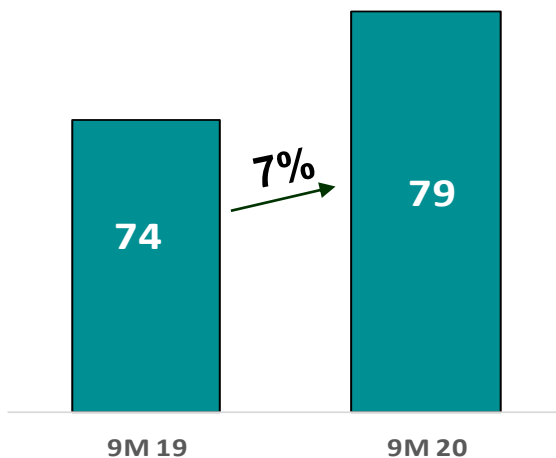
Mobile & Internet Banking use speeds up - 1.6M users



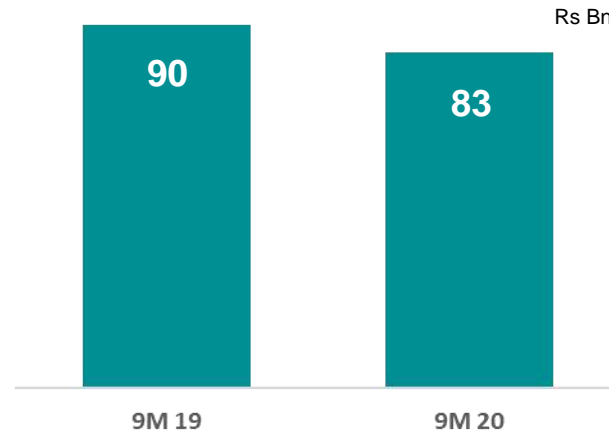
HBL Konnect – 44k agents 1.4m App Users



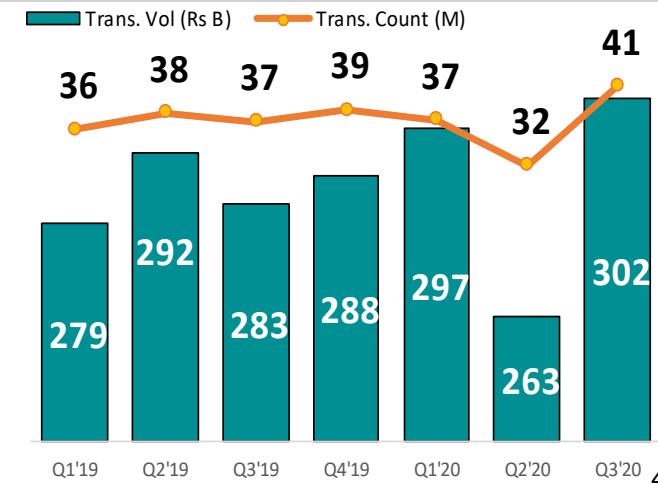
Cards base 5.9m Spend up 7% to Rs 79b in 9M'20



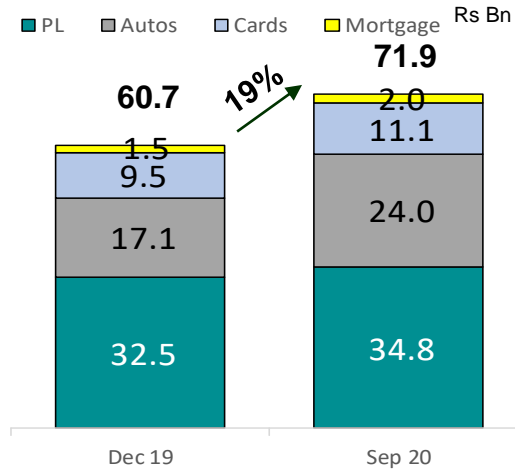
POS Terminals 28k Spend rebound of Rs 30b in Q3, returning to pre-COVID Levels



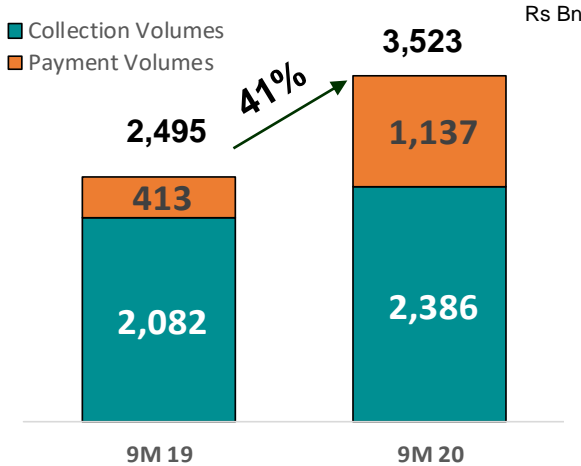
2,135 ATMs countrywide – txn picked up in 3Q post lifting of lockdown



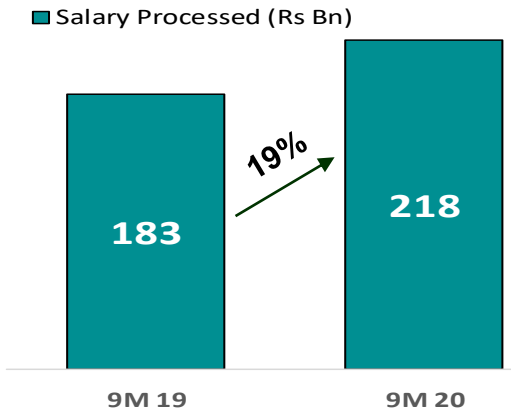
Robust growth in Consumer lending



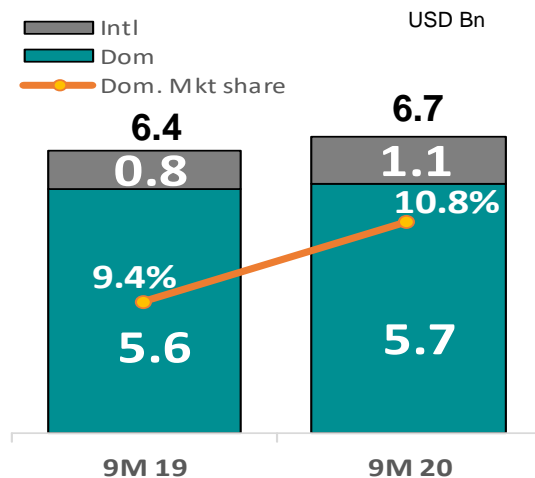
Cash Management, throughput up 41%, to Rs 3.5t



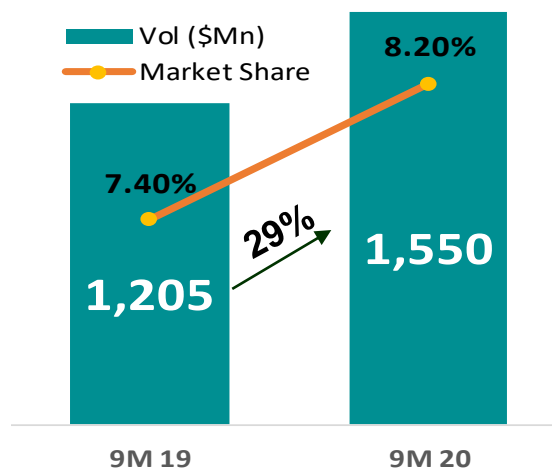
Employee Banking maintaining dominance with 1.2m accounts



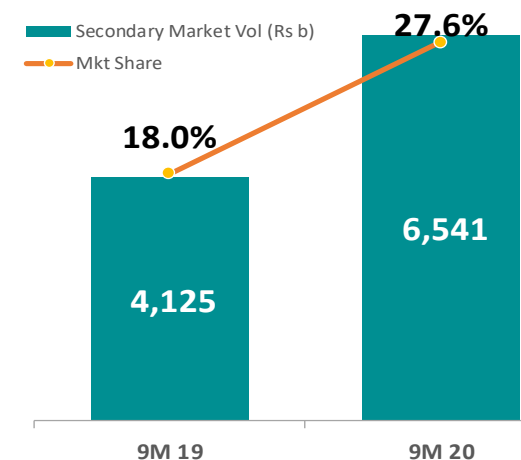
Trade Volumes – 9M'20 market share up to 10.8%



Home Remittances – New partnerships restoring volumes

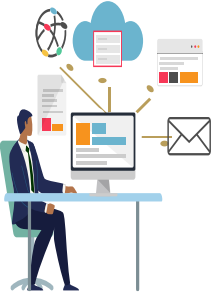


#1 Ranked Primary Dealer, volumes up 28% to Rs 6.5t



Supporting Pakistan's digital efforts

- HBL Ventures to invest in FinTechs and incubate upcoming start-ups
- Recently hosted a Webinar Agri-Food and Tech with Singapore Business Federation to promote Pakistan



Critical partner to GoP's Ehsaas program

Disbursed Ehsaas Kafaalat and Emergency Cash Funds of ~PKR 176 Bn to ~12 Mn beneficiaries on the lowest rung of economic ladder



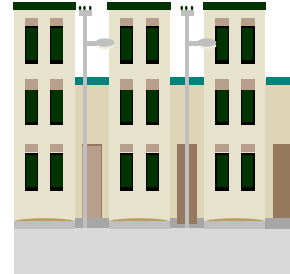
Investment banking pioneer

- Introduced market auction-based pricing for debt instruments
- Supporting GoP in launching first Panda Bond
- Lead financier in Pakistan's first private transmission line



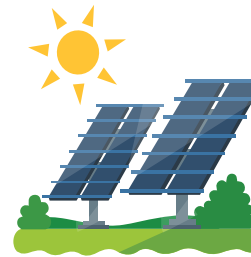
Core partner to GoP on housing

Thought leader for Naya Pakistan HDA on design of low-cost housing scheme



Green financing leader

- Leading renewable financing; discontinued coal financing
- Developed Green Banking Guidelines with SBP



Agri sector innovator

- Implemented farm-to-processor interventions to disintermediate arhtis
- Helping small-holder farmers improve crop yield



Cyber threat intelligence partner

- Leading the **Cyber Threat Intelligence** conference for 3rd year running
- Recently sponsored Pakistan's leading IS conference – the **International Information Security Conference 2020₆**





Fuel sustainable industries

- Set **targets** for financing to **sustainable industries**
- Ceased lending to **Coal based projects**
- Phasing out **ESG negative industries**
- Implement Green Banking Guidelines (GBG) and embed **ESG considerations** in credit assessment

Reduce carbon footprint and mitigate risks

- Shift towards **renewable energy**
- Reduce and **recycle waste**
- Integrate ESG criteria in **vendor selection**
- FMFB's Gilgit RHQ building to conform to **LEED and EDGE standards**
- **Develop Business Continuity Plans** to counter drastic changes in environment

Enable customers and employees

- **Advise customers** on sustainable operations
- **Train employees** on GBG and how to reduce personal footprint

Pandemic – Catalyst for Change

- Leaders in implementing flexible work arrangements including work from home and split teams
- Medical assistance to employees and their families – industry benchmark.
- Continued to drive training by virtualizing the entire learning portfolio.
- Enhanced communication and engagement

Diversity Agenda – Utmost Priority

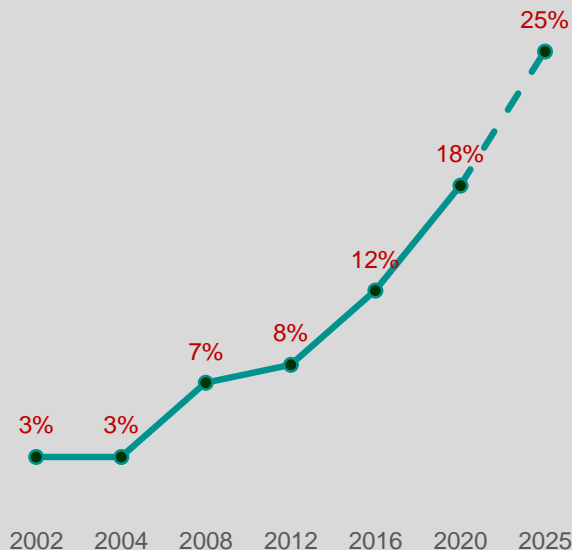
- Targeted female entry level hiring programs – IT, Operations
- Mentoring for senior female employees
- Diversity champions continue to lead the diversity agenda and initiatives.
- Training initiated on eliminating unconscious gender bias

Cultural Transformation

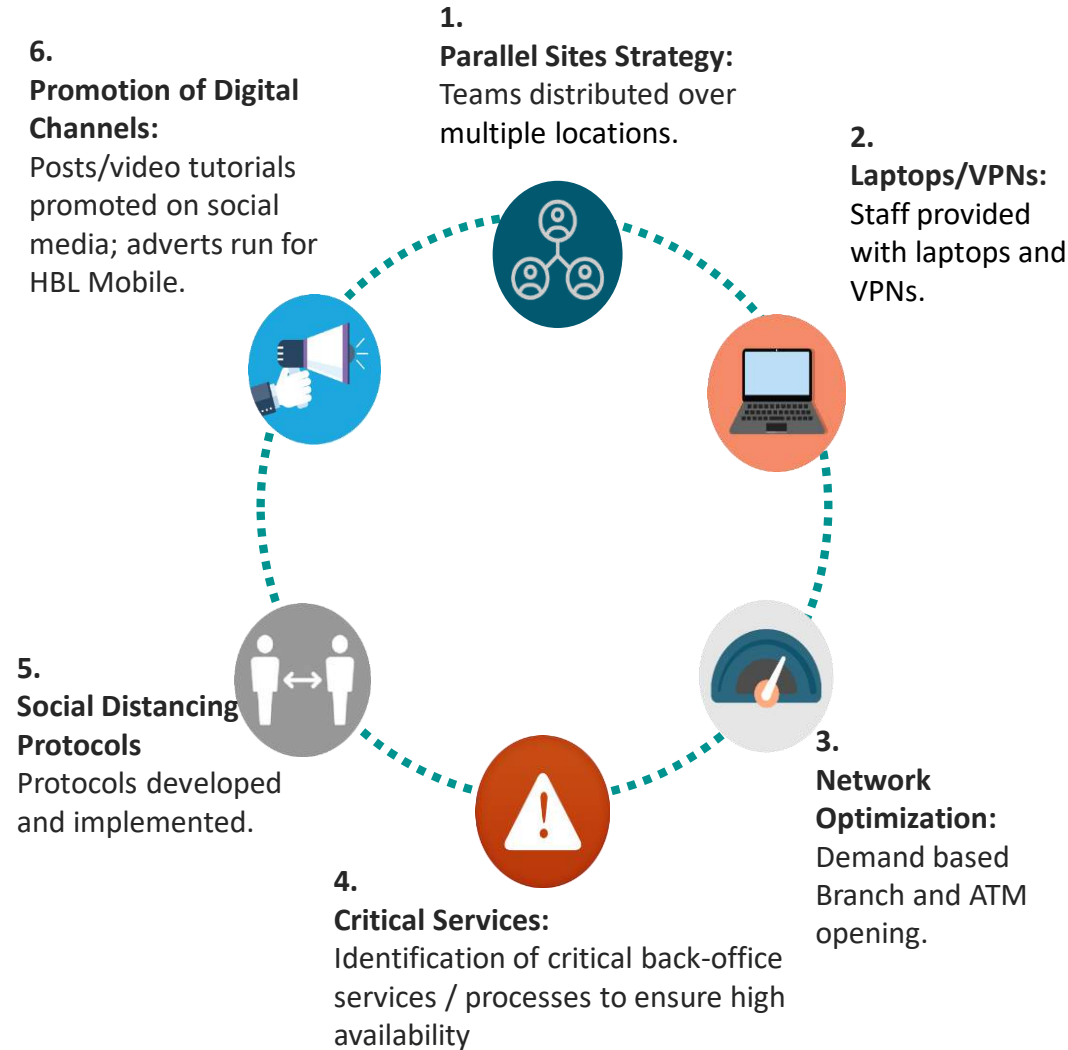
- Refreshed HBL Values and behaviors cascaded throughout organization
- Continued emphasis on ethical conduct and practices through a new Ethics and Conduct function
- Gamified and virtual modes of interacting and recruiting
- Continuing employee digital journey through employee app and chatbot



Empowering & Promoting Women in Workforce



Business Continuity Management



Safety of Employees

	1. Rapid Response Force Premises with +ve COVID case(s) immediately closed, deeply disinfected. PPEs distributed to branches and back office functions.
	2. Helpdesk for Employees Reporting and tracking of COVID incidents through Helpdesk. Doctors aligned with employees for guidance.
	3. Rotation-based Structure: Department-wise rotational plans developed and implemented.
	4. Advisory Emails: Multiple advisory emails sent to ensure employees implement safety measures
	5. Work from Home Where possible, employees are encouraged to work from home; staff exposure resultantly reduced.
	6. Domestic Travel Travelling limited to unavoidable situations only.



Business Development

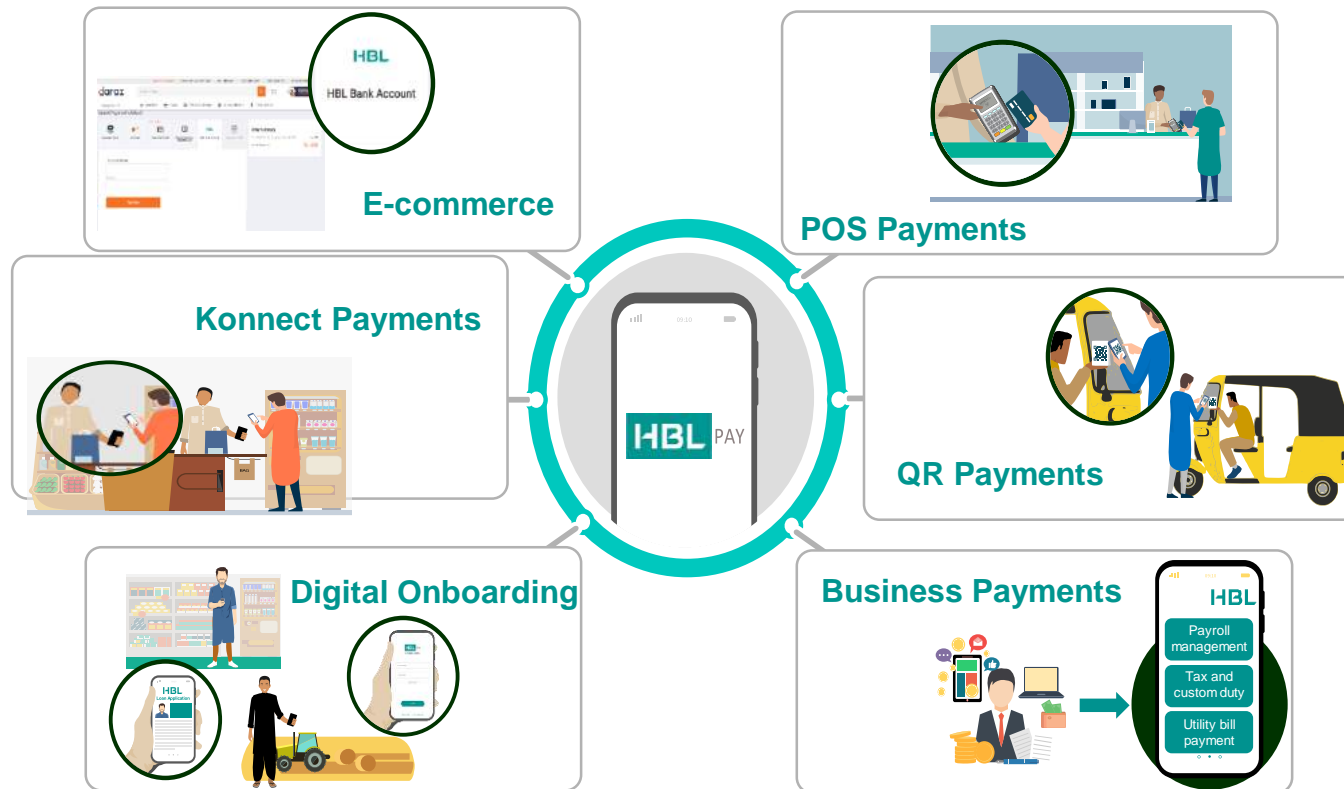
Konnect

- **5.1+ million** account base, 25% accounts opened by women.
- **3.5 Mn** transactions monthly with turnover of **PKR 33.8 Bn**
- Agent network of 43k.
- 8% market share of total branchless banking transactions
- Eco-system partnerships established for Food, Fashion, Travel, Health, Entertainment and Education

HBL Mobile – for more than just banking

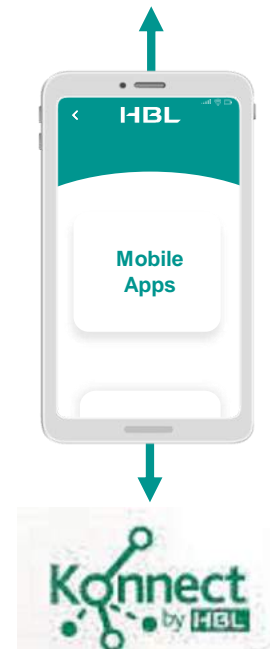
- **16%** market share among commercial banks
- Financial Transactions: **5 mn** transactions/month, value **Rs 60b**
- **650+ Billers On-boarded:** increase company on-boarding for payments
- **32%** market share of all mobile banking payments

HBL PAY – Self service digital portal for all transaction banking needs



HBL Mobile – for all your Lifestyle needs

HBL Mobile



Financial services even in remote areas

Targeted mobile marketing



Fully digitized loan application and automated approval



App enabled communication



Digital repayments and its monitoring



Transform agriculture and farmer's lives

Digitized account opening, loan application and approval



In-kind loan disbursed



Farmer provided advisory remotely & in-person



Harvesting services requested digitally and sold to HBL bulk buyer



Digitize branches for world-class experience

Universal bankers to help with digital services



Wait time minimized via self service



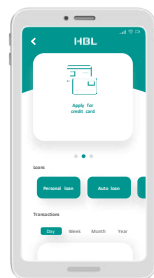
Instant Debit card issued



One visit processing of loan applications



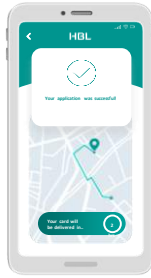
Customers can apply for loans on phones



Customer applies from home



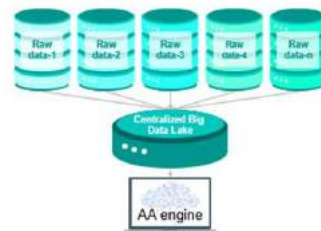
Convenient verification process



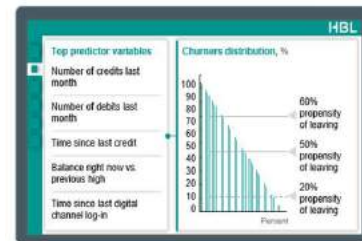
Fast approval and delivery



Advanced analytics to help reduce churn



Feed raw customer data into AA engine



Identify customers at risk of leaving using AA pattern recognition

Good morning Ali		HBL
Customer	Call status	Script for call if >50% probability of churn
Customer-1	Ongoing	Hello Mr. Ahmed, My name is Ali and I am calling from Habib Bank Limited. I am calling to...
Customer-2	Pending	
Customer-3	Pending	
		Thank you, Ali

Call at-risk customers and address potential dissatisfactions

Good morning Ali		HBL
My clients at-risk		
Customer	Churn probability	Potential reason
Customer-1	60%	Price sensitivity
Customer-2	45%	Need for finance
Customer-3	40%	Customer experience

RM receives list of at-risk customers with potential cause of attrition

Channel Migration now key performance metric – OTC transactions reduced by 30%

Branches Trained

- Scripts outlining different scenarios circulated
- Mandatory E- learning modules on ADCs
- Workshops conducted for feedback & clarity on ADCs.



Customer Awareness

- HBL Mobile, Konnect and ATM awareness spread through Social media.
- Marketing collateral placed in branches.
- Banners, posters, fascia and 'Available Here' signs installed at Konnect agents.



Other Major Steps Taken

- Incentive Campaign to drive staff behaviour.
- Phone banking engaged to drive HBL mobile registrations and transactions.
- Wi-Fi devices installed in 250 branches for guiding walk-in customers on HBL Mobile usage.



Looking Ahead

Enhance Migration

Increasing number of migrateable processes / transactions



Aspirational Target

85% routine transactions through ADC.



Enhance ADC features

Expand suite of digital capabilities on ADCs



Customer Awareness

Improve awareness; promote features available on digital channels



Cards



- Most sought after card in Pakistan
- Consistently ranked as Pakistan's **No.1 VISA credit card** (by spend)
- Contactless – Bringing convenience
- **20k+** credit cards issued via HBL Mobile since launch
- Portfolio: **Rs 11.3bn**, with total cards base of **190k**
- Total debit cards base of **5.7m** – industry highest

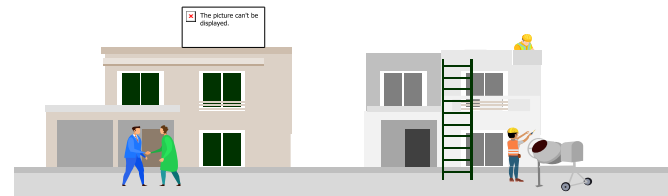
Merchant Acquiring

- Largest POS network and highest spend volume
- Contactless functionality deployment initiated.



Housing Finance – Developing a new asset class

- First bank to become advisor to Naya Pakistan Housing Authority
- Launched the first 20-year fixed rate mortgage in Pakistan
- Underwritten PKR 34.5 Bn for mega projects
- Full product range to purchase/ renovate/ construct houses and refinance loans
- Rs 12b construction financing in pipeline – majority for low-cost housing



Personal Loan – retaining leadership

- To date, **Rs 4.8bn** disbursed to ~**28k** clients through HBL Mobile
- Portfolio: **Rs35.3bn**



Car Loan – gaining market share

- Improved position from 4th to 2nd
- Value added propositions/alliances with leading manufacturers
- Portfolio: **Rs 24.1bn**



HBL continues its leadership in farmer financing amongst private commercial banks, serving more than 45,000 farmers through a dedicated field force spread over 650+ Rural branches.

HBL - Punjab Land Record Authority (PLRA) Partnership

❑ Leading the Market

- 140+ PLRA's live locations in Punjab
- 2800+ Fard extractions
- 1400+ Documents verified
- 200+ Charges created

Kisaan Ke Awaz goes virtual

HBL's unique program of farmer feedback and advisory now being conducted virtually



Digitizing Agriculture Finance

- Improved Farm App with refreshed features and ease of use
- The only Bank in industry using this technology; has built a repository of more than 12,000 images.
- Centralized storage of data point coordinates along with time and date stamp
- 500+ devices provided to the field force with 4G connectivity
- Leveraging HBL Konnect for loan repayments and cash withdrawals

Pilot Interventions

- Two pilot interventions designed and implemented
- Engages complete value chain.
- Encompasses in-kind loans to farmers, high quality inputs, modern mechanization and expert agronomic advisory to help farmers become better producers
- Connects farmers with bulk processor of their crop produce
- Disintermediates the exploitative "arthi" middleman system, both at the input and selling stages

Corporate Banking

- Largest Corporate banking book in the country – portfolio of nearly Rs 700b.
- Extensive and rapid support provided during the pandemic.
 - **Rs 12b** disbursed under the SBP's TERF scheme.
 - **Rs 23b** loans restructured, 11% of industry
 - **Rs 90b** principal deferred, 14% of industry
 - **Rs 31b** salary / wages loans approved, 13% of industry

Treasury

- #1 Ranked Primary Dealer in Government Securities with >25% market share of secondary market activity.
- **HBL Infinity** – the first online FX platform by a Pakistani bank and the only one in the world offering live streaming PKR pricing – 200+ clients
- Provided economic advisory to clients through seminars with leading economists / industry leaders

Research & Conferences
Thought Leadership

Going digital with HBL
Infinity®



Investment Banking – market leader

- 220+ transactions worth more than USD 40b.
- 9 Renewable / Clean Energy transactions valuing \$ 5 bn closed.
- Broadened country's debt markets with issuance of the largest private sector debt.
- Executed 7 CPEC transactions worth over ~USD 6.5 Bn
- De-risk new sectors by being the first mover – eg lead financier of Pakistan's first private sector transmission line
- Develop regional niche by successfully executing GoP's inaugural Panda bond to establish presence in global markets

PKR 84 Bn



ThalNova
Power That (Philanthro) Succeeds

Project Finance Debt Arrangement
& Financial Advisory for a 330 MW
Mine Mouth Power Project to be
run on Thar Coal

PKR 5 Bn



Indus Wind Energy Limited

Strengthening contribution of
Renewable Energy to the grid
Project Finance Debt Arrangement
for a 50MW Wind Project in Jhimpir

PKR 5 Bn



**Liberty Wind
Power 2 Limited**

Strengthening contribution of
Renewable Energy to the grid
Project Finance Debt Arrangement
for a 50MW Wind Project in Jhimpir

PKR 25 Bn



K-Electric

Structuring Agent and Shariah
Advisor for a Listed Retail Sukuk, the
Largest Issue by a Private Sector
company in Pakistan

First choice partner for global institutions



Cash Management - Collections

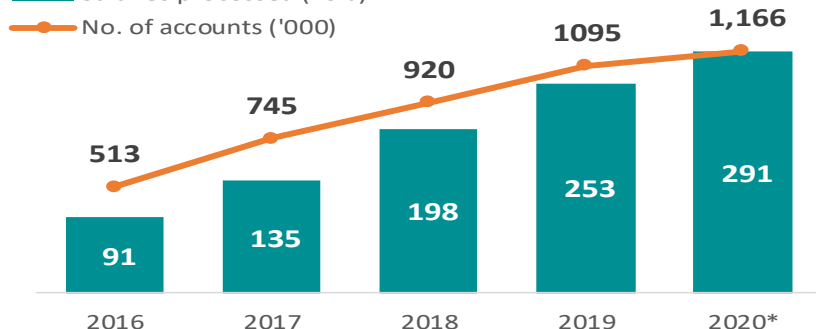
Rs b



Employee Banking (HAW)

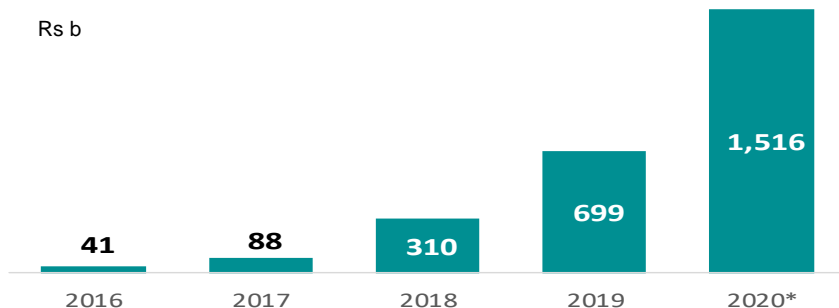
Salaries processed (Rs b)

No. of accounts ('000)



HBL Pay

Rs b



Key Initiatives

- Conventional & Islamic variants of HAW Konnect available.
- Increased coverage in KPK / Balochistan / GBC.
- Cross-sell of product suite to entire value chain of corporate customers.
- Customized solutions tailored to client needs.

The Way Forward

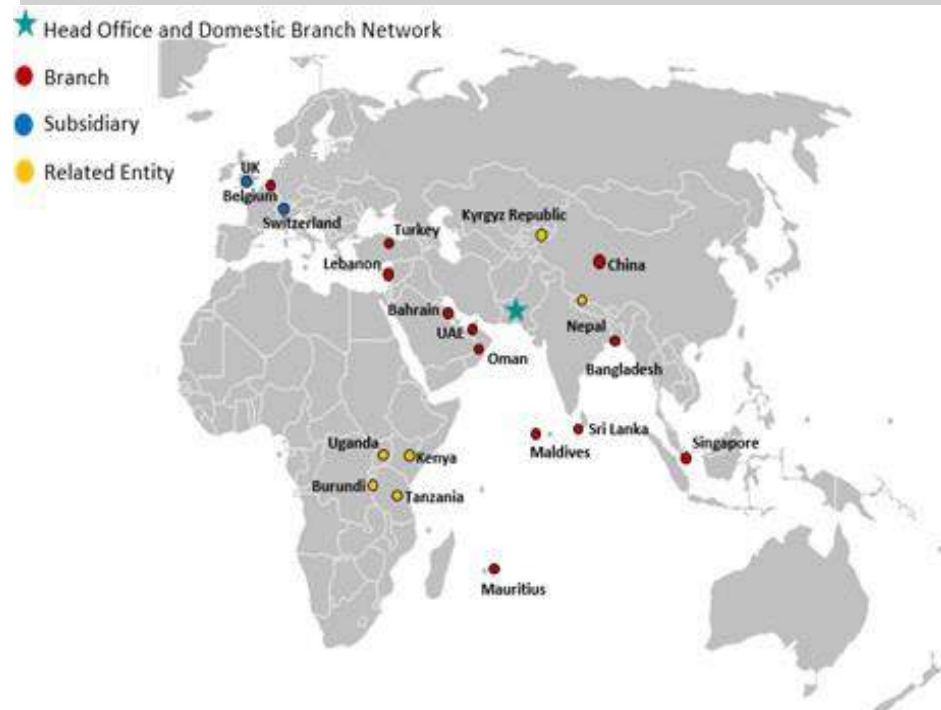
- Technology and Digitization to remain critical priorities
- New global-standard digital platform under implementation.
- Consolidate all solutions into single platform – HBL Pay

Market Share



* Volumes / throughput annualized

International Footprint



Strategy

- Complete non-core exits and right-sizing of core.
- Shift from retail to wholesale model across markets.
- Business growth to come from network clients, financial institutions and trade finance, supported by a strong liabilities and cash management proposition.
- Roll-out digital as hygiene across all key locations.
- Grow FI as a global business with strong sell-side offering. Leverage position as one of only 3 banks in SEA/MENA with end-to-end RMB clearing capability
- Recapture historical remittance share of >20%; digitize remittances for remitters and beneficiaries, seamlessly integrate with partners.

Business trajectory aligned to Strategy

- Inbound & Outbound business within HBL international footprint has nearly doubled over the last year.
- Embedded Network Connectivity - 60% of HBL trade origination handled within the network vs 20% in 2019.
- Redefined Target Market in each international location.
- Strong buildup in Transaction Banking volumes; wealth management fees doubled.
- Remittance volumes increased by 29%, market share increased to 8.2%

Aspirational Target

- In the top 5 foreign banks for trade volumes between China & Central Asia, the GCC, Turkey and South Asia
- No.1 bank for Pakistan Inbound and Outbound flows from these corridors / markets

Positioning

- Accelerate growth in China-centric flows by leveraging Beijing and Urumqi presence, and RMB license
- Develop pipeline to convert China-centric trade flows from USD to CNY
- Successfully execute GoP's inaugural Panda bond, and establish presence in regional capital markets
- Scale up our share of financing / advisory deals for CPEC-II investments
- Clients include key China players in telecoms, construction, power and manufacturing
- Focus on key network locations along BRI route to capture more flows.

Value Proposition

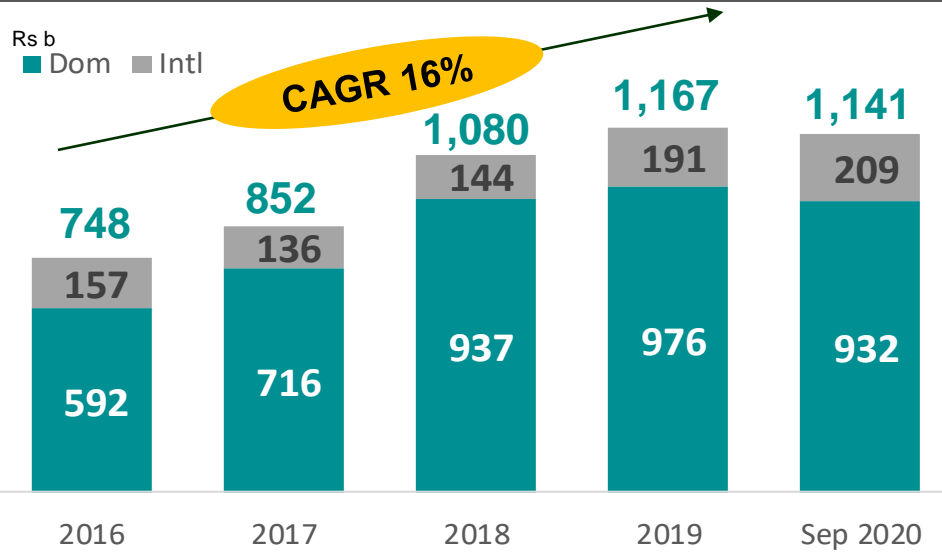
- China coverage model – a separate desk, staffed by dedicated, mostly Chinese bankers, managing end-to-end China business related relationships. Currently in place Pakistan and UAE, serving 400+ corporates and 2700+ individuals. Sri Lanka and Bangladesh planned for next year.
- Beijing to serve as origination engine.
- Target companies under BRI & CPEC.
- Enhance potential RMB business, trade flows and remittances.

Become a regionally relevant bank for entities operating in CPEC and BRI countries

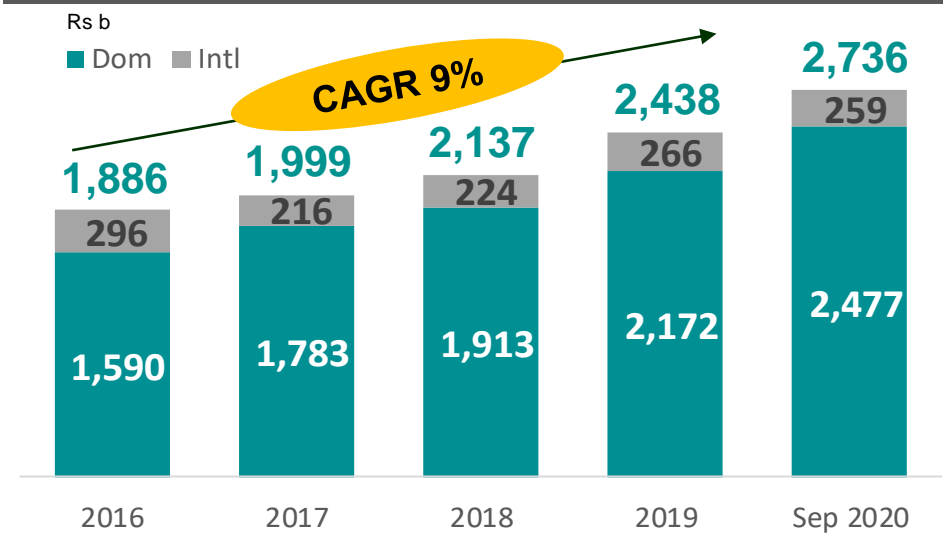
The background features a blurred city skyline with a prominent building labeled 'HBL'. Overlaid on this are various technical graphics: a large gear-like shape on the right, a circular sensor-like icon in the lower center, and circuit-like lines with arrows at the bottom left. A solid teal rectangle on the left contains the text 'Financial Performance'.

Financial Performance

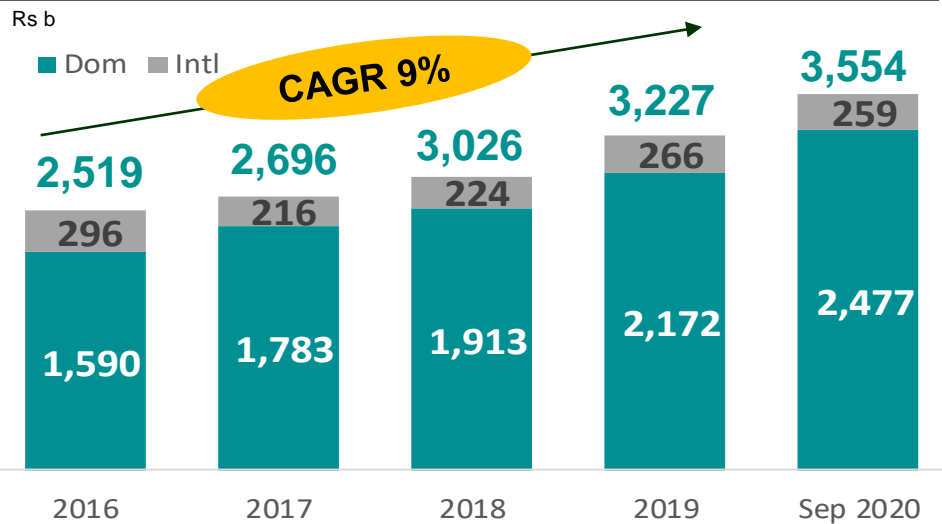
Net Advances



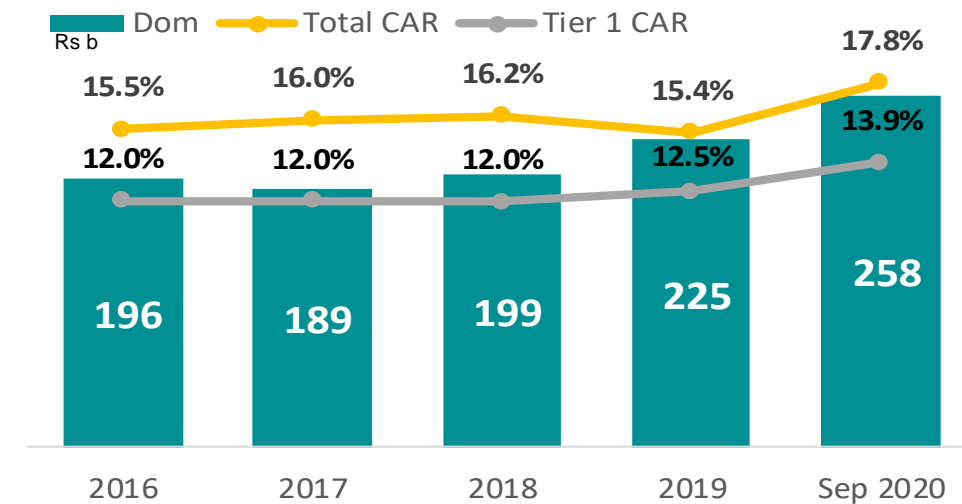
Deposits



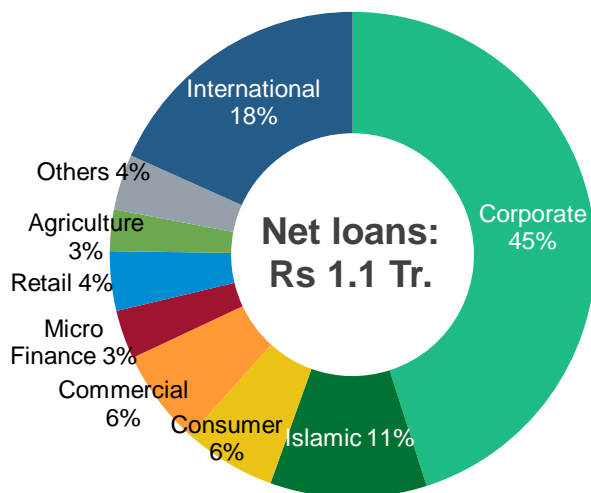
Total Assets



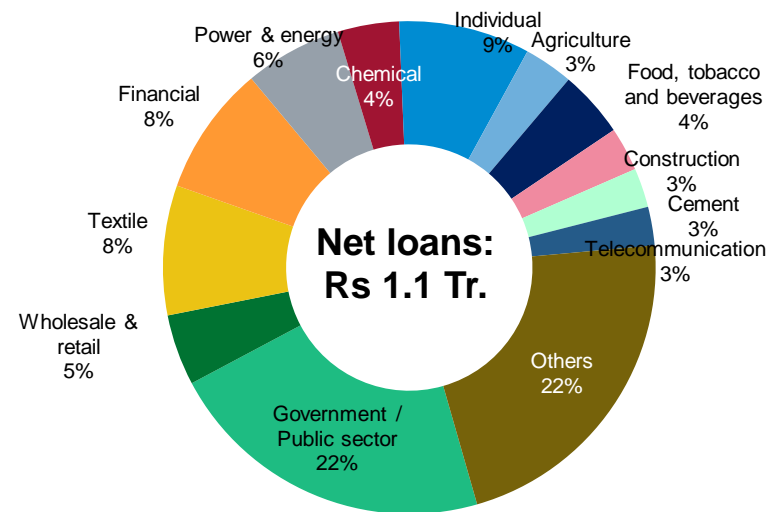
Strong capital position – buffers being built



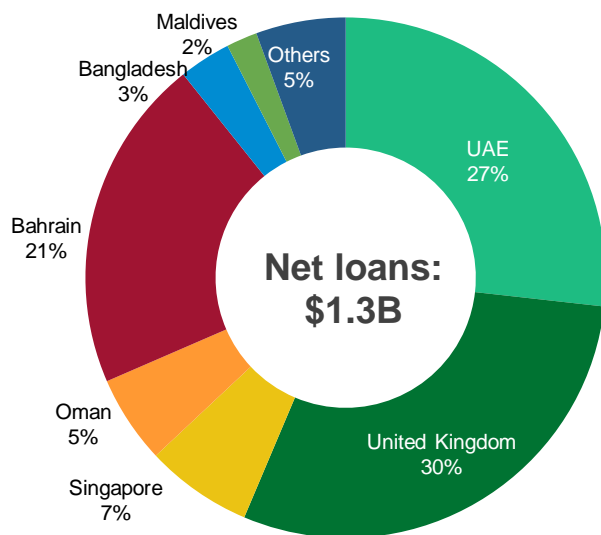
Loan portfolio by line of business



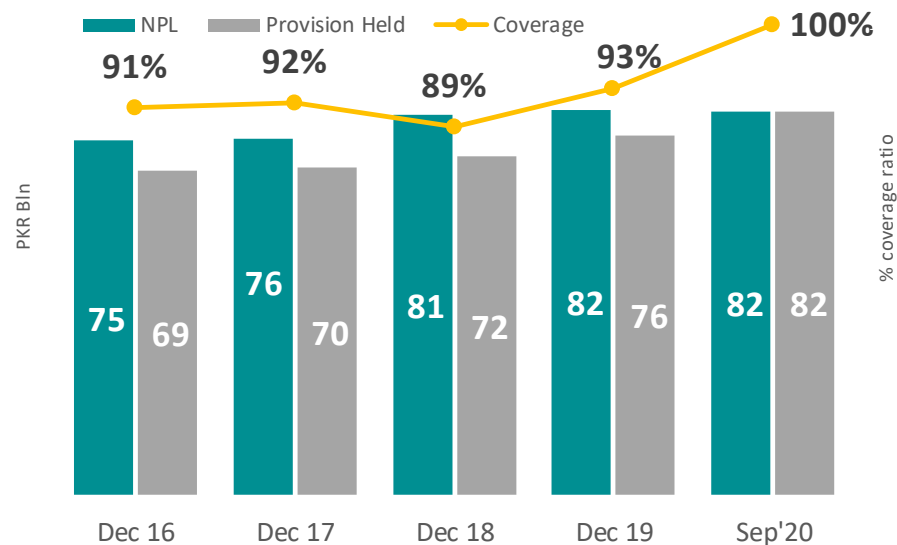
Loan portfolio by industry segments



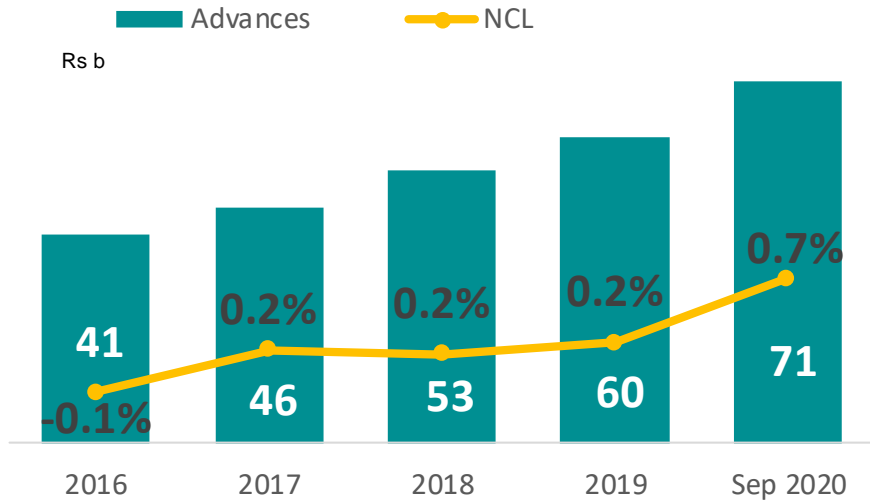
International advances by location



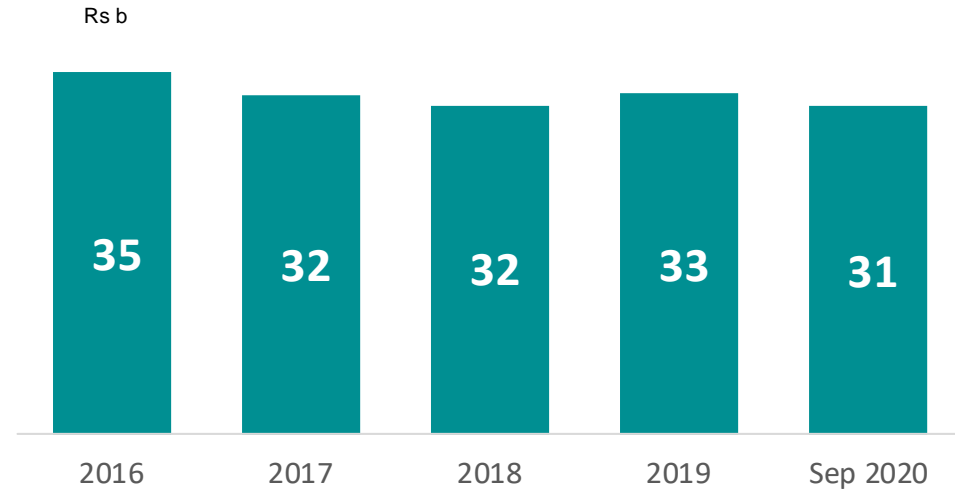
Stable NPLs despite challenges; Coverage strengthened



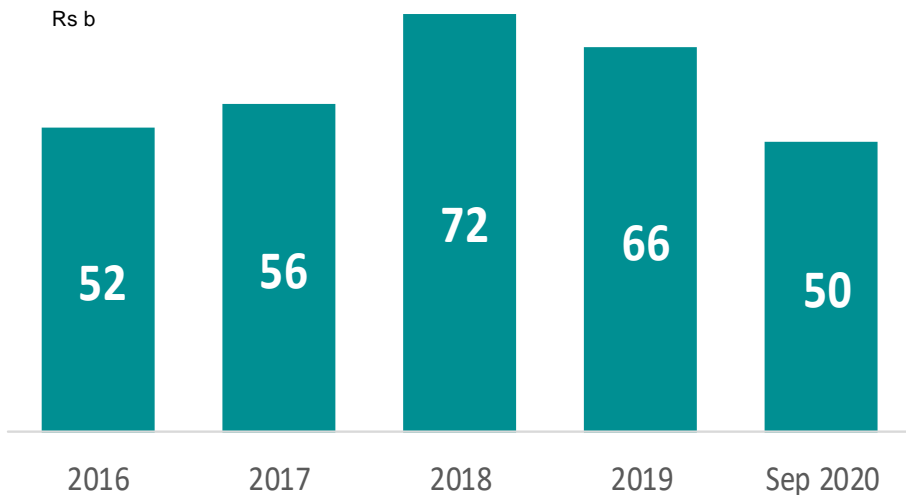
Strong Consumer growth; Excellent portfolio quality



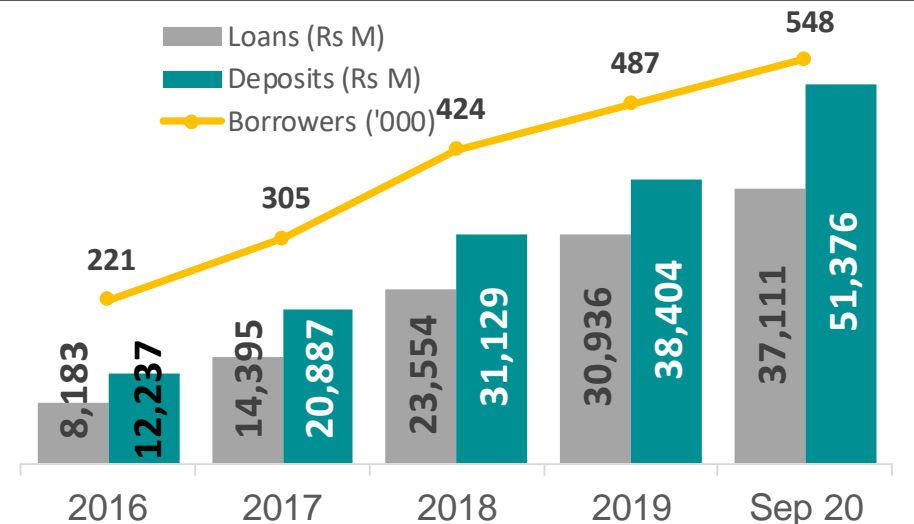
Leadership in Rural Lending



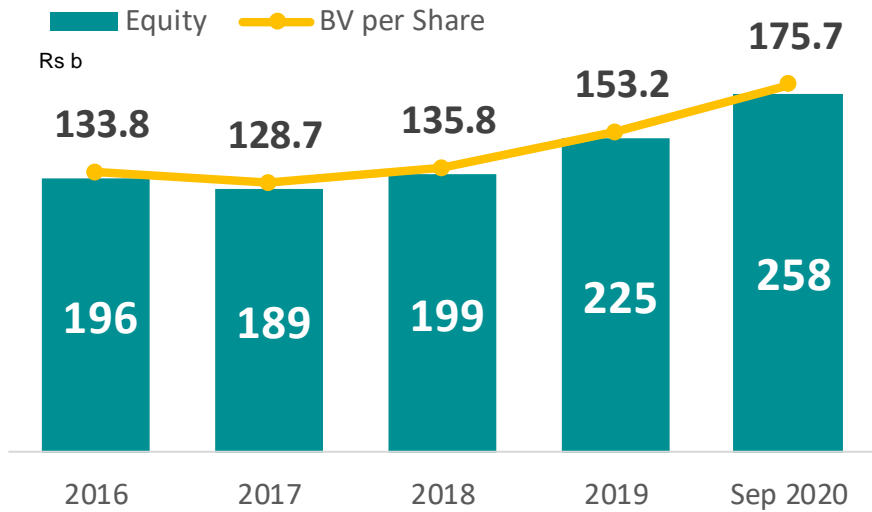
Seasonal reduction in SME Lending, demand expected to pick up in 4Q



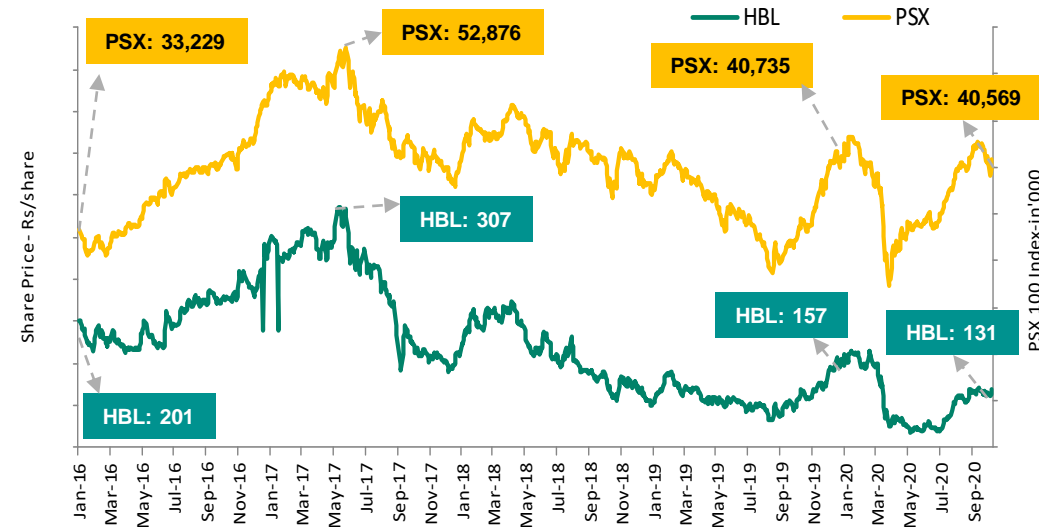
The First MicroFinance Bank (multifold growth since acquisition)



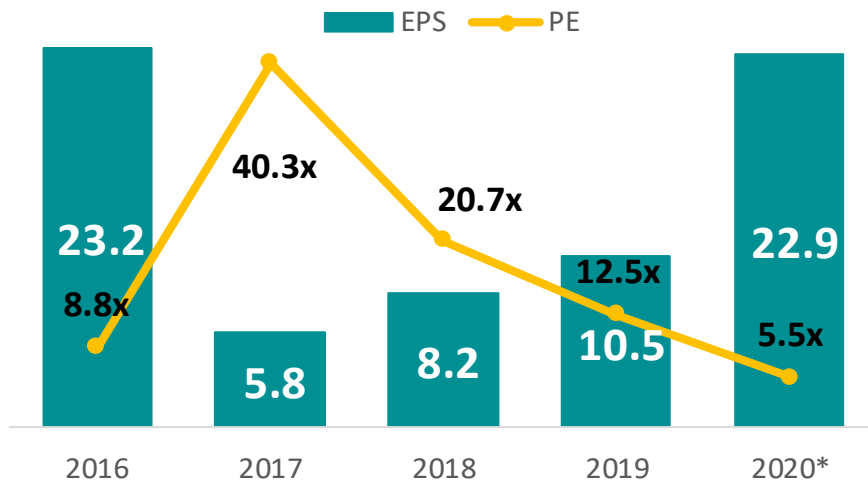
Book value



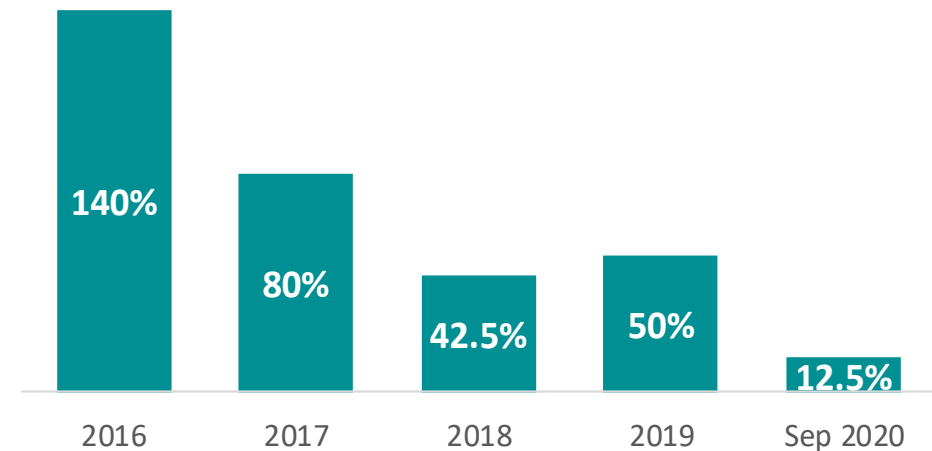
Share price



Earnings

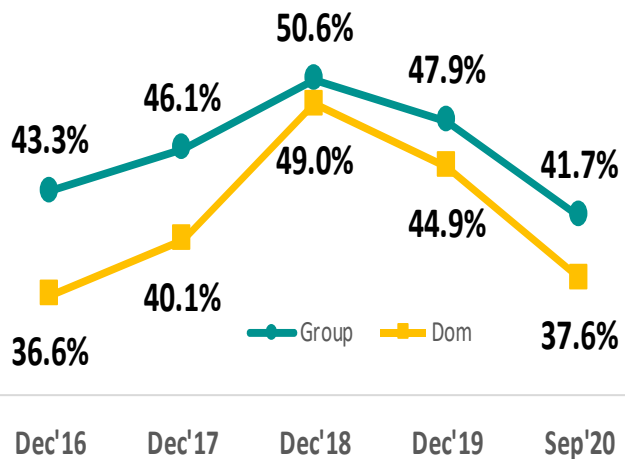


Dividend Payout

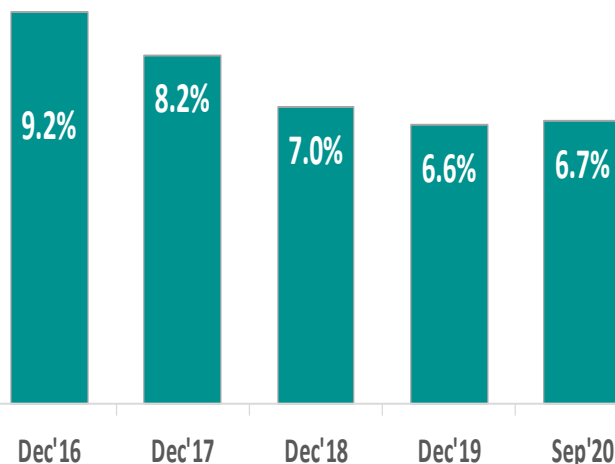


* 9 months profit has been annualized

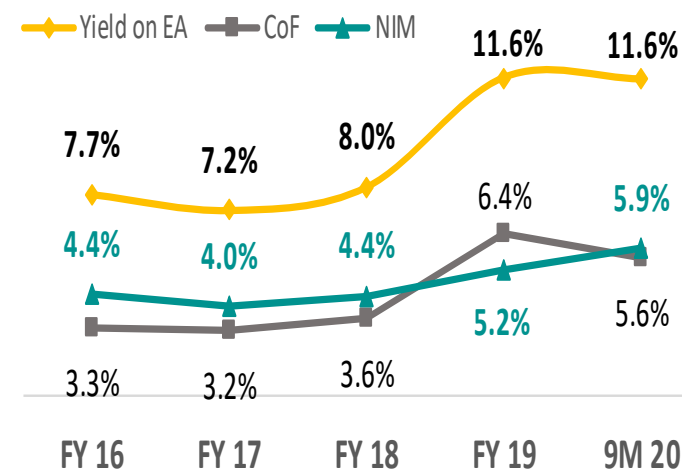
Continuing deposit growth and low credit demand reducing ADR



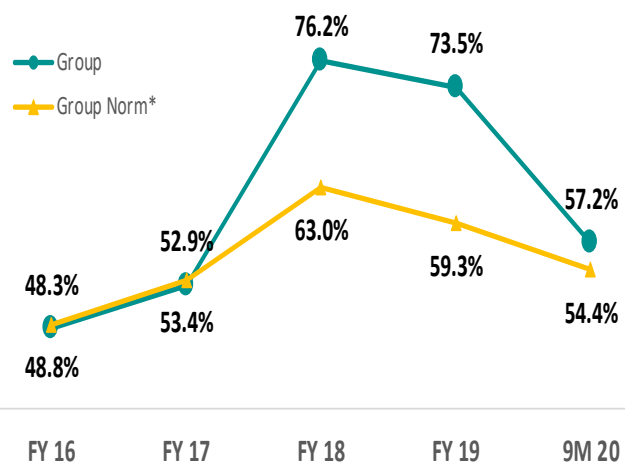
Asset Quality remains strong



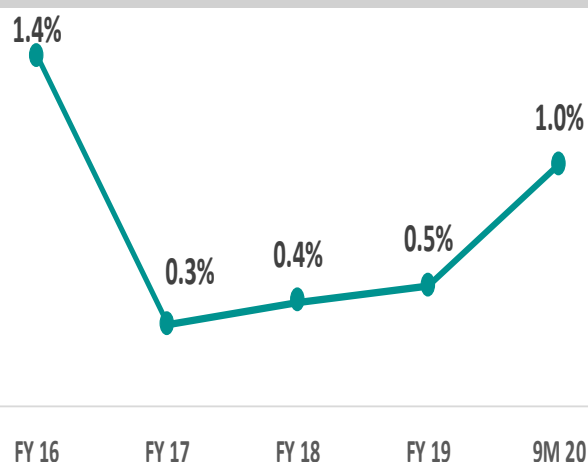
Domestic NIMs, 5-Year high at 5.9% in 9M'20



Reducing Cost to Income ratio to a more sustainable level



Higher profits leading to higher ROA ...



... and improving ROE to Pre-2017 levels

