

HBL



**DIGITALLY
PROGRESSING TOGETHER**

ANNUAL REPORT 2022





DIGITALLY PROGRESSING TOGETHER

HBL's contribution to nation-building is achieved by the collaborative spirit of its clients and staff by creating access to solutions, credit, and markets to fuel the economy.

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CORPORATE INFORMATION

Board of Directors

Mr. Sultan Ali Allana	Chairman
Mr. Shaffiq Dharamshi	Director
Mr. Moez Ahamed Jamal	Director
Mr. Salim Raza	Director
Dr. Najeeb Samie	Director
Mr. Khaleel Ahmed	Director
Ms. Saba Kamal	Director
Mr. Muhammad Aurangzeb	President & CEO

Board Committees

Board Audit Committee

Mr. Khaleel Ahmed	Chairman
Dr. Najeeb Samie	Member
Mr. Moez Ahamed Jamal	Member
Mr. Muhammad Farhanullah Khan	Secretary

Board Compliance and Conduct Committee

Mr. Moez Ahamed Jamal	Chairman
Mr. Shaffiq Dharamshi	Member
Mr. Khaleel Ahmed	Member
Mr. Armughan Ahmed Kausar	Secretary

Board Development Finance Committee

Mr. Salim Raza	Chairman
Mr. Khaleel Ahmed	Member
Ms. Saba Kamal	Member
Mr. Muhammad Aurangzeb	Member
Mr. Amer Aziz	Secretary

Board Human Resource and Remuneration Committee

Mr. Khaleel Ahmed	Chairman
Mr. Sultan Ali Allana	Member
Dr. Najeeb Samie	Member
Mr. Shaffiq Dharamshi	Member
Mr. Jamal Nasir	Secretary

Board IT Committee

Ms. Saba Kamal	Chairperson
Mr. Moez Ahamed Jamal	Member
Mr. Salim Raza	Member
Mr. Sagheer Mufti	Secretary

Board Risk Management Committee

Mr. Salim Raza	Chairman
Mr. Shaffiq Dharamshi	Member
Mr. Muhammad Aurangzeb	Member
Mr. Tariq Masaud	Secretary

Board Nomination and Remuneration Committee

Mr. Salim Raza	Chairman
Mr. Moez Ahamed Jamal	Member
Mr. Shaffiq Dharamshi	Member
Dr. Najeeb Samie	Member
Mr. Uzman Naveed Chaudhary	Secretary

Board Strategy Input and Monitoring Committee

Mr. Sultan Ali Allana	Chairman
Mr. Moez Ahamed Jamal	Member
Dr. Najeeb Samie	Member
Ms. Saba Kamal	Member
Mr. Muhammad Aurangzeb	Member
Mr. Naeem Bashir Ahmad	Secretary

Chief Operating Officer

Mr. Sagheer Mufti

Chief Financial Officer

Mr. Rayomond Kotwal

Company Secretary

Mr. Uzman Naveed Chaudhary

Legal Advisors

Mandviwalla and Zafar
Legal Consultants and Advocates

Auditors

KPMG Taseer Hadi & Co
Chartered Accountants

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 – B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal
Karachi – 74400, Pakistan
Tel: Customer Support Services
(Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

HBL Corporate Secretariat

Phone: (92-21) 37137543
Fax: (92-21) 35148370

Principal Office

Habib Bank Limited
HBL Tower, Plot No. G-4,
KDA Scheme 5, Block 7 Clifton,
Karachi, Pakistan
Phone: (92-21) 33116030

Registered Office

Habib Bank Limited
9th Floor, Habib Bank Tower,
Jinnah Avenue, Blue Area, Islamabad, Pakistan
Phone: (92-51) 2270856, (92-51) 2821183
Fax: (92-51) 2872205

Corporate Website

www.hbl.com

Internet Banking

www.hbl.com/personal/digital-banking/hbl-internetbanking

Konnect

www.hbl.com/konnect

 hblbank |  HBLPak

MANAGEMENT

Muhammad Aurangzeb
President & CEO

Sagheer Mufti
Chief Operating Officer

Naeem Bashir Ahmad
Head Corporate Strategy

Amer Aziz
Head Development Finance

Sami Aziz
Head Remedial & Structured Credits

Uzman Naveed Chaudhary
Company Secretary

Aamir Irshad
Head Corporate, Commercial & Investment Banking

Armughan Ahmed Kausar
Chief Compliance Officer

Muhammad Farhanullah Khan
Chief Internal Auditor

Rayomond Kotwal
Chief Financial Officer

Aamir Kureshi
Head Consumer, Agriculture & SME Banking

Faisal Lalani
Head International Banking

Michael Maier
Chief Technology Officer

Tariq Masaud
Chief Risk Officer

Abrar Ahmed Mir
Chief Innovation & Financial Inclusion Officer

Risha A. Mohyeddin
Global Treasurer

Jamal Nasir
Chief Human Resources Officer

Muhammad Nassir Salim
Head Branch & Islamic Banking

Adnan Pasha Siddiqui
Chief of Staff

Farhan Talib
Regional General Manager China & Singapore





VISION

Enabling people to advance with confidence and success.



MISSION

To make our customers prosper, our staff excel and create value for stakeholders.





VALUES

Our values are the fundamental principles that define our culture and are brought to life in our attitudes and behaviour. It is our values that make us unique.

INTEGRITY - Be Ethical and Fair

- We honour our commitments and do what is right
- We are fair, respectful and honest at all times
- We are ethical in our decisions and interactions
- We take responsibility for our actions
- We are prudent and responsible with the assets entrusted to HBL

CUSTOMER CENTRIC - Deliver Great Experiences

- We value our clients and develop products and services around their needs
- We provide exceptional service to all we serve
- We understand and respect our customers
- We deliver solutions that add value to our customers' lives
- We consider the impact of our policies and decisions on our customers
- We are fully transparent with our customers

VALUE PEOPLE - Respect, Empower, Appreciate

- We treat our people equitably and make decisions on merit
- We invest in people and provide opportunities for learning and growth
- We empower people to do what is needed for success
- We provide a positive and collaborative work environment
- We celebrate our successes and recognise people for their contributions
- We encourage and embrace diversity

PROGRESSIVE - Innovate and Challenge

- We challenge our thinking to raise the bar
- We encourage our team members to question the status quo
- We innovate and adapt to change
- We positively impact and serve the communities in which we live

EXCELLENCE - Be Your Best

- We lead in our industry
- We take ownership of what we do
- We relentlessly pursue quality without compromise
- We consistently adhere to measurable standards and look for ways to exceed them
- We benchmark against the best

6-POINT BUSINESS AGENDA

01



Relentless focus on customer experience

- Change mindsets and embed *Customer Centricity* into the DNA of the organization
- Accelerate service journey towards our ambition of 'Delighting our customers'
- Serve customers through 'Technology, with a human touch'

02



People Agenda to be our top priority

- Leadership Matters – Build enterprise-wide leadership capabilities
- Attract, develop, retain top-quality talent, and enhance bench strength through succession planning
- Culture change through embedding values-based behaviours across the organization
- Drive synergies through cross-functional teamwork
- Continue focus on gender and differently-enabled diversity

03



Making Innovation the Driving Force

- Imagine, rethink, and predict evolving customer needs
- Increase speed of delivery by simplifying, digitizing, and enabling straight through processing
- Free up human resources for value-addition by using AI for routine, repetitive, tasks
- Proactively reinvent to improve solution delivery as we transform into a 'Technology Company with a Banking License'
- Think Again - Continuous process improvement as 'good is never good enough'

04



Embedding Risk, Compliance, and Control in our Business Principles

- Embed a compliance & controls culture in the organization covering an enterprise-wide risk spectrum
- Implement rigorous self-testing through an Integrated Risk & Controls Repository
- Proactively manage regulatory risks through a robust Compliance Risk Management framework
- Strengthen third-line supervision to provide assurance of an effective risk management framework
- Augment our 3 Lines of Defence across all disciplines to continue 'doing first-class business in a first-class way'

05



Commitment to deliver on P&L

- Sustainable revenue growth on the back of top league-table positions
- Strict cost discipline including cost initiatives
- Optimise balance sheet and capital deployment, enhance cross-sell and business reciprocity
- Maintain high portfolio quality to deliver commensurate risk-adjusted returns

06



Giving back to the Country and the Communities that we serve

- Play a key role in nation-building through public-private partnership initiatives
- Be the thought leader on technology-driven financial inclusion
- Relentlessly focus on our goal of 'Net Zero by 2030'
- Provide committed philanthropic funding for social development and emergency relief
- Encourage employee volunteerism
- Be acknowledged as the leading firm in ESG and Sustainability

CORPORATE SUSTAINABILITY

Corporate Sustainability for HBL involves integrating sustainable practices and principles into our operations, strategies, and decision-making processes. We recognise the unique role we can play as a bank in promoting sustainability, due to our ability to direct capital and investment towards more sustainable and socially responsible initiatives.

To fulfil its Corporate Social Responsibility, HBL has devised a pathway to set sustainability targets that align with the United Nations Sustainable Development Goals (SDGs). The SDGs provide a powerful aspiration and a blueprint for peace and prosperity, for people and our planet and further a call to action in cultivating partnerships and striving towards a sustainable world. These targets include reducing carbon emissions, increasing investments in sustainable projects, promoting sustainable finance and investment practices, increasing access of financial services for the masses, dedicating 1.5% of our Profit after taxes to Healthcare, Education and Community Development interventions across the Country.

From 2021, HBL has initiated a separate publication of its Impact & Sustainability Report annually and has made the same available on its website, on the following link: <https://www.hbl.com/sustainability>. Whilst a detailed review of HBL's activities to contribute towards the SDGs will form part of our forthcoming Impact & Sustainability report, a synopsis is provided herein below.



Gender Equality

- HBL is declared as Pakistan's Most Inclusive Company of the Year 2022, winning 15 awards based on the Global Diversity, Equity and Inclusion Benchmark (GDEIB) Assessment 2022. HBL established a mandate to drive the DEI agenda and include it within its processes with respect to: hiring, career development for females, retention, female friendly policies and platforms and has its 'Leadership Team' have a strong mandate to implement the gender diversity mandate in their KPIs. HR policies have also been revised to support this agenda and position HBL as the 'Employer of Choice' for females all over Pakistan at every level with females being 22% of the labour force.
- Gender-based violence and harassment is condemned at HBL, for which **Code of Ethics and Business Conduct Awareness Sessions** are held across various functions of the Bank including domestic and international locations to instill values of respect at workplace. In case of an incidence, the guidance for law and recourse available was provided in a session in alliance with **Federal Ombudsperson Secretariat for Protection Against Harassment (FOSPAH)**, titled "Women at Workplace".
- Gender diversification in digital and innovative opportunities is practiced under the HBL Konnect ambit with an 81% increase of women Konnect Agents in 2022, the highest increase being in Northern Pakistan. Female agents are introduced at KE bill collection centres and Konnect retail shops.
- For **Financial Inclusion** of women, HBL Nisa provides subsidized rates of banking services to open women savings account along with financial literacy awareness sessions mostly in the low-income strata, which is also assisted by HBL Asaan Account thereby providing them with access to banking.

- HBL has a strong **Disability Inclusion Agenda** driven by the inclusion framework. It includes an annual internship programme, partnership with multiple disability expert organisations, assistive device grant facility and sign language interpreter facility for the support of PWDs.



Clean Water and Sanitation

- The recent floods of 2022 severely exacerbated the problem of access to safe drinking water in Sindh and Balochistan. HBL approved a grant of PKR 10 million through HBL Foundation for procurement and distribution of 2,500 water filtration kits for flood affected families. These kits are able to treat and purify stagnant, filthy water and provide 10,000 glasses of water every day with a flow rate of 60 litres per hour.



Affordable and Clean Energy

- HBL's Green Taxonomy is a tool to facilitate directing flows of capital to green projects that would make a substantial contribution to environmental sustainability. A taxonomy-based **Green Loan Management Framework** was established to track HBL's performance in supporting green transition in national and regional economy and to identify **Green Lending Activities**.
- HBL participated in funding of over 70 projects to facilitate affordable and clean energy. Two wind and one solar power project sustained commercial operations with HBL's support during 2022. These projects successfully provided 200 MW of clean and sustainable energy at the national grid. During 2022, HBL secured a mandate for the establishment of solar power project under a **Bulk Power Consumer (BPC) Model** and a mandate to enhance **Hydropower Potential and Capacity**, for the KPK Province. Meanwhile, leveraging on State Bank of Pakistan's **Renewable Energy Scheme**, HBL nearly utilised the allotted limit of PKR 7.9 billion, allowing its clients in the said domain, space to capitalise on subsidised financing, progressing to cheaper renewable power generation for the economy.
- HBL has a Green Climate Fund (GCF) accreditation which works to limit or reduce greenhouse gas (GHG) emissions in developing countries, and to help vulnerable societies adapt to the unavoidable impacts of climate change.



Decent Work and Economic Growth

- HBL improved lending policies with 20% increase in lending, introduction of cash flow based lending, 50% increase in supply-chain financing and collaboration with fintech to offer digital lending to SMEs has proclaimed HBL as a market leader in the SME sector.
- HBL provides digitized disbursement solutions through Konnect which is availed by Sindh Education Literacy Program (SELP) to disburse stipends, World Health Organization (WHO)

and World Food Programme (WFP) to make payments to their social support programme beneficiaries, and Benazir Income Support Programme (BISP) to provide cash disbursement support and collection in rural strata.

- HBL Microfinance Bank has developed collection points in financially excluded areas which can be availed for loan repayments, student education fee submissions, ensuring convenience for borrowers and students.



Industry, Innovation and Infrastructure

- HBL takes pride in serving 33 million customers and has now partnered with key E-Commerce and retail businesses to introduce mPOS, a Tap n Pay solution and digital invoicing, which has empowered SMEs to employee E-Commerce to conduct their businesses on large-scale in low-cost, which will further expand the Bank's customer-base.
- HBL has employed enterprise solutions and digital payments by enabling PayPak and a Unified Payment Interface (UPI) which has allowed HBL to acquire merchants of larger portfolios and further extends our goal of financial inclusion. HBL also provides **Biller Aggregator Services** to financial institutions associated with the Bank through it, which helps measure volume and value of categorical transactions plus aggregate data of financial institutions and billers associated with the Bank.



Climate Action

- HBL has aimed to reduce its carbon footprint till 2030 under its **Net Zero Plan**. A "**No New Coal**" Policy and "**No Deforestation**" Policy has been ongoing that represents a very significant commitment by the Bank towards the reduction of greenhouse gas emissions, aimed towards, (1) bringing down HBL's exclusion list exposure (which includes industries such as tobacco) to zero by 2025 (2) bringing down HBL's coal-related exposure to zero by 2030.
- Green Building Principles are adopted for the construction of major buildings of HBL. HBL is also collaborating with **World Wildlife Fund (WWF)** for designating selective branches as Green Offices.
- An annual nationwide **Tree Plantation Drive** has been launched by HBL, aimed towards planting 20,000 saplings of indigenous plants across Pakistan. A Mangroves plantation event in 2022 planted 10,000 mangrove saplings at Miani Horr on the coast of Balochistan and 25,700 trees across nine other locations in Pakistan.





INTERNATIONAL FOOTPRINT

Branch Network:

- Bahrain
- Bangladesh
- Belgium
- China
- Lebanon
- Maldives
- Mauritius
- Oman
- Singapore
- Sri Lanka
- Turkey
- UAE

Subsidiary:

- HBL Bank UK

Affiliates:

- Diamond Trust Bank - Kenya/
Tanzania/Uganda/Burundi
- Kyrgyz Investment and
Credit Bank - Kyrgyz Republic
- Himalayan Bank - Nepal





ACCOLADES

Best Bank in Pakistan

by Euromoney Awards for Excellence 2022

Best Domestic Bank

by Asiamoney Best Bank Awards for Pakistan 2022

Pakistan's Best Bank

Best Bank for Agriculture Financing

by Pakistan Banking Awards 2022

Best Investment Bank Pakistan for 2022

by World Finance Awards 2022

Best Investment Bank Pakistan 2022

Best Project Finance Bank Pakistan 2022

**Power/Utilities Project Finance Deal of the Year
Pakistan 2022**

**Infrastructure Project Finance Deal of the Year
Pakistan 2022**

Syndicated Loan Deal of the Year Pakistan 2022

Equity Deal of the Year Pakistan 2022

by Global Banking & Finance Awards 2022

Best Green Bond

by The Asset Triple A Sustainable Capital Markets Country &
Regional Awards 2021

Project Finance House of the Year

Renewable Energy Deal of the Year

by The Asset Triple A Sustainable Infrastructure Awards 2022

Best Emerging Technology Award

by Pakistan Digital Awards

Pakistan Domestic Cash Management Bank of the Year

Pakistan Domestic Trade Finance Bank of the Year

Pakistan Domestic Project Finance Bank of the Year

by Asian Banking & Finance - Wholesale Banking Awards 2022

Point of Sale Initiative for the year

by ABF Retail Banking Awards 2022

Corporate & Investment Bank of the Year - Pakistan

Equity Deal of the Year Pakistan

Green Deal of the Year Pakistan

by ABF Corporate & Investment Banking Awards 2022

The Most Inclusive Organization in Pakistan 2022

by Global Diversity, Equity & Inclusion Benchmarks Awards

KEY PERFORMANCE INDICATORS



PKR
4.6 Trillion
ASSET BASE



PKR
3.5 Trillion
DEPOSIT BASE



PKR
77 Billion
PROFIT BEFORE TAXATION



164,613
TOUCHPOINTS

2,268 - ATMS | 1,746 - BRANCHES |
61,618 - KONNECT AGENTS |
46,151 - POS | 52,830 - QR CODES



33 Million
CUSTOMERS WORLDWIDE



1,023 Million
**DIGITAL
TRANSACTIONS**

159 - ATMS |
54 - DEBIT/CREDIT CARDS |
633 - MB/IB | 82 - KONNECT AGENTS |
56 - ACQUIRING |
39 - CASH MANAGEMENT

BOARD OF DIRECTORS



Mr. Sultan Ali Allana
Chairman

Sultan Ali Allana has been the Chairman of the Board of Directors of HBL, since the privatization of the Bank in February 2004 by the Government of Pakistan. He has over 38 years of experience in the financial and banking sectors. Mr. Allana also serves on the Boards of the Aga Khan Fund for Economic Development S.A, Alisarda S.p.A, Jubilee Holdings Limited (East Africa), Jubilee Life Insurance Company Limited, Industrial Promotion Services (Pakistan) Limited and Tourism Promotion Services (Pakistan) Limited.

Mr. Moez Ahamed Jamal
Director

Mr. Moez Ahamed Jamal has been on the Board of HBL since 2009. He has over 39 years of experience in the financial sector. He currently serves on the Boards of Diamond Trust Bank Kenya and Pension Fund for Aga Khan Foundation.

Dr. Najeeb Samie
Director

Dr. Najeeb Samie joined the Board in 2013. He has over 37 years of experience in the corporate and financial sectors. He is currently Member Board of PIA Investments Limited and Managing Director, Roosevelt Hotel Corporation N.V, and is a Director of Minhal France, S.A., Minhal Incorporated, Parisien Management Company B.V., Roosevelt Hotel Corporation LLC, and Avant Hotels (Pvt.) Limited.

Mr. Shaffiq Dharamshi
Director

Mr. Shaffiq Dharamshi joined the Board in 2015. He is a banker with over 25 years of banking experience in the Middle East and Africa. He also currently serves on the Boards of Diamond Trust Bank, Tanzania, Diamond Trust Bank, Uganda, Diamond Trust Bank, Kenya, Kyrgyz Investment and Credit Bank, Kyrgyzstan and First Microfinance Bank, Tajikistan.



Mr. Salim Raza
Director

Mr. Salim Raza joined the Board in 2017. He has over 40 years of experience in the banking and financial sectors. He has held various positions at Citibank NA in Pakistan and abroad and has also held the position of Governor of the State Bank of Pakistan. He currently serves on the Boards of Karandaaz Pakistan, Manzil Pakistan, Indus Earth Trust, Habib University, the Layton Rahmatulla Benevolent Trust, Planet N Group of Companies, Nasra Public School and is an adjunct professor at the Institute of Business Administration (IBA), Karachi for Political Economy.

Mr. Khaleel Ahmed
Director

Mr. Ahmed has over 40 years of financial markets experience. He was the Chief Investment Officer at International Finance Corporation (World Bank Group), where he worked for 30 years on emerging economies and financial markets. Mr. Ahmed is a Chartered Accountant, qualifying from the Institute of Chartered Accountants of England and Wales and is a Fellow of the Institute of Chartered Accountants, Pakistan. He has prior work experience at Price Waterhouse (London) and National Development Finance Corporation, Pakistan.

Ms. Saba Kamal
Director

Ms. Kamal has over three decades of experience in the area of Information Technology, with 20 years in senior leadership positions with IBM in Pakistan and internationally. She has an MBA from the Institute of Business Administration (IBA), Karachi, and has completed a number of certifications and trainings at IBM Centers and from Insead, Boston University and China Europe International Business School (CEIBS). Ms. Kamal has completed her Director certification from the Pakistan Institute of Corporate Governance and currently serves on the Board of Packages Ltd. She is also a member of the IBA Board of Governors.

Mr. Muhammad Aurangzeb
President & CEO

Mr. Muhammad Aurangzeb joined HBL on April 30, 2018 as the President & CEO. Prior to this responsibility at HBL, he was the CEO of JP Morgan's Global Corporate Bank based in Asia, with a rich international banking experience of over 30 years in other senior management roles at ABN AMRO and RBS based in Amsterdam and Singapore. He is the only Pakistani to be invited to the exclusive membership of the Global CEO Council organised by WSJ/DowJones group. He is also Chairman of the Pakistan Banks Association, Chairman of the Pakistan Business Council, and Council Member at the Institute of Bankers Pakistan. He received his BS and MBA degrees from the Wharton School (University of Pennsylvania).



CHAIRMAN'S MESSAGE

2022 was a year of extraordinary growth for HBL, with record operating results and an entrenched leadership position in the Country's banking space. Despite the challenging environment, HBL delivered its highest profit before tax at Rs. 77 billion, and its balance sheet grew by 7% to Rs. 4.6 trillion. HBL and its subsidiary, HBL Microfinance Bank, were recognised as the 'Best Bank' and the 'Best Microfinance Bank' in Pakistan by the Institute of Bankers Pakistan. Our relentless efforts and unwavering commitment to diversity and inclusion has also been recognised, with HBL named as the 'Most Inclusive Organization' at the 2022 GDEIB Awards. HBL's gender ratio is now over 22%, a long way from 2004 when that number was 3%.

The Bank's digital solutions have become a way of life, serving more than 33 million customers, with digital throughput crossing Rs. 13.4 trillion. As Pakistan's premier financial institution, HBL remains committed to providing thought leadership in different spheres of the Country's development. Our pioneering interventions in agriculture have had a dramatic impact on Pakistani farmers, and we will scale this up rapidly.

As we navigate through challenging times, we remain live to risks and intend to pursue a course that ensures the highest possible standards across the entire product offerings of the Bank.

Banking at your Fingertips

Banking has never been more accessible, thanks to HBL's investment in smart digitalization. The Bank's Mobile and Internet Banking platform saw its user base exceed 3 million in 2022.

Financial inclusion remains a steadfast priority for us. Konnect by HBL is the Bank's main vehicle for offering easy access to the unbanked and under-banked segments of society across Pakistan. Konnect now has 8.3 million clients. Women constitute 24% of the client base.

HBL further serves people across Pakistan through its 165,000 plus touchpoints, including branches, agents, ATMs, QR codes and POS machines, making it the largest financial distribution network in the Country. Through HBL agents, clients are now able to conduct banking services without a phone. All of this has eased payments and financial transactions for a broad base of clients.

Smart and user-friendly technologies will drive future growth as HBL connects with Pakistan's under-served communities and burgeoning youth population. This year, HBL also became the first bank in Pakistan to offer a full range of banking services through WhatsApp.

From HBL Mobile to Konnect, QR payments to e-commerce, HBL has set the standard for client convenience with faster processing. As digitalization deepens, HBL protects client data with a dedicated, constantly updating Information Security Function, and a 24x7 Security Operations Centre.

Bank with a Soul

HBL is more than just a bank. We operate with a soul and remain committed to enhancing the well-being of society and contributing to the communities in which we operate.

The HBL Foundation increased its philanthropic funding to 1.5% of the Bank's profit after tax and provided much-needed relief this year to flood-affected families through partnerships with Jubilee Insurance and the Government of Pakistan.

This year, we are proud to inform our shareholders that HBL raised its staff service age to 65. This policy has long-term implications on household incomes, which have come under increasing pressure due to high inflation and strong headwinds. HBL has offered its employees a cost-of-living adjustment and enhanced its staff training programmes to build capacity. In this context, over 500,000 person-hours of training were delivered during the year. We also undertook other key initiatives for the HBL community; notably, financial support for childcare for working mothers, the Waapsi returnship programme for experienced women re-entering the workforce, and the creation of positions for persons with disabilities.

Securing our Future

HBL plays a leading role in developing the agriculture sector and promoting sustainable food supply chains. We are investing in cutting-edge methods, practices, and technologies to support Pakistani farmers and address the related challenges of agriculture, food security, and climate change.

Agricultural financing continues to remain a key priority area for the Bank, and I am pleased to report that HBL recorded an all-time high asset deployment of Rs. 50.6 billion. HBL's supply-side initiatives and impartial agronomical advisory have helped farmers improve production, achieving an average increase of 46% in crop yield and an impressive average increase of 195% in net income. The 'Haryali Account' and 'Kissan Ki Awaz' programmes will further upscale financial literacy and awareness among farming communities, including women farmers.

HBL's commitment to sustainability remains firm, and over the course of the year solar panels were installed in 232 premises, leading to a 288 MT reduction in carbon footprint.

Our initiatives were recognised with the 'Top Agri Lending Bank' Award and an Environmental Excellence Award.

Regional Hub for Trade

HBL's presence in China and our successful China coverage model has expanded to UAE, Sri Lanka, Bangladesh, Maldives, and East Africa through our affiliate DTB, serving Chinese State Owned Enterprises and large private sector corporates.

HBL's international operations improved in 2022, with trade volumes up 68%, and network client business doubled. We are one of only 3 banks in MENA and South Asia to offer end-to-end RMB intermediation, extending liquidity management and salary remittance services to Chinese clients and expatriate employees. We intend to continue leveraging our unique position and become the flagship bank for international business over the next few years.

Building Value

HBL's clients and staff have played a pivotal role in the Bank's continued success. Thanks to their dedication, HBL remains the 'Best Bank in Pakistan', with the highest Brand Equity Index (BEI) of 4.1. We appreciate our shareholders' trust and support and pledge to maintain our commitment to excellence and cutting-edge digital solutions. We also extend our gratitude to our regulators for their guidance.

At the AGM, we plan to distribute a final cash dividend of Rs. 1.50 per share, bringing the total for the year to Rs. 6.75 per share, after previously declaring and paying interim dividends of Rs. 5.25 per share.



DIRECTORS' REPORT 2022

On behalf of the Board of Directors, we are pleased to present the Consolidated Financial Statements for the year ended December 31, 2022.

Macroeconomic Review

Following a high-growth phase in FY'22 when the economy expanded by 6.0%, FY'23 commenced with Pakistan's worst-ever floods, causing an estimated damage of ~\$32 billion. Pakistan's challenges have been significant – the external front was impacted by rising commodity prices and debt repayments, exacerbated by delays in the IMF program, while the domestic economy came under severe pressure, compounded by a lack of political clarity. These factors have led to an overall slowdown in the economy with moderation in most high-frequency data. The Large-Scale Manufacturing Index posted a decline of 3.7% during 1HFY'23 and the SBP has warned of downside risks to even the 2% target for GDP growth. In Jan'23, inflation surged on account of higher fuel and energy prices, food inflation and currency depreciation, registering a nearly 50-year high of 27.6%. Core inflation, which has been on a consistently rising trend, increased to 17.0%, reflecting the secondary impact of rising energy prices. Average inflation for 7MFY'23 is 25.4% vs 10.2% in the same period last year and is already much higher than the SBP's FY'23 projection of 21% - 23%.

The global economic slowdown took its toll on Pakistan's external sector. Exports fell by 7% in 7MFY'23, compared to the same period last year. The trade balance however, improved, as restrictions on luxury imports, fiscal and monetary tightening, and an overall slowdown in demand led to a 21% contraction in imports. The trade deficit for 7MFY'23 thus declined by 31% to \$17 billion. With the gap between the interbank and the kerb rates widening, remittances decreased to \$1.9 billion in Jan'23, the fifth successive month-on-month decline and the first sub-\$2 billion level since May'20. For 7MFY'23, remittances of \$16 billion were 11% lower YoY. However, the narrowing of the trade deficit supported the current account, with the 7MFY'23 deficit falling by 67% over 7MFY'22, to \$3.8 billion.

Pakistan's foreign exchange reserves depleted to nine-year lows, falling to \$2.9 billion by 3 Feb'23, amid delays in the IMF review. Most external financing avenues are now linked to the IMF Board approval. The completion of a number of prior actions, including additional taxation measures and further increases in fuel, gas and utilities prices should help move closer to the Staff Level Agreement. The deteriorating external account dragged the currency, which remained volatile throughout the year and ended the year 27% (Rs 48/\$) lower. The recent restoration of a market-determined exchange rate caused a further downward spike with the Rupee falling by Rs 49/\$ to Rs 275/\$ before recovering slightly.

The primary surplus in 1HFY'23 improved significantly, both in absolute and percentage terms; this clocked in at 1.1% of GDP compared to 0.1% of GDP in 1HFY'22. Tax collections increased by 17% YoY in 1HFY'23, driven by a 50% increase in direct taxes. However, current expenditure increased by 30%, led by floods and a 77% increase in mark-up payments. The fiscal deficit for 1HFY'23 thus registered a 23% increase over 1HFY'22 to PKR 1.7 trillion, although it remained at 2.0% of GDP.

Equity markets saw another volatile year with the market shedding 2% during the last quarter and 9% from December 2021. Investor participation remained dull with low volumes as macroeconomic pressure, extended political uncertainty and a rapidly falling Rupee all weighed on sentiments. The exodus of foreigners continued, particularly in banking sector stocks as international investors sold \$127 million over the year.

The central bank has continued to tighten monetary policy and, in the Jan'23 MPC, raised the policy rate by 100 basis points to 17%, a 25-year high. The SBP was of the view that inflation is broad-based and persistent, with core inflation on a rising trend for the past 10 months. Further, expectations have skewed upwards, and timely intervention was needed to lower them. It emphasised that the short-term costs of taming inflation are lower than the costs of allowing it to become entrenched. Industry advances and deposits were distorted in Dec'22 as banks raced to increase their Asset / Deposit Ratio to avoid punitive tax rates. For 2022, industry advances increased by 17% while deposits growth slowed to only 7%, with market deposits showing their first-ever fourth-quarter decline in Q4'22. Industry spreads in 2022 grew by 100 bps over 2021, reflecting the increase in benchmark interest rates and the continuing re-pricing of balance sheets.

Financial Performance

In 2022, HBL has delivered its highest profit before tax of Rs 77.0 billion with a consistent growth trajectory throughout the year, backed by record quarterly profits. PBT is 24% higher than the PBT of Rs 62.0 billion last year. The Bank's profit after tax, however, declined by 3% to Rs 34.4 billion, as a higher tax charge caused by excessive and retrospective taxation impacted the bottom line by Rs 11.3 billion. Earnings per share declined slightly, to Rs 23.23 in 2022 from Rs 23.88 in 2021.

HBL's balance sheet grew by 7% to Rs 4.6 trillion. Domestic current deposits grew by Rs 203 billion, a 20% growth over the prior year, reaching Rs 1.2 trillion; low-cost savings accounts increased by Rs 136 billion. The Bank's focused efforts to mobilize low-cost deposits and contain its cost of funds led to a record current account mix of 41.5% and a CASA ratio of 86.5%. Total domestic deposits reached Rs 2.9 trillion and HBL's total deposits as of December 2022 rose to Rs 3.5 trillion.

In line with its stated intent of supporting customers throughout economic cycles, HBL helped its clients and the country navigate through extremely challenging times. Domestic advances grew steadily throughout the year, by Rs 241 billion to Rs 1.4 trillion, registering a broad-based growth of over 20% for the second consecutive year. The Bank's flagship consumer portfolio increased to Rs 122 billion, and lending to the Commercial segment crossed a landmark Rs 100 billion. Agriculture financing is a key priority of the Bank and the portfolio reached an all-time high of Rs 50.6 billion. HBL Microfinance increased its portfolio by 50% to Rs 85 billion, furthering the Bank's financial inclusion objectives. HBL's total advances increased by 18.3% to Rs 1.8 trillion, with the ADR improving to 52.9%.

With rapid monetary tightening, net interest margins improved by 81bps over 2021 while the Bank achieved a Rs 540 billion growth in average balance sheet volumes. Consequently, net interest income grew by 26% to Rs 166 billion. Non-fund income grew by 29% to Rs 46.7 billion with a standout performance from all areas. HBL's dominant fee franchise again delivered excellent results, rising 24% to Rs 31.5 billion. Its flagship Cards business continues to set new records, contributing nearly half the increase in fees and constituting nearly 50% of total fee income. Despite constraints, Trade income grew by 19% to Rs 3.2 billion. Investments in the Bank's branchless banking initiative, Konnect, are now coming to fruition as Konnect generated fees of Rs 1.5 billion, more than double that in 2021.

HBL continues to invest in its people and its digital infrastructure to deliver innovative and unique customer solutions. HBL, as always, also stepped up to support the country and its people during the catastrophic floods that displaced millions of people. In 2022, total administrative expense increased to Rs 124.8 billion as unprecedented inflation affected costs across all categories. However, with a strong revenue base, the domestic cost / income ratio was maintained at the prior year's level of 51.1%. Total provisions of the Bank increased marginally, to Rs 8.5 billion, as HBL prudently boosted previously created reserves, in order to insulate the Bank from the fallout of the current economic conditions. HBL's infection ratio decreased from 5.1% to a new record low of 4.8% while total coverage remained above 100%.

Movement in Reserves

	2022	2021
	Rupees in million	
Profit after tax	34,398	35,507
Unappropriated profit brought forward	158,441	138,208
Profit attributable to equity holders of the Bank	34,070	35,022
Re-measurement gain on defined benefit obligations – net of tax	98	208
Acquisition of additional interest in subsidiaries	281	749
Transferred from surplus on revaluation of assets – net of tax	73	197
	34,522	36,176
Profit available for appropriation	192,963	174,384
Appropriations:		
Transferred to statutory reserves	(3,495)	(3,841)
Cash dividend – Final	(3,300)	(4,401)
1 st interim cash dividend	(3,300)	(2,567)
2 nd interim cash dividend	(2,200)	(2,567)
3 rd interim cash dividend	(2,200)	(2,567)
Total appropriations	(14,495)	(15,943)
Unappropriated profit carried forward	178,468	158,441
Earnings per share (Rupees)	23.23	23.88

Capital Ratios

With the strong results, internally generated capital grew by 10% in 2022. The massive Rupee devaluation of Rs 48/\$ impacted the Capital Adequacy Ratio (CAR) by 107 bps. As a result, HBL's consolidated Tier 1 CAR declined to 11.8% while the total CAR reduced to 14.8%. Nevertheless, both ratios remain comfortably above current regulatory requirements; these were eased in December, as the SBP lowered the D-SIB buffer for all categories of banks by 50bps.

In December 2022, the Bank issued Rs 6.5 billion of perpetual term finance certificates, which qualify as Additional Tier 1 capital, thus boosting its Tier 1 CAR by 34 bps.

Business Developments

In 2022, HBL attained a deposit market share of 13% with a domestic book of Rs 2.9 trillion, adding nearly 800,000 customers through its branch network. This included more than 135,000 new customers of HBL Asaan Account, a basic account targeted at enhancing inclusion; HBL now has over 1.1 million customers in this segment with a total deposit of over Rs 17 billion.

New product launches were based on a well-thought out needs analysis. The Bank introduced Mahana Amdan, a savings product aimed at retirees, offering higher returns with monthly profit payouts. HBL's classic Freedom Account, which provides banking solutions to businessmen, was supplemented with an insurance offering that provides coverage against loss of cash and valuables as well as hospitalization coverage. The Bank crafted an offering to address the unique financial requirements of the agricultural segment which resulted in the launch of the Haryali Account in November 2022.

HBL proudly serves over 4 million women customers, including nearly 1 million under its internationally recognized women's market program, HBL Nisa. During 2022, the program added nearly 160,000 new accounts with total Nisa deposits increasing by Rs 40 billion. The Bank also launched Nisa Asaan, an initiative targeted specifically towards the unbanked and underbanked women of Pakistan. To cater to the growing savings needs of women a mutual funds proposition was launched for women in collaboration with HBL Asset Management Company.

HBL's Prestige proposition is designed to change the landscape of priority banking across Pakistan, serving affluent customers with a bespoke product suite in line with their sophisticated needs. Prestige is now offered at 38 lounges across 16 cities in Pakistan. In 2022, Prestige went international with its first lounge in Jumeirah, Dubai. In order to expand the offering's scope, 400 regular branches were also enabled to onboard Prestige customers, offering them access to the value proposition, but without a dedicated footprint. As a commitment to product innovation and service excellence, Prestige offers fully automated lockers that are available to clients 24x7 in select locations. Vitality, an insurance product catering to the health and lifestyle needs of high-net-worth individuals was added to the Prestige product offering.

The Bank continues to lead the industry on the Roshan Digital Account initiative, being the first to cross 100,000 accounts, with a 20% market share. Since inception, HBL has channeled over \$900 million to the country through this initiative. The Bank remains the market leader for investments in Naya Pakistan Certificates as well as financing under the Roshan Apni Car and Roshan Apna Ghar programmes.

To provide convenience to clients, the digital account opening journey was augmented to provide an enhanced and seamless onboarding, based on insights from customer experiences. The entire conventional branch network has been enabled to onboard clients to the Konnect platform. This has served the dual purpose of easing congestion at branches and enabling low-ticket accounts to be accessed and serviced via HBL's extensive agent network.

Bancassurance regained its market leadership position with a 30% share of premiums written. Investment Services, which distributes HBL AMC's funds, are now available in over 1,400 branches and achieved AUM sales of Rs 5 billion.

HBL's Consumer Banking business had another stellar year with total consumer lending growing by 19% to Rs 122 billion. The credit cards business further consolidated its leadership with a growth of over 60% in card usage, achieving Rs 182 billion in spend and a portfolio size of Rs 24 billion, up by 47% over the previous year. HBL's credit cards remain top-of-wallet with one out of every three Rupees spent on credit cards in Pakistan being on HBL. Over 90,000 new credit cards were issued in 2022, a 17% growth from 2021. The business also offered significant limit increases to assist qualifying customers in light of inflationary pressures.

HBL has continued to solidify its position as the largest card issuer in Pakistan with one in every five people holding an HBL Debit Card, a total of 6.5 million debit cards issued. Spend volumes in 2022 increased by 58% to Rs 122 billion, of which 30% was at e-commerce merchants. The Tokenization or Tap and Pay feature was launched for credit cards in 2021; in 2022, this was enabled on MasterCard and Visa Debit Cards under the HBL Pay brand, allowing customers to pay by simply tapping their mobile phones at contactless enabled POS machines. The Bank expanded its POS network to more than 46,000 machines, the largest network in the industry. Throughput at HBL's terminals grew by 46% to Rs 264 billion, accounting for more than a third of the country's total sales volume.

Personal Loans, with a portfolio of Rs 44 billion, continued to be one of the most important pillars of consumer financing with fresh disbursements of over Rs 28 billion in 2022. Ready Cash was established as a future growth product with ~Rs 3.5 billion of credit lines approved for around 6,000 customers. Despite external challenges being faced by the autos industry, HBL has maintained its leadership position in 2022, financing 11,200 cars – the highest in the market – and increasing market share from 11.5% to 12.4%.

HBL remains focused on digitalization to improve customer convenience with faster processing. In 2022, one third of credit cards and 23% of personal loans were booked through HBL Mobile, a paperless process with instant decisioning. Towards the end of the year, in yet another industry-first innovation, Digital Car Finance was launched and promises to be a game changer for the auto financing business.

HBL is fully committed to investing and growing the SME business in a significant and sustainable way. In 2022, Advances grew by 20% to over Rs 89 billion; new and enhanced limits of Rs 35 billion were approved, 26% higher than in 2021. The SME customer base crossed 15,000, an impressive growth of 25%. The growth in scale and size has been primarily driven through enhancing sales capabilities, process simplification, use of technology and implementing scoring models for quick decisioning. The repositioning of the business has enabled faster growth with particular focus on small businesses that have a real impact on the economy. HBL has entrenched its leading position in the industry with market share increasing from 14.1% to 16.5% in 2022.

New products, focused on cashflow based lending, were designed specifically for Small businesses within the overall SME segment to accommodate the fact that these businesses are frequently collateral deficient and lack formal documentation. This model is delivering results as HBL has already disbursed more than Rs 7 billion to 2,400 customers. The Supply Chain Financing business has shown exponential growth of over 50% and is nearing PKR 10 billion. The Bank is an active participant in SBP-led initiatives for SMEs and has disbursed more than Rs 5 billion under various schemes.

HBL continued to lead the market in Agriculture financing with the landmark achievement of crossing Rs 50 billion in advances, a 27% growth over 2021. The Bank's already dominant market share crossed 35%. SBP declared HBL as the 'Top Agri Lending Bank' in the Large Banks category for FY'22. The Bank was also nominated as the Champion Bank for Balochistan to lead the industry for enhancing access to agriculture credit and financial inclusion in the most under-privileged province of Pakistan. Under this initiative, HBL drove activities to create farmer awareness and worked with educational institutions to prepare students for employment opportunities. HBL was also awarded the Best Bank for Agriculture 2022 at the Pakistan Banking Awards.

In 2022, HBL made fresh disbursements of Rs 17 billion, 30% higher than in 2021, adding 3,500 customers. HBL's focused approach on the agriculture value chain led to Rs 3 billion financing for businesses with linkages to agriculture such as processing units and cold storage facilities. The revamping of lending to the dairy and livestock sector has enabled the Bank to on-board over 1,400 farms and build a portfolio of more than Rs 3 billion. HBL also maintained leadership in Electronic Warehouse Receipt (EWR) financing by funding over Rs 700 million and achieving a market share of more than 70%. SBP named HBL as the role model financial institution for introducing and upscaling the EWR regime in the country. HBL stood by its customers during the devastating floods, deferring repayments of more than 5,000 affected farmers while continuing fresh disbursements to enable farmers to timely sow their Rabi crops.

Considering the importance of women in the agriculture workforce, HBL launched the Nanni Kissan and Agli Nasal digital video commercials highlighting the importance of female education in the uplift of agriculture. The financial literacy and awareness of farming communities was further upscaled under the flagship "Kissan Ki Awaz" program with more than 40 sessions conducted across the country.

To bring resilience to the Agriculture sector against climatic vulnerabilities HBL, in collaboration with insurance partners, successfully completed the pilot test of the Area Yield Index Insurance product for wheat-paddy farmers. This provides insurance to farmers in case yields are impacted by climate events. To further its digitalization objectives, HBL implemented an automated Loan Origination System to digitally route loan applications. A Salesforce management application was provided to field teams, facilitating them in digitally recording customer visits and developing a sales pipeline. HBL remained the largest user of the Punjab Land Record Authority's portal, both in Fard extractions and in online charge creation.

HBL's unique and first-of-its-kind Farm-to-Processor initiative was implemented in the form of various pilot projects to uplift and turnaround Pakistan's agriculture sector. HBL has been more than a lender, helping farmers improve their production through supply-side initiatives and impartial agronomical advisory. From only 5 farmers and 444 acres when HBL embarked upon this journey in 2020, the Bank has now achieved completion of 17 pilot projects, scaling up in-kind financing to 550 farmers for 26,000 acres. HBL's fundamental shift is led by a team of 80 agronomists and field officers who guide farmers on best practices. In order to reduce time away from farm activities, HBL launched a digitally-enabled farmer onboarding system through HBL Pay. As a result of HBL's interventions, farmers with relatively small land and lease-holdings – who represent the majority of country's farmers – achieved an average increase of 46% in crop yield (with the highest increase being 118%) and an impressive average increase of 195% in net income (highest increase of 611%). These results have been independently validated by Princeton University development economists and demonstrate a double bottom-line impact both for the farmers and the Bank.

HBL's Islamic Banking business is one of the fastest growing areas within the Bank, offering the entire spectrum of the Bank's products, from large-ticket Corporate deals to retail deposits and consumer finance. In 2022, the Islamic branch network increased from 259 to 294. HBL achieved a 7% share of the market for Islamic deposits, with the total customer base crossing 1 million. In line with the Bank's "Mobile First" strategy, HBL launched an exclusive Islamic Banking Mobile App early in 2022 with transactions through this App crossing Rs 11 billion.

An Islamic Konnect account was launched in August 2022 to cater to the unbanked and under-banked segments of society who prefer Shariah-compliant solutions. In the 5 months since launch, 200,000 current accounts have been opened, with more than 400,000 transactions valuing over Rs 2.7 billion; women make up 28% of the Islamic Konnect client base. This product also offers salary disbursement and cash collection services to corporates and microfinance institutions that prefer Shariah-compliant banking.

HBL's Islamic Consumer business had another strong year, doubling its portfolio. Islamic Car Finance increased the number of units sold by 30%, even as the overall market shrank by 32%; receivables rose to nearly Rs 6 billion. HBL picked up the pace in the Government-led Mera Pakistan Mera Ghar scheme with a total book size of Rs 8 billion.

Total lending to Corporate and Commercial customers increased by 32%. This includes financing of the Islamic business' unique customers as well as Islamic products offered to conventional clients. The focus on trade resulted in a growth of 11% over last year, even though the market remained depressed due to import restrictions.

HBL continues to provide market leading products to its Corporate customers, by offering solutions for working capital and term loan needs, transaction banking products and specialized products to help clients manage foreign exchange and market risks. This is achieved through a one-window solution for the wholesale banking needs of Corporate customers, while also providing their management and employees access to HBL's suite of consumer and retail banking products. In a difficult year, HBL continued to lend prudently, maintaining portfolio quality through frequent reviews and achieving double digit loan growth.

HBL maintained its leadership position in cash management and continues to play an instrumental role in digitizing the financial value chain. Total cash management throughput increased by 56% to Rs 12.3 trillion in 2022. HBL Pay Business Banking, the Bank's digital platform continued to drive volumes – for the second year running, payments through this platform doubled, to Rs 6.7 trillion with nearly 40 million transactions processed. The AsiaMoney 2022 survey ranked HBL as the Market Leader amongst domestic banks for cash management as well as the Best Services for cash management in Pakistan. What is most gratifying about these particular awards is that they were based on votes by customers, a testament to HBL's goal of delivering innovative products tailored to client needs. HBL's market-leading employee banking proposition provides payroll services to 3.2 million employees with deposit balances growing to Rs 252 billion. In 2022, HBL added a new feature of pay continuation insurance to provide its customers peace of mind.

In line with HBL's vision of becoming the leading trade bank in Pakistan, a new vertical of Global Trade Services (GTS) has been created to increase focus on this business and on specialized product development to capture market share. The strategic intent is to centralize all GTS products under one umbrella, create product specialization and develop innovative structures aimed at facilitating both conventional as well as complex transaction banking needs. With import curbs affecting both importers and exporters with import dependency, HBL remained close to its clients to provide support and assist them in their Trade needs. This enhanced focus helped HBL to grow its market share to 12.9% despite an overall decline in volumes.

HBL's Investment Banking business remains the first choice for clients and continued to support customers through advisory support and cutting-edge solutions, even in this very challenging environment. The Bank executed 20 deals valued at more than Rs 200 billion, covering the entire suite of investment banking products across a diverse array of sectors. The strategic Public Private Partnership area closed 2 road infrastructure projects. HBL also played a pivotal role in advising and closing Pakistan's first and largest hybrid REIT issuance. 22 accolades received from various international and domestic publishers over the course of the year are a testament to the breadth and depth of HBL's dominance of this space.

In an environment of excessive volatility, HBL's Treasury team stepped up client engagement, providing regular economic updates and facilitating customers. The Bank's groundbreaking digital FX portal, HBL Infinity® has received tremendous market acceptance with more than 350 clients transacting around \$ 5.5 billion in 2022. During the year, this portal was extended to customers in the UAE and has seen a very strong reception from the client base in the region. HBL also launched Symphony®, a fixed income portal which, in another industry-first, allows institutional and corporate investors to transact digitally in the Pakistan Government Securities market, in a paperless and instantaneous manner.

HBL continues to re-engineer its Home Remittances business through improvements in service quality coupled with extensive marketing campaigns in source countries. This has led to higher volumes, which grew by 13% to \$3.1 billion, and a rise in market share, to 10.6%.

HBL's Retail digital channels – Mobile and Internet Banking, ATMs and POS – continued to play a significant role in shaping Pakistan's financial landscape, connecting customers, businesses, and Government. In 2022, over 310 million financial transactions worth more than Rs 4.3 trillion were processed through these channels, a growth of over 55%, evidencing our commitment to becoming a *Technology Company with a Banking License*. Transactions through digital channels now constitute 82% of financial transactions and have contributed to significantly reducing the footfall at branches, thus containing costs and allowing for better customer focus at the branch level.

HBL Mobile and Internet Banking processed more than 125 million financial transactions worth over Rs 2.3 trillion, a doubling over 2021. This growth was driven by higher ticket sizes and a user base that has now grown to 3.2 million. HBL Mobile also processed over half a billion services transactions. The increasing confidence of customers in HBL's digital products is reflected in the exponential growth of large ticket and C2B transactions – corporate and education fee payments rose by 221% and 93% respectively, shifting ~1.3 million corporate collection transactions away from branches. In 2022, an HBL Islamic Mobile app was launched to provide convenience for customers with Shariah-compliant needs.

HBL pioneered financial transactions through the HBL WhatsApp banking channel during 2022. WhatsApp banking now has almost 300,000 users; 54,000 transactions valued at more than Rs 150 million were processed and 2.3 million services transactions were conducted.

With over 2,200 billing partners, HBL's Electronic Bill Presentment System (EBPS) enables customers to pay bills online. Payments rose by 65% over the previous year, reaching Rs 1.3 trillion in 2022. During the year, HBL also extended this service to the whole industry by exposing its unique billers to 1-Link, thereby enabling customers of other banks to make online payments to these organisations.

Maintaining its streak of bringing innovative solutions to Pakistan, HBL commercialized the conversion of mobile phones into POS terminals, thus enabling smartphones to accept card-based payments at the time of delivery and revolutionizing the delivery payments process. Through bypassing the need for cash on delivery, merchants get real-time information and 24-hour settlement, thus saving them the hassle of handling cash while freeing up their working capital. For this first-to-market initiative the Bank won the Best Payments Initiative award at the Pakistan Digital Awards and the Point of Sale Initiative for the Year at the Asian Retail Finance Awards.

HBL Pay Checkout empowers online merchants to accept digital payments through cards, bank accounts, and e-wallets. This service is now available at 620 e-Commerce merchants with over 4.6 Mn transactions valued at Rs 35 billion processed in 2022.

Financial inclusion in all its forms is a key objective of HBL. Konnect by HBL is the Bank's main vehicle for expanding financial inclusion, offering easy access to the unbanked and under-banked segments of society across Pakistan. Konnect now has 8.3 million customers with women constituting 24% of the client base. In 2022, Konnect launched an Islamic deposit account, enabling customers to fulfil their banking needs in a Shariah-compliant way and filling a major gap in the market. With over 200,000 accounts opened since launch, Konnect Islamic Account remains unique in the industry.

Konnect offers flexible disbursement solutions to more than 840 companies and small businesses with processed volumes exceeding Rs 238 billion in 2022. Konnect collection services cater to loan repayments, school fees and distributor collections, offering round the clock banking services across Pakistan without the need to go to a branch. Total collections in 2022 more than tripled, to Rs 170 billion. Konnect by HBL has had the privilege of partnering with the Government on a variety of initiatives such as the Benazir Income Support Programme, emergency disbursements for flood relief and fuel subsidies. During the year, Konnect entered into a payment partnership with the World Food Programme and the World Health Organization for the distribution of social support payments.

Early in 2021, Robotic Process Automation (RPA) was introduced with successful proof of concept deliveries and more than 50 processes converted to RPA. During 2022, the program has successfully delivered value in different cross-functional areas; since the start of the programme, 86 processes have been moved to RPA, resulting in improved processing time and saving more than 18,000 person-hours per month. This has enabled capacity increases of up to four times in these areas.

HBL witnessed significant improvement in its international operations in 2022, by staying relevant to network clients and upgrading technology platforms, payment systems and digital applications. Trade volumes rose by 68%, and network customer business doubled, driven by utilizing the network more effectively and enhancing beneficiary marketing. Deposits across the network remained stable with a healthy CASA mix. For multi-country clients, a structure of group level limits has been established under a Global Relationship Manager which will enable a more holistic management of key customers.

HBL's two branches in China serve as the main engine for origination and execution of Chinese transactions, facilitating greater intra-network flows. The Bank's successful China coverage model now covers UAE, Sri Lanka, Bangladesh and the Maldives. In 2022, this model was expanded to East Africa in partnership with our affiliate - Diamond Trust Bank. HBL serves 54 Chinese enterprises, 19 of whom are customers in multiple locations, furthering its objective of being a bank of relevance in the region. In Pakistan, HBL remains the leading bank for China business. The China franchise is well positioned to become the flagship of the international business over the next few years.

HBL continued to leverage its unique position of being one of only 3 banks in MENA and South Asia to offer end-to-end RMB intermediation by extending RMB offerings to other financial institutions. HBL's RMB Nostro proposition enables it to offer liquidity management to its Chinese clients and salary remittance services to their expatriate employees. HBL China has also established 17 new FI relationships in multiple countries to further enhance the proposition and launched an LC advising rebate program for banks in Pakistan and Bangladesh.

2022 marked the culmination of HBL Microfinance Bank's (HBL MfB) two-decade journey from "Pioneer to Leader" with HBL MfB taking on the mantle of the largest microfinance bank in Pakistan. Despite challenges posed by the economic conditions, MfB delivered a nearly 50% growth in its loan portfolio which reached Rs 85 billion with disbursements to more than 460,000 customers. 29% of clients are female, underlining the bank's commitment to expanding access to women. Deposits rose by 27% to Rs 116 billion, of which 60% is CASA.

HBL MfB has consistently invested in technology as a means to financial inclusion. An in-house developed Customer Management Solution (CMS), is a state-of-the-art system that enables customer on-boarding using tablets with loan processing within 48 hours. CMS has been implemented across 86% of MfB's network and has helped it transform from physical credit processes to end-to-end digital lending. Under the FirstPay brand, HBL MfB has 1.3 million e-wallet customers who, in 2022, executed 2.8 million digital transactions totaling Rs 11 billion. The bank has also disbursed Rs 0.5 billion in nano loans, based on a scoring model that provides instant financing solutions to e-wallet customers. With 600,000 PayPak debit cards, HBL MfB remains the largest issuer in the microfinance industry.

The Bank is the largest provider of housing finance to microfinance clients with a portfolio of Rs 28 billion. MfB was one of the first banks to provide mortgage loans under the Government's Markup Subsidy Scheme and remained one of the top lenders even among commercial banks. With a portfolio of Rs 45 billion, HBL MfB is also the leading lender to agriculture amongst microfinance banks. The SBP has nominated it as the Champion Bank for Gilgit Baltistan.

The Bank focuses on people development and capacity-building programs to build long-term career paths, helping to build a highly engaged workforce. These efforts are reflected in the bank's employee engagement survey for the year, with a response rate of 98% and an overall 96% engagement score, results that are significantly above those of previous surveys as well as global and financial industry norms. As a recognition of the bank's commitment to diversity, MfB won GDEIB awards in 10 different categories for supporting the development and implementation of Diversity, Equity and Inclusion best practices. In 2022, HBL MfB was named as "The Best Microfinance Bank" at the IBP's Pakistan Banking Awards and also recognized as "The Best Microfinance Bank" by the CFA Society of Pakistan. The bank also received recognition from the SBP for its achievements in spreading financial literacy.

HBL Microfinance Bank takes great pride in having been able to transform its clients lives by graduating them from microfinance to MSME. Citi-PPAF awards to 31 of its customers over the last several years, including 3 awards this year, is evidence of the bank's commitment to its mantra of "umeed say yaqeen tak" – turning hopes into realities.

During the year, HBL injected Rs. 1.4 billion as additional equity in HBL-AMC, positioning it for future growth. Growth momentum accelerated in 2022, as Assets under Management (AUMs), increased by 66% to reach Rs 156 billion, well ahead of the 39% industry growth; market share thus increased to 10%, maintaining the AMC's position as the 5th largest in the industry. Shariah-compliant AUMs were a key component of the growth as they increased from Rs 14 billion to Rs 56 billion. The investment in growing the retail segment is now yielding results as retail AUMs increased by 77% to Rs. 44 billion. HBL-AMC launched two new Funds during the year including an industry-first debt Exchange Traded Fund. The strong AUM growth also led to an upgrade in the Management Quality Rating of HBL-AMC to AM1 (Stable Outlook), the highest possible rating for an asset management company in Pakistan.

HBL strives to provide customers with efficient and consistent service through improving self-service and digital options, front line empowerment and monitoring. Over 300 end-to-end customer journeys were simplified to improve productivity, turnaround time and customer experience. Initiatives to further reduce turn-around-times (TAT) included enhancement of Teller transaction limits and extended hours for account opening. Through the Aagahi Drive launched in 2021, over 16,000 sessions were conducted to educate front-line staff on new and revised processes, enabling them to serve customers efficiently while ensuring a robust compliance culture. A weekly Friday Huddle was introduced to review the service experience of customers over the week and identify areas for improvement. The customer satisfaction level was 80% with problem resolution satisfaction score at 59%. During 2022, 271,433 complaints were received by the Bank, which were resolved, on average, within 5 days. The Bank's Customer Centricity Guidelines were enhanced to include parameters for fair treatment of customers and to further inculcate a culture of service excellence through accountability, recognition, and training.

In line with HBL's diversity agenda, 35 fully accessible model branches were completed with features especially designed for differently-abled individuals, from tactile floors and talking ATMs to Braille stationery and dedicated parking. Under a Female Friendly Branch initiative, infrastructure in 350 branches was upgraded to improve hygiene and provide convenience and a sense of inclusiveness to the Bank's female staff and customers.

HBL's Digital Customer Experience (DCE) handled 14.1 million interactions in 2022, with non-voice interactions through digital channels showing a growth of 59%. 17 new self-service features were added in 2022 and IVR-based interactions grew by 60%, to 1.6 million. HBL's Contact Centre also received ISO 9001:2015 certification for its controls and governance.

HBL announced its commitment to meeting AKDN's Net Zero target by 2030. Solar panels were installed at 232 premises leading to a 288 MT reduction in HBL's carbon footprint. Other initiatives aimed at emissions reduction include HVAC and lighting rationalization in major buildings, smart fuel cards and awareness sessions to involve staff in energy conservation. All new major buildings of HBL are planned to be EDGE+ certified. During the year, HBL MfB's Regional Headquarters received Advanced EDGE certification from the IFC in addition to its previous LEED and EDGE certifications. In recognition of its sustainability initiatives, HBL again received an Environmental Excellence Award from the National Forum for Environment & Health.

In 2021, HBL took a decision to upgrade its Core Banking System from Mysis to Temenos to enable the future growth plans of the Bank. The project was formally initiated in February with the commencement of workshops for the various workstreams and preparation of Business Requirement Documents. A Testing Center of Excellence was also established to enhance Quality Assurance of software development across the bank, and implement automated testing to deliver more resilient releases and a smoother customer journey.

The HBL Brand enjoys robust health; a Brand Health Tracker study was conducted in 2022 in which HBL emerged as the strongest brand in the industry with a Brand Equity Index of 4.1, along with the highest brand awareness, usage, and consideration scores. In 2022, HBL's flagship platform of HBLPSL was activated via the advertising campaign of "Jahan Fans, Wahan Stadium", celebrating the spirit of the game and millions of cricket fans across the world. This was the seventh edition of HBL's sponsorship of Pakistan's largest and most popular sporting event. HBL's digitally-led entertainment show attracted more than 25 million views and won the prestigious Effie Award in the Influencer Marketing category.

HBL digital marketing efforts focused on themes and platforms favoured by its clients. The Pakistan website showed an increase both in traffic as well as in session durations. Improved discoverability on search engines led to 54% of all website traffic coming through search vs 9% in 2021. HBL's Agricultural campaign was a heart-warming made-for-digital narrative that received appreciation across social platforms. In 2022, HBL went on TikTok for the first time and continues to grow a presence for reaching younger and more varied audiences.

Human Resources

True to being a "Bank with a Soul", HBL undertook a number of initiatives in 2022 to provide support to staff and their families. As a market and industry first, the Bank announced the extension of its service age to 65 years. This was driven by a motivation to support employees when they reach the age of 60, but still have the energy and drive to continue at a high level of performance for some years. This also allows such employees to continue serving our customers and to mentor younger staff. This leading initiative, which was universally hailed, will benefit hundreds of families. To help employees cope with the current economic challenges, two Interim ad hoc financial assistance payments were made to middle and junior management staff. To assist employees with transport costs, interest free motorcycle loans were offered to support employees' purchase of their own vehicles and 'Share Sawari', an in-house ride sharing app was launched. Rehabilitation and reconstruction financial assistance was also provided to staff impacted by the floods.

The Bank's relentless focus on Diversity, Equity and Inclusion bore fruit with the Bank being recognized as the Most Inclusive Organization in Pakistan by GDEIB of the Centre for Global Inclusion. As part of this assessment, HBL won 15 awards in various categories. During the year, the Waapsi returnship program for experienced women re-entering the workforce was strengthened with a number of women hired under this program. The Bank ended the year with a diversity ratio of 21%; our goal is to increase participation by women to a quarter of the workforce by 2025. As part of our push to be even more inclusive for people with disabilities, several initiatives were undertaken, including specialized training, targeted hiring, providing grants for assistive devices and launching a specialized internship / work experience program.

Attracting and developing talent remains a cornerstone of the Bank's strategy. To build a values-based culture and develop leadership capabilities at all levels, the Leadership Excellence program was launched in partnership with a leading global leadership development organization. Under this comprehensive program, spread over the next 3 years, over 3,000 leaders ranging from the Bank's Executive Committee to the junior-most front-line leader will be trained and developed in line with HBL's Leadership DNA. In 2022, this program was initiated for the Executive Committee and the General Managers of the Bank; for the remaining employees, it will be launched in 2023.

To create a strong talent pipeline, while also helping to upgrade the capabilities of the country's educational institutions, collaborations were formalized with 15 universities throughout Pakistan to provide customized support to students, faculty and curriculum depending on institutional needs and HBL's objectives. This program will assist students with scholarships and internships; provide faculty with research opportunities and real-life business projects; and provide universities with assistance on curriculum development to prepare students with skills required in today's workplaces.

HBL continues its journey of cultural transformation to have engaged, digitally savvy and customer-centric staff to deliver its strategy. The Bank's management trainee and graduate trainee programs, The League remain amongst the most sought-after in the industry and help to build a high-potential talent bench strength. Additionally, entry-level batch hiring for certain targeted roles helped to add capacity. As part of capability building, over 500,000 person-hours of training were delivered to keep employees' skills updated in line with global best practices and market needs. In pursuit of the Bank's customer-centricity goals, customer service and compliance training were at the top of the agenda. As part of the drive to continue embedding HBL's Values in the organization, 2022 annual performance assessments for all employees also included a formal evaluation of how well they demonstrated the expected behaviours.

Risk Management Framework

HBL's strategy is underpinned by the proactive management of risk. HBL fosters a strong risk culture through a comprehensive management of risks, applicable to all levels of the organization with close Board oversight, multi-tier management supervision, efficient systems and clearly articulated policies and procedures. As part of the governance structure, the Board Risk Management Committee (BRMC) monitors, assesses and manages the risk profile of the Bank on an ongoing basis. At senior management level, various risk committees are responsible for oversight and execution, while day-to-day risk management activities are delegated to different levels.

As the economy came under pressure during the year, time-tested credit management practices, including regular Early Alert Committee meetings and stress testing, helped to ensure the strength and resilience of the Bank's credit portfolio. There was a continued focus on enhancing portfolio monitoring and implementing tools for early identification of risks, particularly within the SME, Agriculture and Consumer lending portfolios. New credit scorecards were developed for Consumer and Agriculture and refresher training was provided to credit teams across the country. Risk management systems continued to evolve to facilitate business growth whilst limiting the effect of any residual risks.

To further develop bench strength and provide structured risk management training, HBL has introduced a comprehensive modular training program. The objective is to develop a uniform credit risk assessment mindset that is focused on forward-looking risk drivers, and hence adopt a proactive, rather than a reactive approach based on historical data. The program has been developed in-house and is being delivered by the Bank's senior resources.

Market and liquidity risk indicators are reviewed on a monthly basis by the Market & Liquidity Risk Committee and by ALCO. A comprehensive structure is in place to ensure that the Bank remains within its tolerance for market risk.

Policies and procedures are in place to govern operational risk management in a systematic and consistent manner. Key tools such as Risk & Control Self-Assessment (RCSA), Key Risk Indicators and Operational Loss Data Management are used to gauge the likelihood and severity of operational risk incidents. The Bank's operational risk profile and fraud risk assessment are regularly shared with senior management and the BRMC.

The Enterprise Risk Management (ERM) function was a key area of management focus and continued to be strengthened during the year. ERM is applicable to all functions, which ensures a robust and consistent approach to risk management at all levels of the organization. The Bank's ERM Framework, approved by the Board, outlines the high-level risk management principles and sets out the governance structure, standards, objectives and key responsibilities of different functions.

During 2022 the ERM team created a Bank-wide Integrated Risk and Control Repository (IRCR). The objective of this repository is to identify, manage, monitor and mitigate all risks and issues in a holistic way across the entire organization. As part of the implementation of the IRCR, self-testing by the first line of defence is being embedded across the organization. The ERM function also includes a Model Risk Management arm that aims to provide an independent review and validation of all models being used in the Bank.

The Compliance function's role is to strengthen the compliance environment and manage compliance risk across the institution by enabling the Bank to comply with applicable laws, regulations, guidelines and the Bank's internal policies and procedures, including financial crime compliance (FCC) management. HBL places reliance on Compliance Risk Management (CRM) as a prudent mitigation strategy. Global Compliance, as an independent function, assists senior management in designing, implementing, and enabling the CRM framework in all relevant jurisdictions in liaison with businesses. The objective of this framework is to proactively manage regulatory instructions, requirements and expectations as well as to identify emerging compliance and financial crime risks. HBL's CRM strategy dovetails with the Bank's strategy and incorporates industry trends, evolving regulatory requirements and global best practices.

Compliance, in liaison with business, identifies, assesses, monitors, and reports compliance risk through regulatory themed RCSAs. A comprehensive process of regulatory risk repository management has been implemented for ensuring adequate design and effectiveness of controls around regulatory requirements. During 2022, a weekly Regulatory Pulse was introduced as an information and monitoring tool for regulatory risk management and readiness assessment. Accordingly, enhancements were made to certain policies and procedures to create a more appropriate and enabling compliance framework.

The current volatile economic environment and the evolving geopolitical and regional situation have resulted in new emerging regulatory and FCC risks. Accordingly, Compliance instituted continuous engagement with internal customers through a series of *Compliance On the Go* roadshows across all regions. This was in addition to the rigorous specialized engagement sessions and trainings conducted bank-wide. In order to benchmark with global best practices, a validation and optimization project has been initiated for enhancing the effectiveness of existing transaction monitoring and sanctions screening systems.

Global Compliance has recently realigned its organizational structure by enhancing compliance monitoring, digital enablement and innovation in order to seamlessly connect with the businesses whilst enabling the necessary touchpoints with regulators. The Ethics & Conduct function has also now been integrated within the Compliance function.

The Compliance Committee of Management, chaired by the President, monitors and reviews compliance and conduct related matters. The Board Compliance & Conduct Committee (BCNCC) supports the Board in overseeing the implementation of a compliance and conduct culture and provides governance over the implementation of a bank-wide compliance program. HBL's whistleblowing program is directed at safeguarding the Bank's integrity and reputation and aims to increase employee ownership in reporting suspected cases of fraud, corruption, harassment and other infringements of the Bank's Code of Conduct. The BCNCC also oversees ethics and conduct related matters including whistle-blowing; any related investigations are overseen by the Board Audit Committee (BAC) and disciplinary actions are reviewed by the Board Human Resource & Remuneration Committee. During the year, further efforts were made to spread awareness of the various communication channels available for employee speak-up.

It is vitally important for HBL to protect its customers and their data from cyberattacks and data breaches. The Bank's Information Security function plays a pivotal role in protecting HBL's data assets from both internal and external threats through the effective management of cybersecurity risk, supported by preventive and detective controls capable of responding to emerging external threats. The Bank's 24x7 Security Operations Centre continues to contribute to a robust security posture through various monitoring, detection, and preventive mechanisms.

Robust authentication and behavioral analytics of customers transacting over digital channels are essential controls in the prevention of cyber-frauds. A focused effort has helped the Bank to reduce the quantum of such incidents. The Bank also successfully completed the annual requirement of demonstrating compliance to the SWIFT Customer Security Program as well as ISO 27001 compliance. An extensive internal awareness campaign was launched to provide training and guidance on information security related matters and was supplemented by targeted awareness campaigns for customers. The Bank is committed to strengthening cyber-defenses through the use of automation and modern technologies, including AI and machine learning, while proactively mitigating against advanced security threats. These security measures allow HBL to continue offering innovative digital solutions to its clients while ensuring them protection and peace of mind.

Corporate Social Responsibility (CSR)

HBL makes a concerted effort to operate in ways that enhance the well-being of society, and that emphasize compassion and sharing, a spirit that we inculcate in our employees as a socially responsible organization. Contributing to the communities in which we operate is one of the pillars of our strategic agenda. The majority of HBL's giving is done through the HBL Foundation (HBLF), under strict evaluation criteria to maintain transparency, quality and legitimacy, and to monitor and measure the impact and sustainability of each grant. The Foundation seeks out organizations that help underserved and underprivileged communities to navigate a future where at least basic individual needs are met. HBLF completed a decade of giving in 2021; in 2022, its philanthropic funding was increased to 1.5% of the Bank's profit after tax.

In 2022, HBL directly contributed Rs 133 million, the bulk of which was on flood rehabilitation efforts in Sindh and Balochistan. In its immediate response the Bank, in partnership with Jubilee Life Insurance and Jubilee General Insurance, distributed relief supplies worth Rs 180 million to over 10 communities across both provinces. These included 15,000 ration bags providing up to 8 million meals, 4,000 mosquito nets, and 3,100 family-sized water-proof tents. The floods accentuated the problem of access to safe drinking water for which HBLF provided Rs 10 million for the distribution of 2,500 water filtration kits. HBL partnered with the Government of Pakistan and the National Disaster Management Authority, to disburse emergency relief funds under the BISP umbrella to 1 million flood affectees. HBL and its staff went above and beyond in the face of this humanitarian crisis, defying challenges of mobility and approachability to ensure that the impacted population was helped in any way possible. HBL also contributed Rs 128 million to build 100 prefabricated houses in each of two villages in the Larkana area.

In 2022, HBL Foundation donated Rs 349 million to 31 organizations operating in the areas of healthcare, education, community development, arts and culture across Pakistan. Rs 252 million were contributed to the healthcare sector for lifesaving medical equipment, tertiary healthcare for children, and eye and surgical camps. Amongst others, support was provided to the Sundas Foundation's whose Iron Chelation Therapy program will benefit 200 Thalassaemia patients a year, a mobile hospital that benefits 500 people per week in the remotest areas of Punjab, and a pediatric center in PIMS Islamabad for preventive, emergency, and primary childcare.

The Foundation donated Rs 76 million for the provision of education, technical and vocational programs to students across Pakistan. In 2022, HBLF also launched Science, Technology, Engineering, Arts and Mathematics (STEAM) scholarships for girls from underserved communities. 5 scholarships each were given to the National University of Sciences and Technology and to the Lahore University of Management Sciences.

HBL Foundation also supports interventions related to art, music and culture. All Pakistan Music Conference, a Karachi-based not-for-profit, was provided a grant for an archiving project called Living Masters that aims to document the art, journey, and relationships of legendary musicians in Pakistan through interviews and masterclasses.

To ensure the inclusion of a diverse set of communities, Rs 5.5 million were granted for procurement and distribution of rations to 1,000 Christian, Hindu, Fisherfolk, and Transgender families. These disbursements were carried out with the support of the Gender Interactive Alliance and Tehrik-e-Niswan and provided these families sufficient food for a month.

HBL encourages a strong spirit of volunteerism amongst its employees through a well-coordinated program that regularly identifies opportunities to serve. During the year, our staff stepped up to support a diverse range of activities including tree plantation, clean-up drives, blood camps and donating books and toys to the less fortunate.

Credit Ratings

In June 2022, the Bank's credit ratings were re-affirmed by VIS Credit Rating Company Limited at AAA/A-1+ for long-term and short-term respectively. The rating of the TFCs issued as Additional Tier 1 Capital in September 2019 has also been re-affirmed as AA+. The recently issued Additional Tier 1 Capital TFCs have been rated as AA+. The Outlook on all ratings is Stable. The ratings incorporate HBL's position as the largest commercial bank in the country and reflect its strong financial and liquidity profile and systemic importance. VIS also pointed out that HBL's strategy of enhancing its digital footprint remains a competitive advantage for the Bank. In October, Moody's downgraded the sovereign rating from B3 to Caa1, with a Negative Outlook. It subsequently mirrored this action for the large Pakistan banks, including HBL.

Future Outlook

At the start of 2023, Pakistan faces perhaps the most challenging economic conditions in its history. While the country has faced serious crises in previous eras, the current situation is complicated by the sheer magnitude of the fiscal and monetary challenges. Structural shortcomings that have built up over several decades have finally come home to roost, resulting in an import-dependent economy which has continued to pile pressure on the external account and resulted in downgrades of Pakistan's sovereign ratings.

The impact of these factors has been compounded by the aftermath of the Covid pandemic and the Russian invasion of Ukraine. The combination of these two events have led to an upheaval in global supply chains and the concomitant rise of high and persistent inflationary pressures across the globe; a large-scale reduction in risk appetite on frontier markets such as Pakistan; and a realignment of geopolitical preferences. The low level of foreign exchange reserves has led to a de-facto rationing, resulting in supply bottlenecks across the economy, now even affecting exports. Companies are responding by cutting production and announcing layoffs, which will further depress demand and affect lives and livelihoods, all against a backdrop of entrenched inflation at levels not seen for nearly half a century.

It is quite clear that the only pathway out of this situation is to rapidly conclude the 9th review of the EFF and seek a continuation of the IMF programme. A Staff Level Agreement with the Fund is now an existential necessity, and must be pursued with single-minded urgency. The government has belatedly agreed to many of the major conditionalities required by the Fund, including concessions on revenues (mostly indirect), and a reversion to a floating exchange rate regime. A resolution is likely to be accompanied by difficult social and political conditions, although we should see a gradual return of investor appetite, leading to a near-normalization of conditions over the next 12 – 18 months. Policymakers must now tread a sensible path towards meaningful structural reform and a way out of the current predicament.

HBL has successfully navigated the plethora of headwinds it has faced during the year. Successive record quarters have led to another record year with leadership positions further entrenched across most areas of our operations; results from the strong domestic franchise have been boosted by the international business also now delivering operating profitability. For the second year in a row, our achievements were recognised through our winning Pakistan’s most prestigious award, The Best Bank in Pakistan, at the IBP Banking Awards; at the same time HBL Microfinance won the elusive Best Microfinance Bank in Pakistan, a testament to its progress and the difference it has made in peoples’ lives. Our Transaction Banking business has won a number of awards; the fact that these are based on client feedback makes them even more meaningful. We dedicate these results to our customers, many of whom have banked with us across generations and who are at the heart of all we do.

HBL’s investments in technology over many years are coming to fruition; the more virtual way of life, originally forced upon the world by the pandemic, is now seen by customers as a means of accessibility and convenience. Increasing digitalization of our businesses has become a way of life for HBL, whether it be paperless consumer financing, remote digital account opening or gamified hiring and training. This year, we have again introduced a slew of innovative products that have revolutionized the digital banking space: WhatsApp banking, Tokenization, Mobile POS enablement and Pakistan’s first Islamic branchless banking proposition. From HBL Mobile to Konnect, e-commerce to QR payments, HBL continues to set benchmarks in customer uptake and usage, embedding its position as a technology company with a banking license – one that is shaping the digital landscape in the country.

HBL is an integral part of the nation’s fabric – as Pakistan’s premier financial institution, HBL keeps stepping up in every sphere to support the country. We remain obsessed with providing thought leadership across the full spectrum of the economy, working with the Government under a public-private partnership model. Our pioneering interventions in agriculture have had a dramatic impact on the lives of farmers and going forward we will scale this up even more rapidly. Our role in helping Pakistan exit the FATF grey list has been publicly acknowledged and lauded and we remain the go-to organisation in the country for disaster relief. In 2022, we extended our founding support to HBLPSL to a full decade – an event that has helped put Pakistan back on the map of world cricket and brought untold joy to tens of millions of Pakistanis. HBL continues to patronise the arts and artists, bring art into the public space and providing people from all walks of life opportunities to enjoy and appreciate art.

HBL continues to take bold initiatives to tackle the world’s most important issue – climate change – by continually raising the bar, even at the cost of foregoing business. Our ambition of achieving Net Zero by 2030 is our stake in the ground in pursuit of environmental commitments. We remain relentlessly focused on financial inclusion in all its aspects – inclusion of women through HBL Nisa and our own gender diversity targets; inclusion of the underserved through Konnect and microfinance; inclusion of the differently-abled through targeted hiring and facilities at our touchpoints; and inclusion of millennials through digital banking – to ensure a brighter future for Pakistan and Pakistanis. Among our most cherished recognition of all is having been named as The Most Inclusive Organization in Pakistan.

Dividend

The Board has recommended a final cash dividend of Rs 1.50 per share for the year ended December 31, 2022, bringing the total cash dividend for the year to Rs 6.75 per share. The Board had earlier declared and paid interim cash dividends of Rs 5.25 per share.

Meetings of the Board

	Board Meeting	
	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	9	9
Mr Khaleel Ahmed	9	9
Mr. Shaffiq Dharamshi	9	9
Mr. Moez Ahamed Jamal	9	9
Ms. Saba Kamal	9	9
Mr. Salim Raza	9	9
Dr. Najeeb Samie	9	9
Mr. Muhammad Aurangzeb	9	9

Meetings of Board Committees

	Board Audit Committee		Board Risk Management Committee		Board Human Resource and Remuneration Committee		Board Compliance & Conduct Committee	
	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	N/A	N/A	N/A	N/A	6	6	N/A	N/A
Mr. Khaleel Ahmed	8	8	N/A	N/A	6	6	8	8
Mr. Shaffiq Dharamshi	N/A	N/A	6	6	6	6	8	8
Mr. Moez Ahamed Jamal	8	8	N/A	N/A	N/A	N/A	8	8
Ms. Saba Kamal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Salim Raza	N/A	N/A	6	6	N/A	N/A	N/A	N/A
Dr. Najeeb Samie	8	8	N/A	N/A	6	6	N/A	N/A
Mr. Muhammad Aurangzeb	N/A	N/A	6	6	N/A	N/A	N/A	N/A

	Board Development Finance Committee		Board Nomination & Remuneration Committee		Board IT Committee		Board Oversight Committee – International Governance*	
	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	N/A	N/A	N/A	N/A	N/A	N/A	2	2
Mr. Khaleel Ahmed	4	4	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Shaffiq Dharamshi	N/A	N/A	4	4	N/A	N/A	N/A	N/A
Mr. Moez Ahamed Jamal	N/A	N/A	4	4	4	4	N/A	N/A
Ms. Saba Kamal	4	4	N/A	N/A	4	4	N/A	N/A
Mr. Salim Raza	4	4	4	4	4	4	N/A	N/A
Dr. Najeeb Samie	N/A	N/A	4	4	N/A	N/A	2	2
Mr. Muhammad Aurangzeb	4	4	N/A	N/A	N/A	N/A	2	2

* The Board of Directors, in its 243rd Meeting held on September 22, 2022, dissolved the Board Oversight Committee for International Governance (BOC-IG), and formed a new Committee namely the Board Strategy Input & Monitoring Committee (BSIMC) to assist the Board in discharging its oversight duties with respect to the development, monitoring and implementation of the Bank's strategy. No meeting of the BSIMC was held in 2022.

Meetings of the Shariah Board

	Shariah Board Meeting	
	Meetings held during tenure	Attendance
Dr. Muhammad Zubair Usmani (Chairman)	4	4
Dr Ejaz Ahmed Samadani (Member)	4	4
Mufti Muhammad Yahya Asim (Resident Shariah Board Member)	4	4

Auditors

The current auditors, Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, retire and, being eligible, offer themselves for reappointment at the Annual General Meeting. Accordingly, the Board of Directors, on the recommendation of the Board Audit Committee, recommends the appointment of Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, as the auditors of the Bank for the financial year 2023 at a fee of Rs 41.899 million with out of pocket expenses and taxes to be paid at actuals.

Statement on Corporate and Financial Reporting

The Board is committed to ensuring that the requirements of corporate governance set by the Securities and Exchange Commission of Pakistan are fully met and the Directors are pleased to report that:

- a) The financial statements prepared by the management of the Bank present a true and fair view of the state of its affairs, operational results, cash flows and changes in equity.
- b) Proper books of accounts of the Bank have been maintained.
- c) Accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The Bank has followed International Financial Reporting Standards (as applicable to Banks in Pakistan) in the preparation of its financial statements and there is no departure from the said standards.
- e) As a continuous process, efforts have been made to implement an adequate and effective internal control system. HBL follows the SBP Internal Control Guidelines, including the roadmap and the guidelines for Internal Controls over Financial Reporting (ICFR). The Bank has developed a Framework for the management of ICFR.
- f) There are no doubts about the Bank's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance as detailed in the Listed Companies (Code of Corporate Governance) Regulations (the Code).
- h) Key operating and financial data for the last six years is presented in the financial statements under the section "Growth 2017 to 2022 – Consolidated".
- i) The Directors, CEO, CFO and Company Secretary have confirmed that neither they nor their spouses are engaged in the business of stock brokerage.
- j) Audit, Human Resource and Remuneration, Risk Management, IT, Compliance and Conduct, Development Finance, Board Oversight for International Governance, and Nomination & Remuneration Committees constituted by the Board are functioning efficiently in accordance with their Terms of Reference. In September 2022, the Board Oversight Committee for International Governance was replaced with the Board Strategy Input & Monitoring Committee, described more fully below. The Board has held nine (9) meetings in the year, including at least once in every quarter.

The Board is pleased to endorse the statement made by the management relating to Internal Controls. The Statement of Internal Control, the Statement of Compliance with the Code, the Review Report on Statement of Compliance with the Code and the Auditors' Reports are attached to the Financial Statements.

Value of Investments in Employee Retirement Benefits Funds

The table below shows the value of the investments of the provident, pension, gratuity and benevolent funds maintained by the Bank, based on their audited financial statements as at December 31, 2022.

	Rupees in million
Employees' Provident Fund	3,718
Employees' Pension Fund	3,175
Employees' Gratuity Fund	2,609
Employees' Benevolent Fund – Executives and Officers	1,874
Employees' Benevolent Fund – Clerical and Non-Clerical	579

Pattern of Shareholding

The pattern of shareholding as at December 31, 2022 and the trading in the Bank's shares by Executives, as defined by the Board of Directors under the Code, is given in the Annual Report under the requirements of the Code.

Parent Company

As disclosed in Note 1.1 of the financial statements, the Aga Khan Fund for Economic Development (AKFED) S.A., is the parent company of the Bank and its registered office is in Geneva, Switzerland.

Training programs attended by Directors

All Directors have either obtained required certification from an SECP approved Directors' Training program and/or stand exempted from such training, in accordance with the Regulations.

In 2022, the Board attended three training sessions: Ethics & Integrity; the spectrum of Islamic Finance, both local and global; and the latest AML/CFT trends based on safeguarding financial integrity in the global landscape. These sessions were conducted by well-recognized external experts.

Board Performance Evaluation

HBL's Board has opted for an external annual evaluation of the Board and its Committees, which was carried out by the Pakistan Institute for Corporate Governance (PICG) in 2022. The evaluation assessed performance both as a Board as well as at the individual Director level, and covered Board Composition, Strategic Planning, Board & CEO Effectiveness, Board Information, Board Committees, Board Procedures and the Control Environment.

Process of Appointment and Nomination of Board members:

Directors are elected to a 3-year term by the shareholders of the Bank. Any casual vacancies are filled by the Board of Directors in line with the Bank's Articles of Association and in compliance with applicable laws and regulations. The nomination of Board members is undertaken by the Board Nomination and Remuneration Committee (BNRC). This can arise either in case of a casual vacancy or where specific requirements are introduced by regulators. Once a potential candidate is identified, the Committee, having undertaken its due diligence, submits a recommendation for the Board's approval. All Directors are approved by the SBP in line with its Fit and Proper Test (FPT) criteria; further, the Independent Directors meet the additional requirements for independence as specified in the SBP's Corporate Governance Regulatory Framework.

Composition of the Board and Board Committees

The composition of the Board and details of Board Committees are given in the Statement of Compliance with the Code of Corporate Governance.

The Board has the following committees for providing support in strategic direction and enhanced oversight. The board committees function as per their respective Terms of Reference (TORs) approved by the Board. A brief description of the functions of each sub-committee, is as follows:

Board Audit Committee (BAC): The BAC facilitates the Board in setting the 'tone at the top' for a strong and effective system of internal controls. The Committee reviews the adequacy and effectiveness of the Bank's internal control environment, including financial and operational controls, accounting systems, and reporting structure. The Committee provides oversight of the Bank's Internal Audit function; approves and monitors the progress of the risk-based annual audit plan; and ensures that the Internal Audit Function has adequate resources and is appropriately placed within the organization structure to maintain its independence. The BAC also reviews the Group's financial statements and associated matters before recommending them to the Board for approval; as part of this process, the Committee also interacts with the External Auditors of the Bank and recommends the appointment, both of the statutory auditors, as well as the auditors of overseas branches, to the Board. The BAC is also responsible for monitoring the implementation of new accounting standards; in particular, the Board has designated the BAC as the committee responsible for oversight of the implementation of IFRS 9 in HBL. For areas that are under its purview, the BAC recommends policies to the Board for approval.

Board Risk Management Committee (BRMC): The Committee is responsible for oversight and advice to the Board on risk related matters, including governance, with respect to the Bank's risk appetite and internal control systems. The BRMC also ensures the structure and completeness of the Bank's internal risk framework in relation to the risk profile, design of systems of controls and the development and maintenance of an independent, supportive and proactive risk management culture. The Committee also takes a forward-looking approach to ensure that evolving risks are identified and mitigated.

Board Human Resource and Remuneration Committee (BHRRC): The Committee recommends key Human Resources and Remuneration policies including major terms of employment and benefits, performance management and compensation plans for all key executives and other staff members of the Bank. It also reviews and recommends the people strategy, policies for staff training, career development, talent management and succession planning in line with relevant regulatory requirements and best practices.

Board Compliance & Conduct Committee (BCNCC): The BCNCC supports the Board in overseeing the implementation of a compliance and conduct culture and provides governance over the implementation of a bank-wide compliance program. It also monitors the Compliance function's mandate and ensures its capabilities to effectively manage the Bank's compliance risks. The Committee reviews inspection reports from domestic and international regulatory authorities including time-bound management action plans to address identified issues. In order to enhance the overall conduct environment, the BCNCC also oversees ethics and conduct related matters.

Board Development Finance Committee (BDFC): The Committee was constituted with the vision of transforming HBL into a "Bank with a Soul", adding perspective to Pakistan's economic, demographic and sociographic realities. Its goal is to help HBL unleash its true potential, given the opportunities available, particularly in financially excluded, underserved and unserved segments. Through this Committee, the Bank furthers the agenda of sustainability, development, and green banking. The BDFC provides strategic input on initiatives for improving financial inclusion, especially through the use of affordable technology; access to financial services; and awareness creation in priority sectors and the communities that the Bank serves.

Board IT Committee (BITC): The Board IT Committee reviews, evaluates and makes recommendations to the Board regarding the Bank's major technology investment plans and strategies. The Committee also reviews the benefits and returns derived from technology spend. The BITC focuses on digital initiatives that can help customer centricity, reduce costs and enhance revenues, and provides guidelines on engaging with Fintechs and using Cloud services. Additionally, the Committee ensures that effective oversight is provided to the Information Security function of the Bank and that the Information Security posture is aligned with the Bank's risk appetite.

Board Nomination & Remuneration Committee (BNRC): The Committee assists the Board in identifying an appropriate structure, size and balance of skills on the Board as deemed necessary to support the strategic objectives and values of HBL for sustainable growth. The BNRC also recommends to the Board, the remuneration arrangements for Directors in line with the regulatory framework.

Board Oversight Committee – International Governance (BOC-IG): The Committee terms of reference included providing oversight of governance of overseas business operations, including subsidiaries, in accordance with the SBP's Governance Framework for Banks' Overseas Operations. This committee was dissolved by the Board in September 2022, and replaced with the Board Strategy Input & Monitoring Committee described below.

Board Strategy Input and Monitoring Committee: This Committee has been constituted to oversee the Bank's strategy and monitor its implementation. It shall support the Board in conducting structured and holistic reviews of the business, financial and operational performance of the Bank. It shall provide strategic advice and integrated insights on the evolving operating landscape considering evolving trends, competition and market developments such that the Bank is positioned appropriately to harness opportunities emerging at present and in the future. The Committee shall also monitor Bank's progress against its strategic plan along with other initiatives that enable HBL to gain regional relevance in its strategically important locations.

Appointment and Composition of the Shariah Board

To appoint a Shariah scholar, the management first conducts the screening of the proposed Shariah Board member in line with the SBP's Fit and Proper Criteria (FAPC). This is then forwarded to HBL's Board of Directors for approval, after which it is submitted to the SBP along with the filled FAPC form and Board approval and other supporting documents. After receipt of SBP's clearance, the management engages the Shariah Board member, executes the contract and informs SBP. Each Shariah Board Member is dedicated to only one commercial bank in Pakistan.

HBL's Shariah Board comprises of three members

Dr. Muhammad Zubair Usmani is amongst the most experienced Shariah Board Members and serves as Chairman of the Shariah Board. He completed his Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He holds a PhD in Islamic Finance from the University of Karachi and a Masters degree in International Relations. He has been associated with the banking and financial services industry since 1999 and has provided Shariah Advisory services to various financial institutions locally and globally. He has also served as a member of the Shariah Board of the State Bank of Pakistan and as Chairman of the Shariah Boards of United Bank Limited and Habib Metropolitan Bank Limited.

Dr. Ejaz Ahmed Samadani is an eminent Shariah scholar. He received his religious qualifications of Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He holds a PhD in Islamic Studies from Karachi University, a Masters degree in Islamic Studies from Bahauddin Zakariya University and an LLB from Sindh Muslim Government College. He has been associated with the banking and the financial services industry since 2004 and has provided Shariah Advisory services to various financial institutions locally and globally. He also serves as Chairman, Shariah Board of Maldives Islamic Bank and Member, Shariah Supervisory Board of MCB-Arif Habib Alhamra Islamic Funds. He has also served as Member, Shariah Board of United Bank Limited, The Bank of Punjab and as Shariah advisor of Alfalah GHP Islamic Fund.

Mufti Muhammad Yahya Asim received his religious qualifications of Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He also holds a Masters degree in International Relations, Arabic and Islamic Studies. Currently, he is pursuing a PhD from the University of Karachi. He has been associated with Islamic Banking and the financial services industry since 2004 and has provided Shariah Advisory services to HBL, Habib Metropolitan Bank, Atlas Asset Management, HBL Asset Management and TPL Window Takaful. He has been associated with HBL since 2008 and currently serves as the Resident Shariah Board Member of the HBL Shariah Board.

The Terms of Reference of the Shariah Board (SB) are in accordance with the Shariah Governance Framework issued by the SBP. These include, inter alia, the following:

- The SB is empowered to consider, decide and supervise all Shariah related matters of HBL. All decisions, rulings, fatawas of the SB shall be binding on the Bank whereas the SB shall be responsible and accountable for all its Shariah-related decisions.
- The SB shall ensure the development of a comprehensive Shariah compliance framework for all areas of operations of HBL Islamic Banking. All products or services to be offered by HBL Islamic Banking shall have prior approval of the SB.

- The SB shall approve all procedure manuals, product programs/structures, process flows, related agreements, marketing advertisements, sales illustrations and brochures so that they are in conformity with the rules and principles of Shariah.

Compensation of Directors

The shareholders of the Bank approved the Board Remuneration policy at the Annual General Meeting held on March 30, 2020. Under this policy, the Directors' fee for attending Board and Committee meetings is Rs. 600,000 per meeting. The policy also provides travel and daily allowance entitlements for Non-Executive Directors for business related travel.

The details of the remuneration of the CEO and fees paid to the Directors are disclosed in Notes 39.1 and 39.2 to the consolidated financial statements.

Compensation of Shariah Board Members

The Head, Islamic Banking recommends the compensation of Shariah Board members, based on industry practice, to the President. After approval of the President, it is forwarded to the Head HR for recommendation to the Board Human Resource and Remuneration Committee. The Committee reviews and recommends the compensation of Shariah Board members to the Board of Directors for approval.

The current monthly remuneration of Shariah Board members, as approved by the Board of Directors, is Rs. 950,000, Rs. 900,000 and Rs. 800,000 for the Chairman, Shariah Board, Member Shariah Board and Resident Shariah Board Member, respectively. The Resident Shariah Board Member is also entitled to a car allowance.

As per their contracts of employment, The Shariah Board members are entitled to travel allowance and daily allowance as per the Bank's Travel Policy.

The details of remuneration paid to Shariah Board Members are disclosed in Note 39.3 to the consolidated financial statements.

Appreciation and Acknowledgement

On behalf of the Board and management, we would like to place on record our appreciation for the efforts of our regulators and the Government of Pakistan, in particular the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan. In these unprecedented times, they have stepped up with policies and measures that are prudent, proactive and balanced, protecting the economy, customers and people of Pakistan, while also safeguarding the integrity and soundness of the banking and financial services industry.

We are indebted to our customers, many of whom have banked with us for generations, and who continue to entrust us with their business and confidence. Our shareholders have provided steadfast support and to them, and to all our stakeholders, we are deeply grateful. The Board and the management remain committed to maintaining the highest standards of governance and we assure our stakeholders that we will be industry leaders in this area.

Lastly, but certainly not the least, we express our deepest appreciation and gratitude to our employees and their families, especially in customer facing units and branches, who continually go the extra mile, even at personal cost, to ensure that our customers are able to meet their critical needs. They are our heroes and heroines and we salute them for their dedication and tireless efforts.

On behalf of the Board

Muhammad Aurangzeb
President & Chief Executive Officer

Moez Ahamed Jamal
Director

February 24, 2023

ڈائریکٹرز رپورٹ 2022ء

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے سالِ مختتمہ 31 دسمبر 2022ء کے مجموعی مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔

کلیاتی اقتصادیات کا جائزہ

مالی سال 2022ء میں اعلیٰ شرح نمو کے بعد جب معیشت میں 6.0% اضافہ ہوا، مالی سال 2023ء کا آغاز پاکستان کے اب تک کے بدترین سیلاب سے ہوا، جس سے تقریباً 32 ارب ڈالر کا نقصان ہوا۔ پاکستان کے چیلنجز بہت نمایاں رہے ہیں۔ بیرونی محاذ اجناس کی بڑھتی ہوئی قیمتوں اور قرضوں کی ادائیگیوں سے متاثر ہوا، جس میں IMF پروگرام میں تاخیر کی وجہ سے اضافہ ہوا، جبکہ ملکی معیشت شدید دباؤ میں آگئی، جس کی وجوہات میں غیر یقینی سیاسی صورت حال بھی شامل تھی۔ ان عوامل کی وجہ سے زیادہ ترہائی فریکوئنسی ڈیٹا میں اعتدال کے ساتھ معیشت مجموعی طور پر سست روی کا شکار ہوئی۔ وسیع پیمانے پر مینوفیکچرنگ انڈیکس میں مالی سال 23 کی پہلی ششماہی کے دوران 3.7% کمی ریکارڈ کی گئی اور اسٹیٹ بینک نے GDP نمو کے لیے بھی منفی خطرات سے خبردار کیا ہے۔ جنوری 23 میں ایندھن اور توانائی کی قیمتوں میں اضافے، ایشیائی خوردونوش کی مہنگائی اور کرنسی کی قدر میں کمی کی وجہ سے افراط زر میں اضافہ ہوا، جو تقریباً 50 سال کی بلند ترین سطح 27.6% ریکارڈ کی گئی۔ بنیادی افراط زر مسلسل اضافے کے رجحان کے ساتھ بڑھ کر 17.0% تک پہنچ گئی، جو توانائی کی بڑھتی ہوئی قیمتوں کے ثانوی اثرات کی عکاسی کرتا ہے۔ مالی سال 2023ء کے 7 ماہ کے لیے اوسط افراط زر گزشتہ سال کے اسی عرصے کے 10.2% کے مقابلے میں 25.4% ہے اور یہ پہلے ہی اسٹیٹ بینک کے مالی سال 23 کے 21% سے 23% کے تخمینے سے کہیں زیادہ ہے۔

عالمی معاشی سست روی نے پاکستان کے بیرونی شعبے کو متاثر کیا۔ مالی سال 2023ء کے 7 ماہ میں برآمدات میں گزشتہ سال کے اسی عرصے کے مقابلے میں 7% کمی واقع ہوئی۔ تاہم لکڑی امپورٹس پر پابندیوں، مالی اور مالیاتی سختی اور مجموعی طور پر طلب میں کمی کی وجہ سے درآمدات میں 21% کمی کے باعث تجارتی توازن میں بہتری آئی۔ اس طرح مالی سال 2023ء کے 7 ماہ میں تجارتی خسارہ 31% کم ہو کر 17 ارب ڈالر رہ گیا۔ انٹرنیشنل اور کرب ریٹس کے درمیان بڑھتے ہوئے فرق کے باعث جنوری 23 میں ترسیلات زر کم ہو کر 1.9 ارب ڈالر رہ گئیں جو ماہ بہ ماہ مسلسل پانچویں کمی ہے اور مئی 20 کے بعد پہلی مرتبہ 2 ارب ڈالر سے کم ہے۔ مالی سال 2023ء کے 7 ماہ کے دوران 16 ارب ڈالر کی ترسیلات زر سال بہ سال 11% کم رہیں۔ تاہم تجارتی خسارے میں کمی سے کرنٹ اکاؤنٹ کو سہارا ملا اور مالی سال 2023-2020 کا 7 ماہ کا خسارہ مالی سال 22 کے 7 ماہ کے مقابلے میں 67% کم ہو کر 3.8 ارب ڈالر رہ گیا۔

IMF کے جائزے میں تاخیر کے باعث پاکستان کے زرمبادلہ کے ذخائر 3 فروری 23 کو کم ہو کر 9 سال کی کم ترین سطح پر 2.9 ارب ڈالر رہ گئے۔ زیادہ تر بیرونی فنانشنگ کے شعبے اب IMF بورڈ کی منظوری سے منسلک ہیں۔ اضافی ٹیکس کے اقدامات اور ایندھن، گیس اور یوٹیلیٹیز کی قیمتوں میں مزید اضافے سمیت متعدد پیشگی اقدامات کی تکمیل سے اسٹاف لیول معاہدے میں مدد ملے گی۔ زوال پذیر ایکسٹرنل اکاؤنٹس کرنسی کو بھی ڈبوراہے ہیں، جو سال بھر غیر مستحکم رہا اور سال کے اختتام پر 27% (48 روپے / ڈالر) کی کمی واقع ہوئی۔ مارکیٹ سے طے شدہ شرح تبادلہ کی حالیہ بحالی کی وجہ سے روپے کی قدر میں مزید گراؤٹ دیکھی گئی اور روپیہ 49 روپے / ڈالر کی کمی سے 275 روپے / ڈالر پر آ گیا۔

مالی سال 23 کی پہلی ششماہی میں بنیادی سرپلس میں قطعی اور فیصد دونوں لحاظ سے نمایاں بہتری آئی ہے۔ یہ GDP کا 1.1% تھا جبکہ مالی سال 22 کی پہلی ششماہی میں یہ GDP کا 0.1% سرپلس تھا۔ مالی سال 23 کی پہلی ششماہی میں ٹیکس وصولیوں میں سال بہ سال 17% اضافہ ہوا جس کی وجہ براہ راست ٹیکسوں میں 50% اضافہ تھا۔ تاہم سیلاب اور مارک اپ ادائیگیوں میں 77% اضافے کی وجہ سے موجودہ اخراجات میں 30% اضافہ ہوا۔ مالی سال 23 کی پہلی ششماہی کے لیے مالیاتی خسارہ مالی سال 22 کی پہلی ششماہی کے مقابلے میں 23% اضافے کے ساتھ 1.7 ٹریلین روپے ہو کر GDP کے 2.0% پر برابر رہا۔

ایکویٹی مارکیٹ ایک اور غیر مستحکم سال کا شکار رہی جس میں گزشتہ سہ ماہی کے دوران مارکیٹ میں 12% اور دسمبر 2021 سے 9% کمی واقع ہوئی۔ کلیاتی اقتصادی دباؤ، بڑھتی ہوئی سیاسی غیر یقینی صورتحال اور تیزی سے گرتی ہوئی روپے کی قدر کی وجہ سے سرمایہ کاروں کی شرکت اور حجم کم رہے۔ غیر ملکیوں کا اخراج جاری رہا، خاص طور پر بینکنگ سیکٹر کے حصص میں، کیونکہ بین الاقوامی سرمایہ کاروں نے سال کے دوران 127 ملین ڈالر فروخت کیے۔

سینٹرل بینک نے مانیٹری پالیسی میں سختی جاری رکھی اور جنوری 23 کی MPC میں پالیسی ریٹ 100 بیس پوائنٹس بڑھا کر 17% کر دیا ہے جو 25 سال کی بلند ترین سطح ہے۔ اسٹیٹ بینک کا مؤقف تھا کہ افراط زر وسیع الینڈ اور مستقل ہے، بنیادی افراط زر میں گزشتہ 10 ماہ سے اضافے کا رجحان برقرار ہے۔ مزید، توقعات بڑھ رہی ہیں اور انہیں کم کرنے کے لیے بروقت مداخلت کی ضرورت تھی۔ اس میں زور دیا گیا ہے کہ افراط زر پر قابو پانے کے قلیل المیعاد اخراجات اسے مضبوط کرنے کے اخراجات سے کم ہیں۔ دسمبر 22ء میں انڈسٹری ایڈوانسز اور ڈپازٹس توڑ مروڈ کا شکار رہے کیونکہ بینکوں نے تادیبی ٹیکس کی شرح سے بچنے کے لیے اپنے اثاثہ جات / ڈپازٹ کے تناسب میں اضافے میں تیزی دکھائی۔ 2022ء کے لیے صنعتی قرضوں میں 17% اضافہ ہوا جبکہ ڈپازٹس کی شرح نمو کم ہو کر صرف 7% رہ گئی، مارکیٹ ڈپازٹس میں چوتھی سہ ماہی میں پہلی بار کمی دیکھی گئی۔ 2022ء میں انڈسٹری اسپرڈ میں 2021 کے مقابلے میں 100bps کا اضافہ ہوا، جو پینچ مارک شرح سود میں اضافے اور بیلنس شیٹس کی مسلسل ری پرائسنگ کی عکاسی کرتا ہے۔

(3,841)	(3,495)
(4,401)	(3,300)
(2,567)	(3,300)
(2,567)	(2,200)
(2,567)	(2,200)
(15,943)	(14,495)
158,441	178,468
23.88	23.23

مختلف مدوں میں رکھی گئی رقم:

قانونی ذخائر میں منتقل شدہ
نقد منافع منقسمہ۔ حتمی
پہلا نقد عبوری منافع منقسمہ
دوسرا نقد عبوری منافع منقسمہ
تیسرا نقد عبوری منافع منقسمہ
مجموعی مناسب کارروائیاں
اختتامی غیر تخصیص شدہ منافع

فی حصص (شیر) آمدنی (روپے)

سرمائے کا تناسب

مضبوط نتائج کے ساتھ اندرونی سرمائے کی پیداوار میں 2022ء میں 10% اضافہ ہوا۔ روپے کی قدر میں 48 روپے / ڈالر کی کمی نے کیپٹل ایڈیکویٹی ریشو (CAR) کو 107 bps تک متاثر کیا۔ اس کے نتیجے میں HBL کا مجموعی Tier 1 CAR گھٹ کر 11.8% رہ گیا جبکہ مجموعی CAR کم ہو کر 14.8% رہ گیا۔ لیکن اس کے باوجود دونوں تناسب موجودہ ریگولیٹری تقاضوں سے زیادہ آرا مدہ سطح تک اوپر رہے۔ دسمبر میں ان میں نرمی کی گئی کیونکہ اسٹیٹ بینک نے تمام شعبوں کے بینکوں کے لیے D-SIB بفر میں 50 bps کی کمی کی تھی۔

دسمبر 2022ء میں بینک نے 6.5 ارب روپے کے پریپوزیٹ ٹرم فنانش سرٹیفکیٹ جاری کیے، جو اضافی Tier 1 کیپٹل کے طور پر اہل ہیں، اس طرح اس کے Tier 1 CAR میں 34 bps اضافہ ہوا۔

کاروباری ترقی

2022ء میں HBL نے 2.9 ٹریلین روپے کے مقامی گوشواروں کے ساتھ 13% ڈپازٹ مارکیٹ شیئر حاصل کیا، جس میں برانچ نیٹ ورک کے ذریعے تقریباً 800,000 صارفین کا اضافہ ہوا۔ اس میں HBL آسان اکاؤنٹ کے ایک لاکھ 35 ہزار سے زائد نئے صارفین شامل ہیں۔ HBL کے اب اس سیگمنٹ میں 1.1 ملین سے زائد صارفین ہیں جن کے کل ڈپازٹس 17 ارب روپے سے زائد ہیں۔

نئی مصنوعات کا اجراء ضروریات کے ایک دانشمندانہ تجربے پر مبنی تھا۔ بینک نے ماہانہ منافع کی ادائیگی اور زیادہ منافع کی پیش کش کے ساتھ ریٹائرڈ افراد کے لیے ماہانہ آمدن سیونگ پروڈکٹ متعارف کروائی ہے۔ HBL کا کلاسک فریڈم اکاؤنٹ، جو تاجروں کو بینکاری حل فراہم کرتا ہے، میں انشورنس کی پیش کش کی گئی جو نقد رقم اور قیمتی اشیاء کے نقصان کے ساتھ ساتھ اسپتال میں داخلے کی صورت میں کوریج فراہم کرتا ہے۔ بینک نے زرعی شعبے کی منفرد مالی ضروریات پوری کرنے کے لیے ایک پیشکش وضع کی جس کے نتیجے میں نومبر 2022ء میں ہریالی اکاؤنٹ کا آغاز ہوا۔

HBL فخر سے 4 ملین سے زائد خواتین صارفین کو خدمات فراہم کرتا ہے، جن میں تقریباً 1 ملین اپنے بین الاقوامی سطح پر تسلیم شدہ خواتین کے مارکیٹ پروگرام، HBL نساء کا حصہ ہیں۔ سال 2022ء کے دوران اس پروگرام میں تقریباً ایک لاکھ 60 ہزار نئے اکاؤنٹس شامل کیے گئے جن میں نساء کے کل ڈپازٹس میں 140 ارب روپے کا اضافہ ہوا۔ بینک نے نساء آسان کا بھی آغاز کیا، جو خاص طور پر پاکستان کی آن بینک اور انڈر بینک خواتین کے لیے ایک پیش رفت ہے۔ خواتین کی بچت کی بڑھتی ہوئی ضروریات پوری کرنے کے لیے HBL Asset Management Company (HBL AMC) کے تعاون سے خواتین کے لیے ایک میوچل فنڈ تجویز کیا گیا ہے۔

HBL Prestige پاکستان بھر میں ترقیاتی بینکاری کا منظر نامہ تبدیل کرنے کے لیے ڈیزائن کیا گیا ہے، جو امیر صارفین کو ان کی جدید ضروریات کے مطابق فرمائشی پروڈکٹ سویٹ فراہم کرتا ہے۔ Prestige اب پاکستان کے 16 شہروں کے 38 لائونجز میں پیش کیا جاتا ہے۔ 2022ء میں Prestige دبئی کے شہر جمیرہ میں اپنے پہلے لائونج کے ساتھ بین الاقوامی سطح پر پہنچ گیا۔ اس پیشکش کا دائرہ کار بڑھانے کے لیے، 400 باقاعدہ برانچوں کو Prestige صارفین شامل کرنے کے قابل بنایا گیا، جو انہیں مخصوص مقام کے بغیر گراں قدر پیشکشیں کرتے ہیں۔ مصنوعات کی جدت طرازی اور خدمت کی عمدگی کے عزم کے مد نظر، Prestige مکمل طور پر خود کار لاکر پیش کرتا ہے جو منتخب مقامات پر کسٹمرز کے لیے 24x7 دستیاب ہیں۔ Vitality، ایک انشورنس پروڈکٹ ہے جو اعلیٰ نیٹ ورٹھ والے افراد کی صحت اور طرز زندگی کی ضروریات پوری کرتی ہے۔ اسے Prestige پروڈکٹ کی پیش کش میں شامل کیا گیا تھا۔

مالیاتی کارکردگی

بلند ترین سہ ماہی منافع کے باعث، HBL نے 2022ء میں 77.0 ارب روپے کارریکارڈ توڑ قبل از ٹیکس منافع دیا ہے جس میں سال بھر مسلسل اضافہ ہوا ہے۔ PBT گزشتہ سال کے 62.0 ارب روپے کے مقابلے میں 24% زیادہ ہے۔ تاہم بینک کا بعد از ٹیکس منافع 3% کم ہو کر 34.4 ارب روپے رہ گیا کیونکہ حد سے زیادہ ٹیکس گنتی کی وجہ سے بینک پر 11.3 ارب روپے کا اثر پڑا۔ فی حصص آمدنی 2021ء کے 23.88 روپے سے کم ہو کر 2022ء میں 23.23 روپے ہو گئی۔

HBL کی بیلنس شیٹ 7% اضافے کے ساتھ 4.6 ٹریلیوں روپے تک پہنچ گئی۔ ڈومیسٹک کرنٹ ڈپازٹس میں 203 ارب روپے کا اضافہ ہوا جو گزشتہ سال کے مقابلے میں 20% اضافے کے ساتھ 1.2 ٹریلیوں روپے تک پہنچ گئے۔ کم لاگت سیونگ اکاؤنٹس میں 136 ارب روپے اضافہ ہوا۔ کم لاگت ڈپازٹس کو متحرک کرنے اور فنڈز کی لاگت پر قابو پانے کی کوششوں پر بینک کی توجہ کے نتیجے میں 41.5% کارریکارڈ کرنٹ اکاؤنٹس میں اور 86.5% CASA تناسب پیدا ہوا۔ دسمبر 2022ء تک مجموعی ڈومیسٹک ڈپازٹس 2.9 ٹریلیوں روپے تک پہنچ گئے اور HBL کے کل ڈپازٹس بڑھ کر 3.5 ٹریلیوں روپے تک پہنچ گئے۔

اپنے مذکورہ عزم کے مطابق معاشی ادوار میں کسٹمر کی مدد کے لیے، HBL نے اپنے کسٹمر اور ملک کی انتہائی مشکل وقت سے گزرنے میں مدد کی۔ ملکی قرضوں میں مستقل طور پر سال بھر 241 ارب روپے اضافہ ہوا اور یہ 1.4 ٹریلیوں روپے تک پہنچ گیا، جس میں مسلسل دوسرے سال 20% سے زائد کا وسیع البنیاد اضافہ ریکارڈ کیا گیا۔ بینک کا فلنگ شیپ کنزیومر پورٹ فولیو بڑھ کر 122 ارب روپے تک پہنچ گیا اور کمرشل شعبے کے قرضے 100 ارب روپے سے تجاوز کر گئے۔ زرعی فنانسنگ بینک کی اہم ترجیح ہے جس کا پورٹ فولیو 50.6 ارب روپے کی تاریخ کی بلند ترین سطح پر پہنچ گیا ہے۔ HBL مائیکرو فنانس نے اپنے پورٹ فولیو میں 50% کے ساتھ 85 ارب روپے کا اضافہ کیا ہے جس سے بینک کے مالی شمولیت کے مقاصد مزید مستحکم ہوئے ہیں۔ HBL کے کل ایڈوانسز 18.3 اضافے کے ساتھ 1.8 ٹریلیوں روپے تک پہنچ گئے جبکہ ADR میں 52.9% بہتری ہوئی۔

تیز رفتار مالیاتی سختیوں کے ساتھ، 2021ء کے مقابلے میں خالص سود کے مارجن میں 81bps کی بہتری آئی ہے جبکہ بینک نے اوسط بیلنس شیٹ حجم میں 540 ارب روپے کا اضافہ حاصل کیا ہے۔ اس کے نتیجے میں خالص سود کی آمدنی 26% اضافے کے ساتھ 166 ارب روپے تک پہنچ گئی۔ نان فنڈ آمدنی 29% اضافے کی نمایاں کارکردگی کے ساتھ 146.7 ارب روپے تک پہنچ گئی۔ HBL کی طاقت و ریس فریجائز نے ایک بار پھر شاندار نتائج پیش کیے اور 24% اضافے کے ساتھ 31.5 ارب روپے تک پہنچ گئی۔ اس کا فلنگ شیپ کارڈ بزنس نئے ریکارڈ قائم کر رہا ہے، جس نے فیسوں میں تقریباً نصف اضافہ کیا ہے جو کل فیس آمدنی کا تقریباً 50% بنتا ہے۔ رکاوٹوں کے باوجود تجارتی آمدنی 19% اضافے کے ساتھ 3.2 ارب روپے تک پہنچ گئی۔ بینک کے برانچ لیس بینکنگ منصوبے Konnect میں سرمایہ کاری اب نتیجہ خیز ثابت ہو رہی ہے کیونکہ Konnect نے 1.5 ارب روپے کی فیس حاصل کی ہے جو 2021ء کے مقابلے میں دوگنی سے بھی زیادہ ہے۔

HBL اپنے لوگوں اور ڈیجیٹل انفراسٹرکچر میں سرمایہ کاری جاری رکھے ہوئے ہے تاکہ کسٹمرز کو جدید اور منفرد حل فراہم کیے جاسکیں۔ جب تباہ کن سیلاب کے نتیجے میں لاکھوں افراد بے گھر ہوئے تو HBL نے ہمیشہ کی طرح آگے بڑھ کر ملک اور عوام کی مدد کے لیے اقدامات کیے۔ 2022ء میں مجموعی انتظامی اخراجات بڑھ کر 124.8 ارب روپے ہو گئے کیونکہ غیر معمولی افراط زر نے تمام شعبوں کے اخراجات کو متاثر کیا۔ تاہم، ایک مضبوط ریونیو کی بنیاد کے ساتھ، مقامی لاگت / آمدنی کا تناسب پچھلے سال کی 51.1% کی سطح پر برقرار رکھا گیا۔ بینک کے مجموعی پرووٹن معمولی اضافے کے ساتھ 8.5 ارب روپے تک پہنچ گئے کیونکہ HBL نے بینک کو موجودہ معاشی حالات کے اثرات سے بچانے کے لیے پہلے سے تیار ذخائر میں دانشمندی سے اضافہ کیا۔ HBL کا انٹیکشن تناسب 5.1% سے کم ہو کر 4.8% کی نئی ریکارڈ سطح پر آ گیا جبکہ مجموعی کوریج 100% سے اوپر رہی۔

ذخائر میں اتار چڑھاؤ

2021	2022
35,507	34,398
138,208	158,441
35,022	34,070
208	98
749	281
197	73
36,176	34,522
174,384	192,963

بعد از محصول منافع

افتتاحی غیر تخصیص شدہ منافع

بینک ایکویٹی کے حامل افراد کے لیے قابل ادائیگی منافع

وضاحت شدہ منفعت کی ذمہ داریوں پر منافع کی دوبارہ پیمائش۔ محصول کا خالص

سبسڈریز میں اضافی نفع کا محصول

اثاثہ جات کی دوبارہ تشخیص پر سرپلس سے منتقل شدہ۔ محصول کا خالص

مناسب کارروائی کے لیے دستیاب منافع

2022ء میں 3500 صارفین کا اضافہ ہوا اور HBL نے تازہ 17 ارب روپے تقسیم کیے جو 2021ء کے مقابلے میں 30% زیادہ ہیں۔ HBL کی اگر بیکر و بلیو چین پر توجہ کے نتیجے میں پروسیڈنگ یونٹس اور کولڈ اسٹوریج کی سہولیات جیسے زراعت سے منسلک کاروباری اداروں کے لیے 3 ارب روپے کی فنانشنگ ہوئی۔ ڈیمری اور لائیو اسٹاک کے شعبے کے قرضوں کی بحالی سے بینک 1400 سے زائد فارمز پر کام کرنے اور 3 ارب روپے سے زائد کا پورٹ فولیو بنانے کے قابل ہوا ہے۔ HBL نے الیکٹرانک ویزا ہاؤس رسید (EWR) فنانشنگ میں بھی 700 ملین روپے سے زائد کی فنڈنگ اور 70% سے زائد مارکیٹ شیئر حاصل کر کے برتری برقرار رکھی۔ اسٹیٹ بینک نے HBL کو ملک میں EWR سسٹم متعارف کروانے اور بڑھانے کے لیے مثالی مالیاتی ادارہ قرار دیا۔ HBL تباہ کن سیلاب کے دوران اپنے صارفین کے شانہ بشانہ کھڑا رہا، اور 5,000 سے زائد متاثرہ کسانوں کی ادائیگیوں کو مؤخر کر دیا جبکہ کاشتکاروں کو اپنی ربح کی فصلوں کی بروقت ہوائی کے قابل بنانے کے لیے تازہ ادائیگیاں جاری رکھیں۔

زرعی افرادی قوت میں خواتین کی اہمیت کے مد نظر HBL نے 'نہی کسان' اور 'اگلی نسل' ڈیجیٹل ویڈیو اشتہارات کا آغاز کیا جس میں زراعت کی ترقی میں خواتین کی تعلیم کی اہمیت کو اجاگر کیا گیا۔ ملک بھر میں 40 سے زائد سیشنز کے ساتھ فلیگ شپ "کسان کی آواز" پروگرام کے تحت کسان برادریوں کی مالی خواندگی اور بیداری میں مزید اضافہ کیا گیا۔

زرعت کے شعبے کی ماحولیاتی تغیر میں ابھرنے میں مدد کے لیے HBL نے انشورنس پارٹنرز کے تعاون سے گندم اور دھان کے کاشتکاروں کے لیے ایریا سیلڈ انڈیکس انشورنس پروڈکٹ کا پائلٹ ٹیسٹ کامیابی سے مکمل کیا۔ ماحولیاتی تبدیلی سے پیداوار متاثر ہونے کی صورت میں یہ کسانوں کو بیمہ فراہم کرتا ہے۔ اپنے ڈیجیٹلائزیشن کے مقاصد کو آگے بڑھانے کے لیے HBL نے قرضوں کی درخواستوں کو ڈیجیٹل کرنے کے لیے قرضوں کی وصولی کا خود کار نظام نافذ کیا۔ فیلڈ ٹیموں کو ایک سیلز فورس مینجمنٹ ایپلی کیشن فراہم کی گئی تھی، جس سے انہیں صارفین کے دوروں کو ڈیجیٹل ریکارڈ کرنے اور سیلز پاپ لائن تیار کرنے میں سہولت فراہم کی گئی۔ HBL پنجاب لینڈ ریکارڈ اتھارٹی کے پورٹل کا سب سے بڑا صارف رہا، جس میں فرد نکالنے اور آن لائن چارج کری ایشن دونوں شامل ہیں۔

HBL کا منفرد اور اپنی نوعیت کا پہلا فارم ٹوپرو سیسر پاکستان کے زرعی شعبے کی ترقی اور بحالی کے لیے مختلف پائلٹ منصوبوں کی شکل میں نافذ کیا گیا تھا۔ HBL ایک قرض دہندہ سے زیادہ رہا ہے، جو سپلائی سائیز اقدامات اور غیر جانبدارانہ زرعی مشاورت کے ذریعے کسانوں کی پیداوار بہتر بنانے میں مدد کرتا ہے۔ 2020ء میں جب HBL نے صرف 5 کسانوں اور 444 ایکڑ سے اس سفر کا آغاز کیا تھا پھر بینک اب 17 پائلٹ منصوبوں کی تکمیل کر چکا ہے، جس سے 26,000 ایکڑ کے لیے 550 کسانوں کو فنانشنگ فراہم کی گئی ہے۔ HBL کی بنیادی تبدیلی کی قیادت 80 زرعی ماہرین اور فیلڈ افسران کی ایک ٹیم کر رہی ہے جو کسانوں کی بہترین طریقوں پر رہنمائی کرتے ہیں۔ زرعی سرگرمیوں سے دور وقت کم کرنے کے لیے HBL نے HBL Pay کے ذریعے ڈیجیٹل کسان آن بورڈنگ سسٹم متعارف کروایا۔ HBL کی شمولیت کے نتیجے میں، نسبتاً چھوٹی زمین اور لیز ہولڈنگ والے کسانوں۔ جو ملک کے کسانوں کی اکثریت کی نمائندگی کرتے ہیں۔ نے فصل کی پیداوار میں اوسطاً 46% اضافہ کیا (جس میں سب سے زیادہ اضافہ 118% ہے) اور خالص آمدنی میں 195% کا متاثر کن اوسط اضافہ (سب سے زیادہ اضافہ 611%) کیا ہے۔ ان نتائج کی پرنسپل یونیورسٹی کے ترقیاتی ماہرین اقتصادیات نے آزادانہ توثیق کی ہے جو کسان اور بینک دونوں کے لیے نچلے درجے پر دہرے اثرات ظاہر کرتے ہیں۔

HBL کا اسلامک بینکنگ بزنس بینک کے اندر تیزی سے بڑھتے ہوئے شعبوں میں سے ایک ہے، جو بڑے پیمانے پر کارپوریٹ سود سے لے کر ریٹیل ڈپازٹس اور کنزیومر فنانس تک بینک کی تمام مصنوعات پیش کرتا ہے۔ 2022ء میں اسلامک برانچ نیٹ ورک 259 سے بڑھ کر 294 ہو گیا۔ HBL نے اسلامک ڈپازٹس کے لیے مارکیٹ کا 7% حصہ حاصل کیا، جس میں صارفین کی مجموعی تعداد 1 ملین سے تجاوز کر گئی۔ بینک کی "موبائل فرسٹ" حکمت عملی کے تحت HBL نے 2022ء کے اوائل میں ایک خصوصی اسلامی بینکاری موبائل ایپ شروع کی جس کے ذریعے ٹرانزیکشنز 11 ارب روپے سے تجاوز کر گئیں۔ ایک اسلامک Kconnect اکاؤنٹ اگست 2022ء میں شروع کیا گیا تھا تاکہ معاشرے کے ان طبقات کی ضروریات پوری کی جاسکیں جو شریعت کے مطابق حل کو ترجیح دیتے ہیں۔ آغاز کے بعد سے 5 ماہ میں 2 لاکھ کرنٹ اکاؤنٹس کھولے گئے جن میں 4 لاکھ سے زائد ٹرانزیکشنز ہوئیں جن کی مالیت 2 ارب 70 کروڑ روپے سے زائد رہی۔ اسلامک Kconnect کلائنٹ میں خواتین کی تعداد 28% ہے۔ یہ پروڈکٹ ان کارپوریٹس اور مائیکرو فنانس اداروں کو تنخواہوں کی تقسیم اور کیش جمع کرنے کی خدمات بھی پیش کرتی ہے جو شرعی بینکاری کو ترجیح دیتے ہیں۔

HBL کے اسلامک کنزیومر بزنس نے ایک اور مضبوط سال گزارا اور اس کے پورٹ فولیو کو دگن کر دیا۔ اسلامک کار فنانس نے فروخت ہونے والے یونٹس کی تعداد میں 30% اضافہ کیا جبکہ مجموعی طور پر مارکیٹ میں 32% کمی واقع ہوئی۔ وصولیاں تقریباً 6 ارب روپے تک پہنچ گئیں۔ HBL نے حکومت کی زیر قیادت میرا پاکستان میرا گھر اسکیم میں تیزی سے ترقی کی ہے جس کا مجموعی حجم 8 ارب روپے ہے۔ کارپوریٹ اور کمرشل صارفین کو دیے گئے قرضوں میں 32% اضافہ ہوا۔ اس میں اسلامی کاروبار کے منفرد کسٹمرز کے ساتھ ساتھ کنوینیشنل کسٹمرز کو پیش کی جانے والی اسلامی مصنوعات کی فنانشنگ بھی شامل ہے۔ تجارت پر توجہ کے نتیجے میں گزشتہ سال کے مقابلے میں 11% اضافہ ہوا، حالانکہ درآمدی پابندیوں کی وجہ سے مارکیٹ میں مندی رہی۔

HBL اپنے کارپوریٹ کسٹمر کو ورکنگ کیپٹل اور ٹرم لون کی ضروریات، ٹرانزیکشن بینکنگ مصنوعات اور خصوصی مصنوعات کے حل پیش کرتے ہوئے مارکیٹ لیڈنگ پروڈکٹس کی فراہمی جاری رکھے ہوئے ہے تاکہ کسٹمر کو غیر ملکی زرمبادلہ اور مارکیٹ کے خطرات سے مقابلے میں مدد مل سکے۔ یہ کارپوریٹ کسٹمر کی ہول سیل بینکاری کی ضروریات کے لیے ون ونڈو سولوشن کے ذریعے حاصل کیا گیا ہے، جبکہ انتظامیہ اور ملازمین کو HBL کے کنزیومر اور ریٹیل بینکنگ پروڈکٹ سویٹ تک رسائی بھی فراہم کی گئی ہے۔ اس مشکل سال میں HBL نے دانشمندانہ انداز میں قرضے دینا جاری رکھا، پورٹ فولیو کا معیار کا برقرار رکھتے ہوئے باقاعدگی سے جائزے لیے اور قرضوں میں دہرے ہندسوں میں نمو حاصل کی۔

بینک روشن ڈیجیٹل اکاؤنٹ کے ضمن میں بھی صنعت کی قیادت جاری رکھے ہوئے ہے اور 20% مارکیٹ شیئر کے ساتھ 100,000 اکاؤنٹس عبور کرنے والا پہلا ادارہ بن گیا ہے۔ آغاز سے اب تک HBL نے اس کے ذریعے ملک میں 900 ملین ڈالر سے زائد کی رقم جمیل کی ہے۔ بینک نیا پاکستان سرٹیفکیٹ میں سرمایہ کاری کے ساتھ ساتھ روشن اپنی کار اور روشن اپنا گھر پروگراموں کے تحت فنانسنگ میں بھی مارکیٹ لیڈر ہے۔

صارفین کی سہولت کے لیے ڈیجیٹل اکاؤنٹ کھولنے کا سفر صارفین کے تجربات کی بنیاد پر ایک بہتر اور ہموار آن بورڈنگ فراہم کرنے کے لیے شروع کیا گیا۔ پورا کنونینشنل برانچ نیٹ ورک Kconnect پلیٹ فارم پر کسٹمرز کو شامل کرنے کے قابل بنایا گیا۔ اس سے برانچوں میں بھیڑ میں کمی کے ساتھ HBL کے وسیع ایجنٹ نیٹ ورک کے ذریعے کم مالیت والے اکاؤنٹس تک رسائی اور سروس کا دہرا مقصد پورا کیا گیا۔

بینک شورنس نے پریمیم کے 30% شیئرز کے ساتھ مارکیٹ میں اپنی قائدانہ پوزیشن دوبارہ حاصل کی۔ HBL AMC کے فنڈز تقسیم کرنے والی انویسٹمنٹ سروسز اب 1400 سے زائد برانچوں میں دستیاب ہیں اور انہوں نے 5 ارب روپے کی AUMs فروخت کی ہیں۔

HBL کے کنزیومر بینکنگ بزنس میں ایک اور درخشاں سال کا آغاز ہوا جس میں کل صارفین قرضے 19% اضافے کے ساتھ 122 ارب روپے تک پہنچ گئے۔ کریڈٹ کارڈز کے کاروبار نے کارڈ کے استعمال میں 60% سے زائد اضافے سے اپنی قیادت مزید مستحکم کی، اخراجات 182 ارب روپے اور پورٹ فولیو کا حجم 24 ارب روپے تک پہنچ گیا، جو گزشتہ سال کے مقابلے میں 47% زیادہ ہے۔ HBL کے کریڈٹ کارڈز سرفہرست ہیں، پاکستان میں کریڈٹ کارڈز پر خرچ ہونے والے ہر تین روپے میں سے ایک HBL کارڈز پر آتا ہے۔ 2022ء میں 90 ہزار سے زائد نئے کریڈٹ کارڈز جاری کیے گئے جو 2021ء کے مقابلے میں 17% زیادہ ہیں۔ کاروبار نے افراط زر کے دباؤ کے پیش نظر اہل کسٹمرز کی مدد کے لیے حدیں نمایاں اضافے کی بھی پیش کش کی۔

HBL پاکستان میں سب سے بڑا کارڈ اجرا کار ہے۔ پاکستان میں ہر پانچ میں سے ایک شخص کے پاس HBL ڈیبٹ کارڈ ہے اور مجموعی طور پر 6.5 ملین ڈیبٹ کارڈ جاری کیے گئے ہیں۔ 2022ء میں خرچ کا حجم 58% اضافے کے ساتھ 122 ارب روپے تک پہنچ گیا جس میں سے 30% ای کامرس مرچنٹس کے پاس تھا۔ 2021ء میں کریڈٹ کارڈز کے لیے ٹو کنوائزیشن Tap & Pay ایف پی آر کا آغاز کیا گیا۔ 2022ء میں، یہ HBL Pay برانڈ کے تحت ماسٹر کارڈ اور ویزا ڈیبٹ کارڈز پر فعال کیا گیا تھا، جس سے صارفین کو اپنے موبائل فون رابطے کے بغیر فعال POS مشینوں پر ٹیپ کر کے ادائیگی کی سہولت ملتی ہے۔ بینک نے اپنے POS نیٹ ورک کو 46,000 سے زائد مشینوں تک توسیع دی، جو صنعت کا سب سے بڑا نیٹ ورک ہے۔ HBL کے ٹرینلز پر آمد و رفت 46% اضافے کے ساتھ 264 ارب روپے تک پہنچ گئی جو ملک کی مجموعی فروخت کے حجم کا ایک تہائی سے زائد ہے۔

44 ارب روپے کے پورٹ فولیو کے ساتھ پرنسپل لونز 2022ء میں 28 ارب روپے سے زائد کی نئی تقسیم کے ساتھ کنزیومر فنانسنگ کے اہم ترین ستونوں میں سے ایک رہے۔ ریڈی کیشن تقریباً 6,000 صارفین کے لیے 3.5 ارب روپے کی کریڈٹ لائنوں کی منظوری کے ساتھ مستقبل کی ترقیاتی مصنوعات کے طور پر رکھا گیا۔ آٹو انڈسٹری کو درپیش بیرونی چیلنجز کے باوجود HBL نے 2022ء میں اپنی قائدانہ پوزیشن برقرار رکھتے ہوئے 11,200 کاروں کی فنانسنگ کی ہے جو مارکیٹ میں سب سے زیادہ ہے۔ جس سے مارکیٹ شیئر 11.5% سے بڑھ کر 12.4% ہو گیا۔

HBL تیزی سے پروسیڈنگ کے ساتھ صارفین کی سہولت میں اضافے کے لیے ڈیجیٹلائزیشن پر توجہ مرکوز کیے ہوئے ہے۔ سال 2022ء میں ایک تہائی کریڈٹ کارڈ اور 23% پرنسپل لونز HBL موبائل کے ذریعے بک کیے گئے۔ سال کے آخر میں، جدت طرازی میں ایک اور صنعتی پہل، ڈیجیٹل کار فنانس کا آغاز کیا گیا تھا اور یہ آٹو فنانسنگ بزنس کا کھیل پلٹ دے گا۔

HBL اپنے SME بزنس میں سرمایہ کاری اور نمایاں اور پائیدار ترقی کے لیے پُر عزم ہے۔ 2022ء میں ایڈوانسز 20% اضافے کے ساتھ 89 ارب روپے سے زائد ہو گئے۔ 35 ارب روپے کی نئی اور اضافی حد کی منظوری دی گئی جو 2021ء کے مقابلے میں 26% زیادہ ہے۔ SME صارفین کی تعداد 15,000 سے تجاوز کر گئی، جو 25% کی متاثر کن ترقی ہے۔ پیمانے اور حجم میں اضافہ بنیادی طور پر فروخت کی صلاحیتیں بڑھانے، عمل میں آسانی، ٹیکنالوجی کے استعمال اور فوری فیصلہ سازی کے لیے اسکورنگ ماڈل نافذ کر کے کیا گیا ہے۔ کاروبار کی ری پوزیشننگ نے چھوٹے کاروباروں پر خصوصی توجہ کے ساتھ تیز رفتار ترقی ممکن بنائی جو معیشت پر حقیقی اثرات مرتب کرتے ہیں۔ HBL نے 2022ء میں مارکیٹ شیئر 14.1% سے بڑھ کر 16.5% تک پہنچنے سے صنعت میں صف اول کی پوزیشن حاصل کر لی ہے۔

کیش فلو پر مبنی قرضوں والی نئی مصنوعات خصوصاً مجموعی طور پر SME سیگمنٹ میں چھوٹے کاروباروں کے لیے ڈیزائن کی گئیں تاکہ ان کاروباروں میں اکثر ضمانت اور رسمی دستاویزات کی کمی کا حل نکالا جاسکے۔ یہ ماڈل اب نتائج دے رہا ہے کیونکہ HBL پہلے ہی 2400 صارفین کو 7 ارب روپے سے زائد کی رقم تقسیم کر چکا ہے۔ سلائی چین فنانسنگ بزنس میں 50% سے زائد کام نمایاں اضافہ ہوا ہے اور یہ 10 ارب روپے کے قریب ہے۔ بینک اسٹیٹ بینک کے زیر قیادت SMEs کے لیے اقدامات میں فعال شریک ہے اور مختلف اسکیموں کے تحت 5 ارب روپے سے زائد رقم تقسیم کر چکا ہے۔

HBL ایگریکلچر فنانسنگ میں 50 ارب روپے سے تجاوز کے شاندار کارنامے کے ساتھ مارکیٹ میں سرفہرست ہے، جو 2021ء کے مقابلے میں 27% زیادہ ہے۔ بینک کا پہلے ہی برتر مارکیٹ شیئر 35% سے تجاوز کر گیا۔ اسٹیٹ بینک نے HBL کو مالی سال 2022ء کے لیے بڑے بینکوں کی کیٹیگری میں ٹاپ ایگری لینڈنگ بینک قرار دیا ہے۔ بینک کو 'چیمپیئن بینک فار بلوچستان' بھی نامزد کیا گیا تھا تاکہ وہ پاکستان کے سب سے پسماندہ صوبے میں زرعی قرضوں تک رسائی اور مالی شمولیت بڑھانے کے لیے صنعت کی قیادت کرے۔ اس اقدام کے تحت HBL نے کسانوں میں شعور بیدار کرنے کے لیے سرگرمیاں شروع کیں اور تعلیمی اداروں کے ساتھ مل کر طلباء کو روزگار کے مواقع کے لیے تیار کیا۔ HBL کو پاکستان بینکنگ ایوارڈز 2022ء میں 'بیسٹ بینک فار ایگریکلچر' کا ایوارڈ بھی دیا گیا۔

HBL نے پاکستان میں جدید حل فراہم کرنے کا سلسلہ برقرار رکھتے ہوئے موبائل فونز کی POS ٹرمینلز میں تبدیلی کمرشلز کی، اس طرح اسمارٹ فونز کے ڈیوری کے وقت کارڈ پر مبنی ادائیگیاں قبول کرنے سے ڈیوری پیمنٹ کے عمل میں انقلابی تبدیلی لائی گئی ہے۔ کیش آن ڈیوری کے بغیر ہی تاجروں کو براہ راست معلومات اور 24 گھنٹے میں سیٹلمنٹ مل جاتی ہے، اس طرح وہ اپنے ورکنگ کیٹیبل کے ساتھ نقد رقم سنبھالنے کی پریشانی سے بچ جاتے ہیں۔ بینک نے پاکستان ڈیجیٹل ایوارڈز میں 'میٹ پیمنٹس'، 'انیشی ایٹو اور انیشی ریٹیل فنانس ایوارڈز میں' پوائنٹ آف سیل انیشی ایٹو فار دی ایئر ایوارڈ جیتا۔

HBL Pay چیک آؤٹ آن لائن تاجروں کو کارڈ، بینک اکاؤنٹس اور ای والٹ کے ذریعے ڈیجیٹل ادائیگیوں کا اختیار دیتا ہے۔ یہ سروس اب 620 ای کامرس تاجروں کے پاس دستیاب ہے جو 4.6 ملین سے زائد ٹرانزیکشنز کر چکے ہیں جن کی مالیت 2022ء میں 35 ارب روپے رہی ہے۔

ہر انداز میں مالی شمولیت HBL کا ایک اہم مقصد ہے۔ HBL Connect by مالی شمولیت کی وسعت کے لیے بینک کا اہم آلہ ہے، جو پاکستان بھر میں آن بینک اور انڈر بینک سیگمنٹ کو بینک تک آسان رسائی فراہم کرتا ہے۔ HBL Connect کے اب 8.3 ملین کسٹمر ہیں جن میں خواتین کلائنٹس کا 24% ہیں۔ 2022ء میں HBL Connect نے ایک اسلامی ڈپازٹ اکاؤنٹ کا آغاز کیا جس سے کسٹمر شریعت کے مطابق اپنی بینکاری ضروریات پوری کر سکیں گے اور مارکیٹ کا ایک بڑا خلاء پُر کر سکیں گے۔ آغاز کے بعد سے اب تک 200,000 سے زیادہ کھولے گئے اکاؤنٹس کے ساتھ HBL Connect اسلامک اکاؤنٹس بدستور اس صنعت میں لیڈر ہے۔

2022ء میں 238 ارب روپے سے زائد پراسیس کیے گئے حجم کے ساتھ 840 سے زائد کمپنیوں اور چھوٹے کاروباری اداروں کو HBL Connect تقسیم کے چکر دار حل پیش کرتا ہے۔ HBL Connect کلکیشن سروسز قرضوں کی ادائیگی، اسکول فیس اور ڈسٹری بیوٹر کی وصولی کی ضروریات پوری کرتی ہیں، جو برائے جانے بغیر پورے پاکستان میں چوبیس گھنٹے بینکاری خدمات پیش کرتی ہیں۔ سال 2022ء میں مجموعی وصولیاں تین گنا بڑھ کر 170 ارب روپے تک پہنچ گئیں۔

HBL Connect کو بے نظیر انکم سپورٹ پروگرام، سیلاب سے بچاؤ کے لیے ہنگامی امداد اور ایندھن کی سبسڈی جیسے متعدد اقدامات پر حکومت کے ساتھ اشتراک کا اعزاز حاصل ہے۔ سال کے دوران، HBL Connect نے سماجی امدادی ادائیگیوں کی تقسیم کے لیے ورلڈ فوڈ پروگرام اور ورلڈ ہیلتھ آرگنائزیشن کے ساتھ ادائیگی میں شراکت کی۔

2021ء کے اوائل میں، روبوٹک پروسیس آٹومیشن (RPA) متعارف کرایا گیا جس سے آزمائشی فراہمی کے کامیاب ثبوت کے ساتھ 50 سے زیادہ طرز کار RPA میں تبدیل کر دیے گئے۔ 2022ء کے دوران، پروگرام نے کامیابی سے مختلف کراس فنکشنل شعبوں میں اپنی افادیت ثابت کی۔ پروگرام کے آغاز کے بعد سے، 86 طرز کار RPA میں منتقل کیے گئے، جس کے نتیجے میں پروسیسنگ کے وقت میں بہتری آئی ہے اور ہر ماہ 18,000 سے زیادہ افرادی گھنٹوں کی بچت ہوئی۔ اس سے ان شعبوں کی استعداد میں چار گنا تک اضافہ ہوا ہے۔

HBL نے نیٹ ورک کلائنٹس سے منسلک رہتے اور ٹیکنالوجی پلیٹ فارم، پیمنٹ سسٹم اور ڈیجیٹل سیکورٹیز اپڈیٹ کرتے ہوئے 2022ء میں اپنے بین الاقوامی آپریشنز میں نمایاں بہتری دکھائی۔ تجارتی حجم میں 68% اضافہ ہوا اور نیٹ ورک کسٹمرز نے گنا ہو گیا، جس کی وجہ نیٹ ورک کا زیادہ موثر طریقے سے استعمال اور مینسٹری مارکیٹنگ میں اضافہ ہے۔ ایک بہتر CASA کس کے ساتھ پورے نیٹ ورک میں ڈپازٹ مستحکم رہے ملٹی کسٹری کلائنٹس کے لیے گلوبل ریلیشن شپ مینجر کے تحت گروپ لیول کی حدود کا ایک ڈھانچہ بنایا گیا ہے جو کلیدی صارفین کے زیادہ جامع انتظام کو ممکن بنائے گا۔

چین میں HBL کی دو برانچیں چین ٹرانزیکشنز کی ابتدا اور عمل درآمد کے لیے مرکزی انجن کے طور پر کام کرتی ہیں، جس سے انٹرانیٹ ورک فلو میں مزید سہولت ملتی ہے۔ بینک کا کامیاب چین کوریج ماڈل اب متحدہ عرب امارات، سری لنکا، بنگلہ دیش اور مالڈیپ کا احاطہ کرتا ہے۔ 2022ء میں، اس ماڈل کو ہمارے الحاق شدہ ڈائمنڈ سٹریٹ بینک کے اشتراک سے مشرقی افریقہ تک توسیع دی گئی۔ HBL 54 چین کاروباری اداروں کو خدمات فراہم کرتا ہے، جن میں سے 19 مختلف مقامات پر صارفین ہیں، جو خطے میں اس کے پسندیدہ بینک کے عزم کو مزید آگے بڑھاتا ہے۔ پاکستان میں HBL چین کاروبار کے لیے بدستور معروف بینک ہے۔ چین فریڈم سٹریٹ چین کاروبار کا فلیگ شپ بننے کے لیے اچھی پوزیشن میں ہے۔

HBL نے MENA اور جنوبی ایشیا میں صرف 3 بینکوں میں سے ایک ہونے کے ناطے اپنی منفرد پوزیشن کا فائدہ اٹھاتے ہوئے دیگر مالیاتی اداروں کو RMB کی پیشکشوں کو توسیع دے کر اینڈ ٹو اینڈ RMB تالی کی پیشکش کی۔ HBL کی RMB نوٹس و تجویز سے اپنے چین کسٹمرز کو لیکویڈیٹی میجمنٹ اور اپنے غیر ملکی ملازمین کو تنخواہوں کی ترسیل کے قابل بناتی ہے۔ HBL چین نے اپنی پیشکش مزید بہتر بنانے کے لیے متعدد ممالک میں 17 نئے FI تعلقات قائم کیے ہیں اور پاکستان اور بنگلہ دیش میں بینکوں کے لیے LC مشاورتی ریپیٹ پروگرام کا آغاز کیا ہے۔

2022ء میں HBL مائیکرو فنانس بینک (HBL MfB) کے "بانی سے رہبر" کے دو دہائیوں کے سفر کا اختتام ہوا جس میں HBL MfB نے پاکستان کے سب سے بڑے مائیکرو فنانس بینک کی ذمہ داریاں سنبھال لیں۔ معاشی حالات سے درپیش چیلنجز کے باوجود MfB نے اپنے قرضوں کے پورٹ فولیو میں تقریباً 50% اضافہ کیا جو تقریباً 460,000 کسٹمر کو تقسیم سے 85 ارب روپے تک پہنچ گیا۔ 29% کسٹمر خواتین ہیں، جو خواتین تک رسائی بڑھانے کے لیے بینک کے عزم کی عکاس ہیں۔ ڈپازٹس 27% اضافے سے 116 ارب روپے تک پہنچ گئے جن میں سے 60% CASA ہے۔

HBL MfB نے مالی شمولیت کے ذریعہ کی حیثیت سے ٹیکنالوجی میں مسلسل سرمایہ کاری کی ہے۔ بینک کا ان ہاؤس تیار کردہ کسٹمر مینجمنٹ سلوشن (CMS) ایک جدید ترین حل ہے جو کسٹمر کو 48 گھنٹوں میں لون پروسیسنگ کے ساتھ ٹیبلٹس استعمال کرتے ہوئے آن بورڈنگ کے قابل بناتا ہے۔ CMS فی الحال MfB کے نیٹ ورک کے 86% میں لاگو

HBL نے کیش مینجمنٹ میں اپنی قائدانہ حیثیت برقرار اور فنانشل ویلیو چین کو ڈیجیٹائز کرنے میں اہم کردار ادا کرنا جاری رکھا۔ 2022ء میں کل کیش مینجمنٹ پیداوار 56% اضافے کے ساتھ 12.3 ٹریلین روپے تک پہنچ گئی۔ بینک کے ڈیجیٹل پلٹ فارم HBL Pay بزنس بینکنگ نے حجم میں اضافہ جاری رکھا۔ مسلسل دوسرے سال اس پلٹ فارم کے ذریعے ادائیگیاں دگنی ہو کر 6.7 ٹریلین روپے تک پہنچ گئیں جس میں تقریباً 40 ملین ٹرانزیکشنز کی گئیں۔ ایشیا مئی 2022ء سروے میں HBL کو کیش مینجمنٹ کے ساتھ پاکستان میں کیش مینجمنٹ کے لیے بہترین خدمات فراہم کرنے والے مقامی بینکوں میں مارکیٹ لیڈر قرار دیا گیا ہے۔ ان مخصوص ایوارڈز کے بارے میں سب سے زیادہ اطمینان بخش بات یہ ہے کہ یہ کسٹمر کے دوٹوں پر مبنی تھے، جو HBL کے کلائنٹ کی ضروریات کے مطابق جدید مصنوعات کی فراہمی کے عزم کا ثبوت ہے۔ HBL کی مارکیٹ میں سرفہرست ایپلائز بینکنگ پروپوزیشن 3.2 ملین ملازمین کو پے رول خدمات فراہم کرتی ہے جس کے ڈپازٹ بیلنس 252 ارب روپے تک بڑھ گئے ہیں۔ 2022ء میں HBL نے اپنے صارفین کو ذہنی سکون فراہم کرنے کے لیے پے کنٹینینو انشورنس کا ایک نیا نیچر شامل کیا۔

HBL کے پاکستان میں معروف تجارتی بینک بننے کے وژن کے مطابق گلوبل ریڈ سرورسز (GTS) کا ایک نیا شعبہ تشکیل دیا گیا ہے تاکہ اس کاروبار پر توجہ بڑھائی جاسکے اور مارکیٹ شیئر حاصل کرنے کے لیے خصوصی مصنوعات کی تیاری میں مہارت حاصل کی جاسکے۔ حکمت عملی کے لحاظ سے تمام GTS مصنوعات کو ایک مرکز پر لانا، مصنوعات کی مہارت پیدا کرنا اور کونٹریٹل اور پیچیدہ ٹرانزیکشن بینکنگ ضروریات کی آسانی کے لیے جدید ڈھانچہ تیار کرنا ہے۔ درآمدی پابندیوں کی وجہ سے اپورٹ اور ایکسپورٹ دونوں کا انحصار درآمد پر ہے، HBL اپنے کسٹمر کی تجارتی ضروریات میں مدد اور معاونت کے لیے ان کے قریب رہا ہے۔ حجم میں مجموعی طور پر کمی کے باوجود HBL کو اپنا مارکیٹ شیئر 12.9% تک بڑھانے میں مدد ملی۔

HBL انویسٹمنٹ بینکنگ بزنس کسٹمر کے لیے بدستور پہلا انتخاب ہے اور بینک اس انتہائی چیلنجنگ ماحول میں بھی مشاورت اور جدید ترین حل کے ذریعے کسٹمر کی معاونت جاری رکھے ہوئے ہے۔ بینک نے 200 ارب روپے سے زائد مالیت کے 20 معاہدے کیے، جس میں مختلف شعبوں میں سرمایہ کاری بینکاری مصنوعات کے پورے سٹیٹ کا احاطہ کیا گیا۔ پبلک پرائیویٹ پارٹنرشپ کے منصوبے سے سڑکوں کے بنیادی ڈھانچے کے 2 پراجیکٹ مکمل کیے گئے۔ HBL نے پاکستان کے پہلے اور سب سے بڑے ہاب REIT کے اجراء کی مشاورت اور بندش میں بھی اہم کردار ادا کیا۔ سال کے دوران مختلف بین الاقوامی اور مقامی پبلشرز سے حاصل ہونے والے 22 اعزازات HBL کے اس شعبے کے طول و عرض پر برتری کا ثبوت ہیں۔

شدید عدم استحکام کے ماحول میں HBL کی ٹریڈری ٹیم نے کسٹمر کی معلومات میں اضافے کا آغاز کیا، باقاعدگی سے معاشی اپ ڈیٹس اور کسٹمر کو سہولت فراہم کی۔ بینک کے اہم ڈیجیٹل FX پورٹل HBL Infinity کے ذریعے 2022ء میں 350 سے زائد کسٹمر نے تقریباً 5.5 ارب ڈالر کی ٹرانزیکشن کی اور اسے شاندار مقبولیت حاصل ہوئی۔ اسی سال کے دوران، یہ پورٹل متحدہ عرب امارات کے کسٹمر کے لیے پیش کیا گیا جس کا کلائنٹس نے والہانہ استقبال کیا۔ HBL نے Symphony کا بھی آغاز کیا جو انڈسٹری میں پہلی بار متعارف کروایا گیا ایک فلسفہ اکٹم پورٹل ہے۔ یہ ادارہ جاتی اور کارپوریٹ سرمایہ کاروں کو پاکستان گورنمنٹ سیکورٹیز مارکیٹ میں سپر لیس اور فوری ڈیجیٹل ٹرانزیکشن کی سہولت فراہم کرتا ہے۔

HBL سروس کے معیار میں بہتری کے ساتھ ساتھ ذرائع ممالک میں وسیع پیمانے پر مارکیٹنگ کمیپین سے اپنے ہوم رییمینٹس بزنس کو دوبارہ منظم کرنے کا سلسلہ جاری رکھے ہوئے ہے۔ اس کے نتیجے میں حجم میں اضافہ ہوا ہے، جو 13% بڑھ کر 3.1 ارب ڈالر ہو گیا اور مارکیٹ شیئر میں 10.6% تک اضافہ ہوا ہے۔

HBL کے ریٹیل ڈیجیٹل چینلز موبائل اور انٹرنیٹ بینکنگ، ATMs اور POS پاکستان کے مالیاتی منظر نامے کی تشکیل، کسٹمر، کاروباری اداروں اور حکومت کو جوڑنے میں اہم کردار ادا کرتے رہے۔ سال 2022ء میں ان چینلز کے ذریعے 4.3 ٹریلین روپے سے زائد مالیت کی 31 ملین سے زائد مالی ٹرانزیکشنز کی گئیں، جو 55% سے زیادہ کا اضافہ ہے، جو ہمارے 'بینکنگ لائنسنس کے ساتھ ٹیکنالوجی کمپنی' بننے کے عزم کا عکاس ہے۔ ڈیجیٹل چینلز کے ذریعے ٹرانزیکشنز اب مالی ٹرانزیکشنز کے حجم کا 82% ہیں اور اس نے برانچوں سے ٹرانزیکشنز میں نمایاں کمی کی ہے، اس طرح لاگت پر بچت اور برانچ کی سطح پر بہتر کسٹمر فوکس ہوا ہے۔

HBL موبائل اور انٹرنیٹ بینکنگ سے 2.3 ٹریلین روپے سے زائد مالیت کی 125 ملین سے زائد مالی ٹرانزیکشنز کی گئیں، جو 2021ء کے مقابلے میں دگنی ہیں۔ یہ اضافہ زیادہ بڑی ٹرانزیکشنز اور زیادہ کسٹمرز کی وجہ سے ہوا تھا جو اب مزید بڑھ کر 3.2 ملین ہو گئے ہیں۔ HBL موبائل کے ذریعے نصف ارب سے زائد سروسز کی ٹرانزیکشنز کی گئیں۔ بڑی ٹرانزیکشنز اور C2B ٹرانزیکشنز میں تیزی سے اضافہ HBL کی ڈیجیٹل مصنوعات پر کسٹمرز کے بڑھتے ہوئے اعتماد کی عکاسی کرتا ہے۔ کارپوریٹ اور تعلیمی فیس کی ادائیگیوں میں بالترتیب 221% اور 93% اضافہ ہوا، جس سے 1.3 ملین کارپوریٹ کلائنٹس ٹرانزیکشنز برانچوں سے منتقل ہو گئیں۔ 2022ء میں HBL اسلامک موبائل ایپ متعارف کی گئی جس کا مقصد شریعت کے مطابق کسٹمرز کی ضروریات کی تکمیل کے لیے سہولت تھا۔

2022ء میں، HBL نے بانی کی حیثیت سے HBL واٹس ایپ بینکنگ چینل کے ذریعے مالی ٹرانزیکشن کا آغاز کیا۔ واٹس ایپ بینکنگ کے اب تقریباً 300,000 صارفین ہیں۔ 15 کروڑ روپے سے زائد مالیت کی 54 ہزار ٹرانزیکشنز کی گئیں اور 23 لاکھ سروسز ٹرانزیکشنز کی گئیں۔

2200 سے زائد بنگ پارٹنرز کے ساتھ HBL کا الیکٹرانک بل پریزینٹ سسٹم (EBPS) کسٹمر کو آن لائن بلوں کی ادائیگی کے قابل بناتا ہے۔ ادائیگیوں میں گزشتہ سال کے مقابلے میں 65% اضافہ ہوا اور 2022ء میں یہ 1.3 ٹریلین روپے تک پہنچ گئیں۔ اسی سال کے دوران HBL نے اپنے منفرد بلز کو Link-1 پر لاکر اس سروس کو پوری انڈسٹری تک توسیع دی جس سے دیگر بینکوں کے کسٹمر ان اداروں کو آن لائن ادائیگیاں کرنے کے قابل ہوئے۔

پچھلے LEED اور EDGE سرٹیفیکیشن کے علاوہ IFC سے ایڈوانس EDGE سرٹیفیکیشن حاصل کیا۔ اپنے پائیدار اقدامات کے اعتراف میں HBL نے ایک بار پھر نیشنل فورم فار انوائرنمنٹ اینڈ ہیلتھ کی جانب سے انوائرنمنٹل ایکسیلینس ایوارڈ حاصل کیا۔

2021ء میں HBL نے اپنے کور بینکنگ سسٹم کو MISYS سے Temenos میں اپ گریڈ کرنے کا فیصلہ کیا تاکہ بینک کے مستقبل کے ترقی کے منصوبوں کو ممکن بنایا جاسکے۔ اس منصوبے کا باضابطہ آغاز فروری میں مختلف ورک اسٹریٹجز کے لیے ورکشاپوں کے آغاز اور کاروباری ضروریات کی دستاویز بندی سے کیا گیا۔ بینک بھر میں سافٹ ویئر کی تیاری اور اعلیٰ معیار یقینی بناتے ہوئے زیادہ مضبوط ریلیز اور صارفین کا سفر آسان بنانے کے لیے خود کار ٹیسٹنگ کے نفاذ کے لیے ایک ٹیسٹنگ سینٹر آف ایکسیلینس بھی قائم کیا گیا۔

HBL برانڈ مضبوط برانڈ ہونے کا لطف لیتا ہے۔ 2022ء میں ایک برانڈ ہیلتھ ٹریکر اسٹڈی کی گئی جس میں 4.1 برانڈ ایکویٹی انڈیکس کے ساتھ HBL صنعت میں سب سے مضبوط برانڈ کے طور پر ابھرا، اس کے ساتھ ساتھ سب سے زیادہ برانڈ کی آگاہی، استعمال اور زیر غور ہونے کے اسکور بھی شامل تھے۔ 2022ء میں HBLPSL کے فلیگ شپ پلیٹ فارم کو ”جہاں فینز، وہاں اسٹیڈیم“ کی اشتہاری مہم کے ذریعے تحریک دی گئی، جس میں دنیا بھر میں کروڑوں کرکٹ شائقین نے اپنے اور کھیل کے جذبے کا جشن منایا۔ یہ HBL کی جانب سے پاکستان کے سب سے بڑے اور مقبول ترین کھیلوں کے انعقاد کے تعاون کا سواواں ایڈیشن تھا۔ HBL کے ڈیجیٹل تفریحی شو نے 25 ملین سے زائد ویوز حاصل کیے اور انفلوئنسر مارکیٹنگ کیئرگری میں معتبر ایف ایوارڈ جیتا۔

HBL ڈیجیٹل مارکیٹنگ کی کوششیں اپنے کسٹمرز کی طرف سے پسندیدہ موضوعات اور پلیٹ فارمز پر مرکوز ہیں۔ پاکستان کی ویب سائٹ نے ٹریفک کے ساتھ ساتھ سیشن کے دورانیے میں بھی اضافہ دکھایا۔ سرچ انجن پر بہتر دریافت کے نتیجے میں تمام ویب سائٹ ٹریفک کا 54% سرچ کے ذریعے آیا جبکہ 2021ء میں 9% تھا۔ HBL کی زرعی مہم ایک دل کو چھو لینے والی ڈیجیٹل کہانی تھی جسے سوشل پلیٹ فارمز پر سراہا گیا۔ 2022ء میں، HBL پہلی بار ٹک ٹاک پر گیا اور نوجوان اور زیادہ متنوع سامعین تک پہنچنے کے لیے اپنی موجودگی میں اضافہ جاری رکھے ہوئے ہے۔

ہیومن ریسورسز

”احساس رکھنے والا بینک“ ہونے کے ناطے HBL نے 2022ء میں اپنے عملے اور ان کے اہل خانہ کی مدد کے لیے متعدد اقدامات کیے۔ مارکیٹ اور صنعت میں اولین کے طور پر بینک نے اپنی خدمات کی عمر میں اضافہ کر کے 65 سال کرنے کا اعلان کیا۔ یہ 60 سال کی عمر تک پہنچنے والے ان ملازمین کی تحریک کے لیے تھا، جو مزید کچھ سال تک اعلیٰ سطحی کارکردگی دکھانے کی توانائی اور جذبہ رکھتے ہیں۔ اس سے ایسے ملازمین ہمارے کسٹمر کی خدمت جاری رکھنے کے ساتھ ایک ہی وقت میں نوجوان اسٹاف کی رہنمائی بھی کر سکیں گے۔ یہ اہم اقدام، جسے عالمی سطح پر سراہا گیا، سینکڑوں خاندانوں کو فائدہ پہنچائے گا۔ موجودہ معاشی چیلنجز سے نمٹنے میں ملازمین کی مدد کے لیے مڈل اور جونیئر مینجمنٹ اسٹاف کو دو عبوری ایڈہاک فنانشل اسسٹنس پیمنٹس کی گئیں۔ ٹرانسپورٹ کے اخراجات میں ملازمین کی معاونت، ملازمین کو گاڑی کی خریداری میں مدد کے لیے بلا سود موٹر سائیکل قرضوں کی پیش کش کی گئی اور ایک ان ہاؤس رینڈیشننگ ایپ، شیئر سواری، متعارف کروائی گئی۔ سیلاب سے متاثرہ اسٹاف کو بحالی اور تعمیر نو کے لیے مالی امداد بھی فراہم کی گئی۔

تنوع، مساوات اور شمولیت پر بینک کی انتھک توجہ کے ثمرات ظاہر ہوئے اور سینٹر فار گلوبل انکلوژن کے GDEIB نے بینک کو 2022ء کے لیے پاکستان میں سب سے زیادہ شمولیت والے ادارے کے طور پر تسلیم کیا۔ اس تجربے کے حصے کی حیثیت سے HBL نے مختلف شعبوں میں 15 ایوارڈز جیتے۔ سال کے دوران افرادی قوت میں دوبارہ شامل ہونے والی تجربہ کار خواتین کے لیے، واپسی رٹرن شپ پروگرام کے تحت متعدد خواتین کی خدمات حاصل کی گئیں جس سے اس پروگرام کو تقویت ملی۔ بینک نے سال کا اختتام 21% تنوع کے تناسب کے ساتھ کیا۔ ہمارا مقصد 2025ء تک افرادی قوت کے ایک چوتھائی تک خواتین کی شرکت بڑھانا ہے۔ معذوری کے حامل افرادی مزید شمولیت کی کوششوں کے تحت متعدد اقدامات کیے گئے، جن میں خصوصی تربیت، ہدفی ملازمتیں، معاون آلات کے لیے امداد اور ایک خصوصی انٹرن شپ / کام کے تجربے کا پروگرام شامل ہے۔

اپنی صلاحیتوں میں اضافہ اور توجہ حاصل کرنا بینک کی حکمت عملی کا بنیادی جز ہے۔ اقدار پر مبنی ثقافت کی ترویج اور ہر سطح پر قائدانہ صلاحیتوں کے فروغ کے لیے ایک معروف عالمی لیڈر شپ ڈولپمنٹ آرگنائزیشن کے اشتراک سے، لیڈر شپ ایکسیلینس پروگرام شروع کیا گیا۔ اگلے 3 سالوں پر محیط اس جامع پروگرام کے تحت بینک کی ایگزیکٹو کمیٹی سے لے کر سب سے جونیئر فرنٹ لائن لیڈر تک 3,000 سے زائد رہنماؤں کو HBL کی قیادت کے DNA کے مطابق تربیت اور شخصیت سازی کی جائے گی۔ 2022ء میں، یہ پروگرام ایگزیکٹو کمیٹی اور بینک کے جرنل مینجمنٹ کے لیے شروع کیا گیا ہے۔ بقیہ اسٹاف کے لیے، 2023ء میں یہ پروگرام شروع کیا جائے گا۔

ایک مضبوط ٹیلنٹ پائپ لائن کی تیاری کے ساتھ ساتھ تعلیمی اداروں کی استعداد میں اضافے میں مدد کے لیے، پاکستان بھر کی 15 یونیورسٹیوں کے ساتھ باضابطہ اشتراک کیا گیا تاکہ ادارہ جاتی تقاضوں اور HBL کے مقاصد کے مطابق طلباء، فیکلٹی اور نصاب میں ان کی مرضی کے مطابق معاونت کی جائے۔ یہ پروگرام طلباء کو وظائف اور انٹرن شپ، فیکلٹی کو تحقیق کے مواقع اور حقیقی زندگی کے کاروباری منصوبے اور یونیورسٹیوں کو نصاب کی تیاری میں مدد فراہم کریں گے تاکہ طلباء کو آج کے دفاتر میں ضروری مہارتوں سے آراستہ کیا جاسکے۔

HBL اپنی حکمت عملی کی فراہمی کے لیے ڈیجیٹل ماہر اور کسٹمر کی اہمیت جاننے والے عملے کے ساتھ باہمی ربط سے ثقافتی تبدیلی کا سفر جاری رکھے ہوئے ہے۔ بینک کے مینجمنٹ ٹرینی اور گریجویٹ ٹرینی پروگرام، دی لیگ صنعت میں سب سے زیادہ پسندیدہ پروگراموں میں سے ایک ہیں اور اعلیٰ صلاحیت والے ٹیلنٹ کی تعمیر میں مدد کرتے ہیں۔ مزید، مخصوص کرداروں میں انٹری لیول بیچ کی بھرتی نے استعداد میں اضافے میں مدد کی۔ استعداد کار میں اضافے کے لیے ملازمین کی مہارتیں عالمی بہترین طریقوں اور مارکیٹ کے تقاضوں کے مطابق اپ ڈیٹ رکھنے کے لیے 500,000 سے زائد افرادی گھنٹوں کی تربیت فراہم کی گئی۔ بینک کے کسٹمر کی اہمیت پر مرکوز اہداف کے حصول کے

کیا گیا ہے اور اس نے اسے فزیکل قرض کے عمل کو اینڈ ٹو اینڈ ڈیجیٹل قرض دینے کے عمل میں تبدیل کرنے میں مدد کی ہے۔ FirstPay برانڈ کے تحت HBL MfB کے پاس 1.3 ملین ای والٹ کسٹمر ہیں جنہوں نے 2022ء میں 2.8 ملین ڈیجیٹل ٹرانزیکشنز انجام دیں جو کل 11 ارب روپے پر مبنی تھیں۔ بینک نے ایک اسکورنگ ماڈل کی بنیاد پر نینو قرضوں میں 0.5 ارب روپے بھی تقسیم کیے ہیں جو ای والٹ کسٹمر کو فوری فنانشنگ حل فراہم کرتا ہے۔ PayPak 600,000 ڈیجیٹل کارڈز کے ساتھ HBL MfB مائیکرو فنانس انڈسٹری میں بدستور سب سے بڑا اجرا کار ہے۔

بینک 28 ارب روپے کے پورٹ فولیو کے ساتھ مائیکرو فنانس کسٹمر کو ہاؤسنگ فنانس فراہم کرنے والا سب سے بڑا ادارہ ہے۔ MfB حکومت کی مارک اپ سبسڈی اسکیم کے تحت کسٹمر کو مورگینج قرض فراہم کرنے والے پہلے بینکوں میں سے ایک تھا اور کمرشل بینکوں میں بھی سرفہرست قرض دہندگان میں سے ایک رہا۔ HBL MfB مائیکرو فنانس بینکوں میں زراعت کے لیے بہترین بینک قرار دیا گیا ہے اور اسٹیٹ بینک نے اسے گلگت بلتستان کے لیے چیئرمین بینک نامزد کیا ہے۔

بینک طویل المیعاد کیریئر کے راہیں بنانے کے لیے لوگوں کی ترقی اور استعداد کار بڑھانے کے پروگراموں پر توجہ مرکوز کرتا ہے، جس سے انتہائی پرجوش انفرادی قوت کی تعمیر میں مدد ملتی ہے۔ ان کوششوں کی عکاسی بینک کے اس سال کے ایمپلائئی ٹیکنیجٹ سروے میں ہوئی، جس میں جوابات کی شرح 98% اور مجموعی طور پر 96% ٹیکنیجٹ اسکور ہے، نتائج جو پچھلے سروے کے ساتھ ساتھ عالمی اور مالیاتی صنعتی رجحان سے نمایاں طور پر اوپر ہیں۔ تنوع کے لیے بینک کے عزم کے اعتراف میں، MfB نے تنوع، مساوات اور شمولیت کے بہترین طریقوں کی ترویج اور نفاذ میں مدد کے لیے 10 مختلف شعبوں میں GDEIB ایوارڈ جیتے۔ 2022ء میں HBL MfB کو IBP کے پاکستان بینکنگ ایوارڈز میں ”بہترین مائیکرو فنانس بینک“ کا ایوارڈ دیا گیا۔ بینک کو CFA سوسائٹی آف پاکستان کی جانب سے ”بہترین مائیکرو فنانس بینک“ کے طور پر بھی تسلیم کیا گیا ہے۔ بینک کو مالیاتی خواندگی کے فروغ میں اپنی کامیابیوں پر اسٹیٹ بینک کی جانب سے بھی تسلیم کیا گیا۔

HBL MfB اپنے کسٹمر کو مائیکرو فنانس سے MSME میں منتقلی کے ذریعے ان کی زندگیوں میں تبدیلی پر بہت فخر محسوس کرتا ہے۔ Citi-PPAF کی جانب سے گزشتہ کئی برسوں کے دوران اپنے 31 کسٹمر کو دیے گئے ایوارڈز، جن میں اس سال کے تین ایوارڈز بھی شامل ہیں، بینک کی جانب سے امیدوں کو حقیقت میں بدلنے کے عزم، امید سے یقین تک رسائی کا ثبوت ہے۔

سال کے دوران HBL نے HBL AMC میں 1.4 ارب روپے کی اضافی ایکویٹی شامل کی، جو اسے مستقبل کی ترقی کے لیے تیار کرتی ہے۔ سال 2022ء میں ترقی کی رفتار میں تیزی آئی کیونکہ ایسٹ انڈر مینجمنٹ 66% اضافے کے ساتھ 156 ارب روپے تک پہنچ گئے جو انڈسٹری میں 39% اضافے سے کہیں زیادہ ہیں۔ اس طرح مارکیٹ شیئر 10% تک بڑھ گیا، جس نے صنعت میں پانچویں سب سے بڑی پوزیشن برقرار رکھی۔ شریعت کے مطابق AUMs ترقی کا ایک اہم جزو تھے جو 14 ارب روپے سے بڑھ کر 56 ارب روپے تک پہنچ گئے۔ ریٹیل سیکٹر میں سرمایہ کاری کے نتائج اب سامنے آ رہے ہیں کیونکہ ریٹیل 77% AUMs اضافے سے 44 ارب روپے تک پہنچ گئے ہیں۔ HBL AMC نے سال کے دوران دو نئے فنڈز کا آغاز کیا جس میں صنعت کا پہلا ڈیٹ ایکٹیوٹیز ٹریڈ فنڈ شامل ہے۔ AUM کی مضبوط نمو کے نتیجے میں HBL AMC کی مینجمنٹ کو الٹی ریٹنگ کو AM1 (مستحکم آؤٹ لک) میں اپ گریڈ کیا گیا، جو پاکستان میں کسی بھی ایسٹ مینجمنٹ کمپنی کے لیے ممکنہ طور پر سب سے زیادہ ریٹنگ ہے۔

HBL سیلف سروس اور ڈیجیٹل آپشنز بہتر بنانے، پہلی صف کی خود مختاری اور نگرانی کے ذریعے صارفین کو موثر اور مستقل سروس فراہم کرنے کی کوشش کرتا ہے۔ پیداوار، ٹرن اور اوڈنڈ ٹائم اور کسٹمر کا تجربہ بہتر بنانے کے لیے 300 سے زیادہ صارفین کا سفر ایک سرے سے دوسرے سرے تک آسان بنایا گیا۔ ٹرن اور اوڈنڈ ٹائم (TAT) مزید کم کرنے کے اقدامات میں ٹیئرڈ انٹریکشن کی حد میں اضافہ اور اکاؤنٹ کھولنے کے اوقات میں توسیع شامل ہے۔ 2021ء میں شروع کی گئی آگاہی مہم کے ذریعے 16,000 سے زائد سمیٹرز منعقد کیے گئے تاکہ فرنٹ لائن اسٹاف کو نئے اور نظر ثانی شدہ عمل کے بارے میں آگاہی دی جاسکے، جس سے وہ صارفین کو موثر انداز میں خدمات فراہم کر سکیں اور تعمیل کا مستحکم کلچر یقینی بنا سکیں۔ ہفتے کے دوران صارفین کے سروس کے تجربے کے جائزے اور بہتری کے شعبوں کی نشاندہی کے لیے ہفتہ وار فریڈے ہڈل متعارف کروایا گیا۔ کسٹمرز کے اطمینان کی سطح 80% تھی اور مسئلے کے حل کے اطمینان کا اسکور 59% تھا۔ 2022ء کے دوران بینک کو 271,433 شکایات موصول ہوئیں جنہیں اوسطاً 5 دن کے اندر حل کیا گیا۔ بینک کی کسٹمر سینٹر ٹی گائیڈ لائنز صارفین کے ساتھ منصفانہ سلوک کے پیمانے شامل کرنے اور احتساب، شناخت اور تربیت کے ذریعے خدمات کی بہترین ثقافت کے مزید فروغ کے لیے وسیع کی گئیں۔

HBL تنوع کے ایجنڈا کے مطابق، 35 مکمل طور پر قابل رسائی ماڈل برانچوں کو خصوصی طور پر مختلف صلاحیتوں کے حامل افراد کے لیے ڈیزائن کردہ فیچرز کے ساتھ مکمل کیا گیا، جن میں ٹیکسٹائل فرش اور بات کرنے والی ATMs سے لے کر بریل اسٹیٹوری اور وقف پارکنگ شامل ہیں۔ فیملی فرینڈلی برانچ کے اقدام کے تحت 350 برانچوں میں بنیادی ڈھانچہ اپ گریڈ کیا گیا تاکہ حفظانِ صحت بہتر بنا کر بینک کی خواتین اسٹاف اور صارفین کو سہولت اور شمولیت کا احساس دلایا جاسکے۔

HBL کے ڈیجیٹل کسٹمر ایکسپیرینس (DCE) نے 2022ء میں 14.1 ملین انٹرایکشنز کیے، جس میں ڈیجیٹل چینلز کے ذریعے بے آواز انٹرایکشنز میں 59% اضافہ دیکھا گیا۔ 2022ء میں 17 نئی سیلف سروس خصوصیات شامل کی گئیں اور IVR پر مبنی انٹرایکشنز میں 60% اضافہ ہوا اور یہ 1.6 ملین تک پہنچ گیا۔ HBL کے کانٹیکٹ سینٹر نے اپنے کنٹرولز اور گورننس کے لیے ISO 9001:2015 سرٹیفیکیشن بھی حاصل کی۔

HBL نے 2030ء تک AKDN کا نیٹ زیرو ہدف پورا کرنے کے عزم کا اعلان کیا۔ 232 دفاتر میں شمسی پینل نصب کیے گئے جس سے HBL کے کاربن کے اخراج میں 288 میٹرک ٹن کمی واقع ہوئی۔ اخراج میں کمی کے دیگر اقدامات میں HVAC اور بڑی عمارتوں میں معقول لائٹنگ، اسمارٹ فیول کارڈز اور توانائی کے تحفظ میں اسٹاف کی شمولیت کے لیے آگاہی سیشن شامل ہیں۔ HBL کی تمام نئی بڑی عمارتوں کو EDGE+ سرٹیفائیڈ کرنے کا منصوبہ بنایا گیا ہے۔ سال کے دوران HBL MfB کے ریجنل ہیڈ کوارٹرز نے اپنے

کی افادیت میں اضافے کے لیے ایک توثیق اور آپہما تزییشن کا منصوبہ شروع کیا گیا ہے۔

گلوبل کمپلائنس نے حال ہی میں اپنے تنظیمی ڈھانچے کو کمپلائنس مانیٹرنگ، ڈیجیٹل اختیار اور جدت طرازی میں اضافہ کرتے ہوئے دوبارہ ترتیب دیا ہے تاکہ ریگولیٹرز کے ساتھ ضروری سٹیج پوائنٹس کے ذریعے بزنس سے بلا تعطل رابطہ قائم کیا جاسکے۔ ایٹھکس اینڈ کنڈرکٹ فنکشن بھی اب کمپلائنس فنکشن میں ضم کر دیا گیا ہے۔

صدر کی سربراہی میں میجمنٹ کی کمپلائنس کمیٹی تعین اور طرز عمل سے متعلق امور کی نگرانی اور تجزیہ کرتی ہے۔ بورڈ کمپلائنس اینڈ کنڈرکٹ کمیٹی (BCNCC) تعین اور طرز عمل کے کلچر کے نفاذ کی نگرانی میں بورڈ کی معاونت کرتی ہے اور بینک بھر میں تعین کے پروگرام کے نفاذ پر احکامات دیتی ہے۔ HBL کے وسل بلونگ پروگرام کا مقصد بینک کی سالمیت اور ساکھ کا تحفظ ہے اور اس کا مقصد دھوکہ دہی، بد عنوانی، ہراسانی اور بینک کے ضابطہ اخلاق کی دیگر خلاف ورزیوں کے مشتبہ کیسز کی اطلاع دینے میں ملازمین کی ذمہ داری میں اضافہ کرنا ہے۔ BCNCC اخلاقیات اور طرز عمل سے متعلق امور کی بھی نگرانی کرتا ہے جس میں وسل بلونگ بھی شامل ہے۔ کسی بھی متعلقہ تحقیقات کی نگرانی بورڈ آڈٹ کمیٹی (BAC) کرتی ہے اور انضباطی کارروائیوں کا جائزہ بورڈ ہیومن ریسورس اینڈ ریوینشن کمیٹی لیتی ہے۔ سال کے دوران، ملازمین سے بات چیت کے لیے دستیاب مختلف کمیونی کیشن چینلز کے بارے میں آگاہی کے لیے مزید کوششیں کی گئیں۔

HBL کے لیے اپنے صارفین اور ان کے ڈیٹا کو سائبر حملوں اور ڈیٹا کی خلاف ورزیوں سے بچانا انتہائی اہم ہے۔ بینک کا انفارمیشن سیکورٹی فنکشن HBL کے ڈیٹا ایسٹ کو سائبر سیکورٹی رسک کے موثر نظام کے ذریعے اندرونی اور بیرونی خطرات سے محفوظ رکھنے میں اہم کردار ادا کرتا ہے، جس میں ابھرتے ہوئے بیرونی خطرات کے مقابلے کی صلاحیت والے حفاظتی اور جاسوسی کنٹرولز کی معاونت شامل ہے۔ بینک کا 7x24 سیکورٹی آپریشنز سینٹر مختلف نگرانی، سراغ لگانے اور روک تھام کے طریقہ کار کے ذریعے ایک مضبوط سیکورٹی پوزیشن میں اپنا کردار نبھا رہا ہے۔

ڈیجیٹل چینلز پر ٹرانزیکشن کرنے والے صارفین کی جامع توثیق اور طرز عمل کے تجزیے سائبر دھوکہ دہی کی روک تھام میں ضروری ضوابط ہیں۔ ایک توجہ سے بھرپور کوشش نے بینک کی اس طرح کے واقعات میں کمی میں مدد کی ہے۔ بینک نے SWIFT کسٹمر سیکورٹی پروگرام کے ساتھ ساتھ سالانہ ISO27001 کی تعین کی شرط بھی کامیابی سے پوری کی۔ انفارمیشن سیکورٹی سے متعلق امور پر تربیت اور رہنمائی فراہم کرنے کے لیے وسیع پیمانے پر ایک اندرونی آگاہی مہم شروع کی گئی جس میں صارفین کے لیے ہدفی آگاہی مہمیں شامل کی گئیں۔ بینک جدید سیکورٹی خطرات میں کمی کے ساتھ آڈیشن اور جدید ٹیکنالوجی بشمول مصنوعی ذہانت اور مشین لرننگ کے استعمال سے سائبر ڈیفنس مضبوط بنانے کے لیے پرعزم ہے۔ یہ حفاظتی اقدامات HBL کو اپنے صارفین کا تحفظ اور ذہنی سکون برقرار رکھتے ہوئے جدید ڈیجیٹل حل پیش کرنے کے قابل بناتے ہیں۔

ادارہ جاتی سماجی بہبود کی ذمہ داری

HBL ایسے انداز سے کام کرنے کی بھرپور کوشش کرتا ہے جو ایک صحت بخش معاشرے کو فروغ دیتا ہے اور جو ہمدردی اور تقسیم پر زور دیتا ہے، ایک ایسا جذبہ جو ہم اپنے ملازمین میں ایک سماجی ذمہ دار ادارے کے طور پر پیدا کرتے ہیں۔ جس معاشرے میں ہم کام کرتے ہیں ان کی فلاح کے لیے کام کرنا ہماری حکمت عملی اور ایجنڈا کے ستونوں میں سے ایک ہے۔ HBL کی زیادہ تر امداد HBL فاؤنڈیشن (HBLF) کے ذریعے کی جاتی ہے، جس میں شفافیت، معیار اور حیثیت کا تعین برقرار رکھنے اور ہر عہدے کے اثرات اور بائیداری کی نگرانی اور پیمائش کے لیے تجزیے کے سخت معیارات رکھے جاتے ہیں۔ فاؤنڈیشن ایسی تنظیموں کی تلاش میں ہے جو پسماندہ اور محروم برادریوں کی مدد کریں تاکہ مستقبل میں وہاں کم از کم بنیادی انفرادی ضروریات پوری کی جاسکیں۔ 2021ء میں HBLF عطیہ دینے کی ایک دہائی مکمل ہوئی۔ 2022ء میں اس کی رفاہی فنڈنگ کو بینک کے بعد از ٹیکس منافعے کے 1.5% تک بڑھا دیا گیا۔

2022ء میں HBL نے براہ راست 133 ملین روپے کا عطیہ دیا، جس کا بڑا حصہ سندھ اور بلوچستان میں سیلاب کی بحالی کی کوششوں پر تھا۔ اس کے فوری رد عمل میں بینک نے جوہلی لائف انشورنس اور جوہلی جزل انشورنس کے اشتراک سے دونوں صوبوں میں 10 سے زائد کمیونٹیز میں 180 ملین روپے مالیت کا امدادی سامان تقسیم کیا۔ ان میں 15 ہزار راشن بیگز شامل تھے، جن میں 80 لاکھ تک (افراد کے لیے) کھانا فراہم کیا گیا، 4 ہزار چھپر دانیاں اور 3100 فیملی سائز واٹر پروف خیمے شامل تھے۔ سیلاب نے پینے کے صاف پانی تک رسائی کا مسئلہ مزید بڑھا دیا جس کے لیے HBLF نے 2500 واٹر فلٹریشن کٹس کی تقسیم کے لیے ایک کروڑ روپے فراہم کیے۔ HBL نے حکومت پاکستان اور نیشنل ڈیزاسٹر میجمنٹ اتھارٹی کے ساتھ شراکت کی ہے تاکہ BISP کے تحت 10 لاکھ سیلاب متاثرین میں ہنگامی امدادی فنڈز تقسیم کیے جاسکیں۔ HBL اور اس کے عملے نے اس انسانی بحران کا سامنا کرتے ہوئے نقل و حرکت اور رسائی کے چیلنجوں سے قطع نظر، متاثرہ آبادی کی ہر ممکن مدد یقینی بنائی۔ HBL نے لاڑکانہ کے علاقے کے دو گاؤں میں سے ہر ایک میں 100 تیار شدہ مکانات کی تعمیر کے لیے بھی 128 ملین روپے کا عطیہ دیا۔

2022ء میں HBL فاؤنڈیشن نے پاکستان بھر میں صحت کی دیکھ بھال، تعلیم، کمیونٹی ڈویلپمنٹ، فن اور ثقافت کے شعبوں میں کام کرنے والی 31 تنظیموں کو 34.9 کروڑ روپے کا عطیہ دیا۔ صحت کی دیکھ بھال کے شعبے میں زندگی بچانے والے طبی آلات، بچوں کے لیے برشری ہیلتھ کیئر اور آنکھوں اور سر جبکیل کمیٹیوں کے لیے 25.2 کروڑ روپے کا عطیہ دیا گیا۔ اس موقع پر سندس فاؤنڈیشن کے آئرن چیئلمین تھراپی پروگرام سے سالانہ 200 ٹھیلیسیمیا کے مریض مستفید ہوں گے، پنجاب کے دور دراز علاقوں میں ہر ہفتے 500 افراد کو فائدہ پہنچانے والا موبائل ہسپتال اور پمز اسلام آباد میں بچوں میں بیماریوں کی روک تھام، ہنگامی اور پرائمری کیئر کے لیے پیڈیاٹرک سینٹر بھی فراہم کیا گیا۔

فاؤنڈیشن نے پاکستان بھر میں طلباء کو تعلیم، تکنیکی اور پیشہ ورانہ پروگراموں کی فراہمی کے لیے 7.6 کروڑ روپے کا عطیہ دیا۔ 2022ء میں HBLF نے پسماندہ علاقوں سے تعلق رکھنے والی لڑکیوں کے لیے سائنس، ٹیکنالوجی، انجینئرنگ، آرٹس اینڈ میڈیٹیشن (STEAM) اسکالرشپس کا بھی اجراء کیا۔ نیشنل یونیورسٹی آف سائنسز اینڈ ٹیکنالوجی اور لاہور یونیورسٹی آف میجمنٹ سائنسز میں سے ہر ایک کو 5 اسکالرشپس دی گئیں۔

لیے کسٹمر سروس اور کمپلائنس کی تربیت ایجنڈے میں سرفہرست رہی۔ ادارے میں HBL کی اقدار اپنانے کی غرض سے تمام ملازمین کے لیے 2022ء کی سالانہ کارکردگی کے جائزے میں اس بات کا باضابطہ جائزہ بھی شامل تھا کہ انہوں نے متوقع طرز عمل کا کتنا اچھا مظاہرہ کیا۔

رِسک مینجمنٹ فریم ورک

HBL کی حکمت عملی خطرے کے فعال انتظام پر مبنی ہے۔ HBL خطرات کے جامع انتظام کے ذریعے ایک مضبوط رسک کلچر کو فروغ دیتا ہے، جس کا اطلاق ادارے کی تمام سطحوں پر ہوتا ہے جس میں بورڈ کی قریبی نگرانی، کثیر سطحی انتظامی نگرانی، موثر نظام اور واضح طور پر وضع کردہ پالیسیاں اور طریقہ کار شامل ہیں۔ گورننس اسٹرکچر کے حصے کی حیثیت سے بورڈ رسک مینجمنٹ کمیٹی (BRMC) مسلسل بنیادوں پر بینک کے رسک پروفائل کی نگرانی، تجزیہ اور انتظام کرتی ہے۔ سینئر مینجمنٹ کی سطح پر، مختلف رسک کمیٹیاں نگرانی اور عملدرآمد کی ذمہ دار ہیں جبکہ روزانہ کی رسک مینجمنٹ سرگرمیوں کو مختلف سطحوں پر تفویض کیا جاتا ہے۔

جیسا کہ سال کے دوران معیشت دباؤ میں آئی، آزمودہ کریڈٹ مینجمنٹ کے طریقوں، بشمول باقاعدگی سے آر لی الرٹ کمیٹی میٹنگز اور اسٹریٹجی ٹیسٹنگ نے بینک کے کریڈٹ پورٹ فولیو کی مضبوطی اور لچک یقینی بنانے میں مدد کی۔ خصوصاً SME، زراعت اور کسٹمر کو قرض دینے والے پورٹ فولیو کے اندر خطرات کی جلد نشاندہی کے لیے پورٹ فولیو مانیٹرنگ بڑھانے اور ٹولز کے نفاذ پر مسلسل توجہ دی گئی۔ کسٹمر اور زراعت کو قرض دینے والی مصنوعات کے لیے نئے کریڈٹ اسکور کارڈ تیار کیے گئے اور ملک بھر میں کریڈٹ ٹیموں کی ریفریٹر ٹریننگ کی گئی۔ رسک مینجمنٹ سسٹم کسی بھی خطرات کے باقی اثرات کو محدود کرتے ہوئے کاروباری ترقی آسان بنانے کے لیے ارتقا پذیر رہا۔

اپنی بیچ اسٹریٹجی میں مزید اضافے اور اسٹرکچر ڈرسک مینجمنٹ ٹریننگ کے لیے HBL نے ایک جامع ماڈولر ٹریننگ پروگرام متعارف کروایا ہے۔ اس کا مقصد ایک یسٹ کریڈٹ رسک اسیسمنٹ ذہنیت پیدا کرنا ہے جو آئندہ رسک ڈرائیورز پر مرکوز رہے اور اس طرح رد عمل کے بجائے تاریخی اعداد و شمار پر مبنی ایک فعال نقطہ نظر اپنائے۔ یہ ایک ان ہاؤس پروگرام ہے اور بینک کے سینئر ریویورسز کے ذریعہ فراہم کیا جا رہا ہے۔

مارکیٹ اور لیکویڈیٹی رسک انڈیکسز کا مارکیٹ اینڈ لیکویڈیٹی رسک کمیٹی اور ALCO کی جانب سے ماہانہ بنیادوں پر جائزہ لیا جاتا ہے۔ یہ یقینی بنانے کے لیے کہ بینک مارکیٹ کے خطرے کے لیے اپنی برداشت کے اندر رہے، ایک جامع ڈھانچہ موجود ہے۔

آپریٹنگ رسک مینجمنٹ کے طریقوں کی نگرانی اور مستقل انداز میں تنظیم کے لیے پالیسیاں اور طریقہ کار موجود ہیں۔ انتظامی خطرے کے واقعات کے امکانات اور شدت کا اندازہ لگانے کے لیے کلیدی ٹولز جیسے رسک اینڈ کنٹرول سیلف اسیسمنٹ (RCSA)، کی رسک انڈیکسز اور آپریٹنگ لاس ڈیٹا مینجمنٹ کا استعمال کیا جاتا ہے۔ بینک کے آپریٹنگ رسک پروفائل اور دھوکے دہی کے خطرے کا تجزیہ باقاعدگی سے سینئر مینجمنٹ اور BRMC کے ساتھ شیئر کیا جاتا ہے۔

انٹرنل رائزر رسک مینجمنٹ (ERM) فنکشن مینجمنٹ کی توجہ کا مرکز تھا اور سال کے دوران اسے مضبوط بنایا جاتا رہا۔ ERM تمام فنکشنز پر لاگو ہوتا ہے، جو ادارے کی تمام سطحوں پر خطرے کے انتظام کے لیے ایک مضبوط اور مستقل طریقہ کار کو یقینی بناتا ہے۔ بینک کا ERM فریم ورک، جسے بورڈ نے منظور کیا ہے، بینک بھر میں مختلف فنکشنز کے معیارات، مقاصد اور کلیدی ذمہ داریوں کا تعین کرتے ہوئے اعلیٰ سطحی رسک مینجمنٹ کے اصولوں کا خاکہ پیش کرتا ہے۔

2022ء کے دوران ERM ٹیم نے بینک بھر میں انٹیگریٹڈ رسک اینڈ کنٹرول ریپوزیٹری (IRCR) تشکیل دی۔ اس ریپوزیٹری کا مقصد پورے ادارے میں تمام خطرات اور مسائل کی نشاندہی، انتظام، نگرانی اور تخفیف ہے۔ IRCR کے نفاذ کے ایک حصے کے طور پر، پہلی دفاعی صف کے ذریعے اپنی جانچ کو ادارے بھر میں مربوط کیا جا رہا ہے۔ ERM فنکشن میں ایک ماڈل رسک مینجمنٹ بھی شامل ہے جس کا مقصد بینک میں استعمال ہونے والے تمام ماڈلز کا آزادانہ جائزہ اور توثیق ہے۔

کمپلائنس فنکشن کا کردار تعمیل کا ماحول مضبوط بنانا اور بینک کو قابل اطلاق قوانین، قواعد و ضوابط، رہنما خطوط اور بینک کی داخلی پالیسیوں اور طریقہ کار کی تعمیل کے قابل بنانا ہے جس میں فنکشنل گورننس (FCC) مینجمنٹ بھی شامل ہے۔ HBL کمپلائنس رسک مینجمنٹ (CRM) پر انحصار کو تدارک کی ایک دانشمندانہ حکمت عملی سمجھتا ہے۔ گلوبل کمپلائنس، ایک آزاد فنکشن کے طور پر، متعلقہ کاروباری اداروں کی معاونت سے تمام متعلقہ دائرہ اختیار میں CRM فریم ورک ڈیزائن، نافذ اور فعال کرنے میں سینئر انتظامیہ کی مدد کرتا ہے۔ اس فریم ورک کا مقصد ریگولیٹری ہدایات، تقاضوں اور توقعات کو مستعدی سے منظم کرنے کے ساتھ ساتھ ابھرتے ہوئے تعمیل اور مالی جرائم کے خطرات کی نشاندہی کرنا ہے۔ HBL کی CRM حکمت عملی بینک کی حکمت عملی سے مطابقت رکھتی ہے اور صنعت کے رجحانات، ارتقا پذیر ریگولیٹری تقاضوں اور عالمی بہترین طریقوں کو شامل رکھتی ہے۔

کمپلائنس، بزنس کے اشتراک سے، ریگولیٹری تھیم پر مبنی رسک اور کنٹرول سیلف اسیسمنٹ (RCSAs) کے ذریعے کمپلائنس کے خطرے کی نشاندہی، تشخیص، نگرانی اور رپورٹ کرتا ہے۔ ریگولیٹری تقاضوں کے مد نظر کنٹرول کے مناسب ڈیزائن اور افادیت یقینی بنانے کے لیے ریگولیٹری رسک ریپوزیٹری مینجمنٹ کا ایک جامع عمل وضع کیا گیا ہے۔ 2022ء کے دوران، ایک ہفتہ وار ریگولیٹری پلس کوریگولیٹری رسک مینجمنٹ اور فعالیت کی تشخیص کے لیے معلومات اور نگرانی کے آلے کے طور پر متعارف کرایا گیا تھا۔ اس کے مطابق، زیادہ مناسب اور قابل کمپلائنس فریم ورک بنانے کے لیے کچھ پالیسیوں اور طریقہ کار میں اضافہ کیا گیا تھا۔

موجودہ غیر مستحکم معاشی ماحول اور بدلتی ہوئی جیو پالیٹیکل اور علاقائی صورتحال کے نتیجے میں نئے ابھرتے ہوئے ریگولیٹری اور FCC خطرات پیدا ہوئے ہیں۔ اس کے مطابق، کمپلائنس نے تمام ریجن میں ”کمپلائنس آن دی گو“ روڈ شو کی ایک سیریز کے ذریعے داخلی صارفین کے ساتھ مسلسل رابطے قائم کیے۔ یہ بینک بھر میں منعقد ہونے والے متحرک خصوصی مینجمنٹ سیشنز اور تربیت کے علاوہ تھا۔ عالمی بہترین طریقوں کے ساتھ بیچ مارک بنانے کی غرض سے موجودہ ٹرانزیکشنز کی نگرانی اور سیٹلنگ اسکریٹنگ سسٹم

ہوئے، بینکنگ لائسنس کے ساتھ ایک ٹیکنالوجی کمپنی کے طور پر اپنی پوزیشن مستحکم کر رہا ہے۔ جو ملک میں ڈیجیٹل منظر نامہ تشکیل دے رہی ہے۔ HBL ملک کے تانے بانے کا ایک لازمی حصہ ہے۔ پاکستان کے اہم مالیاتی ادارے کی حیثیت سے، HBL ملک کی معاونت کے لیے ہر شعبے میں پیش قدمی کرتا ہے۔ ہم پبلک پرائیویٹ پارٹنرشپ ماڈل کے تحت حکومت کے ساتھ مل کر کام کرتے ہوئے معیشت کے تمام شعبوں میں بھرپور فکری قیادت فراہم کر رہے ہیں۔ زراعت کے شعبے میں ہماری قائدانہ حیثیت نے کسانوں کی زندگیوں پر ڈرامائی اثر ڈالا ہے اور آگے چل کر ہم اسے مزید تیزی سے بڑھائیں گے۔ پاکستان کو FATF کی گری لسٹ سے نکالنے میں ہمارا کردار عوامی سطح پر تسلیم کیا گیا اور سراہا گیا ہے اور ہم آفات سے نمٹنے کے لیے ملک میں جانا مانا ادارہ ہیں۔ 2022ء میں ہم نے HBLPSL کا تعاون ایک بانی کے طور پر ایک پوری دہائی تک بڑھایا۔ ایک ایسا ایونٹ جس نے پاکستان کو عالمی کرکٹ کے نقشے پر واپس لانے میں مدد کی اور لاکھوں پاکستانیوں کو ناقابل بیان خوشیاں دی ہیں۔ HBL فنون لطیفہ اور فنکاروں کی سرپرستی جاری رکھے ہوئے ہے، فن کو عوامی سطح پر لاکر زندگی کے تمام شعبوں سے تعلق رکھنے والے افراد کو فن سے لطف اندوز ہونے اور سراہنے کے مواقع فراہم کرتا ہے۔

HBL دنیا کے سب سے اہم مسئلے۔ ماحولیاتی تغیر۔ سے نمٹنے کے لیے کاروبار کی پرواہ کیے بغیر اپنے معیارات بلند کر کے جرات مند اقدامات جاری رکھے ہوئے ہے۔ 2030ء تک نیٹ زیرو حاصل کرنے کا مقصد ماحول دوستی کے عزم کی پیروی ہمارا حصہ ہے۔ ہم HBL نساء کے ذریعے خواتین کی شمولیت اور صنفی تنوع کے اہداف سمیت تمام پہلوؤں میں مالی شمولیت پر مسلسل توجہ مرکوز رکھے ہوئے ہیں۔ اپنے مضبوط Kconnect اور مائیکرو فنانس کاروبار کے ذریعے پسماندہ افراد کی شمولیت، اور ڈیجیٹل بینکاری کے ذریعے نوجوانوں کی شمولیت تاکہ پاکستان اور پاکستانیوں کا روشن مستقبل یقینی بنایا جاسکے۔ ان میں سب سے خوش کن اعتراف پاکستان کے سب سے زیادہ شمولیت والے ادارے کا اعزاز تھا۔

منافع منقسمہ

بورڈ نے سال مختتمہ 31 دسمبر 2022ء کے لیے 1.50 روپے فی حصص (شیر) کے حتمی نقد منافع منقسمہ کی تجویز دی، جس سے سال کا مجموعی نقد منافع منقسمہ 6.75 روپے فی حصص (شیر) تک پہنچ گیا۔ اس سے قبل بورڈ مجموعی طور پر 5.25 روپے فی حصص کے عبوری منافع منقسمہ کا اعلان اور ادائیگی کر چکا تھا۔

بورڈ کے اجلاس

بورڈ اجلاس		
حاضری	دوران مدت منعقدہ اجلاس	
9	9	محترم سلطان علی اللانہ
9	9	محترم خلیل احمد
9	9	محترم شفیق دھر مشی
9	9	محترم معیز احمد جمال
9	9	محترمہ صبا کمال
9	9	محترم سلیم رضا
9	9	ڈاکٹر نجیب سمیع
9	9	محترم محمد اورنگزیب

بورڈ کمیٹیوں کے اجلاس

بورڈ کمپلائنس اور کنٹریکٹ کمیٹی		بورڈ ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی		بورڈ ریسک مینجمنٹ کمیٹی		بورڈ آڈٹ کمیٹی		
حاضری	دوران مدت منعقدہ اجلاس	حاضری	دوران مدت منعقدہ اجلاس	حاضری	دوران مدت منعقدہ اجلاس	حاضری	دوران مدت منعقدہ اجلاس	
N/A	N/A	6	6	N/A	N/A	N/A	N/A	محترم سلطان علی اللانہ
8	8	6	6	N/A	N/A	8	8	محترم خلیل احمد
8	8	6	6	6	6	N/A	N/A	محترم شفیق دھر مشی
8	8	N/A	N/A	N/A	N/A	8	8	محترم معیز احمد جمال
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	محترمہ صبا کمال
N/A	N/A	N/A	N/A	6	6	N/A	N/A	محترم سلیم رضا
N/A	N/A	6	6	N/A	N/A	8	8	ڈاکٹر نجیب سمیع
N/A	N/A	N/A	N/A	6	6	N/A	N/A	محترم محمد اورنگزیب

HBL فاؤنڈیشن فن، موسیقی اور ثقافت کی بھی حوصلہ افزائی کرتی ہے۔ کراچی میں قائم ایک غیر منافع بخش ادارے آل پاکستان میوزک کانفرنس کو 'لیونگ ماسٹرز' کے نام سے آرکائیونگ پروجیکٹ کے لیے عطیہ فراہم کیا گیا جس کا مقصد انٹرویوز اور ماسٹر کلاسز کے ذریعے پاکستان کے لیجنڈری موسیقاروں کے فن، سفر اور تعلقات کو دستاویزی شکل دینا ہے۔

مختلف برادریوں کی شمولیت یقینی بنانے کے لیے 1000 عیسائی، ہندو، ماہی گیر اور خواجہ سراء خاندانوں کو راشن کی خریداری اور تقسیم کے لیے 55 لاکھ روپے دیئے گئے۔ یہ تقسیم جینڈرائیو اکائیو لائنس اور تحریک نسواں کی مدد سے کی گئی اور ان خاندانوں کو ایک ماہ کے لیے مناسب خوراک فراہم کی گئی۔

HBL ایک مربوط پروگرام کے ذریعے اپنے ملازمین میں رضاکارانہ جذبے کی حوصلہ افزائی کرتا ہے جو باقاعدگی سے خدمت کے مواقع کی نشاندہی کرتا ہے۔ سال کے دوران، ہمارے عملے نے شجرکاری، صفائی مہم، بلڈ پیپ اور پسماندہ افراد میں کتابیں اور کھلونے عطیہ کرنے سمیت مختلف سرگرمیوں کی معاونت کی۔

کریڈٹ ریٹنگ

جون 2022ء میں، بینک کی کریڈٹ ریٹنگ کی دوبارہ تصدیق VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ذریعے بالترتیب طویل المیعاد اور قلیل المیعاد کے لیے AAA/A-1 ہوئی۔ ستمبر 2019ء میں اضافی Tier 1 سرمائے کے طور پر جاری کردہ TFCs کی ریٹنگ کی بھی AA+ کے طور پر دوبارہ تصدیق کی گئی۔ حال ہی میں اضافی Tier 1 سرمائے کے طور پر جاری کردہ TFCs کی ریٹنگ کی بھی AA+ کے طور پر دوبارہ تصدیق کی گئی۔ تمام ریٹنگ میں منظر نامہ مستحکم ہے۔ یہ ریٹنگ ملک کے سب سے بڑے کمرشل بینک کی حیثیت سے HBL کے مقام کی توثیق کرتی ہے اور اس کی مستحکم فنانشل پروفائل اور انتظامی اہمیت کی عکاس ہے۔ VIS نے اس بات کی نشاندہی بھی کی کہ HBL کی اپنے ڈیجیٹل اقدامات میں اضافے کی حکمت عملی بینک کے لیے ایک مسابقتی فائدے کی حیثیت رکھتی ہے۔ Moody's نے اکتوبر میں حکومتی ریٹنگ منفی منظر نامے کے ساتھ 'م' کر کے B3 سے caa1 کی ہے۔ HBL سمیت ملک کے تمام بڑے بینکوں کے لیے اس اقدام کی عکاسی کرتا ہے۔

مستقبل کی صورت حال

2023ء کے آغاز سے ہی پاکستان کو اپنی تاریخ کے سب سے مشکل معاشی حالات کا سامنا ہے۔ گوکہ ملک کو گزشتہ ادوار میں سنگین بحران کا سامنا کرنا پڑا ہے، لیکن موجودہ صورت حال مالیاتی اور مالی چیلنجز کی شدت کی وجہ سے پیچیدہ ہے۔ کئی دہائیوں سے پیدا ہونے والی ساختی خامیاں بالآخر سامنے آگئی ہیں، جس کے نتیجے میں درآمدات پر منحصر معیشت وجود میں آئی ہے جس سے بیرونی اکاؤنٹس پر مسلسل دباؤ بڑھ رہا ہے، نتیجتاً پاکستان کی خود مختار ریٹنگ زوال پذیر ہوئی ہے۔

ان عوامل کے اثرات COVID-19 وبا اور یوکرین پر روسی حملے کے بعد مزید بڑھ گئے ہیں۔ ان دونوں واقعات کی وجہ سے عالمی سپلائی چینز میں ہلچل مچ گئی ہے اور دنیا بھر میں افراط زر کے دباؤ میں مسلسل اضافہ ہوا ہے۔ پاکستان جیسی سرحدی مارکیٹوں میں خطرے کی برداشت میں بڑے پیمانے پر کمی، اور جغرافیائی سیاسی ترجیحات کی ترتیب نو ہوئی ہے۔ زرمبادلہ کے ذخائر کی کم سطح کی وجہ سے معیشت میں راشن اور رسد میں رکاوٹیں پیدا ہوئی ہیں جس سے اب درآمدات بھی متاثر ہوئی ہیں۔ کمپنیاں پیداوار میں کٹوتی اور برطرفیوں کا اعلان کر رہی ہیں، جس سے طلب میں مزید کمی آئے گی اور زندگیوں اور معاش پر برا اثر پڑے گا، یہ سب اس سطح پر افراط زر کے سبب ہے جو تقریباً نصف صدی سے نہیں دیکھا گیا تھا۔

یہ بالکل واضح ہے کہ اس صورت حال سے نکلنے کا واحد راستہ EFF کے نویں جائزے کی تیزی سے تکمیل اور IMF پروگرام جاری رکھنا ہے۔ فنڈ کے ساتھ اسٹاف لیول ایگریمنٹ اب ایک بقائی ضرورت ہے، اور مکمل توجہ سے اس طرف پیش قدمی کرنی چاہئے۔ حکومت نے فنڈ کی جانب سے درکار بہت سی اہم شرائط پر دیر سے رضامندی ظاہر کی ہے، جن میں آمدنی پر رعایت (زیادہ تر باواسطہ) اور فلوئنگ ایڈجسٹمنٹ سے وابستگی شامل ہے۔ ایک حل مشکل سماجی اور سیاسی حالات کے ساتھ ہونے کا امکان ہے، اگرچہ سرمایہ کاروں کی برداشت بتدریج واپس آئی چاہیے، جس کے نتیجے میں اگلے 18-12 مہینوں میں حالات تقریباً معمول پر آجائیں گے۔ پالیسی سازوں کو اب مقصد ساختی اصلاحات اور موجودہ بحران سے نکلنے کا راستہ اختیار کرنے کے لیے سوچ سمجھ کر قدم اٹھانا ہو گا۔

HBL نے سال کے دوران درپیش مشکلات کی بھرمار پر کامیابی سے قابو پایا ہے۔ لگاتار ریکارڈ سہ ماہیوں کے نتیجے میں ایک اور ریکارڈ سال گزرا ہے جس میں ہماری انتظامیہ کے زیادہ تر شعبوں میں قیادت کے عہدوں کو مزید مضبوط کیا گیا ہے۔ ہماری مضبوط ڈومیسٹک فریجنگ اور ریٹیل کاروبار نے بھی فروغ دیا ہے جو کہ اب منافع فراہم کر رہا ہے۔ مسلسل دوسرے سال ہماری کامیابیوں کا اعتراف IBP بینکنگ ایوارڈز میں پاکستان کا سب سے باوقار ایوارڈ 'دی بیسٹ بینک ان پاکستان' سے نواز کر کیا گیا۔ اس کے ساتھ ہی HBL مائیکرو فنانس نے پاکستان میں بہترین مائیکرو فنانس بینک کا اعزاز حاصل کیا جو اس کی ترقی اور لوگوں کی زندگیوں پر اثرات کا ثبوت ہے۔ ہمارے ٹرانزیکشن بینکنگ بزنس نے متعدد اعزازات جیتے ہیں۔ حقیقت یہ ہے کہ یہ کلائنٹ کے تاثرات پر مبنی ہیں جو ان ایوارڈز کو اور بھی با معنی بناتے ہیں۔ ہم ان نتائج کو اپنے صارفین سے منسوب کرتے ہیں، جن میں سے بہت سے نسلوں سے ہمارے ساتھ بینکنگ کرتے ہیں اور ہم جو کچھ کرتے ہیں وہ اس کا مرکز ہیں۔

HBL کی کئی سالوں سے ٹیکنالوجی میں سرمایہ کاری رنگ لارہی ہے۔ زیادہ ورچوئل طرز زندگی، جو بنیادی طور پر وبائی امراض کی وجہ سے دنیا نے مجبوراً اپنایا، اب صارفین کی طرف سے رسائی اور سہولت کے ذریعے کے طور پر دیکھا جاتا ہے۔ ہمارے کاروباروں کی ڈیجیٹلائزیشن میں اضافہ HBL کے لیے زندگی کا ایک طریقہ بن گیا ہے، چاہے وہ چیپر لیس کنزومر فنانسنگ ہو، ریویو ڈیجیٹل اکاؤنٹ کھولنا ہو یا گیمیفائیڈ ہائرنگ اور ٹریننگ ہو۔ اس سال ہم نے ایک بار پھر متعدد جدید مصنوعات متعارف کروائی ہیں جنہوں نے ڈیجیٹل بینکاری کے شعبے میں انقلاب برپا کیا ہے۔ واٹس ایپ بینکنگ، نوکرائزیشن، موبائل POS کی سہولت اور پاکستان کی پہلی اسلامی برانچ لیس بینکاری کی پیشکش ان میں شامل ہیں۔ HBL موبائل سے لے کر Kconnect، ای کامرس سے لے کر QR ادائیگیوں تک، HBL صارفین کے استعمال میں اعلیٰ معیارات قائم کرنے کا سلسلہ جاری رکھتے

(h) مالیاتی گوشواروں کے سیکشن ”گروتھ 2017ء تا 2022ء“ مجموعی ”میں گزشتہ 6 سالوں کے اہم عملیاتی اور مالیاتی گوشوارے پیش کیے گئے ہیں۔

(i) ڈائریکٹرز، سی ای او، سی ایف او اور کمپنی سیکریٹری نے تصدیق کی ہے کہ وہ اور ان کے ازواج کسی طرح کے بھی اسٹاک بروکر کے کاروبار میں شامل نہیں ہیں۔

(j) بورڈ کی طرف سے قائم کردہ آڈٹ، ہومو ریسورس اور ریمونڈیشن، رسک مینجمنٹ، IT، کمپلائنس اور کنڈکٹ، ڈویلپمنٹ فنانس، بورڈ اور سائٹ فار انٹرنیشنل گورننس، اور نائینیشن اینڈ ریمونڈیشن کمیٹی اپنے اختیارات کے مطابق موثر انداز میں کام کر رہی ہیں۔ ستمبر 2022ء میں، بورڈ اور سائٹ کمیٹی برائے انٹرنیشنل گورننس کی جگہ بورڈ اسٹریٹجی اینڈ مانیٹرنگ کمیٹی قائم کی گئی، جسے ذیل میں مزید تفصیل سے بیان کیا گیا ہے۔ بورڈ باقاعدگی سے اس سال کے دوران 19 اجلاس کر چکا ہے، جن میں ہر سہ ماہی میں کم از کم ایک اجلاس شامل ہے۔

بورڈ انٹرنل کنٹرولز سے متعلق انتظامیہ کی جانب سے دیے گئے بیان کی توثیق کرتے ہوئے خوشی محسوس کر رہا ہے۔ انٹرنل کنٹرول کا گوشوارہ، ضابطے پر عمل درآمد کا گوشوارہ برائے جائزہ رپورٹ، آڈیٹ کی رپورٹس، مالیاتی گوشوارے کے ساتھ منسلک ہیں۔

ایمپلائمنٹ ریٹائرمنٹ بینیفٹ فنڈز میں سرمایہ کاریوں کی رقم

31 دسمبر 2022ء کے مطابق بینک کی جانب سے برقرار پروویڈنٹ، پنشن، گریجویٹی اور بینولونٹ فنڈز میں سرمایہ کاریوں کی رقم، آڈٹ شدہ مالیاتی گوشواروں کی بنیاد پر درج ذیل جدول میں ظاہر کی گئی ہے:

ملین روپے	
3,718	ایمپلائمنٹ پروویڈنٹ فنڈ
3,175	ایمپلائمنٹ پنشن فنڈ
2,609	ایمپلائمنٹ گریجویٹی فنڈ
1,874	ایمپلائمنٹ بینولونٹ فنڈز - ایگزیکٹوز اور افسران
579	ایمپلائمنٹ بینولونٹ فنڈز - کلریکل اور نان کلریکل

پیٹرن آف شیئر ہولڈنگ

31 دسمبر 2022ء کو پیٹرن آف شیئر ہولڈنگ اور ایگزیکٹوز کی جانب سے بینک کے حصص میں کاروبار، جس کی بورڈ آف ڈائریکٹرز نے ضابطے کے تحت وضاحت کی ہے، ضابطے پر عمل درآمد کرتے ہوئے سالانہ رپورٹ میں دی گئی ہے۔

پیرنٹ کمپنی

جیسا کہ مالیاتی گوشوارے کے نوٹ 1.1 میں بیان کیا گیا ہے، آغا خان فنڈ فار اکنامک ڈویلپمنٹ (AKFED) S.A، بینک کی پیرنٹ کمپنی ہے اور اس کا رجسٹرڈ دفتر جنیوا، سوئٹزرلینڈ میں ہے۔

ترقیاتی پروگراموں میں ڈائریکٹرز کی شرکت

ریگولیشنز کے مطابق، تمام ڈائریکٹرز SECP کے منظور شدہ ڈائریکٹرز کے ترقیاتی پروگرام سے مطلوبہ سند حاصل کر چکے ہیں اور/یا انھیں ایسے ترقیاتی پروگرام سے استثناء حاصل ہے۔

2022ء میں بورڈ نے تین ترقیاتی سیشن میں شرکت کی: اخلاقیات اور دیانت داری (Ethics & Integrity)؛ اسلامک فنانس کا مقامی و عالمی منظر نامہ؛ اور عالمی صورت حال میں مالیاتی دیانت داری کے تحفظ پر مبنی تازہ ترین AML/CFT رجحانات۔ یہ سیشن معروف بیرونی ماہرین کی جانب سے منعقد کیے گئے۔

بورڈ کی کارکردگی کا جائزہ

HBL کے بورڈ نے اپنے بورڈ اور اس کی کمیٹیوں کے لیے سالانہ جائزے کا انتخاب کیا جو پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) نے 2022ء میں سرانجام دیا۔ جائزے میں بورڈ اور انفرادی دونوں حیثیتوں کے مد نظر کارکردگی کا تجزیہ کیا گیا اور بورڈ کے مشمولات، لائحہ عمل اور منصوبہ بندی، بورڈ اور سی ای او کی اثر انگیزی، بورڈ کی معلومات، بورڈ کمیٹیوں، بورڈ کا طرز کار اور ضابطوں کی صورت حال کا احاطہ کیا گیا۔

بورڈ کے اراکین کی تقرری اور نامزدگی کا طریقہ کار

بینک کے شیئر ہولڈرز 3 سال کی مدت کے لیے ڈائریکٹرز کا انتخاب کرتے ہیں۔ اگر اتفاقاً طور پر کوئی جگہ خالی ہو تو بینک کے آرٹیکل آف ایسوسی ایشن اور نافذ العمل قوانین و ضوابط کی روشنی میں بورڈ آف ڈائریکٹرز اس جگہ کو پُر کرتے ہیں۔ بورڈ نائینیشن اینڈ ریمونڈیشن کمیٹی (BNRC) کی جانب سے بورڈ اراکین کے لیے نامزدگی کی جاتی ہے۔ کوئی عہدہ اتفاقاً طور پر خالی ہونے کی وجہ سے یا ریگولیشنز کی جانب سے مخصوص شرائط متعارف کروانے کی صورت میں ایسی صورت حال درپیش ہو سکتی ہے۔ ممکنہ امیدوار کی شناخت کے بعد، کمیٹی اپنی ڈیوٹی لیمینس انجام دیتے ہوئے بورڈ کی منظوری کے لیے سفارش بھیجتی ہے۔ تمام ڈائریکٹرز SBP کے فٹ اینڈ پورٹیسٹ (FPT) معیار پر SBP کی

بورڈ آف ڈائریکٹرز		بورڈ آف ڈائریکٹرز		بورڈ آف ڈائریکٹرز		بورڈ آف ڈائریکٹرز		
حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	
2	2	N/A	N/A	N/A	N/A	N/A	N/A	محترم سلطان علی الانہ
N/A	N/A	N/A	N/A	N/A	N/A	4	4	محترم خلیل احمد
N/A	N/A	N/A	N/A	4	4	N/A	N/A	محترم شفیق دھرمشی
N/A	N/A	4	4	4	4	N/A	N/A	محترم معیز احمد جمال
N/A	N/A	4	4	N/A	N/A	4	4	محترمہ صبا کمال
N/A	N/A	4	4	4	4	4	4	محترم سلیم رضا
2	2	N/A	N/A	4	4	N/A	N/A	ڈاکٹر نجیب سمیع
2	2	N/A	N/A	N/A	N/A	4	4	محترم محمد اورنگزیب

* بورڈ آف ڈائریکٹرز نے 22 ستمبر 2022ء کو منعقدہ اپنے 243 ویں اجلاس میں بورڈ آف ڈائریکٹرز (BOC-IG) تشکیل کر دی، اور بورڈ آف ڈائریکٹرز ان پٹ اینڈ مانیٹرنگ کمیٹی (BSIMC) کے نام سے نئی کمیٹی تشکیل دی جس کا مقصد بینک کی حکمت عملی کی تشکیل، نگرانی اور نفاذ کے حوالے سے بورڈ کو اپنی ذمہ داریاں انجام دینے میں معاونت فراہم کرنا ہے۔ 2022ء میں BSIMC کی کوئی میٹنگ نہیں ہوئی۔

شریعیہ بورڈ کے اجلاس

شریعیہ بورڈ اجلاس	
حاضر	دوران مدت منعقدہ اجلاس
4	4
4	4
4	4

آڈیٹرز

موجودہ آڈیٹرز، میسرز KPMG تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور دوبارہ تقرری کے اہل ہونے کے ناطے انھوں نے سالانہ اجلاس عام کے موقع پر اپنی دوبارہ تقرری کی پیشکش کی ہے۔ چنانچہ بورڈ آف ڈائریکٹرز نے، بورڈ آڈٹ کمیٹی کی تجویز پر، میسرز کے پی ایم جی تاثیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس کے 41.899 ملین روپے کی فیس پر مالی سال 2023ء کے لیے بینک کے آڈیٹرز کے طور پر انتخاب کی سفارش کی ہے، جبکہ دیگر اخراجات اور ٹیکس حقیقی بنیاد پر ادا کیے جائیں گے۔

کارپوریٹ اور مالیاتی رپورٹنگ پر بیان

بورڈ اس بات کے لیے پُر عزم ہے کہ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مرتب کردہ کارپوریٹ گورننس کی ضروریات کو پورا کیا جائے اور ڈائریکٹرز یہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں کہ:

- بینک کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے، بینک کے معاملات کی صورت حال، انتظامی نتائج، کیش فلوز اور ایکویٹی میں تبدیلی صحیح اور منصفانہ انداز میں پیش کیے گئے ہیں۔
- بینک کے اکاؤنٹس کی بکس باقاعدہ طور پر برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ پالیسیوں کا یکساں اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے مناسب اور محتاط اندازے پر مبنی ہیں۔
- بینک نے مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (جو پاکستان میں بینکوں پر لاگو ہیں) کی پیروی کی ہے اور کہیں بھی مذکورہ معیارات کی خلاف ورزی نہیں کی گئی۔
- ایک مستقل عمل کے طور پر انٹرنل کنٹرول سسٹم پر موثر انداز میں عمل درآمد کرنے کی کوششیں جاری ہیں۔ HBL، اسٹیٹ بینک آف پاکستان کی انٹرنل کنٹرول کی ہدایات سمیت انٹرنل کنٹرولز اور فنانشل رپورٹنگ (ICFR) کی ہدایات اور روڈ میپ پر عمل کرتا ہے۔ بینک نے ICFR کی مینجمنٹ کے لیے فریم ورک تیار کیا ہے۔
- بینک کے اپنے امور کو جاری رکھنے کی صلاحیت پر کسی قسم کے شکوک و شبہات نہیں ہیں۔
- لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز (کوڈ) میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کسی قسم کا بنیادی انحراف نہیں کیا گیا ہے۔

بورڈ اسٹریٹجی ان پٹ اینڈ مانیٹرنگ کمیٹی (BSIMC): یہ کمیٹی بینک کی حکمت عملی کی نگرانی اور اس کے نفاذ کی نگرانی کے لیے تشکیل دی گئی ہے۔ یہ بینک کی کاروباری، مالی اور آپریشنل کارکردگی کا منظم اور جامع جائزہ لینے میں بورڈ کی مدد کرے گی۔ یہ ابھرتے ہوئے رجحانات، مسابقت اور مارکیٹ کی پیش رفت مد نظر رکھتے ہوئے بدلتے ہوئے آپریٹنگ منظر نامے پر اسٹریٹجک مشورے اور صورت حال کا مریوط جائزہ فراہم کرے گی تاکہ بینک موجودہ اور مستقبل میں ابھرنے والے مواقع سے فائدہ اٹھانے کے لیے مناسب پوزیشن میں ہو۔ کمیٹی اپنے اسٹریٹجک منصوبے کے تحت بینک کی پیش رفت اور دیگر اقدامات کی بھی نگرانی کرے گی جو HBL کو اس کے اسٹریٹجک طور پر اہم مقامات پر علاقائی مطابقت حاصل کرنے کے قابل بناتے ہیں۔

شریہ بورڈ کی تقرری اور تشکیل

شریہ اسکالر کی تقرری کے لیے، مینجمنٹ پہلے SBP فٹ اینڈ پراپر کرائیریا (FAPC) کے مطابق مجوزہ شریہ بورڈ رکن کی اسکریننگ کرتی ہے۔ بعد ازاں، اسے منظوری کے لیے HBL بورڈ آف ڈائریکٹرز کے پاس بھیجا جاتا ہے جس کے بعد اسے پُر FAPC فارم اور بورڈ کی منظوری نیز معاون دستاویزات کے ساتھ SBP میں جمع کروایا جاتا ہے۔ SBP کی جانب سے کلیئر نٹس ملنے کے بعد، مینجمنٹ شریہ بورڈ کے رکن سے رابطہ کرتی ہے، معاہدہ کرتی ہے اور SBP کو اطلاع دیتی ہے۔

HBL کا شریہ بورڈ تین اراکین پر مشتمل ہے:

ڈاکٹر محمد زبیر عثمانی، شریہ بورڈ کے سب سے تجربہ کار رکن ہیں اور شریہ بورڈ کے چیئرمین ہیں۔ انھوں نے اپنا تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ جامعہ دارالعلوم، کراچی سے مکمل کیا۔ آپ جامعہ کراچی سے اسلامک فنانس میں پی ایچ ڈی اور بین الاقوامی تعلقات میں ماسٹرز کی ڈگری بھی رکھتے ہیں۔ آپ 1999ء سے بینکاری اور مالی خدمات کے شعبے سے وابستہ ہیں اور مقامی اور بین الاقوامی سطح پر متعدد مالیاتی اداروں کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ آپ نے اسٹیٹ بینک آف پاکستان کے شریہ بورڈ کے رکن کی حیثیت سے اور یونائیٹڈ بینک لمیٹڈ اور حبیب میٹروپولیٹن بینک لمیٹڈ کے شریہ بورڈ میں چیئرمین کی حیثیت سے بھی خدمات انجام دی ہیں۔

ڈاکٹر اعجاز احمد صدیقی ممتاز شریہ اسکالر ہیں۔ آپ نے تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ کی اسلامی تعلیم جامعہ دارالعلوم، کراچی سے حاصل کی۔ آپ جامعہ کراچی سے اسلامک اسٹڈیز اور غر (علم یقین) پر پی ایچ ڈی ہیں، بہاؤ الدین زکریا یونیورسٹی سے اسلامک اسٹڈیز میں ماسٹرز اور سندھ مسلم گورنمنٹ کالج سے LLB کی اسناد بھی رکھتے ہیں۔ آپ 2004ء سے بینکاری اور مالیاتی خدمات کے شعبے سے وابستہ ہیں اور متعدد مقامی اور عالمی مالیاتی اداروں کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ HBL اسلامک کے علاوہ، آپ مالدیپ اسلامک بینک کے شریہ بورڈ میں چیئرمین اور MCB-عارف حبیب الحمر اسلامک فنڈ کے شریہ سپروائزر اور بورڈ میں رکن کی حیثیت سے بھی خدمات انجام دے رہے ہیں۔ آپ یونائیٹڈ بینک لمیٹڈ اور بینک آف پنجاب کے شریہ بورڈ میں رکن، جبکہ الفلاح GHP اسلامک فنڈ کے شریہ ایڈوائزر بھی رہ چکے ہیں۔

مفتی محمد یحییٰ عاصم نے تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ کی دینی تعلیم جامعہ دارالعلوم، کراچی سے حاصل کی۔ آپ بین الاقوامی تعلقات، عربی اور اسلامک اسٹڈیز میں ماسٹرز کی ڈگری بھی رکھتے ہیں۔ آپ اس وقت جامعہ کراچی سے پی ایچ ڈی کر رہے ہیں۔ آپ اسلامی بینکاری اور مالیاتی خدمات کے شعبے سے 2004ء سے وابستہ ہیں اور HBL، حبیب میٹروپولیٹن بینک، اٹلس ایسیٹ مینجمنٹ، HBL ایسیٹ مینجمنٹ، TPL ونڈو نکافل کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ آپ 2008ء سے HBL سے وابستہ ہیں اور فی الحال HBL شریہ بورڈ کے ریزیڈنٹ شریہ بورڈ رکن کے طور پر کام کر رہے ہیں۔

شریہ بورڈ (SB) کے حوالے کی شرائط SBP کے جاری کردہ شریہ گورننس فریم ورک کے مطابق ہیں۔ ان میں، دیگر امور کے ساتھ ساتھ، درج ذیل شامل ہیں:

- شریہ بورڈ کو HBL کے شریہ سے متعلق تمام معاملات پر غور، فیصلے اور نگرانی کا اختیار دیا گیا ہے۔ بینک، شریہ بورڈ کی تمام آراء، فیصلے اور فتاویٰ کا پابند ہو گا جبکہ شریہ بورڈ شریہ سے متعلق اپنے تمام فیصلوں کا ذمہ دار اور جواب دہ ہو گا۔
- شریہ بورڈ HBL اسلامک بینکنگ کے آپریشنز کے تمام شعبوں کے لیے جامع شریہ کمپلائنس فریم ورک کی تیاری یقینی بنائے گا۔ HBL اسلامک بینکنگ کی پیش کردہ تمام مصنوعات یا خدمات کے لیے شریہ بورڈ کی پیشگی منظوری درکار ہوگی۔
- شریہ بورڈ تمام پروسیجر منیول، پروڈکٹ پروگرامز / اسٹریٹجیز، پروسیس فلوز، متعلقہ معاہدے، مارکیٹنگ ایڈورٹائزمنٹ، سیلز اسٹریٹجی اور بروشرز کی منظوری دے گا تاکہ یہ شرعی اصولوں کے مطابق ہوں۔

ڈائریکٹرز کا معاوضہ

30 مارچ 2020ء کو ہونے والے سالانہ اجلاس میں بینک کے حصص یافتگان نے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کو ادا کی جانے والی فیس کے طور پر 600,000 روپے کی منظوری دی تھی۔ پالیسی میں نان ایگزیکٹو ڈائریکٹرز کے دفتری سفر کے لیے سفری اخراجات اور روزانہ الاؤنسز بھی بیان کیے گئے ہیں۔

ڈائریکٹرز کو مجموعی ادا شدہ فیس اور CEO کو ادا کردہ معاوضے کی تفصیلات مجموعی مالیاتی رپورٹ کے نوٹ 39.2 اور 39.1 میں ظاہر کی گئی ہیں۔

شریہ بورڈ کے اراکین کا معاوضہ

ہیڈ، اسلامک بینکنگ شریہ بورڈ کے اراکین کا معاوضہ انڈسٹری پریکٹس کی بنیاد پر صدر کو تجویز کرتا ہے۔ صدر کی منظوری کے بعد، اسے ہیڈ HR کو بھیجا جاتا ہے تاکہ وہ بورڈ ہوم ریسورس اور ریمونریشن کمیٹی کو سفارش کر سکے۔ کمیٹی شریہ بورڈ کے اراکین کے معاوضے کا جائزہ لیتی ہے اور اسے منظوری کے لیے بورڈ آف ڈائریکٹرز کے پاس بھیجتی ہے۔

جانب سے منظور کیے جاتے ہیں؛ نیز، SBP کے کارپوریٹ گورننس ریگولیٹری فریم ورک کے مطابق آزاد ڈائریکٹرز غیر جانب داری کی اضافی شرط پر بھی پورا کرتے ہیں۔

بورڈ اور کمیٹیوں کی تشکیل

بورڈ کی تشکیل اور بورڈ کمیٹیوں کی تفصیلات کارپوریٹ گورننس کے ضابطے کے ساتھ اسٹیٹمنٹ آف کمپلائنس میں دی گئیں ہیں۔

بورڈ کے پاس حکمت عملی کی سمت اور بہتر نگرانی میں معاونت کے لیے درج ذیل کمیٹیاں موجود ہیں۔ بورڈ کمیٹی، بورڈ کی جانب سے منظور شدہ متعلقہ حوالہ کی شرائط (TORs) کے مطابق کام کرتی ہیں۔ ہر ذیلی کمیٹی کے فرائض کی ایک مختصر وضاحت درج ذیل ہے۔

بورڈ آڈٹ کمیٹی (BAC): BAC بینک کے داخلی کنٹرولز کے کے مضبوط اور موثر نظام کے لیے اعلیٰ سطح پر طرز کار کا تعین کرتی ہے۔ کمیٹی آپریشنل کنٹرولز سمیت بینک کے داخلی کنٹرولز کے ماحول، بشمول مالیاتی اور آپریشنل ضابطوں، اکاؤنٹنگ کے نظاموں، اور رپورٹنگ کے اسٹریکچر کی اہلیت اور افادیت کا جائزہ لیتی ہے۔ کمیٹی بینک کے داخلی آڈٹ فنکشن کی نگرانی اور رسک پر مبنی سالانہ آڈٹ کے منصوبے کی نگرانی کرتی ہے؛ رسک پر مبنی سالانہ آڈٹ پلان کی پیش رفت کی منظوری اور نگرانی کا عمل انجام دیتی ہے؛ اور یقینی بناتی ہے کہ انٹرنل آڈٹ کا شعبہ مناسب وسائل رکھتا ہو اور اپنی آزادانہ حالت برقرار رکھنے کے لیے ادارے کے اسٹریکچر میں موزوں مقام رکھتا ہو۔ BAC بورڈ کو منظوری کی درخواست سے پہلے بینک کے مالی بیانات اور اس سے وابستہ امور کا جائزہ بھی لیتی ہے۔ اس عمل کے ایک حصے کے طور پر، کمیٹی بینک کے بیرونی آڈیٹرز سے بھی بات چیت کرتی ہے اور اسٹیٹیسٹوری آڈیٹرز کے ساتھ بیرون ملک آڈیٹرز کی تقرری کے لیے بھی سفارشات پیش کرتی ہے۔ BAC نے اکاؤنٹنگ کے معیارات کے اطلاق کی نگرانی کی بھی ذمہ دار ہے، بالخصوص HBL میں IFRS 9 کے اطلاق کے لیے بورڈ نے BAC کو ذمہ داری سونپی ہے۔ اس کے دائرہ کار میں شعبوں کے لیے BAC بورڈ کو منظوری کے لیے پالیسیز پیش کرتی ہے۔

بورڈ رسک مینجمنٹ کمیٹی (BRMC): یہ کمیٹی رسک سے متعلق معاملات کی نگرانی اور تجاویز کی ذمہ دار ہے، جس میں بینک کی رسک کی سکت اور انٹرنل کنٹرول سسٹمز کا انتظام شامل ہیں۔ BRMC بینک کی رسک پروفائل کی مناسبت سے اندرونی رسک فریم ورک کی تشکیل اور تکمیل کو یقینی بناتی ہے، سسٹم اور کنٹرولز تشکیل دیتی ہے، اور ایک آزاد، مددگار اور فعال رسک مینجمنٹ کلچر کی ترویج اور بحالی کی ذمہ دار ہے۔ کمیٹی روز افزوں بڑھتے ہوئے خطرات کی شناخت اور تدارک یقینی بنانے کے لیے دور رس نظریہ اختیار کرتی ہے۔

بورڈ ہیومن ریسورس اور ریویژن کمیٹی (BHRRC): کمیٹی اہم ہیومن ریسورس اور معاوضہ پالیسیاں تجویز کرتی ہے جس میں بینک میں ملازمت کی اہم شرائط اور فوائد کے ساتھ تمام عملے اور اہم افسران کے لیے پرفارمنس مینجمنٹ اور معاوضے کے منصوبے شامل ہیں۔ اس میں متعلقہ ریگولیٹری تقاضوں اور بہترین طریقوں کی روشنی میں عملے سے متعلق حکمت عملی، عملے کی تربیت، پیشہ ورانہ ترقی، ٹیلنٹ مینجمنٹ اور جانشینی کی منصوبہ بندی سے متعلق پالیسیوں کا جائزہ لیا اور تجاویز دی جاتی ہیں۔

بورڈ کمپلائنس اور کنٹرول کمیٹی (BCNCC): BCNCC کمپلائنس اور ضابطے کی ثقافت کے نفاذ کا جائزہ لینے میں بورڈ کی مدد کرتی ہے اور بینک بھر میں کمپلائنس پروگرام کے نفاذ سے متعلق گورننس فراہم کرتی ہے۔ یہ کمپلائنس کے شعبے کے منشور کی نگرانی بھی کرتی ہے اور بینک کے کمپلائنس رسک کے موثر انتظام کے لیے اس کی استعداد یقینی بناتی ہے۔ یہ کمیٹی مقامی اور بین الاقوامی ریگولیٹری حکام کی انسپشن رپورٹس کا جائزہ لیتی ہے جن میں نشاندہی کردہ مسائل کو حل کرنے کے لیے مقررہ وقت میں انتظامی ایکشن پلان بھی شامل ہیں۔ مجموعی طرز عمل کے ماحول کو بہتر بنانے کے لیے، BCNCC اخلاقیات اور طرز عمل سے متعلق امور کی بھی نگرانی کرتی ہے۔

بورڈ ڈیولپمنٹ فنڈ کمیٹی (BDFC): یہ کمیٹی پاکستان کے معاشی، آبادیاتی اور سماجی حقائق کا نقطہ نظر ملحوظ رکھتے ہوئے HBL کو "BankwithaSoul" میں تبدیل کرنے کے نصب العین کے ساتھ تشکیل دی گئی تھی۔ اس کا مقصد خصوصاً مالی طور پر غیر وابستہ، پس ماندہ اور محروم طبقات میں دستیاب مواقع مد نظر رکھتے ہوئے HBL کو اپنی حقیقی صلاحیت بروئے کار لانے میں مدد کرنا ہے۔ اس کمیٹی کے ذریعے بینک پائیداری، ترقی اور گرین بینکنگ کے ایجنڈے کو آگے بڑھاتا ہے۔ BDFC، خاص طور پر دستیاب ٹیکنالوجی کے استعمال، مالی خدمات تک رسائی، اور ترقیاتی شعبوں اور معاشرے میں آگاہی پیدا کرتے ہوئے، مالی شمولیت کو بہتر بنانے کے اقدامات پر اسٹریٹجک ان پٹ فراہم کرتی ہے۔

بورڈ IT کمیٹی (BITC): بورڈ کی IT کمیٹی کمپنی کے اہم ٹیکنالوجی سرمایہ کاری منصوبوں اور حکمت عملیوں سے متعلق بورڈ کی سفارشات کا جائزہ لیتی ہے، جانچتی ہے اور سفارشات پیش کرتی ہے۔ کمیٹی ٹیکنالوجی کی مدد میں خرچ کے فوائد اور منافع کا جائزہ بھی لیتی ہے۔ BITC ڈیجیٹل پیش رفت پر توجہ مرکوز رکھتی ہے تاکہ کسٹمر کی مرکزیت، لاگت میں کمی اور محصولات میں اضافہ کیا جاسکے اور کلاؤڈ سروس اور فنڈنگ کے استعمال کے لیے ہدایات بھی فراہم کرتی ہے۔ اس کے علاوہ، کمیٹی یہ بھی یقینی بناتی ہے کہ بینک کے اندر انفارمیشن سکیورٹی فنکشن کو موثر نگرانی فراہم کی جائے اور انفارمیشن سکیورٹی کی ساخت رسک کی سکت سے ہم آہنگ ہو۔

بورڈ نامینیشن اینڈ ریویژن کمیٹی (BNRC): یہ کمیٹی HBL کی پائیدار ترقی کے لیے موزوں ڈھانچے، حجم اور مہارتوں کے توازن کی شناخت میں بورڈ کی معاونت کرتی ہے جو بورڈ کے لیے لازمی تصور کیے جاتے ہیں۔ BNRC ریگولیٹری فریم ورک کے مطابق ڈائریکٹرز کی ریویژن کے انتظامات کے لیے ہدایات بھی فراہم کرتی ہے۔

بورڈ اور سائٹ کمیٹی (BOC-IG): کمیٹی کی ذمہ داریوں میں SBP کے گورننس فریم ورک برائے بینک اور سیز آپریشنز کے مطابق بینک کے ماتحت اداروں سمیت بیرون ملک کاروباری آپریشنز کی گورننس کی نگرانی فراہم کرنا شامل تھا۔ اس کمیٹی کو بورڈ نے ستمبر 2022ء میں تشکیل کر دیا تھا، اور اس کی جگہ بورڈ اسٹریٹجی ان پٹ اینڈ مانیٹرنگ کمیٹی نے لے لی ہے جس کی وضاحت ذیل میں کی گئی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے منظوری کے مطابق، شریعہ بورڈ اراکین کا موجودہ ماہانہ معاوضہ بالترتیب چیئرمین شریعہ بورڈ، ممبر شریعہ بورڈ اور ریزیڈنٹ شریعہ بورڈ کے لیے 950,000 روپے، 900,000 روپے اور 800,000 روپے ہے۔ ریزیڈنٹ شریعہ بورڈ ممبر کار الاؤنس کے بھی اہل ہوں گے۔

اپنی ملازمت کے معاہدے کی رو سے شریعہ بورڈ ممبر بینک کی ٹریول پالیسی کے مطابق ٹریول الاؤنس اور روزانہ الاؤنس کے اہل ہوں گے۔

شریعہ بورڈ کے اراکین کو ادا کردہ فیس کی تفصیلات مجموعی مالیاتی رپورٹ کے نوٹ 39.3 میں ظاہر کی گئی ہیں۔

اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے ہم اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان، وزارت مالیات اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی کاوشوں کا اعتراف کرتے ہیں۔ اس غیر معمولی وقت میں، انہوں نے ایسی پالیسیاں بنائیں اور اقدامات کیے جو مصلحت اندیش اور متوازن ہیں، معیشت، کسٹمرز اور پاکستان کے عوام کی حفاظت کرتے ہیں، اور بینکنگ اور فنانشل سروسز انڈسٹری کی سالمیت اور بہتری کا تحفظ بھی کرتے ہیں۔

ہم اپنے صارفین کے احسان مند ہیں جن میں سے کئی نسلوں سے ہمارے ساتھ منسلک ہیں اور اپنے کاروبار اور اعتماد کے ذریعے اپنا بھروسہ جاری رکھے ہوئے ہیں۔ ہمارے حصص یافتگان نے ثابت قدمی سے ہمارا ساتھ دیا اور اس کے ساتھ ہم تمام اسٹیک ہولڈرز کے انتہائی شکر گزار ہیں۔ بورڈ اور انتظامیہ گورننس کے اعلیٰ ترین معیارات برقرار رکھنے کے لیے پرعزم ہے اور ہم اپنے اسٹیک ہولڈرز کو یقین دلاتے ہیں کہ اس خطے میں ہم اپنی کاروباری صنعت میں عروج پر ہوں گے۔

آخر میں، ہم اپنے تمام ملازمین اور اُن کے اہل خانہ، بالخصوص کسٹمر کا سامنا کرنے والے یونٹس اور برانچوں میں موجود عملے کے تہ دل سے شکر گزار ہیں، جو ہمارے کسٹمرز کی ضروریات کی تکمیل یقینی بنانے کے لیے اپنے اخراجات پر بھی اضافی کام کرنے سے گریز نہیں کرتے۔ یہ ہمارے بہرہ ور اور بہرہ ور ہیں اور ہم اُن کے عزم اور انتھک محنت کے لیے انہیں خراجِ تحسین پیش کرتے ہیں۔

منجانب بورڈ

معیز احمد جمال
ڈائریکٹر

محمد اورنگزیب
صدر اور چیف ایگزیکٹو آفیسر

24 فروری، 2023ء

GROWTH AT A GLANCE - 2017 TO 2022 (CONSOLIDATED)

	2017	2018	2019	2020	2021	2022
Balance Sheet (Rs M)						
Investments	1,374,816	1,390,052	1,379,607	1,948,577	1,948,956	1,948,801
Advances	851,502	1,080,440	1,166,957	1,223,510	1,507,047	1,782,498
Total Assets	2,696,218	3,025,853	3,227,132	3,849,063	4,317,468	4,638,806
Total Deposits	1,998,935	2,137,293	2,437,597	2,830,371	3,381,998	3,469,342
Borrowings	397,803	523,319	382,206	544,108	436,258	583,771
Total Equity	188,751	199,252	224,752	265,495	283,686	285,022
Operating Results (Rs M)						
Net Interest Income	81,833	81,676	101,323	130,104	131,419	165,563
Non Fund Income	34,116	19,895	24,162	30,595	36,311	46,732
Total Revenue	115,949	101,571	125,485	160,699	167,730	212,294
Total Expenditure	62,371	74,978	93,290	95,449	97,615	126,783
Operating Profit	53,578	26,593	32,195	65,250	70,115	85,512
Provisions	374	5,009	3,314	12,220	8,087	8,482
Extraordinary and unusual item	23,717	-	-	-	-	-
Profit before taxation	29,487	21,585	28,881	53,031	62,028	77,030
Profit after taxation	8,848	12,441	15,500	30,913	35,507	34,398
Profitability ratios						
Return on average assets (RoA)	0.3%	0.4%	0.5%	0.9%	0.9%	0.8%
Return on average equity (RoE)	5.2%	7.1%	8.1%	14.4%	14.7%	12.7%
Cost : Income ratio	52.9%	76.2%	73.5%	58.5%	57.1%	58.8%
NFI : Gross revenue	29.4%	19.6%	19.3%	19.0%	21.6%	22.0%
Asset Quality & Liquidity ratios						
Advances to deposits ratio	42.6%	50.6%	47.9%	43.2%	44.6%	51.4%
Investment to deposits ratio	68.8%	65.0%	56.6%	68.8%	57.6%	56.2%
NPLs to Gross Advances	8.2%	7.0%	6.6%	6.3%	5.1%	4.8%
Net NPLs to Net Advances	1.1%	1.1%	0.8%	0.9%	0.5%	0.7%
Coverage - Specific	87.6%	84.7%	88.7%	86.3%	90.1%	86.1%
Coverage - Total	91.6%	89.1%	93.2%	99.7%	103.7%	101.4%
Current deposits mix	36.7%	38.0%	36.0%	35.2%	34.6%	40.3%
Share information						
Earnings per share	5.8	8.2	10.5	21.1	23.9	23.2
Cash dividend per share	8.0	4.3	5.0	4.3	7.5	6.8
Dividend yield	3.4%	2.5%	3.8%	3.3%	6.0%	7.2%
Dividend payout ratio	138.2%	51.7%	47.8%	20.2%	31.4%	29.1%
Breakup value per share	128.7	135.8	153.2	181.0	193.4	194.3
Market value per share - as at	167.1	120.5	157.4	132.3	116.6	63.7
High during the year	314.0	229.7	168.4	176.5	143.2	124.7
Low during the year	148.3	117.3	102.0	93.0	107.8	59.9
Market Capitalisation (Rs Bn)	245.1	176.7	230.9	194.0	171.1	93.5
Price to book value ratio (times)	1.3	0.9	1.0	0.7	0.6	0.3
Price to earning ratio (times)	40.3	20.7	12.5	6.1	5.2	4.1
Industry Share						
Deposits	14.3%	13.9%	13.9%	14.0%	14.1%	13.0%
Advances	11.6%	12.2%	12.4%	12.5%	12.4%	12.6%

GROWTH AT A GLANCE - 2017 TO 2022 (CONSOLIDATED)

	2017	2018	2019	2020	2021	2022
Trade (Rs M)						
Import volume	474,087	472,856	573,174	710,111	1,205,703	1,984,960
Export volume	359,274	348,095	488,692	509,652	784,566	1,471,653
Capital Adequacy						
CET1 to RWA	12.0%	12.0%	11.5%	12.6%	11.5%	10.8%
Tier-1 to RWA	12.0%	12.0%	12.5%	13.5%	12.3%	11.8%
Total capital to RWA	16.0%	16.2%	15.4%	17.2%	15.6%	14.8%
RWA to Total Assets	43.1%	39.0%	39.4%	35.8%	38.7%	40.6%
Touchpoints						
No. of Branches	1,751	1,743	1,712	1,697	1,685	1,746
No. of ATMs	2,007	2,139	2,136	2,157	2,180	2,268
No. of branchless banking agents	27,000	37,503	52,579	48,038	66,800	61,618
No. of POS terminals	18,015	21,024	25,340	30,459	39,272	46,151
No. of QR codes	-	-	31,055	35,320	55,287	52,830
Customer base						
No. of customers (In million)	12.7	15.4	19.6	22.3	26.9	33.4
Women customers (% of total)	30%	32%	34%	37%	40%	48%
No. of Mobile & Internet Banking subscribers ('000)	711	773	1,154	1,782	2,490	3,234
No. of debit cards ('000)	4,636	5,168	5,516	5,860	6,223	6,573
No. of credit cards ('000)	142	162	193	224	229	268
Headcount						
No. of permanent employees	18,085	20,093	21,005	20,795	21,703	21,632
Gender Diversity	14.8%	15.7%	16.7%	18.2%	19.2%	20.7%

ANNUAL STATEMENT ON INTERNAL CONTROLS 2022

A strong internal control system consists of a comprehensive framework along with robust processes, effective communication and a resilient monitoring mechanism, all designed to work in tandem to identify and timely mitigate the risk of not meeting the objectives of the Bank. It is the responsibility of the Bank's management to establish an internal control system that facilitates effective and efficient operations in a well-controlled environment.

The management of the Bank has implemented an internal controls system, approved by the Board of Directors (BoD), to achieve effective and efficient operations, comply with applicable laws and regulations and ensure the reliability of financial reporting. However, even a well-designed system of internal controls has inherent limitations and therefore can only provide reasonable but not absolute assurance regarding the effectiveness of controls. Internal controls also require continuous review and improvement to align them with the evolving environment and safeguard against emerging risks. The Bank increasingly relies on the use of technology, including Robotics Process Automation, to improve operating efficiencies, increase scalability and further strengthen the control environment.

The Bank's internal control structure comprises of different levels of monitoring activities. The Bank follows the "three lines of defense" model, with the first line comprising of front office, customer-facing and enabling functions, the second line being Compliance, Risk and other control functions and the third line of defense being Internal Audit.


The first line's role is to ensure that business risks are properly identified and mitigated, while ensuring that controls are operating effectively and corrective actions are implemented promptly. The Bank's control functions, i.e. the second line, are responsible for conducting end-to-end reviews of processes, to identify gaps and ensure that timely remedial action is taken for their rectification. The second line, as part of its governance responsibilities, also sets policies and defines risk tolerance levels.

The Compliance function's role is to strengthen the compliance environment and manage compliance risk across the institution by enabling the Bank to comply with applicable laws, regulations, guidelines and the Bank's internal policies and procedures. Compliance is responsible for advising on, and overseeing, the implementation of regulatory requirements and related policies, including financial crime compliance management. Accordingly, Compliance in liaison with the business, identifies, assesses, monitors and reports compliance risk through regulatory themed Risk & Control Self-Assessments (RCSAs). A comprehensive regulatory repository management process has been implemented for ensuring the adequate design and effectiveness of controls around regulatory requirements.

A Shariah Board (SB), established by the BoD, ensures a strong governance framework around the Bank's Islamic Banking business. The Shariah Compliance Department within the Compliance function works under the direct supervision of the SB and conducts Shariah reviews on a sample basis, to monitor compliance with the SB guidelines and Shariah standards adopted by the SBP.

Risk Management is responsible for the development and implementation of risk-related policies and for monitoring the risks associated with various activities of the Bank. During the year, the Enterprise Risk Management function has created a centralized repository of all risks and controls. This repository is being used by the Bank to evaluate the operating effectiveness of controls, identify exceptions and report them at an appropriate level, thus enhancing the control environment. The Management Risk Committee, along with the Board Risk Management Committee, provides strategic guidance as per the Risk Management Framework.

The Compliance Committee and the Controls Committee (CC), both chaired by the President, monitor, review and provide oversight on regulatory and control related matters at the franchise level, to ensure that control observations and emerging risks are highlighted appropriately. For known gaps, remediation plans are reviewed and monitored by the respective committee to ensure that these gaps are addressed in a timely and effective manner. The Board Compliance & Conduct Committee (BCNCC) supports the Board in overseeing the



implementation of a compliance and conduct culture and provides governance over the implementation of a bank-wide compliance program. It also monitors the Compliance function's mandate and ensures its capabilities to effectively manage the Bank's compliance risks. The BCNCC reviews inspection reports from domestic and international regulatory authorities including time-bound management action plans to address identified issues.

Internal Audit, as the third line of defense, has unrestricted access to the Board Audit Committee (BAC) and provides independent assurance by conducting risk-based audits of activities and processes to evaluate the adequacy and effectiveness of the control environment. The annual internal audit plan for the Bank, including Shariah operations, is approved by the BAC, which monitors its progress and implementation. All significant findings of Internal and External Audit, with agreed management action plans and timelines, are reported to the BAC. Internal Audit tracks closure of all findings through validation of these agreed management actions and the status is regularly reported at the CC and the BAC. The BAC oversees the implementation of internal controls to ensure that any identified risks are mitigated to safeguard the interest of the Bank. The Bank complies with the SBP's guidelines on the Internal Audit function.

The Bank also follows the SBP's instructions on Internal Controls over Financial Reporting (ICFR) and has documented a comprehensive ICFR Framework. The Bank's External Auditors are engaged annually to provide a Long Form Report (LFR) on ICFR, which is presented to the BAC, along with the progress on rectification of identified issues. The Bank has conducted testing of financial reporting controls to ensure the effectiveness of ICFR throughout the year. All the deficiencies identified are procedural and are not expected to have a material impact on financial reporting.

Based on the results achieved from the ongoing testing of internal controls, and from audits conducted during the year 2022, management considers that the Bank's existing system of internal controls, including ICFR, is adequate and has been effectively implemented and monitored. The management continues to identify areas for process improvement and strengthening of the Bank's internal control system.

The Board of Directors has duly endorsed management's evaluation of internal controls, including ICFR, in the Directors' Report.

Rayomond Kotwal
Chief Financial Officer

Armughan Ahmed Kausar
Chief Compliance Officer

Muhammad Farhanullah Khan
Chief Internal Auditor

Sagheer Mufti
Chief Operating Officer

Tariq Masaud
Chief Risk Officer



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Habib Bank Limited

Review Report on Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of **Habib Bank Limited** ("the Bank") for the year ended **December 31, 2022** in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Bank. Our responsibility is to review whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Bank's personnel and review of various documents prepared by the Bank to comply with the Regulations.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Bank's corporate governance procedures and risks.

The Regulations require the Bank to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Bank for the year ended December 31, 2022.

KPMG Taseer Hadi & Co.

Chartered Accountants

Karachi

Engagement Partner: Aryn Pirani

Date: March 6, 2023

UDIN: CR202210201UA4kVgTLp

STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended December 31, 2022

Habib Bank Limited (hereinafter referred to as 'the Bank') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") for the year ended December 31, 2022 in the following manner:

1. The total number of Directors is 8 as shown in the following table:

	Category	Number of Directors
a.	Male Director*	7
b.	Female Director	1

* including the President & CEO, who is an Executive Director.

2. The composition of the Board of Directors is as follows:

Categories	Names of Directors
Independent Directors	1- Mr. Salim Raza 2- Ms. Saba Kamal 3- Mr. Khaleel Ahmed
Non-executive Directors	4- Mr. Sultan Ali Allana 5- Mr. Shaffiq Dharamshi 6- Mr. Moez Ahamed Jamal 7- Dr. Najeeb Samie
Executive Director	8- Mr. Muhammad Aurangzeb

3. The Directors have confirmed that none of them is serving as a Director on more than seven (7) listed companies, including the Bank.
4. The Bank has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Bank along with its supporting policies and procedures.
5. The Board has approved a Vision / Mission statement, overall corporate strategy and significant policies of the Bank. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Bank.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and the Regulations.
7. The meetings of the Board of directors were presided over by the Chairman of the Board and the Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations of SECP and SBP.
9. All Directors have either obtained required certification of SECP approved Directors' Training Programs (DTP) and/or stand exempted from such training, in accordance with the Regulations.
10. The Board has approved appointment of the Chief Financial Officer, the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.

11. The Chief Financial Officer and the Chief Executive Officer duly endorsed the financial statements before the approval of the Board.
12. The Board has the following committees as of December 31, 2022 comprising of the members listed against each committee:

Name of Committee

Composition

- | | |
|---|---|
| a) Board Audit Committee (BAC) | <ol style="list-style-type: none"> 1. Mr. Khaleel Ahmed, Chairman 2. Mr. Moez Ahamed Jamal, Member 3. Dr. Najeeb Samie, Member |
| b) Board Compliance and Conduct Committee (BCNC) | <ol style="list-style-type: none"> 1. Mr. Moez Ahamed Jamal, Chairman 2. Mr. Shaffiq Dharamshi, Member 3. Mr. Khaleel Ahmed, Member |
| c) Board Development Finance Committee (BDFC) | <ol style="list-style-type: none"> 1. Mr. Salim Raza, Chairman 2. Mr. Khaleel Ahmed, Member 3. Ms. Saba Kamal, Member 4. Mr. Muhammad Aurangzeb, Member |
| d) Board Human Resource & Remuneration Committee (BHR&RC) | <ol style="list-style-type: none"> 1. Mr. Khaleel Ahmed, Chairman 2. Mr. Sultan Ali Allana, Member 3. Dr. Najeeb Samie, Member 4. Mr. Shaffiq Dharamshi, Member |
| e) Board IT Committee (BITC) | <ol style="list-style-type: none"> 1. Ms. Saba Kamal, Chairperson 2. Mr. Moez Ahamed Jamal, Member 3. Mr. Salim Raza, Member |
| f) Board Oversight Committee – International Governance (BOC-IG)* | <ol style="list-style-type: none"> 1. Mr. Sultan Ali Allana, Chairman 2. Dr. Najeeb Samie, Member 3. Mr. Muhammad Aurangzeb, Member |
| g) Board Risk Management Committee (BRMC) | <ol style="list-style-type: none"> 1. Mr. Salim Raza, Chairman 2. Mr. Shaffiq Dharamshi, Member 3. Mr. Muhammad Aurangzeb, Member |
| h) Board Nomination and Remuneration Committee (BNRC) | <ol style="list-style-type: none"> 1. Mr. Salim Raza, Chairman 2. Dr. Najeeb Samie, Member 3. Mr. Moez Ahamed Jamal, Member 4. Mr. Shaffiq Dharamshi, Member |
| i) Board Strategy Input & Monitoring Committee (BSIMC)** | <ol style="list-style-type: none"> 1. Mr. Sultan Ali Allana, Chairman 2. Mr. Moez Ahamed Jamal, Member 3. Dr. Najeeb Samie, Member 4. Ms. Saba Kamal, Member 5. Mr. Muhammad Aurangzeb, Member |
13. The Terms of Reference of the aforesaid committees have been prepared, documented and advised to the committee for compliance.

14. The number of meetings of the Board Committees held during the year were as per the following table:

Name of Committee	Number of Meetings
a) Board Audit Committee	8
b) Board Compliance and Conduct Committee	8
c) Board Development Finance Committee	4
d) Board Human Resource and Remuneration Committee	6
e) Board IT Committee	4
f) Board Oversight Committee – International Governance*	2
g) Board Risk Management Committee	6
h) Board Nomination and Remuneration Committee	4
i) Board Strategy Input & Monitoring Committee**	-

* Dissolved in September 2022

** Formed in October 2022

15. The Board has set up an effective Internal Audit function. The Internal Auditors are conversant with the policies and procedures of the Bank and are considered suitably qualified and experienced for the purpose.
16. The Statutory Auditors of the Bank have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP) and are registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
17. The Statutory Auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act 2017, the regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Muhammad Aurangzeb
President & CEO

Sultan Ali Allana
Chairman

Date: February 24, 2023

SHARIAH BOARD REPORT 2022

FOR THE YEAR ENDED DECEMBER 31, 2022
PRESENTED TO THE BOARD OF DIRECTORS

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الحمد لله رب العالمين، والصلاة والسلام على أشرف الأنبياء والمرسلين،
وعلى آله واصحابه اجمعين، وبعد

Alhamdulillah, By the grace of Almighty Allah (Subhanahu Wata'ala), HBL Islamic Banking (HBL-IB) has completed another remarkable year of growth and success of Islamic Banking operations. HBL Islamic continues to expand its footprint across the country to serve the Islamic Banking needs for the society. We appreciate and acknowledge Management's effort for making 2022 a remarkable year in terms of Islamic branch network expansion to 294 full-fledged Islamic Banking Branches. We expect growth of Islamic Banking outreach with the same pace in 2023 as well. HBL Islamic offers Shariah Compliant banking solutions by offering a variety of products and services to address the banking needs of all the business segments. During the year, business transformation through technology remained a priority of the Bank by way of launching of Islamic Mobile App and automating the process of Islamic Car Finance facility. HBL launched Islamic Konnect to provide Islamic banking facilities to the unbanked/ remote area community through its agent network.

Board of Directors and Executive Management:

The Board of Directors and Executive Management is responsible to ensure that the operations of HBL are conducted in a manner that complies with Shariah principles at all times. The ongoing support and commitment of the Board of Directors and Executive Management towards Islamic Banking enabled Shariah Board to ensure an overall acceptable Shariah compliance environment of HBL Islamic Banking. We acknowledge the commitment of the Board of Directors and the Executive Management with regard to the implementation of Shariah Board's instructions and guidance to maintain the Shariah compliant environment of the Bank.

Shariah Board:

During the year, Shariah Board reviewed, advised, and approved the following in its quarterly meetings:

- A new product to meet the liquidity requirements of exporters, based on Ju'alah.
- Policies and procedures, new products / renewals of existing products, transaction structures, Shariah queries, process flows, business and marketing material, etc.
- Shariah Compliance review reports, Internal/External Shariah Audit Reports.
- To ensure the Shariah compliant environment of the Bank, Shariah Board visited newly opened branches and other support functions.

Shariah Compliance Department:

During the year Shariah Compliance Department has made significant contributions towards the launch of new products and services including Islamic Mobile App and Islamic Konnect by HBL's Branchless Banking. Moreover, Shariah Compliance Department ensured Shariah compliance on pre and post execution levels, through Shariah review of new and existing product programs, policies, agreements, structured process flows, Running Musharakah models, Manuals, Shariah queries, and Marketing material prior to Shariah Board approval. Moreover, Shariah Compliance Department conducted Shariah review of the financing portfolio on a sample basis, support functions, and branches to ensure that processes and execution of the documentation are aligned with the Shariah Board guidance and approvals. We acknowledge the Shariah Compliance Department and Internal Shariah Audit's role in ensuring the implementation of Shariah Board's guidance and decisions.

Training and Awareness Sessions:

The year witnessed highest ever acceptability and growth for Islamic Banking. The Learning & Development Centre realizing the necessity of required skillset, arranged more than 35 training sessions during the year covering Basics of Islamic Banking, Islamic Banking Products, Islamic Low-cost Housing, Islamic Prestige Banking, Islamic Trade Products, Islamic Mobile App, etc. More than 7,500 staff from Islamic Banking Branches/Islamic Banking Windows and other departments were trained through these sessions.

In order to provide Islamic Banking awareness to the customers, the management has arranged more than 12 sessions in major cities. These sessions were conducted by the Shariah Board Members and provided guidance regarding misconceptions about Islamic Banking by responding to customer queries.

Charity:

As regards to the charity fund, a separate remunerative account was maintained for charity collections. During the year 2022, an amount of PKR 24.144 Million was collected as charitable amounts due to the undertaking in lieu of delay in payments by customers against financing/locker facilities. The charity fund is utilized in line with the Bank's approved charity policy for charitable and social welfare purposes. An amount of PKR 44.800 Million was disbursed to the health sector during the year. The details of the charity fund account are as follows:

	(PKR in '000')
Opening Balance	44,724
Charity collected during the year 2022	24,144
Profit credited	1,053
Charity amount disbursed	44,800

(Please refer to note 7 of Annexure I of the consolidated financial statements)

Shariah Opinion:

Based on Shariah compliance reviews of both local/international locations, External & Internal Shariah Audit reports, and explanations & realistic assurances given by the management, the Shariah Board is of the view that overall.

- i. HBL Islamic Banking has complied with Shariah rules and principles in the light of Fatawa, rulings and guidelines issued by the Shariah Board.
- ii. HBL Islamic Banking has complied with directives, regulations, instructions and guidelines related to Shariah compliance issued by the SBP in accordance with the rulings of State Bank of Pakistan's Shariah Board.
- iii. HBL Islamic Banking has a mechanism in place to ensure Shariah compliance in its overall operations.
- iv. HBL Islamic Banking has placed a satisfactory system to ensure that any earnings realized from sources or by means prohibited by Shariah have been credited to the charity account. HBL-IB has a well-defined system in place to utilize the charity properly.
- v. HBL Islamic Banking has complied with the State Bank of Pakistan instructions on profit and loss distribution and pool management.
- vi. The level of awareness, capacity and sensitization of the staff, management and the Board of Directors in appreciating the importance of Shariah compliance in the products and processes of the Bank.
- vii. Shariah Board has been provided adequate resources enabling it to discharge its duties effectively.

Recommendations:

Based on the opinion formed in the light of the Shariah compliance reviews of local and international locations and Internal/External Shariah Audit reports, we have the following recommendations:

- **Physical Training:** As per our assessment and in compliance with the regulatory requirement, Shariah Board recommends that three days annual refresher course over webcast should include at least one day classroom training session on "Basics of Islamic Banking".
- **Awareness Sessions:** Arrange more Islamic Banking awareness sessions for the general public from the Bank's platform to build a true image of Islamic Banking and remove misconceptions about Islamic banking.
- **Retirement Saving Plans:** Product development department should ensure availability of long-term savings and investment products, to enable the customer to invest and meet the needs of their future expenses viz a viz retirement plans, children marriages, higher education and Hajj/ Umrah etc.
- **Staff Finance Facility:** To assess the feasibility of Islamic staff finance facility options across the bank.
- **Risk Mitigation through Takaful:** A mix of takaful and conventional insurance coverage is in practice due to certain limitations of insurance industry. However, it is reiterated to make efforts for switching a higher percentage of financing portfolios towards Takaful (Islamic Insurance) at the earliest.

May Almighty Allah (Subhanahu Wata'ala) help us to practice Islamic Banking in True Spirit.

Mufti Muhammad Yahya Asim
Resident Shariah Board Member

Dr. Ejaz Ahmed Samadani
Member - Shariah Board

Dr. Muhammad Zubair Usmani
Chairman - Shariah Board

Date: February 24, 2023

شریعیہ بورڈ رپورٹ

31 دسمبر 2022ء کو ختم ہونے والے سال کے لئے

بورڈ آف ڈائریکٹرز کو پیش کی جا رہی ہے

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

الحمد لله رب العالمین، والصلاة والسلام على اشرف الأنبياء والمرسلین،

وعلى آله واصحابه اجمعین، وبعد

الحمد لله، اللہ سبحانہ و تعالیٰ کے فضل و کرم سے HBL اسلامک بینکنگ (HBL-IB) نے اسلامک بینکنگ آپریشنز کی ترقی اور کامیابی کا ایک اور شاندار سال مکمل کر لیا ہے۔ معاشرے میں اسلامی بینکاری کی ضروریات پوری کرنے کے لیے، HBL نے ملک بھر میں اپنی برانچوں کا دائرہ کار وسیع کرنے کا سلسلہ جاری رکھا ہوا ہے۔ 2022ء اسلامک برانچ نیٹ ورک میں توسیع کے اعتبار سے ایک غیر معمولی سال رہا، جس کے دوران مکمل اسلامک بینکنگ برانچوں کی تعداد 294 تک جا پہنچی۔ اس ضمن میں ہم مینجمنٹ کی کوششوں کا اعتراف کرتے ہوئے انھیں سراہتے ہیں۔ ہم 2023 میں بھی اسلامک بینکنگ کے نیٹ ورک میں مزید توسیع کی امید کرتے ہیں۔ HBL اسلامک تمام کاروباری طبقوں کی بینکاری کی ضروریات کی تکمیل کے لیے مختلف پروڈکٹس اور سروسز کی پیشکش کے ذریعے شرعی اصولوں سے ہم آہنگ بینکاری کی سہولت فراہم کرتا ہے۔ دوران سال ٹیکنالوجی کے ذریعے بزنس ٹرانسفاہریشن بینک کی ترقی رہی، جس کے تحت اسلامک موبائل ایپ متعارف کی گئی اور اسلامک کار فنانس کی سہولت حاصل کرنے کا پروسیجر آٹومیٹ کیا گیا۔ بینکنگ سے محروم / دور دراز علاقوں کی عوام الناس کو اسلامی بینکاری کی سہولت فراہم کرنے کے لیے، HBL نے اپنے ایجنٹ نیٹ ورک کے ذریعے اسلامک Kconnect کا آغاز کیا۔

بورڈ آف ڈائریکٹرز (BOD) اور ایگزیکٹو مینجمنٹ

بورڈ آف ڈائریکٹرز (BOD) اور ایگزیکٹو مینجمنٹ کی ذمہ داری ہے کہ HBL-IB کے آپریشنز ہر حال میں شرعی اصولوں کے مطابق ہوں۔ HBL اسلامک کے شریعی بورڈ کو اسلامک بینکنگ میں قابل قبول شرعی ماحول یقینی بنانے کے لیے BOD اور ایگزیکٹو مینجمنٹ کا عزم اور مسلسل تعاون حاصل رہا۔ ہم بینک میں شرعی اصولوں سے ہم آہنگ ماحول برقرار رکھنے کے لیے شریعی بورڈ کی ہدایات اور رہنمائی پر عمل درآمد کے سلسلے میں بورڈ آف ڈائریکٹرز اور مینجمنٹ کے عزم کا اعتراف کرتے ہیں۔

شریعیہ بورڈ

گذشتہ سال کے دوران، شریعیہ بورڈ نے اپنے سہ ماہی اجلاسوں میں مندرجہ ذیل امور کا جائزہ لیتے ہوئے باہمی مشاورت سے منظوری دی:

- برآمد کنندگان کی لیکویڈیٹی کی ضروریات پوری کرنے کے لیے جعالہ کی بنیاد پر نئی پروڈکٹ متعارف کرائی گئی
- پالیسیاں اور طریقہ کار، نئی پروڈکٹس / موجودہ پروڈکٹس کی تجدید، ٹرانزیکشن اسٹریکچر، شرعی سوالات، پروسیجر، بزنس اور مارکیٹنگ مواد، وغیرہ
- شریعیہ کپیلائنس ریویو رپورٹس، انٹرنل / ایکسٹرنل شریعیہ آڈٹ رپورٹس
- بینک کا ماحول یقینی طور پر شرعی بنانے کے لیے، شریعیہ بورڈ نے نئی برانچوں اور دیگر سپورٹ فنکشنز کا دورہ کیا

شریعیہ کپیلائنس ڈپارٹمنٹ

سال کے دوران شریعیہ کپیلائنس ڈپارٹمنٹ (SCD) نے HBL کی برانچ لیس بینکنگ کی جانب سے اسلامک موبائل ایپ اور اسلامک Kconnect سمیت نئی پروڈکٹس اور سروسز کے آغاز میں نمایاں کردار ادا کیا ہے۔ مزید یہ کہ SCD نے معاملات کے نفاذ سے پہلے اور بعد میں نئے اور موجودہ پروڈکٹ پروگراموں، پالیسیوں، معاہدوں، اسٹریکچرز، پروسیجرس، فلوز، رنگ مشارکہ ماڈلز، مینول، شریعیہ سے متعلق سوالات اور مارکیٹنگ مواد کی شریعیہ بورڈ سے منظوری سے قبل شرعی اصولوں سے مطابقت یقینی بنائی۔ نیز SCD نے سیمپلز کی بنیاد پر سپورٹ فنکشنز اور فنانسنگ ٹرانزیکشن پورٹ فولیو کا شرعی جائزہ لیا تاکہ پروسیجر اور دستاویزات پر عمل درآمد شریعیہ بورڈ کی ہدایات اور منظوری کے مطابق ہونا یقینی بنایا جائے۔ ہم شریعیہ بورڈ کی رہنمائی اور فیصلوں کو یقینی بنانے اور ان پر عمل درآمد میں شریعیہ کپیلائنس ڈپارٹمنٹ (SCD) اور انٹرنل شریعیہ آڈٹ کے کردار کو سراہتے ہیں۔

ترقی اور آگاہی سیشن

دوران سال اسلامی بینکاری کی مقبولیت اور ترقی میں بہت اضافہ ہوا۔ لرننگ اینڈ ڈیولپمنٹ سینٹر نے مطلوبہ Skillset کی ضرورت محسوس کرتے ہوئے سال کے دوران اسلامک بینکنگ، اسلامک بینکنگ پروڈکٹس، کم لاگت اسلامک ہاؤسنگ اسکیم، اسلامک پریسٹیج بینکنگ، اسلامک ٹریڈ پروڈکٹس، اسلامک موبائل ایپ وغیرہ کے موضوعات پر 35 سے زائد ٹریننگ سیشنز کا انعقاد کیا۔ ان سیشنز کے ذریعے اسلامک بینکنگ برانچوں / اسلامک بینکنگ ونڈوز اور دیگر شعبوں کے 7,500 سے زائد عملے کو تربیت دی گئی۔

کسٹمرز کو اسلامی بینکاری سے آگاہی فراہم کرنے کے لیے انتظامیہ نے بڑے شہروں میں 12 سے زائد سیشنز کا اہتمام کیا۔ ان سیشنز میں شریعیہ بورڈ کے ممبران نے اسلامک بینکنگ کی آگاہی فراہم کرتے ہوئے کسٹمر کے سوالات کے جوابات دے کر اسلامی بینکاری کے بارے میں غلط تصورات سے متعلق وضاحت فراہم کی۔

چیریٹی

چیریٹی فنڈ کے ضمن میں، سال (2022ء) کے دوران چیریٹی کی وصولی کے لیے ایک علیحدہ مضاربہ اکاؤنٹ رکھا گیا ہے۔ کسٹمرز کی جانب سے فنانسنگ / لاکر کی سہولتوں کے عوض ادائیگیوں میں تاخیر پر 24.144 ملین روپے کی چیریٹی وصول کی گئی۔ چیریٹی فنڈ کو خیراتی اور سماجی بہبود کے مقاصد کے لیے بینک کی منظور شدہ چیریٹی پالیسی کے مطابق استعمال کیا جاتا ہے۔ سال کے دوران، صحت کے شعبے میں 44.800 ملین روپے تقسیم کیے گئے۔ چیریٹی فنڈ اکاؤنٹ کی تفصیلات درج ذیل ہیں:

(000 پاکستانی روپے میں)

44,724	اوپننگ بیلنس
24,144	سال 2022ء کے دوران وصول کردہ چیریٹی
1,053	کریڈٹ ہونے والا منافع
44,800	چیریٹی کی تقسیم کردہ رقم

(اس مالی بیان کا نوٹ 7 ملاحظہ کریں)

شریعت کی رائے:

قومی / بین الاقوامی مقامات کے شریعتی کمپلائنس کے جائزے، ایکسٹرنل اور انٹرنل شریعتی آڈٹ رپورٹس، اور مینجمنٹ کی طرف سے فراہم کردہ وضاحتوں اور حقیقت پسندانہ یقین دہانیوں کی بنیاد پر شریعتی بورڈ کی مجموعی طور پر رائے مندرجہ ذیل ہے:

- HBL-IB نے قدامت، احکام اور شریعتی بورڈ کی جانب سے جاری کردہ ہدایات کی روشنی میں شرعی قواعد و ضوابط کی تعمیل کی ہے۔
- HBL-IB نے اسٹیٹ بینک کے شریعتی بورڈ کے فیصلوں کے مطابق اسٹیٹ بینک کی جانب سے جاری کردہ ہدایات اور ضوابط کی تعمیل کی ہے۔
- HBL-IB کے پاس اپنے مجموعی آپریشنز میں شریعتی کمپلائنس کو یقینی بنانے کے لیے ایک مکمل طریقہ کار موجود ہے۔
- HBL-IB نے اس بات کو یقینی بنانے کے لیے ایک ایسا تسلی بخش نظام قائم کیا ہے جس کے تحت شریعت کے ممنوعہ ذرائع یا طریقوں سے حاصل ہونے والی آمدنی چیریٹی اکاؤنٹ میں جمع کر دی گئی ہے۔ HBL-IB کے پاس چیریٹی صحیح طریقے سے استعمال کرنے کے لیے بھی ایک واضح نظام موجود ہے۔
- HBL-IB نے نفع و نقصان کی تقسیم اور پول مینجمنٹ سے متعلق اسٹیٹ بینک کی ہدایات پر عمل کیا ہے۔
- بینک کی پروڈکٹس اور پروسیجرز میں شریعتی کمپلائنس کی اہمیت سمجھنے کے لیے اسٹاف، مینجمنٹ اور BOD میں آگاہی اور صلاحیت کی اچھی سطح موجود ہے۔
- شریعتی بورڈ کو Adequate وسائل فراہم کیے گئے ہیں تاکہ وہ اپنے فرائض موثر طریقے سے انجام دے سکے۔

تجاویز

- قومی و بین الاقوامی مقامات اور انٹرنل / ایکسٹرنل شریعتی آڈٹ رپورٹس اور شریعتی کمپلائنس کے جائزے کی روشنی میں تفصیل دی گئی رائے کی بنیاد پر، ہم درج ذیل تجاویز پیش کرتے ہیں:
- فویکل ٹریڈنگ: ریگولیٹری تقاضوں کی تعمیل اور شریعتی بورڈ کی تجاویز کی روشنی میں ہماری تجویز ہے کہ تین روزہ ویب کاسٹ ریفریش کورس میں ”اسلامی بینکاری کے بنیادی نکات“ پر کم از کم ایک روزہ کلاس روم ٹریڈنگ سیشن شامل ہونا چاہیے۔
 - آگاہی سیشن: اسلامی بینکاری کا حقیقی تشخص اجاگر کرنے اور اسلامی بینکاری کے بارے میں غلط فہمیوں کو دور کرنے کے لیے بینک کے پلیٹ فارم سے عوام الناس کے لیے مزید اسلامی بینکاری سے متعلق آگاہی کے سیشنز کا اہتمام کیا جانا چاہیے۔
 - ریٹائرمنٹ سیونگ پلان: پروڈکٹ ڈویلپمنٹ پارٹنر ٹیم کی طرف سے طویل مدتی بچت اور سرمایہ کاری کی پروڈکٹس کی دستیابی یقینی بنانے، تاکہ کسٹمر کو سرمایہ کاری کرنے اور اپنے مستقبل کے اخراجات جیسے ریٹائرمنٹ پلانز، بچوں کی شادیوں، اعلیٰ تعلیم اور حج / عمرہ وغیرہ کی ضروریات کو پورا کرنے کے قابل بنایا جاسکے۔
 - اسٹاف فنانس کی سہولت: تمام شعبوں میں اسلامک اسٹاف فنانس کے آپشنز کی فہم بلٹی کا جائزہ لیا جائے۔
 - ہکافل کے ذریعے رسک میں کمی: بزنس انڈسٹری میں کچھ Limitation کی وجہ سے رسک میں کمی کے لیے ہکافل اور روایتی انشورنس سے سہارا لیا جاتا ہے۔ تاہم شریعتی بورڈ اپنی اس تجویز کا اعادہ کرتا ہے کہ فنانسنگ پورٹ فولیو کا زیادہ سے زیادہ حصہ جتنا جلدی ممکن ہو ہکافل کی طرف منتقل کرنے کی کوشش کی جائے۔

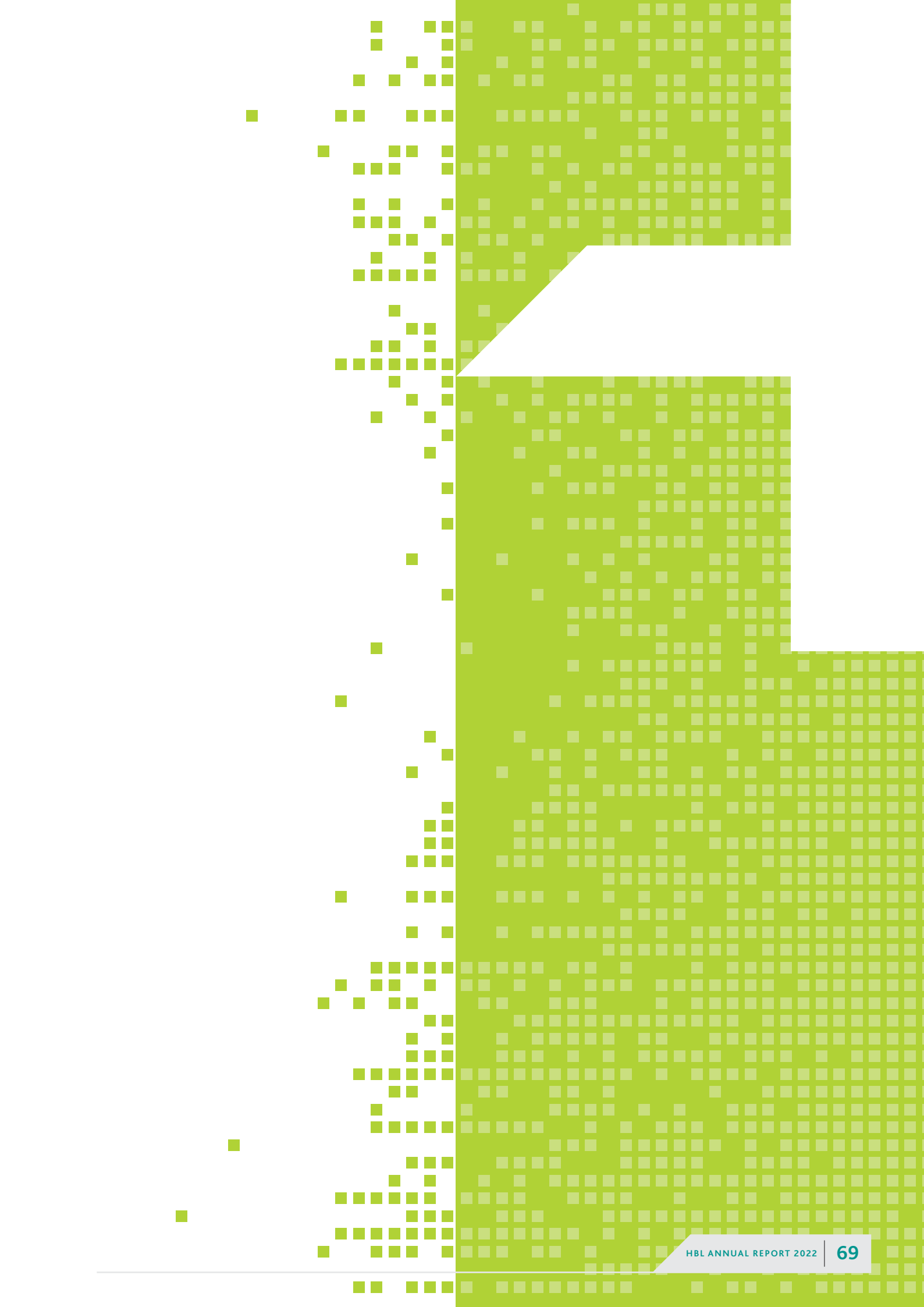
اللہ سبحانہ و تعالیٰ ہمیں اسلامی بینکاری پر صحیح معنوں میں عمل کرنے کی توفیق عطا فرمائے۔

ڈاکٹر محمد زبیر عثمانی
چیریٹی مین شریعتی بورڈ

ڈاکٹر اعجاز احمد صدیقی
ممبر شریعتی بورڈ

مفتی محمد یحییٰ عاصم
ریزیڈنٹ شریعتی بورڈ ممبر

تاریخ: 24 فروری 2023ء





CONSOLIDATED FINANCIAL STATEMENTS





INDEPENDENT AUDITOR'S REPORT

To the members of Habib Bank Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **Habib Bank Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.


Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	<p>Provision against advances</p> <p>Refer notes 4.4 and 9.5 to the consolidated financial statements for accounting policy and particulars of provision against advances.</p> <p>The Group's advances to customers represent 38% of its total assets. These are stated net of provision against advances of Rs. 92.17 billion as at December 31, 2022.</p> <p>The provision against advances was identified as a key focus area in our audit as it involves a considerable degree of management judgment and estimation uncertainty along with compliance with the regulatory requirements.</p>	<p>Our audit procedures for domestic advances included:</p> <ul style="list-style-type: none"> • Assessed the design and tested the operating effectiveness of manual and automated controls over classification and grading of customers, including: <ul style="list-style-type: none"> - The accuracy of data input into the system used for credit grading; - The ongoing monitoring and identification of advances displaying indicators of impairment and whether they are migrating on a timely basis to early alert or to higher risk grade; - Identification of past due customers. • For a sample of advances, where the management has not identified as displaying indicators of impairment, challenged the management's assessment by comparing the historical performance, financial ratios and reports on security maintained and formed our own view whether any impairment indicators are present. • Where management has identified as displaying indicators of impairment, assessed the number of days overdue and factors used for calculation of provision in accordance with the Prudential Regulations. • For consumer advances, analysed the days past due report and factors used for calculation of specific provision required in accordance with Prudential Regulations. • For consumer advances, where the management has not identified as displaying any indicators of impairment, compared the general provision calculated with provision required in accordance with Prudential Regulations. <p>We issued instructions to the auditors of those components which were selected for audit, highlighting 'Impairment of loans and advances' as a significant risk. The auditors of those components performed audit procedures to respond to the significant risk and reported the results thereof to us. We, as auditors of the Group, also evaluated the work performed by the component auditors through their files review and discussions with them.</p>

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.


The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including



the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Aryn Pirani.

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

Dated: March 6, 2023

UDIN: AR2022102013shVJIABT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

2022 (US \$ in '000)	2021 (US \$ in '000)		Note	2022 (Rupees in '000)	2021 (Rupees in '000)
ASSETS					
1,307,310	1,948,728	Cash and balances with treasury banks	5	296,015,386	441,252,246
183,336	284,582	Balances with other banks	6	41,513,022	64,438,075
1,124,375	414,000	Lendings to financial institutions	7	254,593,287	93,742,432
8,606,604	8,607,288	Investments	8	1,948,801,042	1,948,955,978
7,872,150	6,655,660	Advances	9	1,782,497,923	1,507,047,097
502,898	435,790	Fixed assets	10	113,871,657	98,676,342
81,359	55,781	Intangible assets	11	18,422,200	12,630,475
25,602	-	Deferred tax assets	12	5,797,045	-
782,996	665,657	Other assets	13	177,294,549	150,725,500
20,486,630	19,067,486			4,638,806,111	4,317,468,145
LIABILITIES					
229,658	195,190	Bills payable	14	52,001,577	44,196,984
2,578,144	1,926,672	Borrowings	15	583,771,399	436,258,005
15,321,859	14,936,117	Deposits and other accounts	16	3,469,342,252	3,381,998,398
-	-	Liabilities against assets subject to finance lease		-	-
83,354	54,648	Subordinated debt	17	18,874,000	12,374,000
-	22,447	Deferred tax liabilities	12	-	5,082,602
1,014,856	679,554	Other liabilities	18	229,795,069	153,872,354
19,227,871	17,814,628			4,353,784,297	4,033,782,343
1,258,759	1,252,858	NET ASSETS		285,021,814	283,685,802
REPRESENTED BY					
Shareholders' equity					
64,781	64,781	Share capital	19	14,668,525	14,668,525
387,630	359,383	Reserves		87,771,332	81,375,519
5,456	111,113	Surplus on revaluation of assets - net of tax	20	1,235,369	25,159,371
788,177	699,734	Unappropriated profit		178,467,639	158,441,418
1,246,044	1,235,011	Total equity attributable to the equity holders of the Bank		282,142,865	279,644,833
12,715	17,847	Non-controlling interest		2,878,949	4,040,969
1,258,759	1,252,858			285,021,814	283,685,802
CONTINGENCIES AND COMMITMENTS					
21					

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021 (US \$ in '000)		Note	2022 (Rupees in '000)	2021 (Rupees in '000)
1,925,979	1,158,207	Mark-up / return / profit / interest earned	23	436,101,037	262,253,962
1,194,794	577,814	Mark-up / return / profit / interest expensed	24	270,538,340	130,834,913
731,185	580,393	Net mark-up / return / profit / interest income		165,562,697	131,419,049
Non mark-up / interest income					
139,160	112,323	Fee and commission income	25	31,510,143	25,433,355
6,663	4,036	Dividend income		1,508,643	913,769
13,375	11,419	Share of profit of associates and joint venture		3,028,453	2,585,595
17,650	15,733	Foreign exchange income - domestic		3,996,526	3,562,356
13,683	3,708	Foreign exchange income - international		3,098,224	839,668
21,431	4,322	Foreign exchange income - unrealised gain related to derivatives		4,852,666	978,570
(11,562)	(804)	Loss from derivatives		(2,618,084)	(182,098)
3,825	4,524	Gain on securities - net	26	866,175	1,024,384
2,160	5,104	Other income	27	488,991	1,155,761
206,385	160,365	Total non mark-up / interest income		46,731,737	36,311,360
937,570	740,758	Total income		212,294,434	167,730,409
Non mark-up / interest expenses					
551,194	423,021	Operating expenses	28	124,807,455	95,784,969
6,619	5,623	Workers' Welfare Fund	29	1,498,693	1,273,226
2,105	2,461	Other charges	30	476,587	557,198
559,918	431,105	Total non mark-up / interest expenses		126,782,735	97,615,393
377,652	309,653	Profit before provisions and taxation		85,511,699	70,115,016
37,458	35,716	Provisions and write offs - net	31	8,481,761	8,087,105
340,194	273,937	Profit before taxation		77,029,938	62,027,911
188,279	117,126	Taxation	32	42,631,608	26,521,038
151,915	156,811	Profit after taxation		34,398,330	35,506,873
Attributable to:					
150,465	154,669	Equity holders of the Bank		34,070,087	35,021,853
1,450	2,142	Non-controlling interest		328,243	485,020
151,915	156,811			34,398,330	35,506,873
-----Rupees-----					
Basic and diluted earnings per share					
			33	23.23	23.88

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021 (US \$ in '000)		2022 (Rupees in '000)	2021 (Rupees in '000)
150,465	154,669	Profit after taxation for the year attributable to:	34,070,087	35,021,853
1,450	2,142	Equity holders of the Bank	328,243	485,020
151,915	156,811	Non-controlling interest	34,398,330	35,506,873
		Other comprehensive income / (loss)		
		<i>Items that may be reclassified to the profit and loss account in subsequent periods:</i>		
		Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax, attributable to:		
8,965	23,479	Equity holders of the Bank	2,030,066	5,316,304
195	376	Non-controlling interest	44,140	85,115
9,160	23,855		2,074,206	5,401,419
1,008	660	Increase in share of exchange translation reserve of associates - net of tax	228,146	149,385
		Movement in surplus / deficit on revaluation of investments - net of tax, attributable to:		
(102,645)	(47,271)	Equity holders of the Bank	(23,241,824)	(10,703,813)
(262)	(265)	Non-controlling interest	(59,349)	(60,040)
(102,907)	(47,536)		(23,301,173)	(10,763,853)
(2,259)	(413)	Movement in share of surplus / deficit on revaluation of investments of associates - net of tax	(511,607)	(93,613)
		<i>Items that are not to be reclassified to the profit and loss account in subsequent periods:</i>		
		Remeasurement gain / (loss) on defined benefit obligations - net of tax, attributable to:		
418	901	Equity holders of the Bank	94,733	204,020
(82)	(5)	Non-controlling interest	(18,656)	(1,152)
336	896		76,077	202,868
17	18	Share of remeasurement gain on defined benefit obligations of associates - net of tax	3,757	4,186
		Movement in surplus / deficit on revaluation of fixed assets - net of tax, attributable to:		
(889)	-	Equity holders of the Bank	(201,262)	-
(14)	-	Non-controlling interest	(3,081)	-
352	-	Transferred from surplus on revaluation of non-banking assets - net of tax	79,789	-
(551)	-		(124,554)	-
136	584	Movement in surplus on revaluation of non-banking assets - net of tax	30,850	132,680
(352)	-	Transferred to surplus on revaluation of fixed assets - net of tax	(79,789)	-
(216)	584		(48,939)	132,680
554	-	Movement in share of surplus / deficit on revaluation of fixed assets of associates - net of tax	125,161	-
57,057	134,875	Total comprehensive income	12,919,404	30,539,945
		Total comprehensive income attributable to:		
55,770	132,627	Equity holders of the Bank	12,628,107	30,031,002
1,287	2,248	Non-controlling interest	291,297	508,943
57,057	134,875		12,919,404	30,539,945

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Raymond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

	Attributable to shareholders of the Bank									Non-controlling interest	Total	
	Reserves					Surplus / (deficit) on revaluation of		Unappropriated profit	Sub Total			
	Share capital	Statutory	Capital	Surplus / (deficit) on revaluation of	Investments	Fixed / Non Banking Assets						
Joint venture and subsidiary	Bank (note 19.5)	Exchange translation (note 19.6)	Non-distributable	On acquisition of common control entity								
(Rupees in '000)												
Balance as at December 31, 2020	14,668,525	1,447,150	36,616,227	33,608,239	547,115	(156,706)	8,543,333	27,461,581	138,208,223	260,943,687	4,551,560	265,495,247
Comprehensive income for the year												
Profit after taxation for the year ended December 31, 2021	-	-	-	-	-	-	-	-	35,021,853	35,021,853	485,020	35,506,873
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax	-	-	5,316,304	-	-	-	-	-	-	5,316,304	85,115	5,401,419
Increase in share of exchange translation reserve of associates - net of tax	-	-	149,385	-	-	-	-	-	-	149,385	-	149,385
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	202,868	-	-	-	204,020	204,020	(1,152)	202,868
Share of remeasurement gain on defined benefit obligations of associates- net of tax	-	-	-	-	-	-	-	4,186	4,186	4,186	-	4,186
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	-	(10,703,813)	132,680	-	(10,571,133)	(10,571,133)	(60,040)	(10,631,173)
Movement in share of surplus / deficit on revaluation of assets of associates - net of tax	-	-	-	-	-	(93,613)	-	-	(93,613)	(93,613)	-	(93,613)
	-	-	5,465,689	-	-	(10,797,426)	132,680	35,230,059	30,031,002	508,943	30,539,945	
Transferred to statutory reserves	-	413,822	3,427,149	-	-	-	-	(3,840,971)	-	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	(195,114)	196,608	1,494	(1,494)	-	-
Exchange gain realised on liquidation of subsidiary - net of tax	-	-	(1,369)	-	-	-	-	-	(1,369)	-	-	(1,369)
Exchange gain realised on partial repatriation of branch capital - net of tax	-	-	(246,489)	-	-	-	-	-	(246,489)	-	-	(246,489)
Acquisition of additional interest in subsidiary	-	254,692	-	-	-	-	-	14,317	749,031	1,018,040	(1,018,040)	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 3 per share declared subsequent to the year ended December 31, 2020	-	-	-	-	-	-	-	(4,400,556)	(4,400,556)	-	-	(4,400,556)
1st interim cash dividend - Rs 1.75 per share	-	-	-	-	-	-	-	(2,566,992)	(2,566,992)	-	-	(2,566,992)
2nd interim cash dividend - Rs 1.75 per share	-	-	-	-	-	-	-	(2,566,992)	(2,566,992)	-	-	(2,566,992)
3rd interim cash dividend - Rs 1.75 per share	-	-	-	-	-	-	-	(2,566,992)	(2,566,992)	-	-	(2,566,992)
	-	-	-	-	-	-	-	(12,101,532)	(12,101,532)	-	-	(12,101,532)
Balance as at December 31, 2021	14,668,525	2,115,664	40,043,376	38,826,070	547,115	(156,706)	(2,254,093)	27,413,464	158,441,418	279,644,833	4,040,969	283,685,802
Comprehensive income for the year												
Profit after taxation for the year ended December 31, 2022	-	-	-	-	-	-	-	-	34,070,087	34,070,087	328,243	34,398,330
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax	-	-	2,030,066	-	-	-	-	-	2,030,066	44,140	2,074,206	
Increase in share of exchange translation reserve of associates - net of tax	-	-	228,146	-	-	-	-	-	228,146	-	228,146	
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	94,733	94,733	(18,656)	76,077	
Share of remeasurement gain on defined benefit obligations of associates- net of tax	-	-	-	-	-	-	-	3,757	3,757	-	3,757	
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	-	(23,241,824)	(170,412)	-	(23,412,236)	(23,412,236)	(62,430)	(23,474,666)
Movement in share of surplus / deficit on revaluation of assets of associates - net of tax	-	-	-	-	-	(511,607)	125,161	-	(386,446)	-	-	(386,446)
	-	-	2,258,212	-	-	(23,753,431)	(45,251)	34,168,577	12,628,107	291,297	12,919,404	
Transferred to statutory reserves	-	408,160	3,086,700	-	-	-	-	(3,494,860)	-	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	(71,979)	72,970	991	(991)	-	-
Acquisition of additional interest in subsidiaries	-	-	642,741	-	-	-	(57,067)	3,726	280,928	870,328	(1,452,326)	(581,998)
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 2.25 per share declared subsequent to the year ended December 31, 2021	-	-	-	-	-	-	-	(3,300,418)	(3,300,418)	-	-	(3,300,418)
1st interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	-	(3,300,418)	(3,300,418)	-	-	(3,300,418)
2nd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	-	(2,200,279)
3rd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	-	(2,200,279)
	-	-	-	-	-	-	-	(11,001,394)	(11,001,394)	-	-	(11,001,394)
Balance as at December 31, 2022	14,668,525	2,523,824	43,130,076	41,727,023	547,115	(156,706)	(26,064,591)	27,299,960	178,467,639	282,142,865	2,878,949	285,021,814

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021		Note	2022 (Rupees in '000)	2021
340,194	273,937	CASH FLOWS FROM OPERATING ACTIVITIES		77,029,938	62,027,911
(6,663)	(4,036)	Profit before taxation		(1,508,643)	(913,769)
(13,375)	(11,419)	Dividend income		(3,028,453)	(2,585,595)
8,355	5,472	Share of profit of associates and joint venture		1,891,880	1,239,075
(11,683)	(9,983)	Mark-up expensed on subordinated debt		(2,645,216)	(2,260,289)
328,511	263,954			74,384,722	59,767,622
34,370	30,778	Adjustments:		7,782,494	6,969,192
8,181	4,686	Depreciation		1,852,350	1,061,035
17,569	14,948	Amortisation		3,978,154	3,384,774
13,890	14,366	Depreciation on right-of-use assets		3,145,165	3,252,794
17,011	(5,559)	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets		3,851,708	(1,258,723)
26,249	33,763	Provision for / (reversal of) diminution in value of investments		5,943,661	7,645,044
2,757	840	Provision against loans and advances		624,244	190,136
(5,881)	6,803	Provision against other assets		(1,331,585)	1,540,508
373	(297)	(Reversal of) / provision against off-balance sheet obligations		84,390	(67,246)
(1,896)	(1,081)	Unrealised loss / (gain) on held-for-trading securities		(429,394)	(244,750)
-	(1,089)	Exchange gain on goodwill		-	(246,489)
-	(6)	Exchange gain realised on partial repatriation of branch capital - net of tax		-	(1,369)
(186)	(352)	Exchange gain realised on liquidation of subsidiary - net of tax		(42,024)	(79,639)
-	(71)	Gain on sale of fixed assets - net		-	(16,000)
6,619	5,623	Gain on sale of non-banking assets		1,498,693	1,273,226
119,056	103,352	Workers' Welfare Fund		26,957,856	23,402,493
447,567	367,306			101,342,578	83,170,115
(710,375)	(280,828)	(Increase) / decrease in operating assets		(160,850,855)	(63,588,239)
630,988	(322,301)	Landings to financial institutions		142,875,183	(72,978,890)
(1,242,739)	(1,285,964)	Held-for-trading securities		(281,394,487)	(291,181,919)
(138,805)	(151,508)	Advances		(31,429,797)	(34,306,119)
(1,460,931)	(2,040,601)	Other assets (excluding advance taxation)		(330,799,956)	(462,055,167)
34,468	(9,880)	Increase / (decrease) in operating liabilities		7,804,593	(2,237,215)
651,472	(476,303)	Bills payable		147,513,394	(107,849,821)
385,742	2,436,183	Borrowings from financial institutions		87,343,854	551,627,008
300,301	70,691	Deposits and other accounts		67,997,391	16,006,633
1,371,983	2,020,691	Other liabilities		310,659,232	457,546,605
358,619	347,396			81,201,854	78,661,553
(141,778)	(115,707)	Income tax paid		(32,102,961)	(26,199,570)
216,841	231,689	Net cash flows generated from operating activities		49,098,893	52,461,983
(613,454)	583,757	CASH FLOWS FROM INVESTING ACTIVITIES		(138,904,867)	132,180,606
(193,018)	(320,212)	Net investment in available-for-sale securities		(43,705,242)	(72,505,857)
(12,452)	(3,789)	Net investment in held-to-maturity securities		(2,819,460)	(857,866)
7,464	3,284	Net investment in associates		1,689,973	743,582
(85,961)	(59,939)	Dividend received		(19,464,322)	(13,571,964)
(33,759)	(13,255)	Investment in fixed assets		(7,644,075)	(3,001,342)
287	569	Investment in intangible assets		65,071	128,881
-	954	Proceeds from sale of fixed assets		-	216,000
9,973	24,138	Proceeds from sale of non-banking assets		2,258,212	5,465,689
(920,920)	215,507	Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax		(208,524,710)	48,797,729
		Net cash flows (used in) / generated from investing activities			
195	376	CASH FLOWS FROM FINANCING ACTIVITIES		44,140	85,115
28,706	-	Effect of translation of net investment by non-controlling interest in subsidiary		6,500,000	-
-	(44,084)	Proceeds from issuance of subordinated debt		-	(9,982,000)
(8,160)	(6,702)	Repayment of subordinated debt		(1,847,577)	(1,517,481)
(21,813)	(22,584)	Payment of mark-up on subordinated debt		(4,939,145)	(5,113,819)
(37,512)	(47,939)	Payment of lease liability against right-of-use assets		(8,493,514)	(10,855,155)
(38,584)	(120,933)	Dividend paid		(8,736,096)	(27,383,340)
(742,663)	326,263	Net cash flows used in financing activities		(168,161,913)	73,876,372
2,131,981	1,866,362	(Decrease) / increase in cash and cash equivalents during the year		482,746,454	422,601,823
101,328	40,685	Cash and cash equivalents at the beginning of the year		22,943,867	9,212,126
2,233,309	1,907,047	Effect of exchange rate changes on cash and cash equivalents		505,690,321	431,813,949
1,490,646	2,233,310	Cash and cash equivalents at the end of the year	34	337,528,408	505,690,321

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Raymond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1 THE GROUP AND ITS OPERATIONS

1.1 Holding company

Habib Bank Limited, Pakistan

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,714 (2021: 1,648) branches inside Pakistan including 294 (2021: 259) Islamic Banking Branches and 32 (2021: 37) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank, and its registered office is in Geneva, Switzerland.

1.2 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.

1.3 The Bank has decided to exit its operations in Mauritius and is considering various options regarding the same.

1.4 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.

1.5 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank has commenced an orderly and phase wise exit.

1.6 Subsidiaries

- Habib Allied Holding Limited – 100% (2021: 90.50%) shareholding

Habib Allied Holding Limited (HAHL) is a private limited company incorporated in the United Kingdom with its registered office at 9 Portman Street, London W1H6DZ, UK. HAHL is the holding company of HBL Bank UK Limited.

During the year, the Bank has purchased the remaining shareholding of 9.50% in HAHL from the minority shareholder. HAHL is now a wholly owned subsidiary of the Bank.

During the year, the Bank has also subscribed to 3 million shares issued, as Rights by HAHL.

- HBL Bank UK Limited – 100% (2021: 90.50%) effective shareholding

HBL Bank UK Limited (HBL UK) is a wholly owned subsidiary of HAHL and is incorporated in the United Kingdom. HBL UK provides a range of commercial banking services to individuals as well as to businesses. The registered office of HBL UK is at 9 Portman Street, London, UK W1H6DZ, UK. HBL UK operates a network of 4 (2021: 4) branches in the UK. During the year, HBL UK has closed its branch in Switzerland.

- HBL Currency Exchange (Private) Limited – 100% shareholding

HBL Currency Exchange (Private) Limited (HCEL) is a private limited company, incorporated in Pakistan. HCEL is licensed by the Securities and Exchange Commission of Pakistan (SECP) to carry out the business of dealing in foreign exchange. The registered office of the company is at Plot No. 49-A, Block-6, PECHS Nursery, Main Shahrah-e-Faisal, Karachi, Pakistan.

- HBL Asset Management Limited – 100% shareholding

HBL Asset Management Limited (HBL AMC) is an unlisted public limited company, incorporated in Pakistan. HBL AMC is licensed by the Securities and Exchange Commission of Pakistan (SECP) to carry out asset management and investment advisory services. The registered office of the company is at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

During the year, the Bank has subscribed to 140 million shares issued as Rights by HBL AMC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

- HBL Microfinance Bank Limited - 76.42% (2021: 71.43%) shareholding

HBL Microfinance Bank Limited (HBL MfB) is an unlisted public limited company, incorporated in Pakistan with its registered office at 16th-17th Floor, Habib Bank Tower, Blue Area, Islamabad, Pakistan. HBL MfB's principal business is to provide microfinance services to the under-served segments of society as envisaged under the Microfinance Institutions Ordinance, 2001. HBL MfB has 217 (2021: 213) business locations, comprising of branches and Permanent Booths.

During the year, the Bank has subscribed to 100 million shares issued, as Rights by HBL MfB. Consequently, the Bank's shareholding in HBL MfB has increased from 71.43% to 76.42%.

- Habib Bank Financial Services (Private) Limited – 100% shareholding

Habib Bank Financial Services (Private) Limited is a private limited company, incorporated in Pakistan under the Companies Act, 2017. It is registered as a Modaraba Management Company with the Registrar of Modaraba Companies and Modarabas, Islamabad. The registered office of the company is at 1st Floor, Bank House No-1, Habib Bank Square, M.A. Jinnah Road, Karachi, Pakistan.

2 BASIS OF PRESENTATION

2.1 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

Key financial figures of the Islamic banking branches are disclosed in Annexure I to these consolidated financial statements.

The US Dollar amounts shown in these consolidated financial statements are stated solely for information. The statement of financial position, profit and loss account, statement of comprehensive income and cash flow statement as at and for the years ended December 31, 2022 and 2021 have all been converted using an exchange rate of Rupees 226.4309 per US Dollar.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Bank and the financial statements of subsidiaries from the date on which control of the subsidiary by the Group commences until the date control ceases. The financial statements of the subsidiaries are incorporated on a line-by-line basis and the investment held by the Bank is eliminated against the corresponding share capital and pre-acquisition reserve of subsidiaries in the consolidated financial statements.

The financial statements of subsidiaries are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company. However:

- Non-banking subsidiaries in Pakistan follow the requirements of IFRS 7, Financial Instruments: Disclosures, IFRS 9, Financial Instruments or International Accounting Standard (IAS) 39, Financial Instruments: Recognition and Measurement as applicable to these entities, and IAS 40, Investment Property.
- Overseas operations comply with local regulations applicable within their respective jurisdictions.

Material intra-group balances and transactions are eliminated.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control established by contractual agreement. Associates and joint ventures are accounted for using the equity method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2.3 Statement of compliance

These consolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

The SECP has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' with effect from January 1, 2014. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions.

IFRS 10, Consolidated Financial Statements, was notified by the SECP as applicable for accounting periods beginning from January 1, 2015. However, the SECP, through SRO 56(1)/2016 dated January 28, 2016, has directed that the requirement of consolidation under this standard and under Section 228 of the Companies Act, 2017 is not applicable in the case of investments by a bank in mutual funds managed by its own asset management company and established under the trust structure. Therefore, investments by the Bank in mutual funds managed by HBL AMC are not consolidated, as would otherwise be required under the definition of control specified in IFRS 10.

2.4 Amendments to existing accounting and reporting standards that have become effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 1, 2022. These are considered either to not be relevant or to not have any significant impact on these consolidated financial statements.

2.5 Standards and amendments to existing accounting and reporting standards that are not yet effective

As directed by SBP via BPRD Circular no 3 of 2022, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2023, except for HBL MFB, where it is applicable from periods beginning on or after January 1, 2024. The Bank has elected for the modified retrospective approach for restatement.

The financial statements of overseas branches, subsidiaries and associates used for the purpose of consolidation will continue to be based on the respective host country's regulatory regime. For accounting periods beginning on or after January 1, 2024, banks will be required to comply with the SBP's application instructions for overseas branches, subsidiaries and associates in preparing the Bank's consolidated financial statements.

Except for the implementation of IFRS 9 in Pakistan, as discussed in note 2.5.1, the Bank expects that adoption of new standards and amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2.5.1 IFRS 9 Financial Instruments

The management of the Bank has performed an impact assessment of the application of IFRS 9, taking into account the SBP's application instructions. The assessment is based on currently available information and may be subject to change at the time of recognizing the impact of the initial adoption of IFRS 9. In addition, there will be changes in the classification of certain financial instruments. These changes and impacts are discussed below:

Governance, ownership and responsibilities

The Bank has adopted a governance framework under which the Board Audit Committee (BAC) is tasked with overseeing the implementation of IFRS 9. A Steering Committee for the implementation of IFRS 9, chaired by the CFO, is in place including representation from Risk, all front-line businesses, Operations and IT.

Risk Management has developed models / methodologies for calculating the Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and Credit Conversion Factors (CCF) for off-balance sheet exposures. These models shall be validated annually including:

- Expected credit loss (ECL) model design, data quality and benchmarking with external best practices.
- Calibration testing which ensures the accuracy of the observed PDs.

Finance identifies, prepares and extracts the data required for the modelling of risk parameters and the ECL calculations. The Bank has also implemented an automated system for the calculation of ECL as prescribed under IFRS 9 guidelines issued by the SBP.

Classification and measurement

The classification and measurement of financial assets depends on their contractual cash flow characteristics and the entity's business model. Financial assets are measured at amortized cost, Fair Value Through Profit & Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVOCI). Financial assets that do not meet the Solely Payment of Principal and Interest (SPPI) criteria are measured at FVTPL regardless of the business model in which they are held. The Bank has reviewed the impact of the initial adoption of IFRS 9 on its financial assets as follows:

Equity Securities

Listed equity securities currently classified as held-for-trading will be classified as FVTPL.

For certain listed equity securities currently classified as available-for-sale (AFS) with gains and losses recorded in OCI, the Bank will apply the option to classify them as FVOCI. Therefore, the application of IFRS 9 will not have an impact on initial adoption. However, in accordance with the requirements of the standard, gains and losses recognized in OCI will not be recycled through the profit and loss account on derecognition of these securities.

The remaining listed equity securities will be measured at FVTPL. The AFS reserve related to those securities is currently part of Surplus on Revaluation of Assets and will be reclassified to retained earnings, hence, there will be no impact on overall equity.

Unquoted equity securities are required to be measured at fair value under IFRS 9. However, the SBP has allowed banks to carry these investments under the current Prudential Regulations, i.e. at the lower of cost and break-up value, till accounting periods beginning on or after January 1, 2024.

Debt securities and Loans and advances

Certain debt securities currently classified as AFS and that pass the SPPI test, are expected to be measured at FVOCI as the Bank's business model is to hold the assets to collect contractual cash flows and also to sell those investments. The remaining debt securities that pass the SPPI test are expected to be measured at amortized cost as the Bank's business model is to hold the assets to collect contractual cashflows.

Debt securities currently classified as held-to-maturity (HTM) and that pass the SPPI test are expected to be measured at amortized cost.

Debt securities currently classified as HFT and certain debt instruments currently classified as AFS and which are not expected to pass the SPPI test, will be measured at FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Impairment

The impairment requirements apply to financial assets measured at amortized cost and FVOCI (other than equity instruments), and certain loan commitments and financial guarantee contracts. At initial recognition, an impairment allowance (or provision in the case of commitments and guarantees) is required for expected credit losses resulting from potential default events.

Based on the SBP's IFRS 9 application instructions, the Bank has performed an ECL assessment taking into account the following key elements:

- PD: The probability that a counterparty will default over the next 12 months from the reporting date (12-month ECL, Stage 1) or over the lifetime of the product (lifetime ECL, Stage 2).
- EAD: The expected balance sheet exposure at the time of default, incorporating expectations on drawdowns, amortization, pre-payments and forward-looking information where relevant.
- LGD: An estimate of the loss incurred on a facility upon default by a customer. LGD is calculated as the difference between contractual cash flows due and those that the Bank expects to receive, including from the liquidation of any form of collateral. It is expressed as a percentage of the exposure outstanding on the date of classification of an obligor.

For the purpose of ECL calculation, the Bank has used 5 years' data till December 31, 2022. Going forward, data for one additional year shall be included until the Bank has at least 10-year data. For calculating ECL, the Bank shall classify its financial assets under the following three categories:

- Stage 1: Performing Assets: For financial assets where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition, the Bank shall recognize an allowance based on the 12-month ECL.
- Stage 2: Under-Performing Assets: For financial assets where there has been a SICR since initial recognition, but which are not credit impaired, the Bank shall recognize an allowance based on lifetime ECL.
- Stage 3: Non-Performing Assets: For financial assets which have objective evidence of impairment at the reporting date, the Bank shall recognize ECL using the higher of the lifetime ECL computed under IFRS 9 and the provision required as per the Prudential Regulations.

Under the SBP's instructions, Government Securities and credit exposure in local currency guaranteed by the Government are exempted from the application of the ECL framework.

Significant increase in credit risk (SICR)

A SICR is assessed in the context of an increase in the risk of a default occurring over the life of the financial instrument compared to that expected at the time of initial recognition. It is not assessed in the context of an increase in the ECL. The Bank uses a number of qualitative and quantitative measures in assessing SICR. Quantitative measures relate to deterioration of Obligor Risk Ratings (ORR) or where principal and / or interest payments are past due:

- by 365 days or more for agriculture lending
- by 60 days or more for all other segments

Qualitative factors include, inter alia, unavailability of financial information and pending litigation.

At every reporting date, the Bank shall assess whether there has been a SICR since the initial recognition of the asset, in which case, the asset must be assigned to the appropriate stage of credit impairment (Stage 2 or 3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Presentation and disclosure

IFRS 9 also introduces expanded disclosure requirements and changes in presentation which will be incorporated as per the SBP's revised format.

Impact of adoption of IFRS 9

The Bank has performed a preliminary assessment of the potential impact of the adoption of IFRS 9. This is an estimate and the actual impact on the Bank's financial statements for the year 2023 will depend on the financial instruments that the Bank holds during that period and the economic conditions at that time, as well as accounting elections and judgements that it will make in future.

Classification and measurement

The classification of the Banks investments is expected to change as follows:

- Debt instruments amounting to Rs 228.910 billion will be reclassified from AFS to Amortised Cost.
- Equity securities amounting to Rs 1.784 billion will be reclassified from AFS to FVTPL.

Financial impact

The total estimated impact (net of tax) of the adoption of IFRS 9 on the opening balance of the Bank's equity as at January 1, 2023 is an increase of approximately Rs. 6.072 billion, representing:

- A decrease of Rs 8.265 billion in equity due to an increase in ECL.
- An increase of Rs. 14.337 billion in equity resulting from reclassification of investments as mentioned above.

Impact on regulatory capital

In order to mitigate the impact of ECL on capital, the SBP has permitted banks to adopt a transitional approach to phase in the impact over a period of five years. The transitional arrangement applies only to ECL for stage 1 and 2 financial assets.

2.6 Critical accounting estimates

The preparation of consolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Group's financial statements or where judgement was exercised in the application of accounting policies are as follows:

- i) Classification of investments (note 4.3)
- ii) Valuation and impairment of investments, associates and joint venture (note 4.3)
- iii) Provision against advances (note 4.4)
- iv) Valuation and depreciation of fixed assets (note 4.5)
- v) Valuation and depreciation of right-of-use assets and their related lease liability (note 4.6)
- vi) Valuation and amortization of intangible assets (note 4.7)
- vii) Valuation of non-banking assets acquired in satisfaction of claims (note 4.8)
- viii) Valuation of defined benefit plans (note 4.12)
- ix) Taxation (note 4.15)
- x) Fair value of derivatives (note 4.21)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

During the year, the Bank has reviewed its estimate of the useful life of Point of Sale (POS) terminals in its domestic operations and the useful life of intangibles in its China branches, which has resulted in a change in the Bank's estimate of their useful lives. These revisions have been accounted for as a change in accounting estimate as per the requirements of IAS 8 and accordingly, have been recognised prospectively in the consolidated profit and loss account from the current year.

The impact of these changes is disclosed in note 10.2.1 and 11.3.3 respectively.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except for:

- Certain classes of fixed assets and non-banking assets acquired in satisfaction of claims, which are stated at revalued amounts less accumulated depreciation.
- Investments classified as held-for-trading and available-for-sale, which are measured at fair value.
- Derivative financial instruments, including forward foreign exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liability, which are measured at their present values.
- Net obligations in respect of defined benefit schemes, which are measured at their present values.

3.2 Functional and presentation currency

These consolidated financial statements are presented in Pakistani rupees, which is the Group's functional currency. Amounts are rounded to the nearest thousand Rupees.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year.

4.1 Cash and cash equivalents

Cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

4.2 Lending / borrowing transactions with financial institutions

The Group enters into transactions of reverse repos and repos at contracted rates for a specified period of time. These are recorded as under:

4.2.1 Purchases under resale agreements (reverse repo)

Securities purchased under resale agreements are not recognised as investments in the financial statements and the amount extended to the counterparty is included in lendings to financial institutions. The difference between the purchase price and the contracted resale price is accrued on a time proportion basis over the period of the contract and recorded as markup income.

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4.2.2 Sales under repurchase agreements (repo)

Securities sold under repurchase agreements continue to be recognised as investments in the financial statements and the liability to the counterparty is included in borrowings. The difference between the sale price and the contracted repurchase price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest expense.

4.2.3 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuks on a deferred payment basis and are shown in lendings to financial institutions except for transactions undertaken directly with the Government of Pakistan which are disclosed as investments. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the life of the transaction.

4.3 Investments

The Group classifies its investments, other than its investments in associates and joint ventures, into the following categories:

Held-for-trading

These are securities included in a portfolio in which a pattern of short-term trading exists, or which are acquired for generating a profit from short-term fluctuations in market prices or interest rate movements. Under normal circumstances, these securities are required to be sold within 90 days from the date of their purchase.

Held-to-maturity

These are securities with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold till maturity.

Available-for-sale

These are investments, other than investments in associates and joint ventures, that do not fall under the held-for-trading or held-to-maturity categories.

4.3.1 Initial measurement

All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. The trade date is the date on which the Group commits to purchase or sell the investment.

In the case of investments classified as held-for-trading, transaction costs are expensed through the profit and loss account. Transaction costs associated with investments other than those classified as held-for-trading are included in the cost of the investments.

4.3.2 Subsequent measurement

Held-for-trading

Investments classified as held-for-trading are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is taken to the profit and loss account.

Held-to-maturity

Investments classified as held-to-maturity are subsequently measured at amortised cost using the effective interest rate method, less any impairment recognised to reflect irrecoverable amounts.

Available-for-sale

Listed securities classified as available-for-sale are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is recorded in the surplus / deficit on revaluation of securities account (shown as part of equity in the statement of financial position) and is taken to the profit and loss account either when realised upon disposal or when the investment is considered to be impaired.

Unlisted equity securities are carried at the lower of cost and break-up value. The break-up value is calculated with reference to the net assets of the investee company as per its latest available audited financial statements. The Bank may also use unaudited or management accounts to determine if any additional impairment needs to be charged beyond amounts already charged based on audited financial statements. Other unlisted securities are valued at cost less impairment, if any.

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4.3.3 Investments in associates and joint ventures

Associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost. The carrying amount is subsequently increased / decreased to recognize the investor's share of the investee's profit and loss and reserves subsequent to the date of acquisition. The share of the investee's profit and loss is recognised through the profit and loss account while the share of reserves is recognised through Other Comprehensive Income.

4.3.4 Impairment

The Group determines that available-for-sale listed equity investments are impaired when there has been a significant or prolonged decline in the fair value of these investments below their cost. The determination of what is significant or prolonged requires judgement. In making this judgement, the Group evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial condition of the investee, industry and sector performance and changes in technology. A subsequent increase in the fair value of a previously impaired listed equity security is recorded in the statement of financial position in the surplus / deficit on revaluation of securities account and only recorded through the profit and loss account when realised on disposal.

A decline in the carrying value of unlisted equity securities is charged to the profit and loss account. A subsequent increase in the carrying value, up to the cost of the investment, is credited to the profit and loss account.

Provision for diminution in the value of debt securities held in Pakistan is made as per the Prudential Regulations issued by the SBP. Provision against investments by the Group's overseas operations is made as per the requirements of their respective regulatory regimes.

When a debt security, classified as available-for-sale, is considered to be impaired, the balance in the surplus / deficit on revaluation of securities account is transferred to the profit and loss account as an impairment charge. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the profit and loss account.

When a debt security, classified as held-to-maturity, is considered to be impaired, the impairment is directly charged to the profit and loss account as held-to-maturity securities are carried at amortized cost. Any subsequent reversal of an impairment loss, up to the cost of the investment in the debt security, is credited to the profit and loss account.

Provision for diminution in the value of other securities is made after considering objective evidence of impairment.

The Group considers that a decline in the recoverable value of its investments in associates and joint ventures below their carrying value may be evidence of impairment. Recoverable value is calculated as the higher of fair value less costs to sell and value in use. An impairment loss is recognised when the recoverable value falls below the carrying value and is charged to the profit and loss account. Any subsequent reversal of an impairment loss, up to the carrying value of the investment in associates and joint ventures, is credited to the profit and loss account.

4.4 Advances

Advances are stated net of specific and general provisions. Provision against advances by the Group's operations in Pakistan is made in accordance with the requirements of the Prudential Regulations. Provision against advances by the Group's overseas operations is made as per the requirements of their respective regulatory regimes. Advances are written off in line with the Bank's policy when there are no realistic prospects of recovery.

Since 2020, several borrowers have been severely impacted, initially by the COVID-19 pandemic, and since then, by the stressed economic conditions. The potential impact of the economic stress is difficult to predict, as many such borrowers have also availed the SBP enabled deferment / restructuring & rescheduling relief. Hence, management feels that it is appropriate to maintain an additional general provision on the domestic, funded performing credit portfolio excluding:

- Government guaranteed exposure
- Consumer and staff lending
- Exposure secured by cash / near cash collateral

This additional provision as at any statement of financial position date, is based on management's best estimate and can be up to a maximum of 1% of the above mentioned portfolio. HBL MfB also maintains an additional general provision, based on management's best estimate, in respect of the portion of its microfinance portfolio which has been deferred, restructured or rescheduled under the SBP scheme and on account of the devastating floods in 2022 which have impacted customers in its area of operations.

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4.4.1 Finance lease receivables

Leases where the Group transfers a substantial portion of the risks and rewards incidental to the ownership of an asset to the lessee are classified as finance leases. A receivable is recognised at an amount equal to the present value of the future lease payments including any guaranteed residual value. The net investment in finance lease is included in advances.

4.4.2 Islamic financing and related assets

Murabaha financing is a cost plus profit transaction. Funds disbursed for the purchase of goods are recorded as an advance against Murabaha. Once the goods are sold to the customers, the transaction is recorded as financing. Goods purchased by the Bank but remaining unsold are recorded as inventories.

The financing is recorded at the deferred sale price. Profit earned on financing is recognised as unearned income and amortised into the profit and loss account over the term of the Murabaha financing. It is possible for Bank to buy the inventory on customer's behalf and sell it to the customers on spot basis. In this case, the entire profit is recognised immediately in the profit and loss account.

Under Ijarah financing, the Bank transfers the rights to use an asset to the customer for an agreed period for an agreed consideration. Assets given under Ijarah are stated at cost less accumulated depreciation, residual value and impairment losses, if any. The depreciation is calculated on a straight-line basis over the term of the Ijarah after taking into account the estimated residual value. Impairment of Ijarah assets is recognised in line with the Prudential Regulations or upon the occurrence of an impairment event which indicates that the carrying value of the Ijarah asset may exceed its recoverable amount. The Ijarah rental received / receivable is recognised as income on an accrual basis.

Gains or losses on disposal of Ijarah assets are taken to the profit and loss account in the period in which they arise.

For Running Musharakah the Bank and the customer enter a Musharakah (transaction or business partnership arrangement) where the Bank agrees to finance the operating activities of the customer's business and share the profit or loss at a pre-agreed ratio. Profit is provisionally recognised on an accrual basis and is adjusted once the customer declares the final profit after issuance of audited financial statements.

Under Diminishing Musharakah financing, the Bank and the customer create joint beneficial ownerships over tangible assets to fulfill the customer's capital expenditure / project requirements. The Bank receives periodic payments, partly for renting its portion of the assets to the customer and partly for the gradual transfer / sale of its share of ownership to the customer. The rental payment is recognised as profit while the asset transfer / sale payments are applied towards reducing the outstanding principal.

Under Istisna financing, the Bank gives an advance to customers for manufacturing goods and may allow their sale immediately after the goods are manufactured or allow a pre-agreed time to sell the goods on deferred payment basis as the Bank's agent to a third party. Profit is recognised at the time when the goods are sold to the third party. In case of a deferred sale, the profit is recognised on an accrual basis over the term of the financing.

Under Tijarah financing, the Bank purchases finished goods from the customer against payment, takes possession and appoints the customer as an agent to sell these goods to the ultimate buyer, generally on a deferred payment basis. Goods purchased by the Bank and sold by the customer on a deferred payment basis are recognised as financing while goods purchased by the Bank but remaining unsold by the customer are recorded as inventories. Profit on the financing is recognised on an accrual basis over the period of transaction.

Wakalah is an agency contract in which the Bank provides funds to a customer to invest in a Shariah compliant manner. This is recorded as financing and profit is recognised on an accrual basis and is adjusted once the customer declares Wakalah business performance.

Salam is a sale whereby the Bank undertakes to supply some specific commodity (ies) or asset (s) to the customer at a future date in exchange for an advance price fully paid on spot.

Currency Salam is an exchange or sale of a currency with another currency at a future date, at conversion rate within the spot range on the day of such contract execution.

Under Musawamah financing, the Bank purchases the goods and, after taking possession, sells them to the customer at an agreed price without disclosing the cost. Goods purchased by the Bank can either be sold to the customer as a spot transaction or on a deferred payment basis. Goods purchased by the Bank but remaining unsold are recorded as inventories.

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4.5 Fixed Assets

Fixed assets are stated at cost, except for land and buildings which are carried at revalued amounts, less any applicable accumulated depreciation and accumulated impairment losses.

Land, capital work-in-progress and works of art are not depreciated. Other items included in fixed assets are depreciated over their expected useful lives using the straight-line method. Depreciation is calculated to write down the assets to their residual values over their expected useful lives at the rates specified in note 10.2 to these consolidated financial statements. Depreciation on additions is charged from the month in which the assets are available for use. No depreciation is charged in the month in which the assets are disposed off. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Land and buildings are revalued by independent professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. If an asset's carrying value increases as a result of revaluation, such increase or surplus arising on revaluation is credited to the surplus on revaluation of fixed assets account. However, if the increase reverses a deficit on the same asset previously recognised in the profit and loss account, such increase is also recognised in the profit and loss account to the extent of the previous deficit and thereafter in the surplus on the revaluation of fixed assets account. Any accumulated depreciation at the date of revaluation is eliminated against any additional surplus on revaluation and the net carrying value is restated at the revalued amount of the asset.

Surplus on revaluation of fixed assets (net of associated deferred tax) is transferred to unappropriated profit to the extent of the incremental depreciation charged on the related assets.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred. Major repairs and renovations that increase the useful life of an asset are capitalised.

Gains or losses arising on the disposal of fixed assets are included in the profit and loss account. Surplus on revaluation (net of deferred tax) realised on disposal of fixed assets is transferred directly to unappropriated profit.

4.6 Right-of-use assets and their related lease liability

4.6.1 Right-of-use assets

On initial recognition, right-of-use assets (ROU) are measured at an amount equal to the initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to restore the underlying asset or the site on which it is located to its original condition.

ROU assets are subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. Such remeasurement only occurs in cases where the terms of the lease are changed during the lease tenor.

ROU assets are depreciated using the straight-line method over a period starting from the commencement date of the lease contract to the end of the estimated useful life of the ROU asset or the end of the lease term, whichever is earlier. The estimated useful lives of ROU assets are determined on the same basis as that for owned assets. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

4.6.2 Lease liability against ROU assets

Lease liabilities against ROU assets are initially measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then at the applicable incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate method.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as markup expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

4.7 Intangible assets

4.7.1 Intangible assets other than goodwill

Intangible assets having a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised over their estimated useful lives using the straight-line method. Amortisation is calculated to write down the assets to their residual values over their expected useful lives at the rates stated in note 11.1 to these consolidated financial statements. Amortisation on additions is charged from the month in which the assets are available for use. No amortisation is charged in the month in which the assets are disposed off. The residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

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Intangible assets which arise from contractual or other legal rights on the acquisition of another entity and are deemed separable are considered as part of the net identifiable assets acquired. These are initially measured at fair value. Intangible assets with a finite useful life are amortized over their expected useful lives and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets having an indefinite useful life are stated at cost less impairment, if any. Such intangible assets are tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of intangible assets is recognised through the profit and loss account. Any subsequent reversal of an impairment loss, up to the extent of the impairment, is credited to the profit and loss account.

4.7.2 Goodwill

Goodwill arises in a business combination and is initially recognised at fair value as the excess of the purchase price paid over the fair value of the specifically identifiable tangible and intangible assets and liabilities acquired. Goodwill is subsequently carried at its initially recorded amount less impairment, if any. Goodwill is tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of goodwill is recognised through the profit and loss account.

4.8 Non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims are initially recorded at cost and are carried at revalued amounts less accumulated depreciation and impairment, if any. These assets are revalued with sufficient regularity by professionally qualified valuers to ensure that their net carrying value does not differ materially from their fair value. An increase in the market value over the acquisition cost is recorded as a surplus on revaluation. A decline in the market value is adjusted against the surplus of that asset or, if no surplus exists, is charged to the profit and loss account as an impairment. A subsequent increase in the market value of an impaired asset is reversed through the profit and loss account up to the extent of the impairment and thereafter credited to the surplus on revaluation of that asset. All direct costs of acquiring title to the asset are charged immediately to the profit and loss account.

Depreciation on assets acquired in satisfaction of claims is charged to the profit and loss account on the same basis as depreciation charged on the Group's owned fixed assets.

If the recognition of such assets results in a reduction in non-performing loans, such reductions and the corresponding reductions in provisions held against non-performing loans are disclosed separately.

These assets are generally intended for sale. Gains and losses realised on the sale of such assets are disclosed separately from gains and losses realised on the sale of fixed assets. Surplus on revaluation (net of deferred tax) realised on disposal of these assets is transferred directly to unappropriated profit.

However, if such an asset, subsequent to initial recording, is used by the Group for its own operations, the asset, along with any related surplus, is transferred to fixed assets.

4.9 Borrowings / deposits

Borrowings / deposits are recorded at the amount of proceeds received. The cost of borrowings / deposits is recognised as an expense on an accrual basis in the period in which it is incurred.

4.10 Subordinated debt

Subordinated debt is recorded at the amount of proceeds received. Mark-up accrued on subordinated debt is charged to the profit and loss account.

4.11 Acceptances

Acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. Acceptances are recognised as a financial liability in the statement of financial position with the contractual right of reimbursement from the customer recognised as a financial asset.

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4.12 Employee benefits

The Bank operates a number of post-retirement benefit plans, which include both defined contribution plans and defined benefit plans.

For defined contribution plans, the Bank pays contributions to the fund on a periodic basis, and such amounts are charged to the profit and loss account when the payment obligation is established. The Bank has no further payment obligations once the contributions have been paid.

For funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations less the fair value of plan assets as at the statement of financial position date. Contributions to the fund are made by the Bank on a periodic basis.

For non-funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations as at the statement of financial position date.

The liability in respect of all obligations under defined benefit schemes is calculated annually by an independent actuary using the Projected Unit Credit Method.

Actuarial gains and losses

Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income with no subsequent recycling through the profit and loss account. Gains and losses on remeasurement of the liability for compensated absences are recognised in the profit and loss account.

Past Service Cost

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment and is recognised through the profit and loss account when the plan is amended.

Current Service Cost

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period, and is recognised through the profit and loss account.

4.13 Foreign currency

4.13.1 Foreign currency transactions

Transactions in foreign currencies are translated into rupees at the foreign exchange rates prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into rupees at the rates of exchange prevailing on the date of the statement of financial position. Forward transactions in foreign currencies and foreign bills purchased are translated at forward foreign exchange rates applicable to their respective maturities.

4.13.2 Foreign operations

The assets and liabilities of foreign operations are translated to Pakistani rupees at exchange rates prevailing at the date of the statement of financial position. The income and expenses of foreign operations are translated to Pakistani Rupees at average rates of exchange prevailing during the year.

Goodwill arising on the acquisition of an entity by an overseas subsidiary is treated as an asset of the overseas subsidiary and is translated at foreign exchange rates prevailing as at the date of the statement of financial position.

4.13.3 Translation gains and losses

Gains and losses arising from foreign currency translations are taken to the profit and loss account, except those arising from the translation of the net investment in foreign branches, associates, joint ventures and subsidiaries, which are recognized through the statement of other comprehensive income as an Exchange Translation Reserve (ETR). Balances in the ETR are only taken to the profit and loss account on disposal of the investment.

4.13.4 Contingencies and Commitments

Commitments for outstanding forward foreign exchange contracts are disclosed in the financial statements at contracted rates. Contingent liabilities / commitments denominated in foreign currencies are expressed in rupee terms at the rates of exchange prevailing on the date of the statement of financial position.

4.14 Income recognition

Revenue is recognised to the extent that the economic benefits associated with a transaction will flow to the Group and the revenue can be reliably measured.

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4.14.1 Advances and investments

Income on performing advances and debt securities is recognised on a time proportion basis as per the terms of the contract. Where debt securities are purchased at a premium or discount, such premium / discount is amortised through the profit and loss account over the remaining maturity of the debt security using the effective yield method.

Income recoverable on classified advances and investments is recognised on a receipt basis. Income on rescheduled / restructured advances and investments is recognised as permitted by SBP regulations or by the regulatory authorities of the countries in which the Group operates.

4.14.2 Lease financing

Income from lease financing is accounted for using the financing method. Under this method, the unearned lease income (defined as the sum of total lease rentals and estimated residual value less the cost of the leased assets) is taken to income over the term of the lease so as to produce a constant periodic rate of return on the outstanding net investment in the lease. Gains and losses on termination of lease contracts are recognised through the profit and loss account when these are realised. For classified leases, unrealised lease income and other fees are recognised on a receipt basis.

4.14.3 Fee, Commission and Brokerage Income

Fee, commission and brokerage income is recognised on an accrual basis.

4.14.4 Dividend income

Dividend income is recognised when the right to receive the dividend is established.

4.15 Taxation

Income tax expense comprises of the charge for current and prior years and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity.

4.15.1 Current

The charge for current taxation is calculated on taxable income earned during the year from local as well as foreign operations using tax rates enacted as at the date of the statement of financial position.

4.15.2 Prior years

The charge for prior years represents adjustments to the tax charge for prior years, arising from assessments, changes in estimates, and retrospectively applied changes to law, made during the current year.

4.15.3 Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deductible temporary differences (deferred tax assets) are temporary differences that are deductible from the taxable income of future periods when the carrying amount of the underlying asset or liability is recovered or settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Taxable temporary differences (deferred tax liabilities) are temporary differences that will result in a tax liability in future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax is calculated at the tax rates that are expected to be applicable to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted as at the date of the statement of financial position.

The Bank also records a deferred tax asset / liability on items recognised directly in the statement of comprehensive income such as surplus / deficit on revaluation of assets and actuarial gains / losses. These items are disclosed net of the related deferred tax asset / liability.

Deferred tax assets are reviewed annually for impairment. Where objective evidence exists that the carrying value of a deferred tax asset may not be recoverable, the deferred tax asset is reduced to its recoverable value. The difference between the carrying value and the recoverable value is recognised through the profit and loss account as a deferred tax expense.

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4.16 Impairment of non-financial assets

The carrying values of non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable value of the asset is estimated. An impairment loss is recognised through the profit and loss account whenever the recoverable value of an asset is lower than its carrying value.

A subsequent increase in the recoverable value of the asset results in a reversal of the impairment loss through the profit and loss account, up to the original carrying value of the asset, if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

4.17 Provisions

Provisions are recognised when the Group has present legal or constructive obligations as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision for off balance sheet obligations is recognised when the Bank becomes aware of the obligation and reasonable certainty exists that the Group will settle the obligation. The charge to the profit and loss account is stated net of expected recoveries and the obligation is recognised in other liabilities.

Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

4.18 Contingent Liabilities

Contingent liabilities are not recognised in the statement of financial position as they are possible obligations where it has yet to be confirmed whether a liability, which will ultimately result in an outflow of economic resources to settle the obligation, will arise. In cases where the probability of an outflow of economic resources is considered remote, it is not disclosed as a contingent liability.

4.19 Off setting

Financial assets and financial liabilities are set-off and the net amount is reported in the consolidated financial statements when there is a legally enforceable right to set-off and the Group intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

4.20 Financial Assets and Liabilities

Financial assets and liabilities carried on the statement of financial position include cash and bank balances, lending to financial institutions, investments, advances, certain other receivables, bills payable, borrowings, deposits, subordinated debt, lease liabilities against ROU assets and certain payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the relevant policy notes.

4.21 Derivative Financial Instruments

Derivative financial assets and liabilities are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair values using appropriate valuation techniques. Derivative financial instruments are carried as an asset when the fair value is positive and as a liability when the fair value is negative. Any change in the fair value of derivative financial instruments is taken directly to the profit and loss account.

4.22 Dividends and appropriation to reserves

Dividends and appropriations to reserves, which are approved subsequent to the date of the statement of financial position are, except where required by law, recognised in the year in which these are approved and disclosed as a non-adjusting event after the balance sheet date.

4.23 Earnings per share

The Group presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing profit after tax for the year attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is not calculated separately, as the Bank does not have any convertible instruments in issue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

4.24 Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing unique products or services (business segment), or in providing products or services within a particular geographic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4.24.1 Business segments

The Group is managed along the following business lines for monitoring and reporting purposes:

i) *Branch banking*

This segment pertains to the branch distribution network, its related deposit and other products and general banking services.

ii) *Consumer, SME and agriculture lending*

This segment pertains to loan products offered to the Consumer, SME and Agriculture segments.

iii) *Islamic banking*

This segment pertains to all business lines of the Islamic banking network and includes all Islamic products offered by the bank.

iv) *Corporate, commercial and investment banking*

This segment provides a wide variety of financial products and services to large and medium sized clients, across the entire spectrum of industrial sectors.

v) *International and correspondent banking*

This segment includes all international branches and subsidiaries, the financial institutions business and global remittances.

vi) *Treasury*

This segment is responsible for asset / liability management and includes all treasury related products such as fixed income money market, FX and derivatives.

vii) *Asset management*

This segment pertains to HBL Asset Management Limited.

viii) *Microfinance*

This segment pertains to HBL Microfinance Bank Limited.

ix) *Head Office / Others*

This segment includes numbers related to HBL Konnect, Head Office functions and HBL Currency Exchange.

4.24.2 Geographical segments

The Group is managed along the following geographic lines for monitoring and reporting purposes:

i) *Pakistan (including KEPZ)*

This includes the domestic operations and HBL's KEPZ branch.

ii) *Middle East and Africa*

This includes UAE, Bahrain, Oman, Lebanon and Mauritius.

iii) *Asia*

This includes Afghanistan, Bangladesh, China, Maldives, Singapore and Sri Lanka.

iv) *Europe*

This includes Belgium, Turkey and the United Kingdom.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
5 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		74,268,200	48,996,151
Foreign currencies		7,583,546	5,505,082
		81,851,746	54,501,233
With State Bank of Pakistan in			
Local currency current accounts	5.1	118,025,638	147,418,412
Local currency special deposit account		-	2,531,227
Foreign currency current accounts	5.2	292,436	8,637,953
Foreign currency deposit accounts	5.3	655,439	18,104,962
		118,973,513	176,692,554
With other Central Banks in			
Foreign currency current accounts	5.4	57,271,642	58,855,062
Foreign currency deposit accounts	5.5	35,609,011	12,755,756
		92,880,653	71,610,818
With National Bank of Pakistan in			
Local currency current accounts		1,757,957	137,197,419
Local currency deposit account	5.6	389,942	948,771
		2,147,899	138,146,190
National Prize Bonds		161,575	301,451
		296,015,386	441,252,246

- 5.1 These represent local currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.2 These represent foreign currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.3 This includes a foreign currency deposit account maintained under the Special Cash Reserve Requirement (SCRR) of the SBP which carries mark-up at a rate of 3.14% per annum (2021: 0.00% per annum) and a foreign currency settlement account maintained with the SBP which carries mark-up at a rate of 0.00% per annum (2021: 0.00% per annum).
- 5.4 These represent balances held with the central banks of the countries in which the Group operates, in accordance with local statutory / regulatory requirements. These include balances in remunerative current accounts amounting to Rs 25,309.932 million (2021: Rs 23,272.206 million), which carry mark-up at rates ranging from 1.04% to 3.50% per annum (2021: 0.08% to 0.32% per annum).
- 5.5 These represent balances held with the central banks of the countries in which the Group operates, in accordance with local regulatory requirements. These carry mark-up at rates ranging from 0.00% to 14.50% per annum (2021: 0.00% to 9.50% per annum).
- 5.6 This represents a deposit account maintained with National Bank of Pakistan. This carries mark-up at a rate of 12.25% per annum (2021: 7.25% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
6 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		764,679	317,534
In deposit accounts	6.1	412,037	18,430,779
		1,176,716	18,748,313
Outside Pakistan			
In current accounts	6.2	25,939,811	32,804,685
In deposit accounts	6.3	14,396,495	12,885,077
		40,336,306	45,689,762
		41,513,022	64,438,075

6.1 These carry mark-up at rates ranging from 5.50% to 15.00% per annum (2021: 5.00% to 11.50% per annum).

6.2 This includes an amount of Rs 5,564.242 million (2021: 1,937.318 million) in remunerative current accounts which carry mark-up at rates ranging from 0.01% to 1.00% per annum (2021: 0.01% to 1.20% per annum).

6.3 These carry mark-up at rates ranging from 0.01% to 30.50% per annum (2021: 0.00% to 18.50% per annum).

	Note	2022 (Rupees in '000)	2021
7 LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings		-	24,600,000
Repurchase agreement lendings (reverse repo)	7.2	254,593,287	64,970,746
Bai Muajjal receivable from financial institutions		-	4,171,686
		254,593,287	93,742,432

7.1 Lendings to financial institutions are all in local currency.

7.2 Repurchase agreement lendings carry mark-up at rates ranging from 15.95% to 16.60% per annum (2021: 9.50% to 10.65% per annum) and are due to mature latest by January 06, 2023.

7.2.1 Securities held as collateral against lendings to financial institutions

	2022			2021		
	Held by Group	Further given as collateral	Total	Held by Group	Further given as collateral	Total
	----- (Rupees in '000) -----					
Market Treasury Bills	92,318,287	-	92,318,287	17,766,592	-	17,766,592
Pakistan Investment Bonds	162,275,000	-	162,275,000	47,204,154	-	47,204,154
	254,593,287	-	254,593,287	64,970,746	-	64,970,746

7.2.2 The market value of securities held as collateral against repurchase agreement lendings amounted to Rs 254,221.016 million (2021: Rs 64,982.010 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

8	INVESTMENTS	Note	2022				2021			
			Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
8.1	Investments by type		(Rupees in '000)							
	Held-for-trading (HFT) securities									
	Federal Government securities									
	- Market Treasury Bills	8.3	5,885,581	-	(7,865)	5,877,716	111,592,255	-	(31,517)	111,560,738
	- Pakistan Investment Bonds		52,471,296	-	(85,104)	52,386,192	92,201,740	-	110,414	92,312,154
	Shares									
	- Listed companies		132	-	(41)	91	332,860	-	(24,270)	308,590
	Foreign securities									
	- Government debt securities		3,278,776	-	8,620	3,287,396	316,867	-	12,619	329,486
			61,635,785	-	(84,390)	61,551,395	204,443,722	-	67,246	204,510,968
	Available-for-sale (AFS) securities									
	Federal Government securities									
	- Market Treasury Bills	8.3 & 8.6	222,762,973	-	(396,299)	222,366,674	279,633,112	-	108,423	279,741,535
	- Pakistan Investment Bonds	8.3	936,341,475	-	(29,604,154)	906,737,321	806,059,810	-	(4,943,247)	801,116,563
	- Ijarah Sukuk		125,360,260	-	(2,772,531)	122,587,729	119,617,967	-	(537,141)	119,080,826
	- Government of Pakistan US Dollar Bonds		18,895,230	(2,213,447)	(8,221,230)	8,460,553	16,378,045	(347,350)	438,586	16,469,281
	- Other Federal Government securities		4,686,060	-	-	4,686,060	1,016,120	-	-	1,016,120
	Shares									
	- Listed companies		6,329,024	(2,097,873)	(242,961)	3,988,190	8,170,830	(1,962,154)	427,255	6,635,931
	- Unlisted companies		5,372,888	(119,718)	-	5,253,170	5,372,623	(91,009)	-	5,281,614
	Non-Government debt securities									
	- Listed		52,253,137	(602,689)	(2,566,098)	49,084,350	51,499,951	(78,236)	638,300	52,060,015
	- Unlisted		2,664,233	(413,232)	16,321	2,267,322	1,648,381	(247,381)	24,000	1,425,000
	Foreign securities									
	- Government debt securities		126,975,290	(1,672,462)	(739,952)	124,562,876	75,576,649	(264,753)	32,707	75,344,603
	- Non-Government debt securities									
	- Listed		9,364,897	(1,124,713)	(132,840)	8,107,344	13,428,106	(990,667)	140,089	12,577,528
	- Unlisted		5,461,354	-	593	5,461,947	-	-	-	-
	- Equity securities - Unlisted		7,762	(197)	-	7,565	6,318	(156)	-	6,162
	National Investment Unit Trust units		11,113	-	27,057	38,170	11,113	-	35,335	46,448
	Real Estate Investment Trust units									
	- Listed		55,000	-	13,200	68,200	55,000	-	5,800	60,800
	- Unlisted		1,575,000	-	-	1,575,000	-	-	-	-
	Preference shares									
	- Listed		744,400	-	172,200	916,600	744,400	-	80,500	824,900
	- Unlisted		354,985	(285,793)	-	69,192	176,985	(150,075)	-	26,910
			1,519,215,081	(8,530,124)	(44,446,694)	1,466,238,263	1,379,395,410	(4,131,781)	(3,549,393)	1,371,714,236
	Held-to-maturity (HTM) securities	8.7								
	Federal Government securities									
	- Market Treasury Bills		109,068,345	-	-	109,068,345	397,178	-	-	397,178
	- Pakistan Investment Bonds	8.3, 8.4 & 8.5	232,170,109	-	-	232,170,109	285,685,656	-	-	285,685,656
	- Government of Pakistan US Dollar Bonds		5,265,790	(379,077)	-	4,886,713	-	-	-	-
	- Other Federal Government securities		-	-	-	-	10,794,000	-	-	10,794,000
	Non-Government debt securities									
	- Listed		1,733,442	-	-	1,733,442	2,365,422	-	-	2,365,422
	- Unlisted		18,301,991	-	-	18,301,991	22,851,835	-	-	22,851,835
	Foreign Securities									
	- Government debt securities		14,365,073	-	-	14,365,073	14,672,889	-	-	14,672,889
	- Non-Government debt securities									
	- Listed		161,426	(15,712)	-	145,714	285,954	(25,061)	-	260,893
	- Unlisted		308,100	-	-	308,100	616,100	(1,559)	-	614,541
			381,374,276	(394,789)	-	380,979,487	337,669,034	(26,620)	-	337,642,414
	Investments in associates and joint venture	8.2.1 & 8.13	41,033,458	-	(1,001,561)	40,031,897	35,185,545	-	(97,185)	35,088,360
	Total Investments		2,003,258,600	(8,924,913)	(45,532,645)	1,948,801,042	1,956,693,711	(4,158,401)	(3,579,332)	1,948,955,978

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Note	2022				2021			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
8.2 Investments by segment	(Rupees in '000)							
Federal Government securities								
Market Treasury Bills	337,716,899	-	(404,164)	337,312,735	391,622,545	-	76,906	391,699,451
Pakistan Investment Bonds	1,220,982,880	-	(29,689,258)	1,191,293,622	1,183,947,206	-	(4,832,833)	1,179,114,373
Ijarah Sukuks	125,360,260	-	(2,772,531)	122,587,729	119,617,967	-	(537,141)	119,080,826
Government of Pakistan US Dollar Bonds	24,161,020	(2,592,524)	(8,221,230)	13,347,266	16,378,045	(347,350)	438,586	16,469,281
Other Federal Government securities	4,686,060	-	-	4,686,060	11,810,120	-	-	11,810,120
	1,712,907,119	(2,592,524)	(41,087,183)	1,669,227,412	1,723,375,883	(347,350)	(4,854,482)	1,718,174,051
Shares								
- Listed companies	6,329,156	(2,097,873)	(243,002)	3,988,281	8,503,690	(1,962,154)	402,985	6,944,521
- Unlisted companies	5,372,888	(119,718)	-	5,253,170	5,372,623	(91,009)	-	5,281,614
	11,702,044	(2,217,591)	(243,002)	9,241,451	13,876,313	(2,053,163)	402,985	12,226,135
Non-Government debt securities								
- Listed	53,986,579	(602,689)	(2,566,098)	50,817,792	53,865,373	(78,236)	638,300	54,425,437
- Unlisted	20,966,224	(413,232)	16,321	20,569,313	24,500,216	(247,381)	24,000	24,276,835
	74,952,803	(1,015,921)	(2,549,777)	71,387,105	78,365,589	(325,617)	662,300	78,702,272
Foreign securities								
Government debt securities	144,619,139	(1,672,462)	(731,332)	142,215,345	90,566,405	(264,753)	45,326	90,346,978
Non-Government debt securities								
- Listed	9,526,323	(1,140,425)	(132,840)	8,253,058	13,714,060	(1,015,728)	140,089	12,838,421
- Unlisted	5,769,454	-	593	5,770,047	616,100	(1,559)	-	614,541
Equity securities - Unlisted	7,762	(197)	-	7,565	6,318	(156)	-	6,162
	159,922,678	(2,813,084)	(863,579)	156,246,015	104,902,883	(1,282,196)	185,415	103,806,102
National Investment Unit Trust units	11,113	-	27,057	38,170	11,113	-	35,335	46,448
Real Estate Investment Trust units								
- Listed	55,000	-	13,200	68,200	55,000	-	5,800	60,800
- Unlisted	1,575,000	-	-	1,575,000	-	-	-	-
	1,630,000	-	13,200	1,643,200	55,000	-	5,800	60,800
Preference shares								
- Listed	744,400	-	172,200	916,600	744,400	-	80,500	824,900
- Unlisted	354,985	(285,793)	-	69,192	176,985	(150,075)	-	26,910
	1,099,385	(285,793)	172,200	985,792	921,385	(150,075)	80,500	851,810
Investments in associates and joint venture								
Diamond Trust Bank Kenya Limited	22,402,633	-	(825,286)	21,577,347	17,605,819	-	(64,973)	17,540,846
Himalayan Bank Limited, Nepal	8,156,824	-	(7,772)	8,149,052	6,296,106	-	1,808	6,297,914
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	3,582,764	-	-	3,582,764	2,404,885	-	-	2,404,885
Jubilee General Insurance Company Limited	3,445,952	-	1,083	3,447,035	3,313,616	-	39,323	3,352,939
Jubilee Life Insurance Company Limited	2,580,693	-	(5,945)	2,574,748	2,424,725	-	(15,824)	2,408,901
HBL Cash Fund	160,389	-	-	160,389	29,958	-	-	29,958
HBL Financial Sector Income Fund - Plan-1	71,772	-	-	71,772	-	-	-	-
HBL FPF Active Allocation Plan	45,151	-	-	45,151	-	-	-	-
HBL FPF Conservative Allocation Plan	30,730	-	-	30,730	19,922	-	-	19,922
HBL IFPF Active Allocation Plan	64,997	-	-	64,997	-	-	-	-
HBL Investment Fund Class A	411,229	-	(163,641)	247,588	353,326	-	(57,519)	295,807
HBL Multi Asset Fund	35,499	-	-	35,499	88,166	-	-	88,166
HBL Total Treasury Exchange Traded fund	44,825	-	-	44,825	-	-	-	-
HBL Investment Fund Class B	-	-	-	-	425,396	-	-	425,396
HBL Islamic Asset Allocation Fund	-	-	-	-	152,215	-	-	152,215
HBL Islamic Pension Fund - Equity Sub Fund	-	-	-	-	54,242	-	-	54,242
HBL Islamic Stock Fund	-	-	-	-	272,461	-	-	272,461
HBL Money Market Fund	-	-	-	-	441,133	-	-	441,133
HBL Pension Fund - Equity Sub Fund	-	-	-	-	77,241	-	-	77,241
HBL Stock Fund	-	-	-	-	242,375	-	-	242,375
HBL Energy Fund	-	-	-	-	204,320	-	-	204,320
HBL Equity Fund	-	-	-	-	546,404	-	-	546,404
HBL Income Fund	-	-	-	-	233,235	-	-	233,235
8.2.1	41,033,458	-	(1,001,561)	40,031,897	35,185,545	-	(97,185)	35,088,360
Total Investments	2,003,258,600	(8,924,913)	(45,532,645)	1,948,801,042	1,956,693,711	(4,158,401)	(3,579,332)	1,948,955,978

8.2.1 This represents the Group's share of surplus / (deficit) on investments held by these entities.

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	2022	2021
	(Rupees in '000)	
8.2.2 Investments given as collateral		
The market value of investments given as collateral against borrowings is as follows:		
Federal Government securities		
- Market Treasury Bills	76,758,133	980,924
- Pakistan Investment Bonds	165,214,633	139,564,697
- Sukuks	25,479,600	-
Foreign securities		
- Government debt securities	15,216,156	-
	<u>282,668,522</u>	<u>140,545,621</u>

8.3 Investments include securities amounting to Rs 437,016.293 million (2021: Rs 447,617.323 million) which are held to comply with the SBP's statutory liquidity requirements as set out under section 29 of the Banking Companies Ordinance, 1962.

8.4 Investments include Rs 227.500 million (2021: Rs 227.500 million) pledged with the SBP against TT/DD discounting facilities and demand loan facilities.

8.5 Investments include Rs 10.000 million (2021: Rs 10.000 million) pledged with the Controller of Military Accounts against Regimental Fund accounts being maintained at various branches of the Bank.

8.6 Investments include Rs 300.000 million (2021: Rs 200.000 million) pledged with the National Clearing Company of Pakistan against trading margin.

8.7 The market value of investments classified as held-to-maturity amounted to Rs 351,020.204 million (2021: Rs 322,811.037 million).

	2022	2021
	(Rupees in '000)	
8.8 Particulars of provision held against diminution in the value of investments		
Opening balance	4,158,401	5,263,672
Exchange adjustments	740,034	153,452
Charge / (reversal)		
Charge for the year	4,565,152	512,131
Reversal for the year	(24,044)	(452,697)
Reversal on disposal during the year	(689,400)	(1,318,157)
Net charge / (reversal)	3,851,708	(1,258,723)
Transferred in	67,880	-
Other movement	106,890	-
Closing balance	<u>8,924,913</u>	<u>4,158,401</u>

8.9 **Particulars of provision against debt securities**

Category of classification	2022		2021	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
	(Rupees in '000)			
Domestic				
Loss	413,232	413,232	247,381	247,381
Overseas				
Overdue by:				
91 to 180 days	452,912	452,912	-	-
181 to 365 days	679,188	500,742	-	-
> 365 days	1,065,339	1,065,339	929,609	929,609
	<u>2,197,439</u>	<u>2,018,993</u>	<u>929,609</u>	<u>929,609</u>
	<u>2,610,671</u>	<u>2,432,225</u>	<u>1,176,990</u>	<u>1,176,990</u>

8.9.1 In addition to the above, overseas branches hold a provision of Rs 3,989.107 million (2021: Rs 778.017 million) against investments in accordance with the ECL requirements of IFRS 9.

8.10 **Quality of available-for-sale (AFS) securities**

Details regarding the quality of AFS securities are as follows:

	2022	2021
	Cost / amortised cost	
	(Rupees in '000)	
Federal Government securities - Government guaranteed		
Market Treasury Bills	222,762,973	279,633,112
Pakistan Investment Bonds	936,341,475	806,059,810
Ijarah Sukuks	125,360,260	119,617,967
Government of Pakistan US Dollar Bonds	18,895,230	16,378,045
Other Federal Government securities - Islamic Naya Pakistan Certificates	4,686,060	1,016,120
	<u>1,308,045,998</u>	<u>1,222,705,054</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Shares

	2022	2021
	Cost (Rupees in '000)	
Listed companies		
Automobile Assembler	93,569	394,154
Automobile Parts and Accessories	85,167	85,167
Cement	659,875	516,871
Chemicals	224,084	264,588
Commercial Banks	949,350	1,498,440
Engineering	197,207	225,164
Fertilizer	811,050	1,259,527
Food and Personal Care Products	-	45,306
Insurance	69,484	88,601
Investment Banks / Investment Companies / Securities Companies	1,122,067	1,122,315
Oil and Gas Exploration Companies	513,230	864,273
Oil and Gas Marketing Companies	210,443	279,329
Pharmaceuticals	196,431	158,935
Power Generation and Distribution	551,141	741,212
Technology and Communication	48,836	46,026
Textile Composite	526,897	420,279
Transport	-	38,127
Miscellaneous	70,193	122,516
	6,329,024	8,170,830

	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Unlisted companies				
Central Depository Company of Pakistan Limited	256,347	782,093	256,347	774,341
Engro Powergen Thar (Private) Limited	2,086,591	7,326,213	2,086,591	5,880,911
Sindh Engro Coal Mining Company Limited	2,267,346	5,536,372	2,267,346	4,553,223
Pakistan Mortgage Refinance Company Limited	500,000	1,015,616	500,000	879,382
First Women Bank Limited	63,300	203,928	63,300	203,928
SME Bank Limited	13,474	(43,229)	13,474	(31,898)
National Institutional Facilitation Technologies (Private) Limited	1,527	64,687	1,527	61,903
National Investment Trust Limited	100	910,231	100	1,003,283
Pak Agriculture Storage and Services Corporation Limited	5,500	3,551,928	5,500	3,448,615
Society for Worldwide Interbank Financial Telecommunication (S.W.I.F.T)	3,152	52,804	3,152	34,534
Naymat Collateral Management Company Limited	29,286	13,824	29,286	21,021
1 LINK (Private) Limited	50,000	537,279	50,000	312,706
Pakistan Credit Restructuring Company Limited	96,000	68,519	96,000	90,048
Mutual Funds Association of Pakistan	265	265	-	-
	5,372,888	20,020,530	5,372,623	17,231,997

8.10.1 The breakup value of unlisted companies is calculated using the latest available financial statements as described in note 4.3.2.

Non-Government debt securities

	2022	2021
	Cost / amortised cost (Rupees in '000)	
Listed		
AA+, AA, AA-	46,200,000	46,450,000
A+, A, A-	493,545	493,545
B+, B, B-	4,559,592	3,556,406
Unrated	1,000,000	1,000,000
	52,253,137	51,499,951
Unlisted		
AAA	351,000	351,000
AA+, AA, AA-	1,900,000	1,050,000
Unrated	413,233	247,381
	2,664,233	1,648,381
	54,917,370	53,148,332

8.10.2 This includes listed non-Government debt securities amounting to Rs 41 billion (2021: Rs 41 billion) guaranteed by the Government.

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Foreign securities

	2022		2021	
	Cost / amortised cost (Rupees in '000)	Rating	Cost / amortised cost (Rupees in '000)	Rating
Government debt securities				
Bahrain	11,821,622	B2, B+, CCC+ and below	8,536,487	B2 , B+
Egypt	3,672,732	B2 , B	4,048,872	B2 , B+
Indonesia	-	-	34,665	Baa2
Kenya	2,326,687	B2	1,844,430	B2
Maldives	26,497,708	CCC+ and below	19,491,121	B+ , CCC+ and below
Mauritius	4,450,149	Baa3	4,070,087	Baa1
Oman	3,207,091	Ba3, BB-	6,983,280	Ba3 , BB-
Singapore	11,751,254	AAA	3,135,166	AAA
South Africa	731,411	Ba2	584,325	Ba2
Sri Lanka	3,693,301	CCC+ and below	6,026,660	CCC+ and below
United Arab Emirates	40,847,053	Aa2, Baa3	6,670,158	Aa2 , B2, Baa3
United States of America	17,976,282	AAA	14,151,398	AAA , Ba3
	<u>126,975,290</u>		<u>75,576,649</u>	

Non-Government debt securities

Listed

	2022	2021
	Cost / amortised cost (Rupees in '000)	
AAA	1,919,509	3,122,758
AA+, AA, AA-	-	884,574
BBB+, BBB, BBB-	1,157,511	915,705
BB+, BB, BB-	1,772,216	3,663,699
B+, B, B-	3,450,322	2,720,301
Unrated	1,065,339	2,121,069
	<u>9,364,897</u>	<u>13,428,106</u>

Equity securities - Unlisted

	2022		2021	
	Cost	Breakup value (Rupees in '000)	Cost	Breakup value
The Benefit Company, Bahrain	4,804	34,287	3,746	26,447
Credit Information Bureau, Sri Lanka	49	10,452	70	14,687
LankaClear (Private) Limited, Sri Lanka	308	7,182	437	8,860
SME Equity Fund Limited, Mauritius	2,601	2,404	2,065	1,909
	<u>7,762</u>	<u>54,325</u>	<u>6,318</u>	<u>51,903</u>

National Investment Unit Trust units - Listed

2022	2021
Cost (Rupees in '000)	
<u>11,113</u>	<u>11,113</u>

Real Estate Investment Trust units - Listed

<u>55,000</u>	<u>55,000</u>
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Real Estate Investment Trust units - Unlisted

	2022		2021	
	Cost	Breakup value (Rupees in '000)	Cost	Breakup value
TPL REIT Management Company Limited	<u>1,575,000</u>	<u>2,262,423</u>	-	-

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	2022		2021	
	Cost		Cost	
	(Rupees in '000)		(Rupees in '000)	
Preference shares - Listed				
Chemicals			700,000	700,000
Textile Composite			44,400	44,400
			<u>744,400</u>	<u>744,400</u>
Preference shares - Unlisted				
	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Finja Inc	176,985	30,712	176,985	26,910
Healthwire Pvt Ltd	178,000	38,480	-	-
	<u>354,985</u>	<u>69,192</u>	<u>176,985</u>	<u>26,910</u>
8.11 Particulars of held-to-maturity securities are as follows:			2022	2021
			Cost / amortised cost	
			(Rupees in '000)	
Federal Government securities - Government guaranteed				
Market Treasury Bills			109,068,345	397,178
Pakistan Investment Bonds			232,170,109	285,685,656
Government of Pakistan US Dollar Bonds			5,265,790	-
Other Federal Government securities - Bai Muajjal with Government of Pakistan			-	10,794,000
			<u>346,504,244</u>	<u>296,876,834</u>
Non-Government debt securities				
Listed				
AAA			-	1,000,000
AA+, AA, AA-			1,249,850	881,636
A+, A, A-			483,592	483,786
			<u>1,733,442</u>	<u>2,365,422</u>
Unlisted				
AAA			14,856,052	14,367,227
AA+, AA, AA-			149,730	4,652,708
A+, A, A-			1,050,000	1,075,000
Unrated			2,246,209	2,756,900
			<u>18,301,991</u>	<u>22,851,835</u>
Foreign securities				
	2022		2021	
	Cost / amortised cost	Rating	Cost / amortised cost	Rating
	(Rupees in '000)		(Rupees in '000)	
Government debt securities				
Bahrain	1,204,012	CCC+ and below	942,978	B2
Bangladesh	9,659,351	Ba3	9,201,113	Ba3
Oman	1,931,607	BB-	2,464,286	BB-
Sri Lanka	1,570,103	CCC+ and below	2,064,512	CCC+ and below
	<u>14,365,073</u>		<u>14,672,889</u>	
Non-Government debt securities			2022	2021
			Cost / amortised cost	
			(Rupees in '000)	
Listed				
Unrated			161,426	285,954
Unlisted				
A+, A, A-			308,100	616,100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

8.12 Summary of financial information of associates and joint venture

2022								
Based on the annual / interim financial statements as on	Country of incorporation	Percentage of holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	
(Rupees in '000)								
Diamond Trust Bank Kenya Limited	September 30, 2022	Kenya	16.15%	931,967,221	788,726,664	79,991,004	8,367,192	10,931,684
Himalayan Bank Limited	October 17, 2022	Nepal	20.00%	364,889,717	323,548,766	35,126,532	4,266,090	4,234,752
Kyrgyz Investment and Credit Bank	December 31, 2022	Kyrgyzstan	18.00%	125,991,587	104,107,720	11,125,792	2,345,277	2,155,369
Jubilee General Insurance Company Limited	September 30, 2022	Pakistan	19.80%	32,639,326	22,420,262	7,495,243	1,388,016	1,345,936
Jubilee Life Insurance Company Limited	September 30, 2022	Pakistan	18.52%	187,908,746	174,500,925	103,512,855	2,068,559	2,160,966
HBL Cash Fund	December 31, 2022	Pakistan	0.35%	45,770,876	168,771	4,566,173	4,310,643	4,310,643
HBL Financial Sector Income Fund - Plan-1	December 31, 2022	Pakistan	0.24%	32,685,118	3,024,997	4,528,395	4,218,626	4,218,626
HBL FPF Active Allocation Plan	December 31, 2022	Pakistan	67.57%	67,050	233	(6,556)	(7,176)	(7,176)
HBL FPF Conservative Allocation Plan	December 31, 2022	Pakistan	88.07%	34,998	105	1,228	503	503
HBL IFFP Active Allocation Plan	December 31, 2022	Pakistan	64.74%	100,715	326	2,379	1,491	1,491
HBL Investment Fund Class A	December 31, 2022	Pakistan	17.13%	1,837,058	4,588	146,036	96,136	96,136
HBL Multi Asset Fund	December 31, 2022	Pakistan	34.58%	110,021	7,355	(16,936)	(22,912)	(22,912)
HBL Total Treasury Exchange Traded fund	December 31, 2022	Pakistan	8.58%	523,730	1,271	24,213	22,459	22,459
2021								
Based on the annual / interim financial statements as on	Country of incorporation	Percentage of holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	
(Rupees in '000)								
Diamond Trust Bank Kenya Limited	September 30, 2021	Kenya	16.15%	678,549,291	562,179,237	57,206,890	6,017,880	7,526,089
Himalayan Bank Limited	October 17, 2021	Nepal	20.00%	283,389,638	251,046,954	17,475,451	4,427,888	4,481,822
Kyrgyz Investment and Credit Bank	December 31, 2021	Kyrgyzstan	18.00%	78,046,080	65,156,266	5,286,272	577,934	577,934
Jubilee General Insurance Company Limited	September 30, 2021	Pakistan	19.80%	26,220,342	17,095,863	7,232,221	1,690,914	1,314,157
Jubilee Life Insurance Company Limited	September 30, 2021	Pakistan	18.52%	189,325,733	176,813,548	91,328,256	2,134,247	2,035,682
HBL Cash Fund	December 31, 2021	Pakistan	0.07%	52,692,219	9,180,221	2,367,337	2,311,724	2,311,724
HBL Energy Fund	December 31, 2021	Pakistan	33.74%	629,815	24,173	(44,284)	(72,031)	(72,031)
HBL Equity Fund	December 31, 2021	Pakistan	34.73%	1,692,510	119,341	(282,179)	(357,896)	(357,896)
HBL FPF Conservative Allocation Plan	December 31, 2021	Pakistan	27.58%	72,326	84	2,050	1,728	1,728
HBL Income Fund	December 31, 2021	Pakistan	6.09%	3,868,048	39,870	301,615	263,243	263,243
HBL Investment Fund Class A	December 31, 2021	Pakistan	17.13%	2,119,110	5,105	174,306	113,028	276,157
HBL Investment Fund Class B	December 31, 2021	Pakistan	36.81%	1,307,720	152,089	(55,577)	(88,749)	(88,749)
HBL Islamic Asset Allocation Fund	December 31, 2021	Pakistan	41.09%	373,545	3,134	19,737	12,564	12,564
HBL Islamic Pension Fund - Equity Sub Fund	December 31, 2021	Pakistan	30.26%	180,706	1,459	(5,294)	(9,974)	(9,974)
HBL Islamic Stock Fund	December 31, 2021	Pakistan	42.55%	659,403	19,134	(38,985)	(66,014)	(66,014)
HBL Money Market Fund	December 31, 2021	Pakistan	2.54%	21,794,347	4,427,380	1,035,022	1,005,047	1,005,047
HBL Multi Asset Fund	December 31, 2021	Pakistan	44.34%	206,605	7,768	3,640	756	756
HBL Pension Fund - Equity Sub Fund	December 31, 2021	Pakistan	39.28%	197,817	1,180	(8,009)	(13,415)	(13,415)
HBL Stock Fund	December 31, 2021	Pakistan	46.23%	575,694	51,369	(12,722)	(38,655)	(38,655)

8.12.1 The Group has significant influence in Diamond Trust Bank Kenya Limited, Kyrgyz Investment and Credit Bank, Jubilee General Insurance Company Limited and Jubilee Life Insurance Company Limited because of Parent's holding in these entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2022

8.13 Investment in associates and Joint venture

	Opening balance	Investment made	Investment redeemed	Share of profit / (loss) - net of tax	Movement in share of surplus / deficit on investments - net of tax	Share of other comprehensive income / (loss) - net of tax	Exchange translation impact	Dividend received	Closing balance
	(Rupees in '000)								
Diamond Trust Bank Kenya Limited	17,540,846	-	-	1,351,424	(800,166)	643,932	3,071,194	(229,883)	21,577,347
Himalayan Bank Limited, Nepal	6,297,914	-	-	853,218	(11,169)	4,902	1,004,187	-	8,149,052
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	2,404,885	-	-	422,150	-	(34,183)	789,912	-	3,582,764
Jubilee General Insurance Company Limited	3,352,939	-	-	274,874	(38,240)	14,693	-	(157,231)	3,447,035
Jubilee Life Insurance Company Limited	2,408,901	-	-	383,037	9,879	7,232	-	(234,301)	2,574,748
HBL Cash Fund	29,958	378,745	(251,408)	13,382	-	-	-	(10,288)	160,389
HBL Financial Sector Income Fund - Plan-1	-	563,517	(496,620)	18,425	-	-	-	(13,550)	71,772
HBL FPF Active Allocation Plan	-	45,000	-	151	-	-	-	-	45,151
HBL FPF Conservative Allocation Plan	19,922	10,001	-	807	-	-	-	-	30,730
HBL IFPF Active Allocation Plan	-	65,000	-	(3)	-	-	-	-	64,997
HBL Investment Fund Class A	295,807	-	-	16,460	(64,679)	-	-	-	247,588
HBL Multi Asset Fund	88,166	35,000	(77,444)	(10,223)	-	-	-	-	35,499
HBL Total Treasury Exchange Traded fund	-	42,547	-	2,278	-	-	-	-	44,825
HBL Investment Fund Class B	425,396	-	(318,605)	(106,791)	-	-	-	-	-
HBL Islamic Asset Allocation Fund	152,215	-	(149,219)	(2,996)	-	-	-	-	-
HBL Islamic Money Market Fund	-	1,542	(1,542)	49	-	-	-	(49)	-
HBL Islamic Pension Fund - Equity Sub Fund	54,242	-	(45,470)	(8,772)	-	-	-	-	-
HBL Islamic Stock Fund	272,461	-	(228,943)	(43,518)	-	-	-	-	-
HBL Money Market Fund	441,133	141,000	(583,302)	44,051	-	-	-	(42,882)	-
HBL Pension Fund - Equity Sub Fund	77,241	-	(63,955)	(13,286)	-	-	-	-	-
HBL Stock Fund	242,375	-	(195,956)	(46,419)	-	-	-	-	-
HBL Energy Fund	204,320	-	(196,232)	(8,088)	-	-	-	-	-
HBL Equity Fund	546,404	-	(389,297)	(157,107)	-	-	-	-	-
HBL Income Fund	233,235	670,957	(923,307)	45,350	-	-	-	(26,235)	-
	<u>35,088,360</u>	<u>1,953,309</u>	<u>(3,921,300)</u>	<u>3,028,453</u>	<u>(904,375)</u>	<u>636,576</u>	<u>4,865,293</u>	<u>(714,419)</u>	<u>40,031,897</u>

2021

Investment in associates and Joint venture

	Opening balance	Investment made	Investment redeemed	Share of profit / (loss) - net of tax	Movement in share of surplus / deficit on investments - net of tax	Share of other comprehensive income / (loss) - net of tax	Exchange translation impact	Dividend received	Closing balance
	(Rupees in '000)								
Diamond Trust Bank Kenya Limited	15,290,562	-	-	971,976	(2,441)	246,039	1,034,710	-	17,540,846
Himalayan Bank Limited, Nepal	5,047,043	-	-	885,578	8,613	2,174	499,687	(145,181)	6,297,914
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	2,083,544	-	-	104,028	-	-	217,313	-	2,404,885
Jubilee General Insurance Company Limited	3,230,270	-	-	334,858	(74,862)	251	-	(137,578)	3,352,939
Jubilee Life Insurance Company Limited	2,298,572	-	-	395,199	(21,542)	3,291	-	(266,619)	2,408,901
HBL Cash Fund	302,279	442,146	(715,099)	8,169	-	-	-	(7,537)	29,958
HBL FPF Conservative Allocation Plan	-	20,000	-	(78)	-	-	-	-	19,922
HBL IFPF Active Allocation Plan	-	21,611	(18,617)	(2,994)	-	-	-	-	-
HBL Investment Fund Class A	339,680	-	-	19,358	(63,231)	-	-	-	295,807
HBL Multi Asset Fund	89,564	-	-	289	-	-	-	(1,687)	88,166
HBL Investment Fund Class B	459,158	-	-	(33,762)	-	-	-	-	425,396
HBL Islamic Asset Allocation Fund	156,744	-	(5,947)	5,209	-	-	-	(3,791)	152,215
HBL Islamic Pension Fund - Equity Sub Fund	55,789	-	-	(1,547)	-	-	-	-	54,242
HBL Islamic Stock Fund	297,457	-	-	(24,996)	-	-	-	-	272,461
HBL Money Market Fund	435,488	5,000	(5,127)	33,557	-	-	-	(27,785)	441,133
HBL Pension Fund - Equity Sub Fund	81,245	-	-	(4,004)	-	-	-	-	77,241
HBL Stock Fund	896,170	11,000	(661,611)	(3,184)	-	-	-	-	242,375
HBL Energy Fund	223,898	-	-	(19,578)	-	-	-	-	204,320
HBL Equity Fund	128,085	675,000	(146,666)	(110,015)	-	-	-	-	546,404
HBL Income Fund	224,634	-	-	19,401	-	-	-	(10,800)	233,235
HBL IFPF Conservative Allocation Plan	-	55,000	(55,165)	165	-	-	-	-	-
HBL Islamic Equity Fund	30,624	-	(30,810)	186	-	-	-	-	-
HBL Islamic Money Market Fund	127,557	126,031	(253,653)	7,780	-	-	-	(7,715)	-
	<u>31,798,363</u>	<u>1,355,788</u>	<u>(1,892,695)</u>	<u>2,585,595</u>	<u>(153,463)</u>	<u>251,755</u>	<u>1,751,710</u>	<u>(608,693)</u>	<u>35,088,360</u>

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9	ADVANCES	Note	Performing		Non - performing		Total	
			2022	2021	2022	2021	2022	2021
(Rupees in '000)								
	Loans, cash credits, running finances, etc.	9.1	1,458,309,880	1,222,815,080	78,669,633	74,944,865	1,536,979,513	1,297,759,945
	Islamic financing and related assets	9.2	222,982,477	166,754,863	3,465,365	337,317	226,447,842	167,092,180
	Bills discounted and purchased		102,480,599	120,442,187	8,760,951	5,606,279	111,241,550	126,048,466
	Advances - gross		1,783,772,956	1,510,012,130	90,895,949	80,888,461	1,874,668,905	1,590,900,591
	Provision against advances							
	- Specific	9.5	-	-	(78,259,477)	(72,845,186)	(78,259,477)	(72,845,186)
	- General		(13,911,505)	(11,008,308)	-	-	(13,911,505)	(11,008,308)
	Advances - net of provision		1,769,861,451	1,499,003,822	12,636,472	8,043,275	1,782,497,923	1,507,047,097

9.1 This includes net investment in finance lease as disclosed below:

	2022				2021			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
(Rupees in '000)								
Total minimum lease payments	2,384,911	33,158,972	17,424,154	52,968,037	1,836,268	26,623,340	24,570,974	53,030,582
Financial charges for future periods	(242,212)	(5,941,536)	(4,891,260)	(11,075,008)	(286,458)	(4,363,882)	(6,435,784)	(11,086,124)
Net investment in finance lease	2,142,699	27,217,436	12,532,894	41,893,029	1,549,810	22,259,458	18,135,190	41,944,458

9.2 Information related to Islamic financing and related assets is given in note 3 of Annexure I to these consolidated financial statements.

9.3 Particulars of advances (Gross)	2022	2021
	(Rupees in '000)	
In local currency	1,488,734,283	1,222,102,342
In foreign currencies	385,934,622	368,798,249
	1,874,668,905	1,590,900,591

9.4 Advances include Rs 90,895.949 million (2021: Rs 80,888.461 million) which have been placed under non-performing status as detailed below:

Category of classification	2022		2021	
	Non-performing advances	Provision	Non-performing advances	Provision
(Rupees in '000)				
Domestic				
Other assets especially mentioned	1,100,155	16,962	676,362	3,379
Substandard	7,126,275	1,804,524	2,919,319	711,251
Doubtful	3,096,265	1,467,672	2,566,040	1,286,243
Loss	42,212,390	41,504,116	43,406,758	42,415,330
	53,535,085	44,793,274	49,568,479	44,416,203
Overseas				
Not past due but impaired	114,816	65,731	1,411,443	611,553
Overdue by:				
Upto 90 days	46,595	12,056	29,965	-
91 to 180 days	1,180,167	295,610	17,181	14,815
181 to 365 days	31,666	13,555	2,312,907	1,929,459
> 365 days	35,987,620	33,079,251	27,548,486	25,873,156
	37,360,864	33,466,203	31,319,982	28,428,983
Total	90,895,949	78,259,477	80,888,461	72,845,186

9.5 Particulars of provision against advances	Note	2022			2021		
		Specific	General	Total	Specific	General	Total
(Rupees in '000)							
Opening balance		72,845,186	11,008,308	83,853,494	70,835,763	11,063,284	81,899,047
Exchange adjustment		7,453,225	691,606	8,144,831	2,670,248	222,274	2,892,522
Charge for the year		10,153,742	3,341,192	13,494,934	12,415,018	1,613,469	14,028,487
Reversal for the year		(6,421,672)	(1,129,601)	(7,551,273)	(4,492,724)	(1,890,719)	(6,383,443)
Net charge / (reversal) against advances		3,732,070	2,211,591	5,943,661	7,922,294	(277,250)	7,645,044
Charged off during the year -							
agriculture financing	9.8	(582,438)	-	(582,438)	(532,280)	-	(532,280)
Written off during the year	9.9	(5,333,549)	-	(5,333,549)	(8,050,839)	-	(8,050,839)
Transferred out		(67,880)	-	(67,880)	-	-	-
Other movement		212,863	-	212,863	-	-	-
Closing balance		78,259,477	13,911,505	92,170,982	72,845,186	11,008,308	83,853,494

9.5.1 Particulars of provision against advances	2022			2021		
	Specific	General	Total	Specific	General	Total
(Rupees in '000)						
In local currency	43,083,180	10,194,168	53,277,348	43,420,856	8,335,552	51,756,408
In foreign currencies	35,176,297	3,717,337	38,893,634	29,424,330	2,672,756	32,097,086
	78,259,477	13,911,505	92,170,982	72,845,186	11,008,308	83,853,494

9.6 General provision includes provision amounting to Rs 3,307.203 million (2021: Rs 2,753.209 million) against consumer finance portfolio and Rs 852.560 million (2021: Rs 577.903 million) against advances to microenterprises as required by the Prudential Regulations. General provision also includes Rs 3,717.337 million (2021: Rs 2,672.756 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the Group operates. General provision also includes Rs 6,034.405 million (2021: Rs 5,004.440 million) carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

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9.7 Exposure amounting to 2,958.414 million relating to Power Holding (Pvt.) Limited is government guaranteed and therefore, has not been classified as non-performing, pursuant to a relaxation given by SBP under circular letter no BPRD/BRD (FD)/ 2023/135.

9.8 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held, in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	2022 (Rupees in '000)	2021
9.9 Particulars of write offs			
9.9.1 Against provisions	9.5	5,333,549	8,050,839
Directly charged to the profit and loss account	31	-	81,069
Against charge-off		-	442
	9.9.2	5,333,549	8,132,350
9.9.2 Analysis of write offs			
Write offs of amounts of Rs. 500,000 and above			
- Domestic		1,346,223	2,315,683
- Domestic subsidiaries		-	59,087
	9.10.1	1,346,223	2,374,770
- Overseas	9.10.2	1,154,890	4,147,620
		2,501,113	6,522,390
Write offs of amounts below Rs. 500,000		2,832,436	1,609,960
		5,333,549	8,132,350

9.10 Details of written off advances of Rs 500,000 and above

9.10.1 The statement required under sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962 in respect of written off advances or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2022 is given in Annexure II to these consolidated financial statements.

9.10.2 These include write offs or financial relief allowed to borrowers in those countries where there are disclosure restrictions.

	Note	2022 (Rupees in '000)	2021
10 FIXED ASSETS			
Capital work-in-progress	10.1	7,875,227	7,803,605
Property and equipment	10.2	105,996,430	90,872,737
		113,871,657	98,676,342
10.1 Capital work-in-progress			
Civil works		2,485,167	4,375,253
Equipment		1,211,929	310,830
Advances to suppliers and contractors		4,178,131	3,117,522
		7,875,227	7,803,605

10.2 Property and equipment

	2022										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improvements	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2022											
Cost / revalued amount	872,670	34,320,702	787,206	17,854,067	3,701,948	11,155,114	5,689,084	28,951,875	1,402,369	28,799,739	133,534,774
Accumulated depreciation	-	-	(257,450)	(386,899)	(1,278,698)	(7,393,926)	(3,306,357)	(20,257,955)	(802,571)	(8,978,181)	(42,662,037)
Net book value	872,670	34,320,702	529,756	17,467,168	2,423,250	3,761,188	2,382,727	8,693,920	599,798	19,821,558	90,872,737
Additions	-	2,920,775	683	2,548,894	175,367	5,356,392	1,351,540	6,873,802	165,247	6,628,657	26,021,357
Surplus transferred from non-banking assets	-	79,789	-	-	-	-	-	-	-	-	79,789
Disposals	-	-	-	-	(4)	(7,591)	(2,709)	(9,789)	(2,954)	(74,831)	(97,878)
Depreciation charge	-	-	(138,847)	(385,837)	(375,194)	(1,473,163)	(785,464)	(4,424,477)	(199,512)	(3,978,154)	(11,760,648)
Exchange rate adjustments	153,705	-	34,259	4,582	-	69,678	31,088	82,553	18,971	421,558	816,394
Transfers	-	-	-	-	33,792	224	-	87,154	-	-	121,170
Other adjustments	-	-	38,423	-	(1,668)	(32,753)	(55,557)	(4,511)	133	(558)	(56,491)
Closing net book value	1,026,375	37,321,266	464,274	19,634,807	2,255,543	7,673,975	2,921,625	11,298,652	581,683	22,818,230	105,996,430
At December 31, 2022											
Cost / revalued amount	1,026,375	37,321,266	767,370	20,410,662	3,938,142	16,829,105	6,991,658	35,382,560	1,573,334	35,321,191	159,561,663
Accumulated depreciation	-	-	(303,096)	(775,855)	(1,682,599)	(9,155,130)	(4,070,033)	(24,083,908)	(991,651)	(12,502,961)	(53,565,233)
Net book value	1,026,375	37,321,266	464,274	19,634,807	2,255,543	7,673,975	2,921,625	11,298,652	581,683	22,818,230	105,996,430
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10 - 20	10 - 20	10 - 33	10 - 20	2.5 - 100	

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	2021										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improvements	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2021											
Cost / revalued amount	818,631	33,920,702	841,418	17,569,518	3,643,428	9,263,184	4,948,100	28,305,688	1,261,856	23,674,564	124,247,089
Accumulated depreciation	-	-	(279,116)	(14,975)	(889,212)	(6,385,921)	(2,652,438)	(19,937,859)	(718,080)	(6,818,708)	(37,696,309)
Net book value	818,631	33,920,702	562,302	17,554,543	2,754,216	2,877,263	2,295,662	8,367,829	543,776	16,855,856	86,550,780
Additions	-	400,000	2,068	281,975	93,050	1,984,214	762,343	4,584,991	233,849	6,129,155	14,471,645
Disposals	-	-	-	-	(1,368)	(7,896)	(6,892)	(17,985)	(15,101)	(1,911)	(51,153)
Depreciation charge	-	-	(91,827)	(370,665)	(416,316)	(1,078,498)	(672,253)	(4,173,196)	(166,437)	(3,384,774)	(10,353,966)
Write off	-	-	-	-	(7,425)	(9,159)	(9,826)	(99,863)	(130)	-	(126,403)
Exchange rate adjustments	54,039	-	12,369	1,580	-	36,286	16,253	36,813	2,347	223,344	383,031
Other adjustments / transfers	-	-	44,844	(265)	1,093	(41,022)	(2,560)	(4,669)	1,494	(112)	(1,197)
Closing net book value	872,670	34,320,702	529,756	17,467,168	2,423,250	3,761,188	2,382,727	8,693,920	599,798	19,821,558	90,872,737
At December 31, 2021											
Cost / revalued amount	872,670	34,320,702	787,206	17,854,067	3,701,948	11,155,114	5,689,084	28,951,875	1,402,369	28,799,739	133,534,774
Accumulated depreciation	-	-	(257,450)	(386,899)	(1,278,698)	(7,393,926)	(3,306,357)	(20,257,955)	(802,571)	(8,978,181)	(42,662,037)
Net book value	872,670	34,320,702	529,756	17,467,168	2,423,250	3,761,188	2,382,727	8,693,920	599,798	19,821,558	90,872,737
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10 - 20	10 - 20	10 - 33	10 - 20	2.5 - 100	

10.2.1 With effect from January 2022, the estimated useful life of POS terminals has been revised from 3 years to 4 years which is more reflective of the consumption pattern of these assets. The effect of this change on depreciation expense in the current year and the next year is as follows:

	2023 (Rupees in '000)	2022 (Rupees in '000)
Decrease in information technology expenses - depreciation	61,301	87,900

10.3 Revaluation of properties

The properties of the Group were last revalued by independent professional valuers as at December 31, 2020. The revaluation was carried out by M/s Iqbal A. Nanjee & Co. (Private) Limited (Pakistan), M/s United Valuers (Pte) Limited (Singapore), M/s Sunil Fernando & Associates (Private) Limited (Sri Lanka), M/s AKTIF Real Estate Appraisal and Consultancy Inc. (Turkey), M/s Al-Amrousiya Real Estate (Lebanon), M/s Shepherd Commercial (UK) and M/s AJP Chartered Surveyors Limited (UK) on the basis of assessment of then present market values. The revaluation resulted in an increase of Rs 6,837.413 million in the surplus. The total surplus arising against revaluation of fixed assets as at December 31, 2022 amounts to Rs 28,854.702 million.

10.4 Had there been no periodic revaluations, the carrying amounts of revalued assets would have been as follows:

	2022 (Rupees in '000)	2021 (Rupees in '000)
Freehold land	636,113	482,409
Leasehold land	13,338,443	10,417,668
Building on freehold land	177,147	206,558
Building on leasehold land	15,440,317	13,180,731
	<u>29,592,020</u>	<u>24,287,366</u>

10.5 Details of disposal of fixed assets

The information relating to disposal of fixed assets to related parties is given in Annexure III of these consolidated financial statements.

10.6 The carrying amount of fixed assets held for disposal amounted to Rs 4.490 million (2021: Rs 4.652 million).

10.7 The cost of fully depreciated fixed assets that are still in the Group's use is as follows:

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
Leasehold improvements		4,094,077	3,750,735
Furniture and fixtures		1,047,406	897,582
Electrical, office and computer equipment		12,152,737	8,678,305
Vehicles		272,130	254,777
Machinery		282,831	-
		<u>17,849,181</u>	<u>13,581,399</u>

11 INTANGIBLE ASSETS

Capital work-in-progress - computer software		5,209,404	2,056,072
Intangible assets	11.1	13,212,796	10,574,403
		<u>18,422,200</u>	<u>12,630,475</u>

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11.1 Intangible Assets

	2022				2021			
	Computer Software	Management Rights (note 11.3.2)	Goodwill (note 11.3)	Total	Computer Software	Management Rights	Goodwill	Total
(Rupees in '000)								
At January 1,								
Cost	10,458,081	2,367,577	3,296,413	16,122,071	7,826,687	2,367,577	3,051,663	13,245,927
Accumulated amortisation	(5,547,668)	-	-	(5,547,668)	(4,453,586)	-	-	(4,453,586)
Net book value	4,910,413	2,367,577	3,296,413	10,574,403	3,373,101	2,367,577	3,051,663	8,792,341
Purchased during the year	4,108,237	-	-	4,108,237	2,565,809	-	-	2,565,809
Disposal / Write-off	-	-	-	-	(11,475)	-	-	(11,475)
Amortisation charge	(1,852,350)	-	-	(1,852,350)	(1,061,035)	-	-	(1,061,035)
Exchange rate adjustments	73,651	-	429,394	503,045	42,924	-	244,750	287,674
Transfers	(121,170)	-	-	(121,170)	-	-	-	-
Other adjustments	631	-	-	631	1,089	-	-	1,089
Closing net book value	7,119,412	2,367,577	3,725,807	13,212,796	4,910,413	2,367,577	3,296,413	10,574,403
At December 31,								
Cost	14,606,785	2,367,577	3,725,807	20,700,169	10,458,081	2,367,577	3,296,413	16,122,071
Accumulated amortisation	(7,487,373)	-	-	(7,487,373)	(5,547,668)	-	-	(5,547,668)
Net book value	7,119,412	2,367,577	3,725,807	13,212,796	4,910,413	2,367,577	3,296,413	10,574,403
Rate of amortisation (%)	10 - 33.33	-	-		10 - 33.33	-	-	
Useful life (years)	3 - 10	-	-		3 - 10	-	-	

11.2 The cost of fully amortised intangible assets that are still in the Group's use amounted to Rs 3,060.400 million (2021: Rs 2,764.995 million).

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
11.3 Goodwill arising on acquisition of			
- HBL Bank UK Limited	11.3.1	3,370,300	2,940,906
- PICIC AMC	11.3.2	355,507	355,507
		3,725,807	3,296,413

11.3.1 The carrying value of goodwill is determined in accordance with IFRS 3 - Business Combinations and IAS 36 - Impairment of Assets. Goodwill arose on the acquisition of Habibsons Bank Limited in 2011 and represents the excess of the purchase consideration over the fair value of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition.

Goodwill is allocated to the Wealth Management cash generating unit (CGU) which is the segment that is expected to benefit from the synergies of the acquisition. Goodwill is tested annually for impairment, or more frequently when there are indications that impairment may have occurred. Goodwill is considered to be impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount is calculated as the higher of the CGU's value-in-use (VIU) and its fair value less costs to sell.

The recoverable value of goodwill was determined based on VIU calculations. VIU is calculated as the present value of the CGU's approved pre-tax cash flows, covering a period of five years and a terminal value based on a perpetuity, calculated using long-term GDP growth rates. All cash flows are discounted using a discount rate which reflects the risks appropriate to the CGU. As at December 31, 2022, the recoverable value of the CGU exceeds its carrying amount.

The following table sets out the key assumptions which were used for the determination of the value-in-use of goodwill. These are consistent with industry forecasts and are management's best estimates of the future performance of the segment.

	2022	2021
Advances growth rate	20.43%	29.92%
Yield on advances	3.94%	2.89%
Yield on surplus funds	2.78%	1.88%
Deposits growth rate	11.52%	6.12%
Cost of deposits	0.54%	0.22%
Long term weighted average growth rate	1.93%	3.26%
Pre-tax discount rate	8.81%	9.96%

11.3.2 The carrying value of goodwill and management rights is determined in accordance with IFRS 3 - Business Combinations and IAS 36 - Impairment of Assets. Goodwill and management rights arose on the acquisition of PICIC Asset Management Limited by HBL Asset Management Limited (HBL AMC) in 2016. Management rights represent the present value of the income stream from the rights to manage the acquired funds. Goodwill represents the excess of the purchase consideration over the fair value of the tangible and intangible assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition.

The funds under management acquired from PICIC have been considered as one cash generating unit (CGU). Goodwill and management rights are tested annually for impairment, or more frequently when there are indications that impairment may have occurred. Goodwill and management rights are considered to be impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount for both goodwill and management rights is calculated as the higher of the CGU's value-in-use (VIU) and its fair value less costs to sell.

The recoverable value was determined based on VIU calculations. VIU is calculated as the present value of the CGU's approved pre-tax cash flows, covering a period of ten years and a terminal value based on a perpetuity, calculated using long-term GDP growth rates. All cash flows are discounted using a discount rate which reflects the risks appropriate to the CGU. As at December 31, 2022, the recoverable value of the CGU exceeds its carrying amount.

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	2022	2021
Pre-tax discount rate	17.20%	16.40%
AUMs growth rate	4.3% to 57.5%	-7.0% to 64.6%
Terminal growth rate	9.00%	9.50%

11.3.3 With effect from January 2022, the estimated useful life of certain intangibles in the Bank's China branches has been revised from 3 years to 10 years. The effect of this change on amortisation expense in the current year and the next year is as follows:

	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Decrease in computer software expenses - amortisation		23,250	23,250
		2022	2021
		(Rupees in '000)	(Rupees in '000)

12 DEFERRED TAX ASSETS / (LIABILITIES)

Deductible temporary differences on

- Tax losses of subsidiary		1,365,221	431,976
- Provision against investments		978,286	766,916
- Provision against doubtful debts and off-balance sheet obligations		3,980,486	3,721,755
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,720,200	2,586,450
- Deficit on revaluation of investments	20	18,905,177	1,309,052
- Deficit on revaluation of investments of associates	20	430,671	37,902
- Provision against other assets		5,855	15,342
- Ijarah financing		187,390	156,250
		28,573,286	9,025,643

Taxable temporary differences on

- Accelerated tax depreciation		(2,026,082)	(1,360,584)
- Surplus on revaluation of fixed assets	20	(1,927,095)	(1,777,800)
- Surplus on revaluation of fixed assets of associates	20	(160,960)	(56,392)
- Management rights and goodwill		(336,761)	(288,014)
- Share of profit of associates		(9,015,553)	(7,328,089)
- Exchange translation reserve		(9,509,348)	(3,287,635)
- Others		199,558	(9,731)
		(22,776,241)	(14,108,245)
		5,797,045	(5,082,602)

Net deferred tax assets / (liabilities)

12.1 Movement in temporary differences during the year

	Balance as at January 1, 2021	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2021	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2022
----- (Rupees in '000) -----							
Deductible temporary differences on							
- Tax losses of subsidiary	840,493	(441,402)	32,885	431,976	803,191	130,054	1,365,221
- Provision against investments	1,141,429	(399,508)	24,995	766,916	136,486	74,884	978,286
- Provision against doubtful debts and off-balance sheet obligations	4,109,075	(387,320)	-	3,721,755	258,731	-	3,980,486
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001	1,940,800	645,650	-	2,586,450	133,750	-	2,720,200
- Deficit on revaluation of investments	(5,430,518)	-	6,739,570	1,309,052	-	17,596,125	18,905,177
- Deficit on revaluation of investments of associates	(21,949)	-	59,851	37,902	-	392,769	430,671
- Provision against other assets	45,062	(29,720)	-	15,342	(9,487)	-	5,855
- Deficit on revaluation of fixed assets	72,832	(72,832)	-	-	-	-	-
- Ijarah financing	199,225	(42,975)	-	156,250	31,140	-	187,390
Taxable temporary differences on							
- Accelerated tax depreciation	(1,667,333)	300,298	6,451	(1,360,584)	(498,495)	(167,003)	(2,026,082)
- Surplus on revaluation of fixed assets	(1,827,924)	50,124	-	(1,777,800)	55,048	(204,343)	(1,927,095)
- Surplus on revaluation of fixed assets of associates	(56,392)	-	-	(56,392)	-	(104,568)	(160,960)
- Management rights and goodwill	(237,741)	(50,273)	-	(288,014)	(48,747)	-	(336,761)
- Share of profit of associates	(6,728,003)	(600,086)	-	(7,328,089)	(1,687,464)	-	(9,015,553)
- Exchange translation reserve	(2,740,997)	-	(546,638)	(3,287,635)	-	(6,221,713)	(9,509,348)
- Others	(25,918)	(7,771)	23,958	(9,731)	(83,800)	293,089	199,558
Net deferred tax (liabilities) / assets	(10,387,859)	(1,035,815)	6,341,072	(5,082,602)	(909,647)	11,789,294	5,797,045

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13 OTHER ASSETS	Note	2022 (Rupees in '000)	2021
Mark-up / return / profit / interest accrued in local currency - net of provision		83,907,812	52,719,955
Mark-up / return / profit / interest accrued in foreign currency - net of provision		6,637,047	3,791,224
Advances, deposits, advance rent and other prepayments		4,886,327	3,825,328
Advance taxation		11,978,523	21,708,444
Advance against subscription of securities		228,514	178,000
Stationery and stamps on hand		167,574	181,671
Accrued fees and commissions		459,334	554,583
Due from Government of Pakistan / SBP		4,600,810	2,137,045
Mark to market gain on forward foreign exchange contracts		3,639,004	8,699,989
Mark to market gain on derivative instruments	22.2	546	251,603
Non-banking assets acquired in satisfaction of claims		232,109	459,389
Receivable from defined benefit plan	36.4.5	-	759,354
Acceptances		55,013,374	36,686,549
Clearing and settlement accounts		4,352,389	17,436,987
Dividend receivable		3,883	185,213
Claims receivable against fraud and forgeries		694,460	541,337
Others		2,109,609	1,628,410
		<u>178,911,315</u>	<u>151,745,081</u>
Provision held against other assets	13.2	<u>(1,791,891)</u>	<u>(1,243,645)</u>
Other assets - net of provision		177,119,424	150,501,436
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20.2	175,125	224,064
Other assets - total		<u>177,294,549</u>	<u>150,725,500</u>

13.1 Details of revaluation of non-banking assets acquired in satisfaction of claims

Market value of non-banking assets acquired in satisfaction of claims	407,234	680,986
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13.1.1 Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuers as at December 31, 2022. The revaluation was carried out by M/s Tristar International Consultant (Pvt) Ltd on the basis of an assessment of present market values and resulted in an increase in the surplus by Rs 30.850 million. The total surplus arising against revaluation of non-banking assets acquired in satisfaction of claims as at December 31, 2022 amounts to Rs 175.124 million (2021: Rs 224.064 million).

13.1.2 Non-banking assets acquired in satisfaction of claims	Note	2022 (Rupees in '000)	2021
Opening balance		680,986	639,379
Exchange adjustment		8,898	2,804
Addition during the year		-	189,876
Disposal during the year		-	(200,000)
Revaluation during the year	20.2	30,850	132,680
Transferred to fixed asset		(313,500)	(83,672)
Depreciation		(35)	(766)
Reversal of impairment		35	685
Closing balance		<u>407,234</u>	<u>680,986</u>

13.2 Provision held against other assets

Non-banking assets acquired in satisfaction of claims	-	2,467
Claims receivable against fraud and forgeries	694,460	541,337
Suit filed cases	4,979	4,800
Others	1,092,452	695,041
	<u>1,791,891</u>	<u>1,243,645</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022 (Rupees in '000)	2021
13.2.1 Movement in provision against other assets		
Opening balance	1,243,645	1,127,909
Exchange adjustment	(7,806)	(17,808)
Charge for the year	661,462	741,684
Reversal for the year	(37,218)	(551,548)
Net charge	624,244	190,136
Written off during the year	(67,820)	(56,592)
Other movement	(372)	-
Closing balance	<u>1,791,891</u>	<u>1,243,645</u>
14 BILLS PAYABLE		
In Pakistan	50,221,548	42,793,433
Outside Pakistan	1,780,029	1,403,551
	<u>52,001,577</u>	<u>44,196,984</u>
15 BORROWINGS		
Secured		
Borrowings from the SBP under		
- Export refinance scheme	15.2 69,820,144	69,782,711
- Export refinance scheme for bill discounting	15.3 8,867,548	-
- Long term financing facility	15.4 42,068,296	32,529,493
- Financing facility for renewable energy power plants	15.5 7,168,301	6,805,470
- Refinance facility for modernization of Small and Medium Enterprises (SMEs)	15.6 312,545	241,788
- Refinance and credit guarantee scheme for women entrepreneurs	15.7 69,658	155,370
- Financing facility for storage of agricultural produce	15.8 601,918	333,349
- Refinance scheme for payment of wages and salaries	15.9 1,227,812	15,476,761
- Refinance facility for combating COVID-19	15.10 1,793,800	1,055,725
- Temporary economic refinance facility	15.11 34,998,333	26,010,138
- Refinance facility for SME Asaan Finance (SAAF)	15.12 2,272,423	-
	<u>169,200,778</u>	<u>152,390,805</u>
Repurchase agreement borrowings	15.14 284,971,485	140,193,364
	<u>454,172,263</u>	<u>292,584,169</u>
Unsecured		
- Call money borrowings	15.15 19,000,000	1,000,000
- Overdrawn nostro accounts	354,731	653,970
- Borrowings of overseas branches and subsidiaries	15.16 42,992,282	82,898,483
- Other long-term borrowings	15.17 67,252,123	59,121,383
	<u>129,599,136</u>	<u>143,673,836</u>
	<u>583,771,399</u>	<u>436,258,005</u>
15.1 Particulars of borrowings with respect to currencies		
In local currency	464,694,299	297,869,977
In foreign currencies	119,077,100	138,388,028
	<u>583,771,399</u>	<u>436,258,005</u>
15.2 These borrowings have been obtained from the SBP for extending export finance to customers. These carry mark-up at rates ranging from 11.00% to 12.00% per annum (2021: 1.00% to 2.00% per annum) and are due to mature latest by June 30, 2023.		
15.3 These borrowings have been obtained from the SBP for providing export bill discounting facilities to customers. These carry mark-up at rates ranging from 0.00% to 2.00% and are due to mature latest by June 30, 2023.		
15.4 These borrowings have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry mark-up at rates ranging from 11.00% to 12.00% per annum (2021: 2.00% to 8.60% per annum) and are due to mature latest by June 30, 2023.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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- 15.5 These borrowings have been obtained from the SBP under a scheme for financing renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2.00% to 3.00% per annum (2021: 2.00% to 3.00% per annum) and are due to mature latest by June 3, 2034.
- 15.6 These borrowings have been obtained from the SBP under a scheme to finance the modernization of Small and Medium Enterprises. These carry mark-up at a rate of 2.00% per annum (2021: 2.00% per annum) and are due to mature latest by July 1, 2030.
- 15.7 These borrowings have been obtained from the SBP under a scheme to finance women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry mark-up at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by December 31, 2025.
- 15.8 These borrowings have been obtained from the SBP under a scheme for financing the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at rates ranging from 2.00% to 3.25% per annum (2021: 2.00% to 3.50% per annum) and are due to mature latest by June 30, 2027.
- 15.9 These borrowings have been obtained from the SBP under a scheme to help businesses pay wages and salaries to their employees during the pandemic and thereby support continued employment. These carry mark-up at rates ranging from 0.00% to 1.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by May 12, 2023.
- 15.10 These borrowings have been obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing under the facility is Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry mark-up at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by October 1, 2026.
- 15.11 These borrowings have been obtained from the SBP under a scheme to provide concessionary refinance for setting up new industrial units in the backdrop of challenges faced by industries during the COVID-19 pandemic. The maximum financing granted under this facility is Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry mark-up at a rate of 1.00% per annum (2021: 1.00% per annum) and are due to mature latest by June 30, 2032.
- 15.12 These borrowings have been obtained from the SBP under a scheme to simplify and enhance lending to SMEs and to fulfill their financing requirements. These carry mark-up at a rate of 1.00% per annum and are due to mature latest by October 7, 2034.
- 15.13 For all SBP borrowings, the SBP has the right to recover the outstanding amounts from the Bank at the date of maturity of the finances by directly debiting the Bank's current account maintained with the SBP.
- 15.14 Repurchase agreement borrowings carry mark-up at rates ranging from 7.60% to 16.15% per annum (2021: 9.70% to 10.25% per annum) and are due to mature latest by December 20, 2023. The market value of securities given as collateral against these borrowings is given in note 8.2.2.
- 15.15 Call money borrowings carry mark-up at rates ranging from 13.50% to 16.10% per annum (2021: 10.05% per annum) and are due to mature latest by February 3, 2023.
- 15.16 Borrowings by overseas branches and subsidiaries carry mark-up at rates ranging from 0.90% to 16.25% per annum (2021: 0.10% to 8.58% per annum) and are due to mature latest by April 13, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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15.17 This includes the following:

- 15.17.1 A loan from the International Finance Corporation amounting to US\$ 99.990 million (2021: US\$ 150 million). The principal amount is payable in six semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% per annum (2021: LIBOR + 5.00% per annum) is payable semi-annually.
- 15.17.2 A long-term financing facility arrangement of US\$ 300 million from China Development Bank, utilized for on-lending to projects of the Bank's customers. Under this facility, US\$ 190 million (2021: US\$ 170.975 million) has been utilized by the Bank, with the initial drawdown having occurred on January 31, 2019. Drawn amounts are payable in semi-annual installments from January 31, 2023 to January 31, 2033. Interest is being charged at a fixed spread over LIBOR and is payable semi-annually.
- 15.17.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 168.252 million (2021: Rs 181.985 million) for on-lending to customers. The principal amount is payable in semi-annual installments from August 2020 to February 2023. Profit at 11.21% per annum (2021: 11.21% per annum) is payable semi-annually.
- 15.17.4 Mortgage refinancing facilities from PMRC, amounting to Rs 1,421.174 million (2021: Rs 1,082.977 million), utilised by HBL Microfinance Bank Limited to extend mortgage finance to low income groups. The principal amount is payable in quarterly installments from June 2020 to June 2031. Mark-up on these facilities ranges from 6.50% to 15.19% per annum (2021: 6.50% to 7.14% per annum) and is payable quarterly.

16 DEPOSITS AND OTHER ACCOUNTS

Note	2022			2021		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	(Rupees in '000)					
Customers						
Current deposits	1,141,355,935	244,789,722	1,386,145,657	952,815,913	210,488,971	1,163,304,884
Savings deposits	1,175,587,462	150,133,207	1,325,720,669	1,112,754,751	103,505,665	1,216,260,416
Term deposits	390,089,817	238,210,929	628,300,746	471,532,451	180,237,348	651,769,799
	2,707,033,214	633,133,858	3,340,167,072	2,537,103,115	494,231,984	3,031,335,099
Financial institutions						
Current deposits	7,546,037	3,335,737	10,881,774	5,101,313	2,272,365	7,373,678
Savings deposits	103,171,941	2,181,262	105,353,203	299,998,542	451,389	300,449,931
Term deposits	7,863,263	5,076,940	12,940,203	36,824,833	6,014,857	42,839,690
	118,581,241	10,593,939	129,175,180	341,924,688	8,738,611	350,663,299
16.2	2,825,614,455	643,727,797	3,469,342,252	2,879,027,803	502,970,595	3,381,998,398

16.1 Composition of deposits

	2022	2021
	(Rupees in '000)	
- Individuals	2,159,991,476	1,842,298,734
- Government (Federal and Provincial)	198,818,634	197,465,425
- Banking companies	23,070,050	11,684,140
- Non-Banking Financial Institutions	106,105,130	338,979,159
- Other public sector entities	214,673,341	221,489,701
- Other private sector entities	766,683,621	770,081,239
	3,469,342,252	3,381,998,398

16.2 This includes deposits amounting to Rs 1,943,375.180 million (2021: Rs 1,689,010.499 million) which are eligible for coverage under insurance arrangements.

17 SUBORDINATED DEBT

	Note	2022	2021
		(Rupees in '000)	
Additional Tier I Term Finance Certificates	17.1	12,374,000	12,374,000
Additional Tier I Term Finance Certificates	17.2	6,500,000	-
		18,874,000	12,374,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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- 17.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue Date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [2021: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

- 17.2 During the year, the Bank has issued fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue Date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus)
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
18 OTHER LIABILITIES			
Mark-up / return / profit / interest payable in local currency		17,933,842	10,014,802
Mark-up / return / profit / interest payable in foreign currency		5,930,381	2,589,051
Security deposits		1,567,333	909,334
Accrued expenses		24,050,020	20,870,306
Mark to market loss on forward foreign exchange contracts		2,489,440	7,337,247
Mark to market loss on derivative instruments	22.2	6,882,438	2,624,952
Unclaimed dividends		751,907	727,940
Dividends payable		3,811,676	1,327,763
Provision for post retirement medical benefits	36.4.5	3,522,518	4,557,833
Provision for employees' compensated absences	36.4.5	762,192	2,177,565
Provision for staff retirement benefits		1,563,256	1,251,289
Payable to defined benefit plans	36.4.5 & 36.1.6	841,326	437,648
Provision against off-balance sheet obligations	18.1	1,633,326	2,687,054
Acceptances		55,013,374	36,686,549
Branch adjustment account		3,035,551	827,848
Provision for Workers' Welfare Fund	29	9,151,021	7,735,706
Unearned income		4,780,489	4,452,650
Qarza-e-Hasna Fund		338,409	338,409
Levies and taxes payable		13,362,266	7,690,809
Insurance payable		1,067,263	1,235,949
Provision for rewards program expenses		2,384,689	1,748,370
Liability against trading of securities		22,768,986	3,701,035
Clearing and settlement accounts		12,068,106	4,221,476
Payable to HBL Foundation		515,961	405,576
Contingent consideration payable		500,000	500,000
Charity fund		25,121	44,724
Lease liability against right-of-use asset		27,079,479	22,307,342
Unclaimed deposits		528,656	348,609
Others		5,436,043	4,114,518
		229,795,069	153,872,354
18.1 Provision against off-balance sheet obligations			
Opening balance		2,687,054	1,138,648
Exchange adjustment		277,857	(38,031)
Charge for the year		150,910	1,616,293
Reversal for the year		(1,482,495)	(75,785)
Net (reversal) / charge		(1,331,585)	1,540,508
Written off during the year		-	(1,653)
Transferred (out) / in		-	47,582
Closing balance		1,633,326	2,687,054
19 SHARE CAPITAL			
19.1 Authorised capital			
		2022	2021
		Number of shares in '000	
		<u>2,900,000</u>	<u>2,900,000</u>
	Ordinary shares of Rs 10 each	29,000,000	29,000,000
19.2 Issued, subscribed and paid-up capital			
		2022	2021
		Number of shares in '000	
	Ordinary shares of Rs 10 each	690,000	690,000
	Fully paid in cash	776,852	776,852
	Issued as bonus shares	1,466,852	1,466,852
		6,900,000	6,900,000
		7,768,525	7,768,525
		14,668,525	14,668,525

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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19.3 Major shareholders (holding more than 5% of total paid-up capital)	2022		2021	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Name of shareholder Aga Khan Fund for Economic Development	748,094,778	51.00%	748,094,778	51.00%

19.4 Shares of the Bank held by associated companies	2022	2021
	(Number of shares)	
Jubilee General Insurance Company Limited	4,270,000	4,270,000
Jubilee Life Insurance Company Limited	33,246,975	33,246,975
HBL Equity Fund	-	1,067,000
HBL Investment Fund Class B	173,998	692,395
HBL Multi Asset Fund	-	143,271
HBL Stock Fund	137,500	364,004
HBL Income Fund	940,747	522,069
HBL Pension Fund - Equity Sub Fund	-	131,500
HBL Financial Sector Income Fund - Plan-1	1,028,289	-

19.5 Statutory reserve

Every banking company incorporated in Pakistan is required to transfer 20% of its profit after tax to a statutory reserve until the amount of the reserve equals the paid-up share capital. Thereafter, 10% of the profit after tax of the Bank is required to be transferred to this reserve. Accordingly, the Bank transfers 10% of its profit after tax every year to the statutory reserve.

19.6 Exchange translation reserve

This comprises of all foreign currency differences arising from the translation of the net investment in foreign branches, associates, joint venture and subsidiaries.

20 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Note	2022			2021			
	Attributable to		Total	Attributable to		Total	
Equity holders	Non-controlling interest	Equity holders		Non-controlling interest			
(Rupees in '000)							
Surplus / (deficit) arising on revaluation of:							
- Fixed assets	20.1	28,838,565	16,137	28,854,702	28,876,201	26,730	28,902,931
- Fixed assets of associates		374,325	-	374,325	144,596	-	144,596
- Non-banking assets acquired in satisfaction of claims	20.2	175,125	-	175,125	224,064	-	224,064
- Available-for-sale securities	8.1	(44,375,327)	(71,367)	(44,446,694)	(3,498,964)	(50,429)	(3,549,393)
- Available-for-sale securities held by associates	8.1	(1,001,561)	-	(1,001,561)	(97,185)	-	(97,185)
		(15,988,873)	(55,230)	(16,044,103)	25,648,712	(23,699)	25,625,013
Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:							
- Fixed assets	20.1	1,927,095	-	1,927,095	1,775,005	2,795	1,777,800
- Fixed assets of associates		160,960	-	160,960	56,392	-	56,392
- Non-banking assets acquired in satisfaction of claims		-	-	-	-	-	-
- Available-for-sale securities	12.1	(18,881,626)	(23,551)	(18,905,177)	(1,304,154)	(4,898)	(1,309,052)
- Available-for-sale securities held by associates	12.1	(430,671)	-	(430,671)	(37,902)	-	(37,902)
		(17,224,242)	(23,551)	(17,247,793)	489,341	(2,103)	487,238
Surplus / (deficit) on revaluation of assets - net of tax							
		1,235,369	(31,679)	1,203,690	25,159,371	(21,596)	25,137,775

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	2022	2021
	(Rupees in '000)	
20.1 Surplus on revaluation of fixed assets		
Surplus on revaluation of fixed assets as at January 01	28,902,931	29,031,454
Transferred from non-banking assets during the year	79,789	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(72,970)	(78,399)
Related deferred tax liability on incremental depreciation charged during the year	(55,048)	(50,124)
Surplus on revaluation of fixed assets as at December 31	28,854,702	28,902,931
Less: related deferred tax liability on		
- Revaluation as at January 01	1,777,800	1,827,924
- Effect of change in tax rate	204,343	-
- Incremental depreciation charged during the year	(55,048)	(50,124)
	1,927,095	1,777,800
	26,927,607	27,125,131
20.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims		
Surplus on revaluation as at January 01	224,064	209,594
Recognised during the year	30,850	132,680
Realised on disposal during the year	-	(118,210)
Transferred to fixed assets during the year	(79,789)	-
Surplus on revaluation as at December 31	175,125	224,064
Less: related deferred tax liability on		
- Revaluation as at January 01	-	-
- Surplus recognised during the year	-	-
- Incremental depreciation charged during the year	-	-
	175,125	224,064
21 CONTINGENCIES AND COMMITMENTS		
- Guarantees	21.1 262,493,102	260,750,915
- Commitments	21.2 942,909,348	1,119,772,107
- Other contingent liabilities	21.3 23,215,134	25,778,719
	1,228,617,584	1,406,301,741
21.1 Guarantees:		
Financial guarantees	54,186,950	88,017,271
Performance guarantees	201,579,675	164,593,834
Other guarantees	6,726,477	8,139,810
	262,493,102	260,750,915

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	Note	2022 (Rupees in '000)	2021
21.2 Commitments:			
Trade-related contingent liabilities		280,869,037	339,979,058
Commitments in respect of:			
- forward foreign exchange contracts	21.2.1	434,583,053	601,681,574
- forward Government securities transactions	21.2.2	132,295,940	93,562,463
- derivatives	21.2.3	57,305,018	42,049,128
- forward lending	21.2.4	21,948,516	30,412,479
		646,132,527	767,705,644
Commitments for acquisition of:			
- fixed assets		10,436,315	10,202,010
- intangible assets		5,471,469	1,885,395
		15,907,784	12,087,405
		942,909,348	1,119,772,107
21.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		284,366,183	340,760,830
Sale		150,216,870	260,920,744
		434,583,053	601,681,574
21.2.2 Commitments in respect of forward Government securities transactions			
Purchase		117,020,407	27,830,190
Sale		15,275,533	65,732,273
		132,295,940	93,562,463
21.2.3 Commitments in respect of derivatives			
Cross currency swaps			
Purchase		23,863,687	17,058,770
Sale		30,407,998	19,308,883
		54,271,685	36,367,653
Interest rate swaps			
Purchase		-	-
Sale		3,033,333	5,681,475
		3,033,333	5,681,475
21.2.4 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to extend credit		21,948,516	30,412,479

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.

	2022 (Rupees in '000)	2021
21.3 Other contingent liabilities		
21.3.1 Claims against the Group not acknowledged as debts	23,215,134	25,778,718

These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Group and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated financial statements.

21.3.2 There were no tax related contingencies as at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

22 DERIVATIVE INSTRUMENTS

A derivative is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or a similar variable, sometimes called the underlying. Derivatives include forwards, futures, swaps, options and structured financial products that have one or more of the characteristics of forwards, futures, swaps and options.

The Bank, as an Authorized Derivative Dealer (ADD), is an active participant in the Pakistan derivatives market. The ADD license covers only transactions permitted under the Financial Derivatives Business Regulations issued by the SBP, which are:

- (a) Foreign Currency Options
- (b) Forward Rate Agreements
- (c) Interest Rate Swaps
- (d) Cross Currency Swaps

However, the Bank also offers other derivative products to satisfy customer requirements, specific approval of which is sought from the SBP on a transaction by transaction basis.

These transactions cover the aspects of both market making and hedging. The risk management processes and policies related to derivatives are disclosed in note 45.5 to these consolidated financial statements.

22.1 Product Analysis

Counterparties	2022			
	Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss
----- (Rupees in '000) -----				
With Banks for				
Hedging	-	-	-	-
Market Making	573,571	(106,423)	-	-
With FIs other than banks for				
Hedging	-	-	-	-
Market Making	4,161,383	(458,056)	625,000	(58,909)
With other entities for				
Hedging	-	-	-	-
Market Making	49,536,731	(6,070,726)	2,408,333	(187,778)
Total				
Hedging	-	-	-	-
Market Making	54,271,685	(6,635,205)	3,033,333	(246,687)
----- (Rupees in '000) -----				
Counterparties	2021			
	Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss
----- (Rupees in '000) -----				
With Banks for				
Hedging	-	-	-	-
Market Making	796,114	(61,263)	-	-
With FIs other than banks for				
Hedging	-	-	-	-
Market Making	1,388,034	(42,353)	875,000	(43,325)
With other entities for				
Hedging	-	-	-	-
Market Making	34,183,505	(2,086,104)	4,806,475	(140,304)
Total				
Hedging	-	-	-	-
Market Making	36,367,653	(2,189,720)	5,681,475	(183,629)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

22.2 Maturity Analysis

Remaining Maturity	No. of Contracts	Notional Principal	2022		
			Mark to Market		Net
			Loss	Gain	
(Rupees in '000)					
Upto 1 Month	2	6,065,619	(503,076)	-	(503,076)
1 to 3 Months	2	969,895	(145,332)	-	(145,332)
3 Months to 6 Months	-	-	-	-	-
6 Months to 1 Year	1	1,388,718	(227,939)	-	(227,939)
1 to 2 Years	18	6,660,462	(988,176)	-	(988,176)
2 to 3 Years	4	1,961,624	(167,650)	546	(167,104)
3 to 5 Years	10	15,065,641	(3,403,263)	-	(3,403,263)
5 to 10 Years	2	17,086,041	(556,358)	-	(556,358)
Over 10 Years	2	8,107,018	(890,644)	-	(890,644)
	41	57,305,018	(6,882,438)	546	(6,881,892)

Remaining Maturity	No. of Contracts	Notional Principal	2021		
			Mark to Market		Net
			Loss	Gain	
(Rupees in '000)					
Upto 1 Month	-	-	-	-	-
1 to 3 Months	2	695,996	(19,167)	-	(19,167)
3 Months to 6 Months	1	166,232	(10,699)	-	(10,699)
6 Months to 1 Year	1	662,777	(44,794)	-	(44,794)
1 to 2 Years	4	5,530,524	(313,312)	8,720	(304,592)
2 to 3 Years	18	7,611,233	(300,853)	-	(300,853)
3 to 5 Years	13	18,431,979	(1,865,403)	-	(1,865,403)
5 to 10 Years	1	1,849,431	(70,724)	-	(70,724)
Over 10 Years	2	7,100,956	-	242,883	242,883
	42	42,049,128	(2,624,952)	251,603	(2,373,349)

23 MARK-UP / RETURN / PROFIT / INTEREST EARNED

On:

	2022	2021
	(Rupees in '000)	
Loans and advances	192,939,922	111,742,121
Investments	226,000,345	143,232,732
Lendings to financial institutions	15,354,518	6,849,788
Balances with banks	1,806,252	429,321
	436,101,037	262,253,962

24 MARK-UP / RETURN / PROFIT / INTEREST EXPENSED

On:

Deposits	196,757,107	98,637,738
Securities sold under repurchase agreement borrowings	50,773,232	16,759,954
Borrowings	11,550,696	5,674,142
Subordinated debt	1,891,880	1,239,075
Cost of foreign currency swaps against foreign currency deposits / borrowings	6,420,260	5,271,210
Lease liability against right-of-use assets	3,145,165	3,252,794
	270,538,340	130,834,913

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
25 FEE AND COMMISSION INCOME			
Branch banking customer fees		3,900,870	3,941,234
Branchless banking customer fees		925,974	400,256
Consumer finance related fees		2,267,096	1,892,822
Card related fees (debit and credit cards)		8,949,280	7,116,888
Credit related fees		2,749,465	2,074,464
Commission on trade related products and guarantees		5,359,484	4,120,181
Commission on cash management		1,137,506	933,927
Commission on remittances (including home remittances)		698,204	533,652
Commission on bancassurance		767,109	918,994
Commission on Government to Person (G2P) payments		778,410	323,595
Investment banking fees		1,168,462	1,433,819
Management fee		722,412	573,091
Merchant discount and interchange fees		5,453,015	3,658,025
Wealth management fee		498,978	692,119
Others		176,485	196,739
		35,552,750	28,809,806
Less: Sales tax / Federal Excise Duty on fee and commission income		(4,042,607)	(3,376,451)
		31,510,143	25,433,355
26 GAIN / (LOSS) ON SECURITIES - NET			
Realised	26.1	950,565	957,138
Unrealised - held-for-trading	8.1	(84,390)	67,246
		866,175	1,024,384
26.1 Gain / (loss) on securities - realised			
On:			
Federal Government securities			
- Market Treasury Bills		(303,312)	60,564
- Pakistan Investment Bonds		1,489,573	1,613,120
- Ijarah Sukuks		81,974	(34,707)
Shares		(377,550)	(600,139)
Non-Government debt securities		69,795	(108,839)
Foreign securities		(9,915)	27,139
		950,565	957,138
27 OTHER INCOME			
Incidental charges		427,508	517,364
Gain on sale of fixed assets - net		42,024	79,639
Rent on properties		19,459	25,045
Exchange gain realised on partial repatriation of branch capital		-	404,080
Exchange gain realised on liquidation of subsidiary		-	1,919
Gain on sale of non-banking assets		-	16,000
Liabilities no longer required written back		-	111,714
		488,991	1,155,761

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

28 OPERATING EXPENSES	Note	2022 (Rupees in '000)	2021
Total compensation expense	28.1	49,744,010	40,307,231
Property expense			
Rent and taxes		1,353,529	1,186,054
Insurance		192,579	152,090
Utilities cost		4,228,354	2,677,005
Security (including guards)		2,527,974	2,191,164
Repairs and maintenance (including janitorial charges)		3,819,508	2,664,535
Depreciation on owned fixed assets	10.2	4,171,011	3,492,793
Depreciation on right-of-use assets	10.2	3,978,154	3,384,774
		20,271,109	15,748,415
Information technology expenses			
Software maintenance		6,272,575	3,929,734
Hardware maintenance		1,321,105	924,247
Depreciation	10.2	2,690,992	2,486,376
Amortisation	11.1	1,852,350	1,061,035
Network charges		1,589,404	1,419,573
Consultancy charges		725,049	740,926
		14,451,475	10,561,891
Other operating expenses			
Legal and professional charges		1,750,542	926,027
Outsourced services costs		2,478,270	1,792,853
Travelling and conveyance		1,715,492	1,044,017
Insurance		1,446,878	912,195
Remittance charges		686,097	582,145
Cash transportation and sorting charges		2,653,622	2,019,915
Repairs and maintenance		1,765,816	1,487,260
Depreciation	10.2	920,491	990,023
Training and development		516,875	219,081
Postage and courier charges		864,745	773,469
Communication		1,485,240	921,580
Stationery and printing		2,701,064	1,966,197
Marketing, advertisement and publicity		3,140,838	3,197,006
Donations	28.3	649,013	508,056
Auditors' remuneration	28.4	346,058	288,512
Brokerage and commission		867,970	747,179
Subscription		435,873	384,755
Documentation and processing charges		5,736,200	3,792,520
Entertainment		640,604	388,861
Consultancy charges		1,429,633	518,614
Deposit insurance premium expense		2,702,417	2,504,487
Product feature cost		4,012,368	2,145,231
Others		1,394,755	1,057,449
		40,340,861	29,167,432
		124,807,455	95,784,969

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

28.1 Total compensation expense	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
Non-Executive Directors' fees	39.2	94,800	86,400
Shariah Board's fees and allowances	39.3	34,079	27,982
Managerial Remuneration			
i) Fixed		27,168,951	22,818,147
ii) Variable		5,274,049	4,096,540
Charge for defined benefit plan		570,049	1,162,448
Contribution to defined contribution plan		1,511,104	1,216,120
Rent and house maintenance		5,324,780	4,659,186
Utilities		1,223,232	1,067,706
Medical		2,504,618	2,121,835
Conveyance		3,067,247	2,678,053
General group staff insurance		33,884	59,829
Sub-total		46,806,793	39,994,246
Sign-on bonus		69,637	21,043
Severance payments		2,867,580	291,942
Grand Total		49,744,010	40,307,231

	No. of persons
Sign-on bonus	57
Severance payments	931

28.2 The total cost for the year included in other operating expenses relating to outsourced activities is as follows:

	2022 (Rupees in '000)	2021 (Rupees in '000)
- In Pakistan	2,671,201	1,934,840
- Outside Pakistan	375,071	340,598
	3,046,272	2,275,438

The material outsourcing arrangements along with the nature of services provided by them are as follows:

Name of company	Nature of service	2022	2021
A.S.C. First Solutions (Pvt) Limited	Document archival and storage for Pakistan	142,472	122,005
Euronet Pakistan (Private) Limited	Host environment configuration, POS terminal and card outsourcing services	96,220	51,155
First Solutions - HBL UAE	Document archival and storage for UAE	16,447	13,941
Iron Mountain Information Management LLC	Document archival and storage for New York	615	2,866
Interactive Printer Solutions W.L.L	Printing of chequebooks and banker's cheques for HBL Bahrain	1,362	1,324
Recall Bangladesh Limited - HBL Bangladesh	Document archival and storage for Bangladesh	2,119	1,045
Virtual World (Private) Limited	Call Centre & Customer Support Services	5,513	-
Infort Private Limited Bahrain - HBL Bahrain	Document archival and storage for Bahrain	3,954	-
Spectrum Engineering Consortium Limited - HBL Bangladesh	Software Maintenance i.e RTGS software (including DMS)	2,746	-
		271,448	192,336

28.3 Details of Donations

Donations individually exceeding Rs 100,000	2022	2021
HBL Foundation	515,961	405,576
EPS Solutions Pakistan (Pvt) Ltd - Prefabricated houses for flood affectees	128,000	-
Al-Shifa Trust	1,200	-
Peoples University of Medical and Health Sciences For Women	1,000	-
National Institute of Child Health Trust	300	250
Hope Uplift Foundation	500	-
Depilex Smileagain Foundation	500	-
Pakistan Agricultural Coalition	700	-
Developments in Literacy Foundation	600	-
Wesminister Local Council	252	-
The Aga Khan Hospital & Medical College Foundation	-	77,230
International Parliamentarians' Congress	-	25,000
	649,013	508,056

Mr. Muhammad Aurangzeb, President and Chief Executive Officer, Mr. Sagheer Mufti, Chief Operating Officer, Mr. Raymond Kotwal, Chief Financial Officer and Mr. Jamal Nasir, Chief Human Resources Officer are Trustees of the HBL Foundation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

28.4 Auditors' remuneration

	2022			2021		
	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)					
Audit and audit related fees						
Audit fee of the Bank	34,086	132,546	166,632	27,901	101,947	129,848
Audit fee of subsidiaries	4,719	75,821	80,540	4,408	48,144	52,552
Fees for other statutory and related certifications	25,075	12,655	37,730	21,995	7,073	29,068
Fees for other statutory certifications of subsidiaries	2,150	21,345	23,495	1,050	17,278	18,328
Out of pocket expenses on audit fees	9,033	1,976	11,009	6,939	2,467	9,406
Sales tax on audit fees	3,450	10,234	13,684	2,787	6,390	9,177
	78,513	254,577	333,090	65,080	183,299	248,379
Other services						
Special certifications and sundry advisory services	9,883	936	10,819	12,651	25,868	38,519
Tax services	-	533	533	-	-	-
Out of pocket expenses	557	46	603	357	152	509
Sales tax on other services	856	157	1,013	986	119	1,105
	11,296	1,672	12,968	13,994	26,139	40,133
	89,809	256,249	346,058	79,074	209,438	288,512

29 WORKERS' WELFARE FUND

The Group has made a provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

30 OTHER CHARGES

	Note	2022 (Rupees in '000)	2021
Penalties imposed by the State Bank of Pakistan		454,259	549,685
Penalties imposed by other regulatory bodies		22,328	7,513
		476,587	557,198

31 PROVISIONS / (REVERSALS) AND WRITE OFFS - NET

	Note	2022	2021
Provision for / (reversal of) diminution in value of investments	8.8	3,851,708	(1,258,723)
Provision against loans and advances	9.5	5,943,661	7,645,044
Provision against other assets	13.2.1	624,244	190,136
(Reversal of) / provision against off-balance sheet obligations	18.1	(1,331,585)	1,540,508
Recoveries against written off / charged off bad debts		(905,966)	(842,786)
Recoveries against other assets written off		(1,809)	(10,724)
Write off of fixed assets		-	133,851
Other write offs and operational losses		301,508	608,730
Bad debts written off directly	9.9.1	-	81,069
		8,481,761	8,087,105

32 TAXATION

- Current			
- For the year		36,126,045	25,048,468
- Prior years		5,595,916	436,755
		41,721,961	25,485,223
- Deferred			
- For the year		1,303,366	225,444
- Prior years		(393,719)	810,371
	12.1	909,647	1,035,815
		42,631,608	26,521,038

32.1 Relationship between tax expense and accounting profit

Accounting profit for the current year		77,029,938	62,027,911
Tax on income @ 49% (2021: 39%)		37,744,670	24,190,885
Permanent differences			
Impact of:			
- Different tax rates of subsidiaries		(574,029)	195,875
- Disallowance of penalties imposed by the SBP and other regulatory bodies		233,528	217,300
- Disallowance of 50% of contribution to gratuity and pension funds		297,596	-
- Deferred tax booked at tax rates applicable to future years (@ 43%)		(192,815)	-
- Additional tax @ 2.5% on additional income from Federal Government Securities		-	727,129
- Others		(79,539)	(57,277)
		(315,259)	1,083,027
Prior years - charge		5,202,197	1,247,126
Tax charge for the current year		42,631,608	26,521,038

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

32.2 The income tax returns of the Bank have been submitted up to and including for the accounting year 2021. The tax returns submitted are deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The Income Tax Department has amended the assessments of the Bank for prior years, upto and including for the tax year 2021 except tax years 2019 and 2020 for which notices for audit and amendment of assessment have been served. The amendments mainly relate to gain on translation of net investment in foreign branches, taxable income subject to enhanced rate, retirement benefits, provisions against loans and advances, investments and other assets. These matters are at various stages of appeal with the appellate authorities. The management of the Bank, in consultation with its tax advisors, is confident that the decisions in respect of these appeals would be in the Bank's favor.

The income tax returns of the Bank's Azad Kashmir, Gilgit-Baltistan and overseas branches have been submitted up to and including for the accounting year 2021. The tax returns submitted in Azad Kashmir and Gilgit Baltistan are considered as deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The income tax returns of domestic and overseas subsidiaries have been submitted to the respective tax authorities up to and including for the accounting year 2021.

	2022 (Rupees in '000)	2021 (Rupees in '000)
33 BASIC AND DILUTED EARNINGS PER SHARE		
Profit for the year attributable to equity holders of the Bank	<u>34,070,087</u>	<u>35,021,853</u>
	(Number)	
Weighted average number of ordinary shares	<u>1,466,852,508</u>	<u>1,466,852,508</u>
	(Rupees)	
Basic and diluted earnings per share	<u>23.23</u>	<u>23.88</u>
33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.		

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
34 CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	5	296,015,386	441,252,246
Balances with other banks	6	<u>41,513,022</u>	<u>64,438,075</u>
		<u>337,528,408</u>	<u>505,690,321</u>

34.1 Reconciliation of movement in liabilities to cash flows arising from financing activities

	2022				
	Liabilities		Equity		
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit	Non-controlling interest
	(Rupees in '000)				
Balance as at January 01, 2022	12,374,000	153,872,354	81,375,519	158,441,418	4,040,969
Changes from financing cash flows					
Proceeds from issuance of subordinated debt	6,500,000	-	-	-	-
Dividend paid	-	-	-	(8,493,514)	-
Payment of lease liability against right-of-use assets	-	(4,939,145)	-	-	-
Payment of mark-up on subordinated debt	-	(1,847,577)	-	-	-
Effect of translation of net investment by non-controlling interest in subsidiary	-	-	-	-	44,140
	6,500,000	(6,786,722)	-	(8,493,514)	44,140
Other changes:					
Liability-related					
Changes in other liabilities					
- Cash based	-	67,997,391	-	-	-
- Dividend payable	-	2,507,880	-	(2,507,880)	-
- Non-cash based	-	12,204,166	-	-	-
Transfer of profit to statutory reserve	-	-	3,494,860	(3,494,860)	-
Total liability related other changes	-	82,709,437	3,494,860	(6,002,740)	-
Equity related	-	-	2,900,953	34,522,475	(1,206,160)
Balance as at December 31, 2022	<u>18,874,000</u>	<u>229,795,069</u>	<u>87,771,332</u>	<u>178,467,639</u>	<u>2,878,949</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2021				
	Liabilities		Equity		
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit	Non-controlling interest
(Rupees in '000)					
Balance as at January 01, 2021	22,356,000	129,910,297	72,062,025	138,208,223	4,551,560
Changes from financing cash flows					
Repayment of subordinated debt	(9,982,000)	-	-	-	-
Dividend paid	-	-	-	(10,855,155)	-
Payment of lease liability against right-of-use assets	-	(5,113,819)	-	-	-
Payment of mark-up on subordinated debt	-	(1,517,481)	-	-	-
Effect of translation of net investment by non-controlling interest in subsidiary	-	-	-	-	85,115
	(9,982,000)	(6,631,300)	-	(10,855,155)	85,115
Other changes:					
Liability-related					
Changes in other liabilities					
- Cash based	-	16,006,633	-	-	-
- Dividend payable	-	1,246,377	-	(1,246,377)	-
- Non-cash based	-	13,340,347	-	-	-
Transfer of profit to statutory reserve	-	-	3,840,971	(3,840,971)	-
Total liability related other changes	-	30,593,357	3,840,971	(5,087,348)	-
Equity related	-	-	5,472,523	36,175,698	(595,706)
Balance as at December 31, 2021	<u>12,374,000</u>	<u>153,872,354</u>	<u>81,375,519</u>	<u>158,441,418</u>	<u>4,040,969</u>

35	STAFF STRENGTH	2022	2021
		(Number)	
	Permanent	21,635	21,703
	On contract	206	114
	Total staff strength	<u>21,841</u>	<u>21,817</u>

35.1 In addition to the above, 4,013 employees (2021: 3,112 employees) of outsourcing services companies were assigned to the Bank as at the end of the year to perform services other than janitorial services and as guards.

35.2	Staff strength bifurcation	2022	2021
		(Number)	
	Domestic	21,157	21,104
	Overseas	684	713
		<u>21,841</u>	<u>21,817</u>

36 DEFINED BENEFIT PLANS

36.1 General Information

The Bank operates the following schemes:

36.1.1 Pension Fund (defined benefit scheme)

The Bank operates an approved funded pension scheme which is applicable to:

- All clerical employees who opted for this scheme when it was introduced in 1974 and those who joined after this date.
- Executives and officers who opted for this scheme when it was introduced with effect from May 1, 1977 and those who joined the Bank during the period from May 1, 1977 till December 31, 2001.

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For clerical employees, the benefit is based on their actual years of service as of the statement of financial position date and their last drawn salary. For executives and officers, the benefit is based on their basic salary as at March 31, 2014 and their years of service up to March 31, 2005. For service subsequent to this date (i.e. from April 1, 2005), they are entitled to the Bank's contributory provident fund (refer note 37.1) and the Bank's contributory gratuity fund (refer note 37.2). Eligible employees are entitled to a minimum pension as per applicable rules.

36.1.2 Benevolent Fund (defined benefit scheme)

The Bank operates an approved funded benevolent fund scheme for all employees who joined on or before December 31, 2018 and who retire from or expire during service. Under this scheme, a fixed monthly subscription is made by employees by way of a salary deduction and a matching monthly contribution is made by the Bank. All eligible employees are entitled to receive a fixed monthly amount or a one-time lump sum payment in lieu of a fixed monthly amount, as per the rules of the Fund. Clerical employees are additionally entitled to marriage and funeral grants during the period of their service as specified in the rules of the Fund.

36.1.3 Post-Retirement Medical Benefits (defined benefit scheme)

The Bank operates a non-funded scheme for post-retirement medical benefits for all employees.

All clerical employees who retired before May 24, 2022 receive reimbursements when incurred, against this benefit. Those who retired on or after May 24, 2022 also have the option to receive a one-time lump sum payment in lieu of reimbursements. Executives and officers who retired prior to January 1, 2006 receive these benefits as reimbursements when incurred. Executives and officers who retire after January 1, 2006 receive a one-time lump sum payment. However, those who are given a post-retirement contract up to the age of 65 years with effect from September 1, 2022, will receive this one-time lump sum payment at the time of expiry of the employment contract.

36.1.4 Compensated Absences (defined benefit scheme)

The Bank operates a non-funded scheme for compensated absences. This is applicable to those employees who were in the service of the Bank as at December 31, 2008 and who had accumulated leave balances. Employees are entitled to proceed on Leave Prior to Retirement (LPR) to the extent of their accrued leave or 365 days whichever is lower, while continuing to receive their gross salary. This benefit vests on retirement or, in the case of premature retirement, on the completion of 30 years of service. However, in the case of death in service, the benefit is encashed upto 50% of accrued leave or 180 days, whichever is lower.

Employees may be required by the Bank to continue working during the whole or a part of their LPR period. Such employees are entitled to salary and certain benefits during the period they are required to work and, additionally, to leave encashment up to 50% of their accrued leave balance, up to a maximum of 180 days.

Clerical employees have the option of not proceeding on LPR and instead encashing 50% of their accumulated leave balance up to a maximum of 180 days.

36.1.5 Other Post-Retirement Benefits (defined benefit scheme)

The Bank offers a non-funded scheme for executives. Under this scheme, a lump sum amount equal to six months of house rent, utilities, car and conveyance allowances is paid to the executive on retirement. However, in the case of death in service, the lump sum amount includes an additional six months of house rent allowance.

36.1.6 Pension and Life Assurance Scheme (defined benefit scheme)

The Bank operates a pension and life assurance scheme for those employees who joined its UK operations prior to December 26, 2001. The scheme was established with effect from May 1, 1978 under a Trust Deed of that date and is governed by that Trust Deed together with various supplemental and amending deeds executed over the lifetime of the scheme.

The triennial actuarial valuation as at May 1, 2019 revealed a deficit of £1.7 million under the Statement of Funding Principles. In order to address this deficit, the Bank will pay the amount after receiving regulatory approval.

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36.2 Principal actuarial assumptions

The latest actuarial valuation was carried out as at December 31, 2022 using the Projected Unit Credit Method. The following significant assumptions were used for the valuation:

	2022	2021
	(Per annum)	
Valuation discount rate	14.50%	11.75%
Expected rate of increase in salary	13.50%	10.75%
Expected rate of increase in minimum pension	5.00%	5.00%
Expected rate of increase in medical benefit	12.50%	9.75%
Expected rate of return on funds invested	14.50%	11.75%

36.3 Number of beneficiaries under the scheme

(Number)

Pension fund	5,344	6,636
Benevolent fund	11,440	14,631
Post retirement medical benefit scheme	19,793	19,460
Compensated absences	2,118	3,405
Other Post-Retirement Benefits	2,757	2,494

36.4 Pension, gratuity, benevolent fund schemes and other benefits

36.4.1 The fair value of plan assets and the present value of defined benefit obligations of funded schemes as at December 31, 2022 are as follows:

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	----- (Rupees in '000) -----			
Fair value of plan assets	3,414,936	2,648,950	6,917,325	2,754,021
Present value of defined benefit obligations	(3,525,906)	(804,430)	(6,157,971)	(1,103,573)
Receivable / (payable)	(110,970)	1,844,520	759,354	1,650,448

36.4.2 The present value of defined benefit obligations of non-funded schemes as at December 31, 2022 are as follows:

	2022			2021		
	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----					
Present value of defined benefit obligations	(3,522,518)	(762,192)	(824,150)	(4,557,833)	(2,177,565)	(667,894)

36.4.3 Movement in the present value of defined benefit obligations

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Obligations at the beginning of the year	6,157,971	1,103,573	4,557,833	2,177,565	667,894
Current service cost	67,090	26,529	179,927	57,563	124,802
Interest cost	709,267	122,940	535,401	242,452	82,080
Benefits paid by the Bank	(3,680,262)	(451,894)	(649,055)	(676,702)	(45,603)
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Remeasurement gains	(789,728)	(208,576)	(128,614)	(296,245)	(5,023)
Obligations at the end of the year	3,525,906	804,430	3,522,518	762,192	824,150

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	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Obligations at the beginning of the year	7,003,540	1,079,752	3,763,654	2,492,992	585,038
Current service cost	78,909	33,695	156,356	63,683	106,377
Interest cost	673,653	102,679	366,095	227,677	59,070
Benefits paid by the Bank	(508,879)	(139,919)	(318,328)	(418,729)	(69,657)
Remeasurement (gains) / losses	(1,089,252)	27,366	590,056	(188,058)	(12,934)
Obligations at the end of the year	<u>6,157,971</u>	<u>1,103,573</u>	<u>4,557,833</u>	<u>2,177,565</u>	<u>667,894</u>

36.4.4 Movement in fair value of plan assets

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	----- (Rupees in '000) -----			
Fair value at the beginning of the year	6,917,325	2,754,021	6,218,050	2,583,853
Expected return on plan assets	793,667	278,438	597,047	242,664
Contribution by the Bank	-	25,507	785,490	33,420
Contributions by employees	-	25,507	-	33,420
Benefits paid by the Bank	(3,680,262)	(451,894)	(508,879)	(139,919)
Remeasurement (losses) / gains	(615,794)	17,371	(174,383)	583
Fair value at the end of the year	<u>3,414,936</u>	<u>2,648,950</u>	<u>6,917,325</u>	<u>2,754,021</u>

36.4.5 Movement in amounts payable / (receivable)

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Opening balance	(759,354)	(1,650,448)	4,557,833	2,177,565	667,894
Charge / (reversal) for the year	1,044,258	57,382	(257,646)	(738,671)	206,882
Contribution by the Bank - net	-	(25,507)	-	-	-
Remeasurement gains recognised in OCI during the year	(173,934)	(225,947)	(128,614)	-	(5,023)
Benefits paid by the Bank	-	-	(649,055)	(676,702)	(45,603)
Closing balance	<u>110,970</u>	<u>(1,844,520)</u>	<u>3,522,518</u>	<u>762,192</u>	<u>824,150</u>

	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Opening balance	785,490	(1,504,101)	3,763,654	2,492,992	585,038
Charge / (reversal) for the year	155,515	(139,710)	522,451	103,302	165,447
Contribution by the Bank - net	(785,490)	(33,420)	-	-	-
Remeasurement (gains) / losses recognised in OCI during the year	(914,869)	26,783	590,056	-	(12,934)
Benefits paid by the Bank	-	-	(318,328)	(418,729)	(69,657)
Closing balance	<u>(759,354)</u>	<u>(1,650,448)</u>	<u>4,557,833</u>	<u>2,177,565</u>	<u>667,894</u>

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36.4.6 Charge for defined benefit plans

36.4.6.1 Cost recognised in profit and loss

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Current service cost	67,090	26,529	179,927	57,563	124,802
Net interest (receivable) / payable on defined benefit asset / liability	(84,400)	(155,498)	535,401	242,452	82,080
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Actuarial gains recognised	-	-	-	(296,245)	-
Contributions by the employees	-	(25,507)	-	-	-
	<u>1,044,258</u>	<u>57,382</u>	<u>(257,646)</u>	<u>(738,671)</u>	<u>206,882</u>

	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Current service cost	78,909	33,695	156,356	63,683	106,377
Net interest on defined benefit asset / liability	76,606	(139,985)	366,095	227,677	59,070
Actuarial losses recognised	-	-	-	(188,058)	-
Contributions by the employees	-	(33,420)	-	-	-
	<u>155,515</u>	<u>(139,710)</u>	<u>522,451</u>	<u>103,302</u>	<u>165,447</u>

36.4.6.2 Remeasurements recognised in OCI during the year

	2022			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	----- (Rupees in '000) -----			
(Gains) / losses on obligation				
- Financial assumptions	(604,453)	(37,522)	27,560	11,577
- Experience adjustment	(185,275)	(171,054)	(156,174)	(16,600)
	<u>(789,728)</u>	<u>(208,576)</u>	<u>(128,614)</u>	<u>(5,023)</u>
Losses / (gains) on plan assets	615,794	(17,371)	-	-
Total remeasurement (gains) / losses recognised in OCI	<u>(173,934)</u>	<u>(225,947)</u>	<u>(128,614)</u>	<u>(5,023)</u>

	2021			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	----- (Rupees in '000) -----			
(Gains) / losses on obligation				
- Financial assumptions	(864,893)	(74,841)	40,631	7,000
- Experience adjustment	(224,359)	102,207	549,425	(19,934)
	<u>(1,089,252)</u>	<u>27,366</u>	<u>590,056</u>	<u>(12,934)</u>
Losses / (gains) on plan assets	174,383	(583)	-	-
Total remeasurement losses / (gains) recognised in OCI	<u>(914,869)</u>	<u>26,783</u>	<u>590,056</u>	<u>(12,934)</u>

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36.4.7 Components of fair value of plan assets

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Cash and cash equivalents - net	153,842	128,216	635,488	11,473
Government securities	2,725,011	2,451,235	5,431,704	2,675,335
Shares	536,083	-	850,133	-
Non-Government debt securities	-	69,500	-	67,214
	3,414,936	2,648,951	6,917,325	2,754,022

The funds primarily invest in Government securities (Market Treasury Bills, Pakistan Investment Bonds and Special Savings Certificates) which do not carry any credit risk but are subject to interest rate risk based on market movements. Equity securities are subject to price risk whereas non-Government debt securities are subject to both credit risk and interest rate risk. These risks are regularly monitored by the Trustees of the employee funds.

36.4.8 Sensitivity analysis of defined benefit obligations

A sensitivity analysis has been performed by varying one assumption while keeping all other assumptions constant and calculating the impact on the present value of defined benefit obligations under the various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of changes in each assumption is summarized below:

	2022				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
1% increase in discount rate	(191,347)	(22,202)	(318,979)	(26,631)	(58,816)
1% decrease in discount rate	214,720	24,127	379,316	28,579	66,717
1% increase in expected rate of salary increase	21,661	-	-	32,055	70,633
1% decrease in expected rate of salary increase	(20,643)	-	-	(30,333)	(63,172)
1% increase in expected rate of increase in minimum pension	197,916	-	-	-	-
1% decrease in expected rate of increase in minimum pension	(167,245)	-	-	-	-
1% increase in expected rate of increase in medical benefit	-	-	116,632	-	-
1% decrease in expected rate of increase in medical benefit	-	-	(98,048)	-	-

36.4.9 Expected contributions to the schemes in the next financial year

The Bank contributes to the pension fund according to the actuary's advice. Contribution to the benevolent fund is made by the Bank as per the rates set out in the benevolent fund scheme.

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Expected charge / (reversal) for the year	39,240	(320,229)	615,489	124,366	274,256

36.4.10 Maturity profile

The weighted average duration of the obligation (in years)

	2022				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	5.50	2.87	12.92	3.62	7.59

36.4.11 Funding Policy

The Bank endeavors to ensure that liabilities under the various employee benefit schemes are covered by the assets of the Fund on any valuation date, based on actuarial assumptions.

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36.4.12 The significant risks associated with the defined benefit schemes are as follows:

Mortality risks

The risk that the actual mortality experience is different. The impact depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk that the investments of the Funds will underperform and not be sufficient to meet the liabilities.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated based on the final salary, the benefit amount increases similarly.

Withdrawal risks

The risk of higher or lower withdrawal experience than assumed. The impact depends on the beneficiaries' service / age distribution and the benefit.

37 DEFINED CONTRIBUTION PLANS

37.1 Provident Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded provident fund under which the employees make monthly contributions as follows:

For executives and officers	7% of basic salary
For clerical staff	12% of basic salary

For executives and officers, the Bank also contributes 7% of the basic salary to the fund.

Executives and officers hired upto December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for the Bank's contributory provident fund benefits effective April 1, 2005.

This scheme covers 14,634 employees (2021: 14,991 employees).

Payments are made to employees on retirement, death, resignation and discharge as specified in the rules of the Fund.

37.2 Contributory Gratuity Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded Bank contributory gratuity scheme. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for gratuity fund benefits effective April 1, 2005.

The Bank contributes an amount equal to half of the employees' monthly basic salary for each completed year of service and, on a pro-rata basis, for partially completed years of service. Payments are made to the employees on retirement, death, resignation after completion of at least 10 years of continuous service, and discharge as specified in the rules of the Fund.

This scheme covers 16,859 employees (2021: 15,873 employees).

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38 DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS OF SUBSIDIARIES AND OVERSEAS BRANCHES

38.1 General information

Employee benefits offered by subsidiary companies are as follows:

38.1.1 HBL Bank UK Limited

Pension Fund (defined contribution scheme)

HBL Bank UK (HBL UK) operates a funded defined contribution pension scheme for its employees. Under current UK legislation, employees have the right to opt out of the pension scheme. HBL UK contributes an amount equal to 5% of each member's monthly basic salary and the cost is recognised when the contributions are made. The minimum employee contribution is 3% of basic salary, but the contribution can be increased at the discretion of the employee. The total amount contributed by the Bank and the employee is capped at £40,000 per annum.

This scheme covers 106 employees (2021: 113).

38.1.2 HBL Asset Management Limited (HBL AMC)

Gratuity Fund (defined benefit scheme)

HBL AMC operates an approved defined funded benefit gratuity fund for all employees, with a vesting period of 5 years. Eligible employees are entitled to half of one month's basic salary for each completed year of service, with partially completed years rounded off to the nearest year. Payments are made to employees upon retirement, resignation or death. Actuarial valuations are conducted annually by an independent actuary, using the Projected Unit Credit Method.

This scheme covers 253 employees (2021: 211).

Provident Fund (defined contribution scheme)

HBL AMC also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HBL AMC and by its employees at 8.33% of basic salary in accordance with the rules of the Fund.

This scheme covers 175 employees (2021: 171).

38.1.3 HBL Microfinance Bank Limited (HBL MfB)

Gratuity Fund (defined benefit scheme)

HBL MfB operates an approved funded defined benefit gratuity fund for all employees, with a vesting period of 5 years. Eligible employees are entitled to one month's basic salary for each completed year of service, with partially completed years paid on a pro-rata basis. Payments are made to employees upon retirement, resignation or death. Actuarial valuations are conducted annually by an independent actuary, using the Projected Unit Credit Method.

This scheme covers 3,639 employees (2021: 3,703).

Provident Fund (defined contribution scheme)

HBL MfB also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HBL MfB and by its employees at 10% of basic salary in accordance with the rules of the Fund.

This scheme covers 3,428 employees (2021: 3,358).

38.1.4 HBL Currency Exchange (Private) Limited (HCEL)

Gratuity Scheme (defined contribution scheme)

HCEL operates an approved unfunded defined benefit gratuity scheme for all employees, with a vesting period of 5 years. Eligible employees are entitled to half of one month's basic salary for each completed year of service with partially completed years paid on a pro-rata basis. Payments are made to employees upon retirement, resignation or death.

This scheme covers 130 employees (2021: 125).

Provident Fund (defined contribution scheme)

HCEL also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HCEL and by its employees at 6% of basic salary, in accordance with the rules of the Fund.

This scheme covers 112 employees (2021: 111).

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38.1.5 Other schemes

Employee benefit schemes offered by the Bank's overseas branches are governed by the laws of the respective countries in which the branches operate.

39 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

39.1 Total Compensation Expense

Items	2022						
	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	Chairman	Executive (other than CEO)	Non- Executive				
	(Rupees in '000)						
Fees and Allowances etc.	10,200	-	84,600	34,079	-	-	-
Managerial Remuneration							
i) Fixed	-	-	-	-	151,107	929,889	1,422,639
ii) Total Variable							
- Bonus paid in cash	-	-	-	-	98,000	522,293	369,572
- Bonus paid in shares	-	-	-	-	23,819	104,063	60,237
- Guaranteed Bonus	-	-	-	-	-	-	6,759
Charge for defined benefit plan	-	-	-	-	-	4,325	5,638
Contribution to defined contribution plan	-	-	-	-	-	48,810	86,008
Rent & house maintenance	-	-	-	-	17,023	261,846	395,351
Utilities	-	-	-	-	1,987	54,004	83,778
Medical	-	-	-	-	8,400	67,470	78,856
Conveyance	-	-	-	-	6,903	97,704	314,788
Sub-total	10,200	-	84,600	34,079	307,239	2,090,404	2,823,626
Sign-on bonus	-	-	-	-	-	14,000	4,950
Grand Total	10,200	-	84,600	34,079	307,239	2,104,404	2,828,576
Total Number of Persons	1	-	5	3	1	32	154
Sign-on bonus - Number of Persons	-	-	-	-	-	2	3
Guaranteed bonus - Number of Persons	-	-	-	-	-	-	3
	2021						
Items	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	Chairman	Executive (other than CEO)	Non- Executive				
	(Rupees in '000)						
Fees and Allowances etc.	12,000	-	74,400	27,982	-	-	-
Managerial Remuneration							
i) Fixed	-	-	-	-	142,877	852,378	966,516
ii) Total Variable							
- Bonus paid in cash	-	-	-	-	84,000	412,469	274,272
- Bonus paid in shares	-	-	-	-	10,916	54,397	22,716
- Guaranteed Bonus	-	-	-	-	-	-	4,264
Charge for defined benefit plan	-	-	-	-	-	2,989	1,055
Contribution to defined contribution plan	-	-	-	-	-	41,624	61,272
Rent & house maintenance	-	-	-	-	16,625	237,798	307,365
Utilities	-	-	-	-	1,425	47,294	64,918
Medical	-	-	-	-	6,291	51,956	61,729
Conveyance	-	-	-	-	3,529	88,149	236,562
Sub-total	12,000	-	74,400	27,982	265,663	1,789,054	2,000,669
Sign-on bonus	-	-	-	-	-	-	12,000
Grand Total	12,000	-	74,400	27,982	265,663	1,789,054	2,012,669
Total Number of Persons	1	-	7	3	1	32	131
Sign-on bonus - Number of Persons	-	-	-	-	-	-	1
Guaranteed bonus - Number of Persons	-	-	-	-	-	-	2

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39.1.1 The total movement of deferred bonus during the year December 31, 2022 for the President / Chief Executive Officer (CEO), Key Management Personnel and Other Material Risk Takers (MRTs) / Material Risk Controllers (MRCs) is as follows:

	2022 (Rupees in '000)	2021 (Rupees in '000)
Opening balance	479,598	256,626
Add: deferred during the year	428,449	316,229
Less: paid / vested during the year	(177,296)	(82,496)
Less: reversed during the year	(16,144)	(10,761)
Closing balance	<u>714,607</u>	<u>479,598</u>

39.1.2 The CEO and certain Executives are provided with free club memberships. The CEO and the Chief Operating Officer (COO) are also provided with free use of Bank maintained cars in accordance with their entitlements.

39.2 Remuneration paid to Directors for participation in Board and Committee Meetings

2022											
Meeting Fees and Allowances Paid											
For Board Committees											
Sr. No.	Name of Director	For Board Meetings	Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)	Board Oversight Committee - International Governance (BOC IG)	Total Amount Paid
(Rupees in '000)											
1	Mr. Sultan Ali Allana	5,400	-	-	-	3,600	-	-	-	1,200	10,200
2	Mr. Moez Ahamed Jamal	5,400	4,800	-	4,800	-	2,400	-	2,400	-	19,800
3	Mr. Salim Raza	5,400	-	3,600	-	-	2,400	2,400	2,400	-	16,200
4	Dr. Najeeb Samie	5,400	4,800	-	-	3,600	-	-	2,400	1,200	17,400
5	Mr. Khaleel Ahmed	5,400	4,800	-	4,800	3,600	-	2,400	-	-	21,000
6	Ms. Saba Kamal	5,400	-	-	-	-	2,400	2,400	-	-	10,200
7	Mr. Shaffiq Dharamshi*	-	-	-	-	-	-	-	-	-	-
Total Amount Paid		32,400	14,400	3,600	9,600	10,800	7,200	7,200	7,200	2,400	94,800

* Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor Shareholder) and is not paid meeting fees or any other allowances by HBL.

In addition to the above, where applicable as per the Bank's policy, Rs 3.375 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

Note: The Board of Directors in its 243rd Meeting held on September 22, 2022, had dissolved the Board Oversight Committee for International Governance (BOC-IG), and formed a Board Strategy Input & Monitoring Committee (BSIMC) to assist the Board providing oversight with respect to the development, monitoring and implementation of the Bank's strategy. No meeting of the BSIMC was held in 2022.

2021											
Meeting Fees and Allowances Paid											
For Board Committees											
Sr. No.	Name of Director	For Board Meetings	Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)	Board Oversight Committee - International Governance (BOC IG)	Total Amount Paid
(Rupees in '000)											
1	Mr. Sultan Ali Allana	5,400	-	-	-	3,000	-	1,200	-	2,400	12,000
2	Mr. Khaleel Ahmed**	3,000	3,000	-	3,000	1,800	-	600	-	-	11,400
3	Mr. Salim Chinoy*	600	600	-	600	-	-	-	-	-	1,800
4	Mr. Shaffiq Dharamshi***	-	-	-	-	-	-	-	-	-	-
5	Mr. Moez Ahamed Jamal	5,400	4,800	-	4,800	-	1,800	-	1,800	-	18,600
6	Ms. Saba Kamal**	3,000	-	-	-	-	1,800	1,800	-	-	6,600
7	Ms. Diane Elizabeth Moore*	600	-	-	600	-	600	-	-	-	1,800
8	Mr. Salim Raza	5,400	1,200	3,600	-	600	2,400	1,800	1,800	-	16,800
9	Dr. Najeeb Samie	5,400	4,800	-	-	3,000	-	-	1,800	2,400	17,400
Total Amount Paid		28,800	14,400	3,600	9,000	8,400	6,600	5,400	5,400	4,800	86,400

In addition to the above, as per the Bank's policy, Rs 0.925 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

* Ms. Diane Elizabeth Moore and Mr. Salim Chinoy retired from the Board on March 26, 2021 at the conclusion of their terms.

** Ms. Saba Kamal and Mr. Khaleel Ahmed assumed charge as Directors on April 29, 2021

*** Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor Shareholder) and is not paid meeting fees or any other allowances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

39.3 Remuneration paid to Shariah Board Members

Items	2022				2021			
	Chairman	Resident Member	Non-Resident Member	Total	Chairman	Resident Member	Non-Resident Member	Total
	(Rupees in '000)							
Fixed Remuneration	11,400	10,440	10,800	32,640	9,600	9,062	9,000	27,662
Allowances	613	680	146	1,439	119	115	86	320
Total Amount	<u>12,013</u>	<u>11,120</u>	<u>10,946</u>	<u>34,079</u>	<u>9,719</u>	<u>9,177</u>	<u>9,086</u>	<u>27,982</u>
Total Number of Persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

40 FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Fair value measurements using inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within Level 2 and Level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices taken from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Investments in non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of foreign Government debt securities are determined on the basis of rates taken from Bloomberg/ Reuters.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Group enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated financial statements.

40.1 Fair value of financial assets

The following table provides the fair values of those of the Group's financial assets that are recognised or disclosed at fair value in these consolidated financial statements:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

As at December 31, 2022					
Carrying value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	-	1,318,416,185	-	-	1,318,416,185
- Shares - listed companies	3,988,281	-	-	-	3,988,281
- Non-Government debt securities					
- Listed	49,084,350	40,000,000	9,084,350	-	49,084,350
- Unlisted	616,321	-	616,321	-	616,321
- Foreign securities					
Government debt securities	127,850,272	-	127,850,272	-	127,850,272
Non-Government debt securities					
- Listed	8,107,344	-	8,107,344	-	8,107,344
- Unlisted	5,461,947	-	5,461,947	-	5,461,947
- National Investment Unit Trust units	38,170	-	38,170	-	38,170
- Real Estate Investment Trust units- listed	68,200	68,200	-	-	68,200
- Preference Shares -Listed	872,200	872,200	-	-	872,200
	1,514,503,270	44,928,681	1,469,574,589	-	1,514,503,270

As at December 31, 2022					
Notional value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	-	315,021,272	-	-	315,021,272
- Non-Government debt securities					
- Listed	1,733,442	-	1,739,778	-	1,739,778
- Unlisted	18,301,991	-	18,301,991	-	18,301,991
- Foreign securities					
Government debt securities	14,365,073	-	14,109,487	-	14,109,487
Non-Government debt securities					
- Listed	145,714	-	145,714	-	145,714
- Unlisted	308,100	-	308,100	-	308,100
	380,979,487	-	349,626,342	-	349,626,342
	1,895,482,757	44,928,681	1,819,200,931	-	1,864,129,612

As at December 31, 2022					
Notional value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Off-balance sheet financial instruments - measured at fair value					
Commitments					
- Forward foreign exchange contracts	434,583,053	-	1,149,564	-	1,149,564
- Forward Government securities transactions	132,295,940	-	(38,938)	-	(38,938)
- Derivative instruments	57,305,018	-	(6,881,892)	-	(6,881,892)

As at December 31, 2021					
Carrying value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,420,281,097	-	1,420,281,097	-	1,420,281,097
- Shares - listed companies	6,944,521	6,944,521	-	-	6,944,521
- Non-Government debt securities					
- Listed	52,060,015	40,600,000	11,460,015	-	52,060,015
- Unlisted	624,000	-	624,000	-	624,000
- Foreign securities					
Government debt securities	75,674,089	-	75,674,089	-	75,674,089
Non-Government debt securities- listed	12,577,528	-	12,577,528	-	12,577,528
- National Investment Unit Trust units	46,448	-	46,448	-	46,448
- Real Estate Investment Trust units	60,800	60,800	-	-	60,800
- Preference Shares - Listed	780,500	780,500	-	-	780,500
	1,569,048,998	48,385,821	1,520,663,177	-	1,569,048,998

As at December 31, 2021					
Notional value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	296,876,834	-	281,751,196	-	281,751,196
- Non-Government debt securities					
- Listed	2,365,422	-	2,376,486	-	2,376,486
- Unlisted	22,851,835	-	22,930,932	-	22,930,932
- Foreign securities					
Government debt securities	14,672,889	-	14,823,285	-	14,823,285
Non-Government debt securities					
- Listed	260,893	-	316,157	-	316,157
- Unlisted	614,541	-	612,981	-	612,981
	337,642,414	-	322,811,037	-	322,811,037
	1,906,691,412	48,385,821	1,843,474,214	-	1,891,860,035

As at December 31, 2021					
Notional value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Off-balance sheet financial instruments - measured at fair value					
Commitments					
- Forward foreign exchange contracts	601,681,574	-	1,362,742	-	1,362,742
- Forward Government securities transactions	93,562,463	-	200,063	-	200,063
- Derivative instruments	42,049,128	-	(2,373,349)	-	(2,373,349)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

40.2 Fair value of non-financial assets

- Land and building
- Non-banking assets acquired in satisfaction of claims

As at December 31, 2022				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
58,446,722	-	-	58,446,722	58,446,722
407,234	-	-	407,234	407,234
58,853,956	-	-	58,853,956	58,853,956

- Land and building
- Non-banking assets acquired in satisfaction of claims

As at December 31, 2021				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
53,190,296	-	-	53,190,296	53,190,296
680,986	-	-	680,986	680,986
53,871,282	-	-	53,871,282	53,871,282

41 SEGMENT INFORMATION

41.1 Segment details with respect to business activities

For the year ended December 31, 2022										
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
(Rupees in million)										
Profit and loss account										
Net mark-up / return / profit / interest income	(123,407)	38,987	18,351	62,295	152,735	9,518	(74)	10,248	(3,090)	165,563
Inter segment revenue / (expense) - net	201,010	(22,101)	-	(34,259)	(149,605)	3,591	-	-	1,364	-
Non mark-up / interest income	3,604	12,418	1,508	4,739	14,482	8,047	756	1,928	(750)	46,732
Total Income	81,207	29,304	19,859	32,775	17,612	21,156	682	12,176	(2,476)	212,295
Segment direct expenses	27,046	14,627	5,984	3,624	1,190	19,733	451	8,017	46,111	126,783
Inter segment expense allocation	19,790	7,713	1,205	10,539	1,446	1,459	-	-	(42,152)	-
Total expenses	46,836	22,340	7,189	14,163	2,636	21,192	451	8,017	3,959	126,783
Provisions - charge / (reversal)	-	1,705	1,434	(1,480)	263	3,113	-	2,393	1,053	8,481
Profit/ (loss) before tax	34,371	5,259	11,236	20,092	14,713	(3,149)	231	1,766	(7,488)	77,031

As At December 31, 2022										
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
(Rupees in million)										
Statement of financial position										
Cash and bank balances	72,736	-	17,948	1,678	99,301	131,089	2	13,723	1,051	337,528
Lendings to financial institutions	-	-	-	-	254,593	-	-	-	-	254,593
Inter segment lending	1,950,230	-	257	-	-	3,586	-	-	201,897	2,155,970
Investments	-	-	183,655	9,460	1,496,496	178,785	409	31,396	48,600	1,948,801
Advances - performing	-	231,909	221,885	875,294	-	325,465	-	84,150	31,158	1,769,861
Advances - non-performing	-	1,993	2,089	3,433	-	3,895	-	1,226	-	12,636
Others	4,725	7,948	16,341	70,783	59,889	24,437	3,245	11,871	116,147	315,386
Total assets	2,027,691	241,850	442,175	960,648	1,910,279	667,257	3,656	142,366	398,853	6,794,775
Borrowings	-	5,841	74,694	132,506	245,413	118,745	-	6,572	-	583,771
Subordinated debt	-	-	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	1,999,352	691	319,884	508,589	-	466,414	-	116,063	58,349	3,469,342
Inter segment borrowing	-	218,253	-	264,154	1,648,566	24,997	-	-	-	2,155,970
Others	28,339	17,065	15,714	55,399	34,606	15,467	753	6,506	107,948	281,797
Total liabilities	2,027,691	241,850	410,292	960,648	1,928,585	625,623	753	129,141	185,171	6,509,754
Equity	-	-	31,883	-	(18,306)	41,634	2,903	13,225	213,682	285,021
Total equity and liabilities	2,027,691	241,850	442,175	960,648	1,910,279	667,257	3,656	142,366	398,853	6,794,775
Contingencies and commitments	73,024	-	34,569	404,198	449,835	228,876	-	-	38,116	1,228,618

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	For the year ended December 31, 2021									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Profit and loss account	(Rupees in million)									
Net mark-up / return / profit / interest income	(59,926)	28,226	11,748	32,171	107,291	5,039	(139)	8,818	(1,809)	131,419
Inter segment revenue / (expense) - net	102,773	(13,743)	-	(15,728)	(85,928)	4,009	-	-	8,617	-
Non mark-up / interest income	4,151	10,483	653	4,021	6,734	4,856	581	1,344	3,488	36,311
Total Income	46,998	24,966	12,401	20,464	28,097	13,904	442	10,162	10,296	167,730
Segment direct expenses	22,000	9,866	3,382	2,548	1,228	15,585	485	6,183	36,338	97,615
Inter segment expense allocation	13,793	5,900	939	9,141	984	1,256	-	-	(32,013)	-
Total expenses	35,793	15,766	4,321	11,689	2,212	16,841	485	6,183	4,325	97,615
Provisions - charge / (reversal)	296	1,797	(22)	1,441	(1,021)	2,625	-	1,804	1,167	8,087
Profit / (loss) before tax	10,909	7,403	8,102	7,334	26,906	(5,562)	(43)	2,175	4,804	62,028
	As At December 31, 2021									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Statement of financial position	(Rupees in million)									
Cash and bank balances	181,994	-	29,178	364	151,013	117,638	11	24,910	582	505,690
Lendings to financial institutions	-	-	28,672	-	65,070	-	-	-	-	93,742
Inter segment lending	1,594,867	-	-	-	-	266,460	-	-	142,415	2,003,742
Investments	-	-	191,865	8,822	1,566,568	128,519	50	14,231	38,901	1,948,956
Advances - performing	-	199,979	166,056	744,323	-	308,901	-	55,629	24,116	1,499,004
Advances - non-performing	-	1,503	3	2,403	-	2,891	-	1,243	-	8,043
Others	18,762	2,838	17,593	41,047	44,735	18,388	2,895	13,876	101,899	262,033
Total assets	1,795,623	204,320	433,367	796,959	1,827,386	842,797	2,956	109,889	307,913	6,321,210
Borrowings	-	2,830	31,568	119,175	140,787	137,816	1,200	2,882	-	436,258
Subordinated debt	-	-	-	-	-	-	-	-	12,374	12,374
Deposits and other accounts	1,777,354	374	346,895	519,884	122	640,658	-	91,362	5,349	3,381,998
Inter segment borrowing	-	194,287	11,440	122,508	1,675,507	-	-	-	-	2,003,742
Others	18,269	6,829	15,739	35,392	14,139	22,894	422	5,561	83,907	203,152
Total liabilities	1,795,623	204,320	405,642	796,959	1,830,555	801,368	1,622	99,805	101,630	6,037,524
Equity	-	-	27,725	-	(3,169)	41,429	1,334	10,084	206,283	283,686
Total equity and liabilities	1,795,623	204,320	433,367	796,959	1,827,386	842,797	2,956	109,889	307,913	6,321,210
Contingencies and commitments	59,128	-	56,741	463,954	601,350	186,719	-	-	38,410	1,406,302

41.2 Segment details with respect to geographical locations

	For the year ended December 31, 2022				
	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
Profit and loss account	(Rupees in million)				
Net mark-up / return / profit / interest income	151,377	6,309	4,233	3,644	165,563
Non mark-up / interest income	39,919	1,674	2,768	2,371	46,732
Total Income	191,296	7,983	7,001	6,015	212,295
Segment direct expenses	107,710	7,578	5,087	6,408	126,783
Provisions - charge / (reversal)	5,407	2,409	1,017	(351)	8,482
Profit / (loss) before tax	78,179	(2,004)	897	(42)	77,030

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As at December 31, 2022

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Statement of financial position					
Cash and bank balances	207,114	62,005	26,705	41,704	337,528
Lendings to financial institutions	254,593	-	-	-	254,593
Investments	1,784,643	77,323	57,780	29,055	1,948,801
Advances - performing	1,495,344	126,831	65,112	82,574	1,769,861
Advances - non-performing	8,742	2,032	567	1,295	12,636
Others	291,836	7,952	8,587	7,011	315,386
Total assets	4,042,272	276,143	158,751	161,639	4,638,805
Borrowings	465,026	105,595	5,299	7,851	583,771
Subordinated debt	18,874	-	-	-	18,874
Deposits and other accounts	3,041,791	199,291	101,824	126,436	3,469,342
Others	305,803	(48,629)	13,554	11,069	281,797
Total liabilities	3,831,494	256,257	120,677	145,356	4,353,784
Equity	210,778	19,886	38,074	16,283	285,021
Total equity and liabilities	4,042,272	276,143	158,751	161,639	4,638,805
Contingencies and commitments	1,000,757	126,159	50,960	50,742	1,228,618

For the year ended December 31, 2021

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Profit and loss account					
Net mark-up / return / profit / interest income	122,491	4,028	2,675	2,225	131,419
Non mark-up / interest income	32,422	1,181	1,023	1,685	36,311
Total Income	154,913	5,209	3,698	3,910	167,730
Segment direct expenses	82,478	6,035	3,882	5,220	97,615
Provisions	5,473	2,136	471	7	8,087
Profit / (loss) before tax	66,962	(2,962)	(655)	(1,317)	62,028

As at December 31, 2021

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Statement of financial position					
Cash and bank balances	388,578	53,525	19,355	44,232	505,690
Lendings to financial institutions	93,742	-	-	-	93,742
Investments	1,825,451	57,079	42,458	23,968	1,948,956
Advances - performing	1,228,925	139,482	56,687	73,910	1,499,004
Advances - non-performing	5,152	879	273	1,739	8,043
Others	245,805	3,786	8,292	4,150	262,033
Total assets	3,787,653	254,751	127,065	147,999	4,317,468
Borrowings	298,442	107,173	21,555	9,088	436,258
Subordinated debt	12,374	-	-	-	12,374
Deposits and other accounts	3,051,069	159,295	55,593	116,041	3,381,998
Others	217,165	(37,503)	18,846	4,644	203,152
Total liabilities	3,579,050	228,965	95,994	129,773	4,033,782
Equity	208,603	25,786	31,071	18,226	283,686
Total equity and liabilities	3,787,653	254,751	127,065	147,999	4,317,468
Contingencies and commitments	1,221,341	74,199	33,697	77,065	1,406,302

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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42 TRUST ACTIVITIES

The Group undertakes Trustee and other fiduciary activities that result in the holding or placing of assets on behalf of individuals and other organisations. These are not assets of the Bank and, therefore, are not included as such in the consolidated financial statements. Assets held under trust are shown in the table below:

As at December 31, 2022						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
(Rupees in '000)						
Asset Management companies	1	-	-	21,000	-	21,000
Charitable institutions	2	128,545	-	-	-	128,545
Companies	91	101,822,645	96,018,500	-	-	197,841,145
Employee funds	65	29,770,140	63,581,235	797,500	-	94,148,875
Individuals	4,781	13,188,413	2,923,193	95,861	36,159,009	52,366,476
Insurance companies	4	152,292,140	406,140,300	15,147,050	-	573,579,490
Others	10	9,110,495	631,500	-	-	9,741,995
	4,954	306,312,378	569,294,728	16,061,411	36,159,009	927,827,526

As at December 31, 2021						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
(Rupees in '000)						
Asset Management companies	-	-	-	-	-	-
Charitable institutions	2	67,535	170,000	-	-	237,535
Companies	78	62,335,205	25,473,600	44,100	-	87,852,905
Employee funds	65	14,788,950	27,368,480	-	-	42,157,430
Individuals	3,694	6,624,450	2,650,238	4,900	31,519,388	40,798,976
Insurance companies	4	36,331,625	404,400,900	9,035,100	-	449,767,625
Others	16	4,220,625	1,523,100	-	-	5,743,725
	3,859	124,368,390	461,586,318	9,084,100	31,519,388	626,558,196

43 RELATED PARTY TRANSACTIONS

The Group has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, associated companies, joint venture and employee benefit schemes of the Group.

Transactions with related parties, other than those under the terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

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Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the year end are as follows:

	As at December 31, 2022					
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
	(Rupees in '000)					
Statement of financial position						
Balances with other banks						
In current accounts	-	-	1,592	-	122	-
Investments						
Opening balance	-	-	-	28,790,446	6,297,914	7,713,055
Investment made during the year	-	-	-	1,953,309	-	2,000,000
Investment redeemed / disposed off during the year	-	-	-	(3,921,300)	-	-
Share of profit - net of tax	-	-	-	2,175,235	853,218	-
Equity method adjustments	-	-	-	4,263,051	1,009,089	-
Dividend received during the year	-	-	-	(714,419)	-	-
Provision for diminution in the value of investments	-	-	-	-	-	(28,709)
Transfer in - net	-	-	-	-	-	29,287
Revaluation of investments during the year	-	-	-	(893,206)	(11,169)	-
Revaluation of fixed assets during the year	-	-	-	229,729	-	-
Closing balance	-	-	-	31,882,845	8,149,052	9,713,633
Provision for diminution in the value of investments	-	-	-	-	-	28,709
Advances						
Opening balance	527	837,259	4,001,392	3,348,613	-	11,166,809
Addition during the year	30,557	445,438	23,281,985	-	-	13,996,551
Repaid during the year	(29,672)	(400,569)	(23,534,128)	(2,964,170)	-	(13,433,197)
Transfer in - net	-	30,988	-	-	-	-
Exchange adjustment	-	96,343	798,460	240,557	-	8,576
Closing balance	1,412	1,009,459	4,547,709	625,000	-	11,738,739
Other assets						
Interest / mark-up accrued	-	29,028	44,798	19,286	-	268,993
Advance to suppliers	-	-	21,382	-	-	-
Other receivables	-	2,475	-	161,005	-	1,962
	-	31,503	66,180	180,291	-	270,955
Borrowings						
Opening balance	-	-	3,177,871	3,969,060	-	1,264,962
Borrowings during the year	-	-	7,519,611	22,569,599	11,050,690	500,000
Settled during the year	-	-	(6,953,154)	(16,014,977)	(8,594,981)	(175,536)
Exchange adjustment	-	-	237,952	2,427,212	261,462	-
Closing balance	-	-	3,982,280	12,950,894	2,717,171	1,589,426
Deposits and other accounts						
Opening balance	155,051	546,158	19,836,563	50,630,080	-	3,504,348
Received during the year	1,063,923	4,131,411	423,245,046	1,018,289,986	13,607	73,419,048
Withdrawn during the year	(1,061,773)	(4,197,717)	(417,146,676)	(1,050,062,333)	(15,287)	(74,910,152)
Transfer out - net	-	(30,270)	-	-	-	-
Exchange adjustment	7,664	74,055	279,031	12,892	5,884	112,919
Closing balance	164,865	523,637	26,213,964	18,870,625	4,204	2,126,163
Other liabilities						
Interest / mark-up payable	434	1,340	246,677	46,016	28,530	5,943
Payable to defined benefit plan	-	-	-	-	-	607,424
Other payables	-	-	34,384	136,748	-	649,286
	434	1,340	281,061	182,764	28,530	1,262,653
Contingencies and commitments						
Letters of credit	-	-	693,802	-	-	440,141
Guarantees	-	-	159,480	-	-	3,535,727
Forward purchase of Government securities	-	-	-	-	-	2,452,570
Forward purchase of foreign exchange contracts	-	-	-	1,500	-	-
Interest rate swaps	-	-	-	625,000	-	-
	-	-	853,282	626,500	-	6,428,438
Others						
Securities held as custodian	2,500	94,830	24,812,555	134,281,000	-	18,455,830

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	As at December 31, 2021					
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
	(Rupees in '000)					
Borrowings						
Opening balance	-	-	2,314,648	2,282,856	1,598,344	1,315,743
Borrowings during the year	-	-	4,216,030	7,564,980	6,516,419	400,000
Settled during the year	-	-	(3,695,853)	(6,027,688)	(8,145,524)	(450,781)
Exchange adjustment	-	-	343,046	148,912	30,761	-
Closing balance	-	-	3,177,871	3,969,060	-	1,264,962
Deposits and other accounts						
Opening balance	122,063	496,147	12,981,422	36,318,748	-	1,833,343
Received during the year	646,231	3,514,801	485,687,364	1,001,631,636	-	88,512,854
Withdrawn during the year	(616,464)	(3,417,522)	(479,581,131)	(987,320,818)	-	(87,008,311)
Transfer in / (out) - net	3,118	(36,996)	-	-	-	114,741
Exchange adjustment	103	(10,272)	748,908	514	-	51,721
Closing balance	155,051	546,158	19,836,563	50,630,080	-	3,504,348
Other liabilities						
Interest / mark-up payable	-	724	135,791	41,504	-	10,476
Payable to defined benefit plan	-	-	-	-	-	437,648
Other payables	-	-	10,471	72,601	-	411,052
	-	724	146,262	114,105	-	859,176
Contingencies and Commitments						
Letters of credit	-	-	910,308	-	-	673,614
Guarantees	-	-	167,204	-	-	3,538,494
Forward purchase of Government securities	-	-	630,652	-	-	1,859,052
Commitments in respect of forward lending	-	-	-	-	-	1,698,202
Interest rate swaps	-	-	564,808	875,000	-	-
	-	-	2,272,972	875,000	-	7,769,362
Others						
Securities held as custodian	-	12,920	5,326,720	77,701,130	-	9,860,745
For the year ended December 31, 2021						
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
	(Rupees in '000)					
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	13	21,270	193,987	127,195	-	804,186
Fee and commission income	932	5,564	180,591	897,191	392	21,706
Share of Profit	-	-	-	1,700,017	885,578	-
Dividend income	-	-	-	-	-	155,337
Unrealised loss on derivatives	-	-	(3,306)	(43,326)	-	-
Expense						
Mark-up / return / profit / interest expensed	8,356	12,209	868,678	1,300,969	20,998	324,969
Operating expenses						
Total compensation expense	-	2,054,717	-	-	-	1,283,088
Non-Executive Directors' fees	86,400	-	-	-	-	-
Insurance premium expense	-	-	-	1,988,489	-	-
Product feature cost	-	-	194,372	-	-	-
Travelling	-	-	14,837	-	-	-
Subscription	-	-	-	-	-	79,283
Donation	-	-	77,230	-	-	405,576
Brokerage and commission	-	-	-	-	-	212,274
Other expenses	-	-	10,690	-	-	48,218
Reversal of provision against advances	-	-	-	-	-	-
Others						
Purchase of Government securities	-	-	337,325,673	54,769,108	-	16,885,974
Sale of Government securities	-	56,883	346,902,828	32,529,676	-	27,793,467
Purchase of foreign currencies	58	8,217	3,004,944	3,018	-	2,857,263
Sale of foreign currencies	16,074	354,330	3,280,543	222,000	-	5,732,637
Insurance claims settled	-	-	-	81,562	-	-

43.1 Balances and transactions with group entities include deposits of Rs 0.590 million (2021: Rs 0.554 million) from the parent and Rs 2 thousand (2021: 1.814 thousand) as mark-up expense thereon.

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FOR THE YEAR ENDED DECEMBER 31, 2022

44 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2022 (Rupees in '000)	2021 (Rupees in '000)
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>14,668,525</u>	<u>14,668,525</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>203,251,762</u>	192,465,081
Eligible Additional Tier 1 (ADT 1) Capital	<u>19,093,425</u>	12,606,759
Total Eligible Tier 1 Capital	<u>222,345,187</u>	205,071,840
Eligible Tier 2 Capital	<u>56,977,624</u>	55,846,089
Total Eligible Capital (Tier 1 + Tier 2)	<u>279,322,811</u>	260,917,929
Risk Weighted Assets (RWAs):		
Credit Risk	<u>1,511,840,742</u>	1,328,791,152
Market Risk	<u>105,217,738</u>	116,679,788
Operational Risk	<u>266,263,405</u>	224,085,265
Total	<u>1,883,321,885</u>	1,669,556,205
Common Equity Tier 1 Capital Adequacy Ratio	<u>10.79%</u>	11.53%
Tier 1 Capital Adequacy Ratio	<u>11.81%</u>	12.28%
Total Capital Adequacy Ratio	<u>14.83%</u>	15.63%
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	9.00%	9.50%
of which: capital conservation buffer requirement	1.50%	1.50%
of which: countercyclical buffer requirement	-	-
of which: D-SIB buffer requirement	1.50%	2.00%
CET1 available to meet buffers (as a percentage of risk weighted assets)	4.79%	5.53%
Other information:	2022	2021
Minimum capital requirements prescribed by the SBP		
CET1 ratio (%)	9.00%	9.50%
Tier 1 ratio (%)	10.50%	11.00%
Total capital ratio (%)	13.00%	13.50%
Leverage Ratio (LR)	2022	2021
	(Rupees in '000)	
Eligible Tier-1 Capital	222,345,187	205,071,840
Total Exposure	5,292,442,000	4,687,343,787
Leverage Ratio (%)	<u>4.20%</u>	<u>4.38%</u>
Minimum Requirement (%)	<u>3.00%</u>	<u>3.00%</u>
Liquidity Coverage Ratio (LCR)	2022	2021
	Total Adjusted Value	
	(Rupees in '000)	
Average High Quality Liquid Assets	1,609,446,790	1,477,650,149
Average Net Cash Outflow	632,560,916	638,366,023
Average Liquidity Coverage Ratio (%)	<u>254.43%</u>	<u>231.47%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>
Net Stable Funding Ratio (NSFR)	2022	2021
	Total Weighted Value	
	(Rupees in '000)	
Total Available Stable Funding	3,225,111,950	3,046,911,457
Total Required Stable Funding	2,171,559,048	1,964,571,726
Net Stable Funding Ratio (%)	<u>148.52%</u>	<u>155.09%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>

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44.1 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, depositor, creditor and market confidence and to sustain future development of the business, while providing adequate returns to shareholders.

The Group's lead regulator, the SBP, sets and monitors capital requirements for the Bank and the Group. The Bank's branches and subsidiaries outside Pakistan are also required to follow capital requirements applicable in their respective jurisdictions.

The SBP, through BSD Circular No. 07 dated April 15, 2009 has required that Banks should maintain a minimum paid-up capital of Rs. 10 billion (net of accumulated losses). The paid-up capital of the Bank as at December 31, 2022 stood at Rs. 14.669 billion (2021: Rs. 14.669 billion) and is in compliance with SBP requirements.

The Group and its individually regulated operations are in compliance with all capital requirements.

The Group's regulatory capital is classified as follows:

- Tier 1 capital comprises of Common Equity Tier 1 (CET 1) and Additional Tier 1 (AT 1) capital.
- CET1 capital includes fully paid-up capital, balance in share premium account, reserves (excluding exchange translation reserves), unappropriated profit and non-controlling interest meeting the eligibility criteria.
- AT 1 capital includes perpetual TFCs meeting the prescribed SBP criteria.
- Tier 2 capital includes general provisions for loan losses, surplus / (deficit) on revaluation of fixed assets and investments, exchange translation reserves.

Banking operations are categorised 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 on and off-balance sheet exposures.

- On and off-balance sheet exposures in the banking book are segregated into various asset classes for the calculation of credit risk. Ratings reflecting the credit worthiness of counterparties are applied using various External Credit Assessment Institutions (ECAIs) and are aligned with appropriate risk buckets. Collateral, if any, is used as an outflow adjustment. Eligible collateral used includes Government of Pakistan (GoP) guarantees, GoP issued securities, bank guarantees, lien on deposits and margin accounts. Risk weights notified by the SBP are applied to net exposures to arrive at risk weighted assets.
- The Group calculates capital requirements for market risk in its trading book based on the methodology provided by the SBP, which takes into account interest rate risk using the maturity method, equity position risk and foreign exchange risk.

44.2 The full disclosures on the Capital Adequacy Ratio, Leverage Ratio & Liquidity Requirements calculated as per SBP instructions issued from time to time have been placed on the Bank's website. The link to the full disclosure is available at <https://www.hbl.com/capitalandliquidity>.

45 RISK MANAGEMENT FRAMEWORK

HBL has a well-developed and robust risk management framework, appropriate for its size, regional and target market diversification and the high complexity of its operations. The Bank's risk management framework includes a clearly documented risk appetite, well-articulated policies and procedures and a multi-tier management supervision, supported by strong Board oversight.

The Board of Directors provides the strategic direction for effective risk management and ensures that a robust risk management framework is in place, covering all aspects of the Bank's operations, including the required human resources, policies, procedures, and systems, and is updated regularly to safeguard the Bank against emerging risks. It is supported in this task by the Board Risk Management Committee (BRMC) as well as by various management committees.

For effective implementation of the risk management framework, the Risk Management function, headed by the Chief Risk Officer (CRO), operates independently of the business units within the Bank. Risk Management is responsible for the development and implementation of risk policies and for monitoring the risks associated with various activities of the Bank. The CRO reports to the President, with a functional reporting line to the BRMC.

The Risk Management function comprises of the following areas:

- Credit Approvals
- Credit Administration
- Program Based Lending Risk
- Market Risk & Financial Risk Modeling
- Enterprise Risk Management
- Risk Corporate Governance

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45.1 Credit risk management

Credit risk is defined as the risk of financial loss stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. While loans are the largest and most obvious source of credit risk, it also stems from both on and off-balance sheet activities. The credit process at the Bank is governed by well-defined and documented credit policies and procedures including separate policies for consumer loans, agriculture banking and SME financing. Certain types of exposures/ facilities are managed under product programs that contain their own detailed credit criteria, compliance and documentation requirements.

The Bank's credit risk appetite is defined through a Global Risk Appetite Statement that is approved by the Board. It also covers the concentration risks the Bank is willing to take with reference to risk ratings, sectors and large exposures.

The core pillars of credit risk management at the Bank are:

- Approval rules based on a three-initial system and joint Business / Risk sign-offs.
- An independent Internal Audit function which includes a Business Risk Review (BRR) unit.

Credit approval authorities are delegated to individuals based on their qualifications and experience. Disbursement authorization, collateral and security management, documentation and monitoring are managed by the Credit Administration Department. Proactive monitoring is ensured for assets under stress. This enables the Bank to put in place viable solutions to prevent further deterioration in credit quality. An independent Structured Credits and Remedial Assets function handles stressed assets and ensures a focused remedial strategy.

Credit risk management software to automate loan origination has been implemented domestically for Corporate, Commercial and Retail (non-program based) lending and is being rolled out to overseas locations. The software is designed to improve approval efficiency; enable capture, storage and retrieval of approval data; and generate MIS for decision making.

Stress testing on the credit portfolio is performed in line with SBP guidelines. In addition to the mandatory stress tests defined by the regulator, the Bank has also developed advanced stress tests for credit risk including macroeconomic stress tests and reverse stress tests to test the adequacy of the Bank's capital under various stress conditions. The Bank also regularly conducts rapid portfolio reviews in line with emerging risks.

The Bank has undertaken a number of initiatives including the establishment of a Financial Risk Modelling & Stress Testing unit to strengthen its credit risk management framework including in-house development, back testing, validation of credit risk scorecards, internal risk ratings (obligor risk rating and facility risk rating) and probability of default models for the portfolio. The performance of the risk rating models over the years is continuously monitored.

BRR performs an independent review of the credit portfolio. It provides an independent assessment of portfolio quality by reviewing the efficacy of the relevant processes, ensuring regulatory / policy compliance, and assessing the appropriateness of classification and risk ratings.

45.1.1 Credit risk - general disclosures

The Bank follows the Standardized Approach for its credit risk exposures, which sets out fixed risk weights corresponding to external credit ratings or type of exposure, whichever is applicable.

Under the Standardized Approach, the capital requirement is based on the credit rating assigned to counterparties by External Credit Assessment Institutions (ECAIs) duly recognized by the SBP. The Bank selects different ECAIs for each type of exposure. The Bank utilizes credit ratings assigned by Pakistan Credit Rating Agency (PACRA), Vital Information Services (VIS), Fitch, Moody's and Standard & Poor's (S&P). The Bank also utilizes rating scores of Export Credit Agencies (ECAs).

Types of exposure and ECAIs used

	FITCH	Moody's	S&P	PACRA	VIS	ECA scores
Corporates	✓	✓	✓	✓	✓	-
Banks	✓	✓	✓	✓	✓	-
Sovereigns	-	✓	-	-	-	✓
Public sector enterprises	✓	-	-	✓	✓	-

Mapping to SBP rating grades

For all exposures, the selected ratings are translated to the standard rating grades given by the SBP. The mapping tables used for converting ECAI ratings to the SBP rating grades are given below:

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Long-Term rating grades mapping

SBP Rating grade	Fitch	Moody's	S&P	PACRA	VIS	ECA Scores
1	AAA	Aaa	AAA	AAA	AAA	0
	AA+	Aa1	AA+	AA+	AA+	1
	AA	Aa2	AA	AA	AA	
2	AA-	Aa3	AA-	AA-	AA-	
	A+	A1	A+	A+	A+	2
	A	A2	A	A	A	
3	A-	A3	A-	A-	A-	
	BBB+	Baa1	BBB+	BBB+	BBB+	3
	BBB	Baa2	BBB	BBB	BBB	
4	BBB-	Baa3	BBB-	BBB-	BBB-	
	BB+	Ba1	BB+	BB+	BB+	4
	BB	Ba2	BB	BB	BB	
5	BB-	Ba3	BB-	BB-	BB-	
	B+	B1	B+	B+	B+	5
	B	B2	B	B	B	6
6	B-	B3	B-	B-	B-	
	CCC+ and below	Caa1 and below	CCC+ and below	CCC+ and below	CCC+ and below	7

Short-Term rating grades mapping

SBP rating grade	Fitch	Moody's	S&P	PACRA	VIS
S1	F1	P-1	A-1+	A-1+	A-1+
S1	F1	P-1	A-1	A-1	A-1
S2	F2	P-2	A-2	A-2	A-2
S3	F3	P-3	A-3	A-3	A-3
S4	Others	Others	Others	Others	Others

45.1.2 Credit Risk Mitigation under the Standardized Approach

The Bank has adopted the Simple Approach for Credit Risk Mitigation in the Banking Book. Under this approach, cash, deposits under lien, Government securities and eligible guarantees etc. are considered as eligible collateral. The Bank has detailed guidelines regarding the valuation and management of each of these types of collateral. Where the Bank's exposure on an obligor is wholly or partially guaranteed by an eligible guarantee, the risk weight / credit rating of the guarantor is substituted for the risk weight of the obligor.

No credit risk mitigation benefit is taken in the Trading Book.

For each asset class, the risk weights as specified by the SBP or corresponding to the SBP rating grades are applied to the net exposure for the calculation of Risk Weighted Assets.

45.1.3 Country Risk

The Bank has in place a comprehensive Country Risk Policy. Limits are established for Cross Border Transfer Risk (CBTR) based on the ratings assigned by international rating agencies. CBTR arises from exposure to counterparties in countries other than the jurisdiction of the lender. Transfer risk arises where an otherwise solvent and willing debtor is unable to meet its obligations due to the imposition of governmental or regulatory controls restricting its ability to meet its foreign liabilities. The limit utilization is controlled at Head Office level and country risk exposures are reported to the BRMC at defined frequencies.

45.1.4 Lendings to financial institutions

	Gross lendings	Non-performing lendings	Provision held	Gross lendings	Non-performing lendings	Provision held
	2022			2021		
Credit risk by public / private sector						
----- (Rupees in '000) -----						
Public / Government	176,265,131	-	-	24,615,867	-	-
Private	78,328,156	-	-	69,126,565	-	-
	254,593,287	-	-	93,742,432	-	-

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45.1.5 Investment in debt securities	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2022			2021		
Credit risk by industry sector						
(Rupees in '000)						
Textile	261,318	261,318	261,318	86,548	86,548	86,548
Automobile and transportation equipment	679,948	-	-	883,872	-	-
Financial	1,842,155,550	1,132,100	953,654	1,835,176,696	-	-
Oil and gas	161,426	-	-	1,798,454	-	-
Power and energy	57,143,804	-	-	61,695,258	-	-
Telecommunication	151,914	151,914	151,914	160,833	160,833	160,833
Wholesale and retail trade	1,065,339	1,065,339	1,065,339	929,609	929,609	929,609
Metal and allied	675,000	-	-	900,000	-	-
Others	980,000	-	-	1,000,000	-	-
	1,903,274,299	2,610,671	2,432,225	1,902,631,270	1,176,990	1,176,990
Credit risk by public / private sector						
Public / Government	1,875,486,292	1,132,100	953,654	1,876,329,222	-	-
Private	27,788,007	1,478,571	1,478,571	26,302,048	1,176,990	1,176,990
	1,903,274,299	2,610,671	2,432,225	1,902,631,270	1,176,990	1,176,990

45.1.6 Advances

45.1.6 Advances	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2022			2021		
Credit risk by industry sector						
(Rupees in '000)						
Chemical and pharmaceuticals	60,357,354	2,815,684	2,809,796	44,855,008	2,528,011	2,516,898
Agribusiness	192,386,285	3,349,804	1,816,848	135,377,910	2,202,050	1,093,954
Textile	223,104,999	13,509,135	13,359,927	175,511,061	15,520,215	15,406,200
Cement	37,904,091	1,967,010	1,083,273	28,401,108	588,694	588,694
Sugar	13,489,105	1,230,342	1,230,342	8,903,630	1,230,342	1,295,262
Shoes and leather garments	6,927,199	1,075,523	1,061,566	4,647,283	949,725	943,425
Automobile and transportation equipment	35,997,366	4,304,713	4,148,166	25,497,800	3,598,823	3,475,364
Financial	133,353,142	2,636,969	2,636,969	155,550,220	2,063,225	2,063,225
Hotel and tourism	7,268,950	741,813	622,677	8,118,431	809,736	712,089
Insurance	1,810,043	-	-	2,506,715	-	-
Electronics and electrical appliances	12,206,287	1,806,788	1,806,788	10,099,650	2,595,651	2,595,651
Oil and gas	88,838,490	7,044,242	7,044,242	88,003,142	5,652,384	5,655,182
Power and energy	208,489,782	2,670,231	697,041	194,625,126	13,336	13,336
Education and medical	9,462,860	190,157	183,652	7,556,135	202,663	196,303
Telecommunication	41,499,857	972,759	972,759	28,315,442	1,082,730	1,082,730
Printing and publishing	7,879,661	350,887	350,887	7,909,569	356,435	349,484
Construction	72,931,970	525,052	332,581	52,722,836	371,301	253,573
Mining and quarrying	7,610,041	116,398	59,258	5,952,217	155,578	78,848
Food, tobacco and beverages	97,198,656	4,322,670	3,172,574	82,533,881	4,725,601	3,361,128
Wholesale and retail trade	89,267,374	15,242,757	13,217,286	83,339,173	13,053,725	11,672,596
Metal and allied	29,735,539	3,881,615	2,389,675	32,092,124	4,040,865	2,412,884
Individuals	174,064,390	3,356,290	2,533,983	142,980,407	2,364,165	1,977,157
Farming, cattle and dairy	30,822,873	1,038,256	614,966	26,214,561	1,787,117	1,239,344
Trust funds and non profit organisations	2,863,815	2,991	2,991	1,596,881	2,991	2,991
Others	289,198,776	17,743,863	16,111,230	237,590,281	14,993,098	13,858,868
	1,874,668,905	90,895,949	78,259,477	1,590,900,591	80,888,461	72,845,186
Credit risk by public / private sector						
Public / Government	338,142,516	3,536,499	2,595,687	319,426,745	3,094,902	2,029,211
Private	1,536,526,389	87,359,450	75,663,790	1,271,473,846	77,793,559	70,815,975
	1,874,668,905	90,895,949	78,259,477	1,590,900,591	80,888,461	72,845,186

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45.1.7 Contingencies and Commitments

Credit risk by industry sector

	2022	2021
	(Rupees in '000)	
Chemical and pharmaceuticals	27,718,235	37,497,701
Agribusiness	4,139,021	4,872,111
Textile	72,095,669	94,007,339
Cement	21,590,809	51,399,786
Defence	429,676	14,055,764
Sugar	3,431,617	3,119,186
Shoes and leather garments	3,023,150	1,608,350
Automobile and transportation equipment	41,297,298	30,685,625
Financial	572,685,923	687,046,356
Hotel and tourism	1,600,123	1,085,725
Insurance	992,398	7,222,886
Electronics and electrical appliances	18,449,164	16,754,561
Oil and gas	54,104,406	68,651,454
Power and energy	134,893,365	106,046,478
Education and medical	1,220,519	2,974,595
Telecommunication	20,429,418	27,697,852
Printing and publishing	1,861,738	2,469,700
Construction	31,520,324	32,208,067
Mining and quarrying	725,931	2,749,857
Food, tobacco and beverages	46,742,487	26,589,405
Wholesale and retail trade	21,805,011	10,665,042
Metal and allied	12,799,000	15,508,860
Individuals	17,938,405	24,602,637
Farming, cattle and dairy	2,270,796	1,549,317
Ports and shipping	5,473,533	1,367,301
Trust funds and non profit organisations	35,550,221	41,572,444
Others	73,829,347	92,293,342
	<u>1,228,617,584</u>	<u>1,406,301,741</u>

Credit risk by public / private sector

Public / Government	246,037,765	226,782,960
Private	982,579,819	1,179,518,781
	<u>1,228,617,584</u>	<u>1,406,301,741</u>

45.1.8 Concentration of Advances

The Group's top 10 exposures on the basis of total (funded and non-funded) exposure aggregated to Rs 484,034.142 million (2021: Rs 439,861.951 million).

	2022	2021
	Rupees in '000	
Funded	349,449,339	254,870,742
Non - funded	134,584,803	184,991,209
Total exposure	<u>484,034,142</u>	<u>439,861,951</u>

The sanctioned limits against these top 10 exposures aggregated to Rs 705,733.152 million (2021 : 628,617.948 million).

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45.1.9 Advances - Province / Region-wise disbursement and utilisation

Province / Region	Disbursements	2022					AJK including Gilgit-Baltistan
		Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	
		(Rupees in '000)					
Punjab	4,216,303,883	4,056,922,038	154,449,300	4,932,545	-	-	-
Sindh	10,327,220,126	670,728,239	9,417,058,107	12,814,439	114,338,086	110,048,348	2,232,907
KPK including FATA	79,549,825	151,364	3,020,300	76,378,161	-	-	-
Balochistan	16,312,428	-	-	-	16,312,428	-	-
Islamabad	1,319,001,272	210,256,356	19,305,283	-	-	1,089,439,633	-
AJK including Gilgit-Baltistan	26,382,979	-	-	-	-	-	26,382,979
Total	15,984,770,513	4,938,057,997	9,593,832,990	94,125,145	130,650,514	1,199,487,981	28,615,886
		2021					
Province / Region	Disbursements	Utilization					AJK including Gilgit-Baltistan
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	
		(Rupees in '000)					
Punjab	3,101,607,442	2,915,900,328	39,963,069	1,314,901	-	144,213,003	216,141
Sindh	8,163,147,976	281,124,813	7,821,084,148	9,728,882	17,231,128	32,115,680	1,863,325
KPK including FATA	64,758,158	756,415	1,832,628	62,159,788	-	9,327	-
Balochistan	12,866,864	-	4,328,047	-	5,377,551	3,161,266	-
Islamabad	1,031,641,148	70,198,521	139,370,616	-	117,227	821,954,784	-
AJK including Gilgit-Baltistan	19,749,842	18,015	-	-	-	574,814	19,157,013
Total	12,393,771,430	3,267,998,092	8,006,578,508	73,203,571	22,725,906	1,002,028,874	21,236,479

45.2 Market Risk Management

Market risk is the risk that the fair value of a financial instrument will fluctuate due to movements in market prices. It results from changes in interest rates, exchange rates and equity prices as well as from changes in the correlations between them. Each of these components of market risk consists of a general market risk and a specific market risk that is driven by the nature and composition of the portfolio.

The Bank is exposed to market risk in a number of ways. The largest component is Interest Rate Risk on the Banking Book, which refers to the interest rate risk that the Bank is exposed to due to mismatches in the repricing of its on-balance sheet assets and liabilities. The Bank also has a Trading Book in which the assets are marked-to-market through the profit and loss account.

The objective of the Bank's market risk management strategy is to assess an acceptable level of risk for each market variable (as stated in the Bank's Risk Appetite Statement), and to manage the risk arising from fluctuations in these variables to optimize the Bank's income streams.

Treasury and Global Markets is tasked with proactively managing exposures. The Bank's ALCO provides governance with respect to market risk exposures and limits, while monitoring and measurement is carried out by Market Risk Management (MRM).

MRM provides a dynamic and proactive approach to market risk monitoring, including the use of tools such as portfolio sensitivity, scenario analysis, stress testing and the use of Management Action Triggers (MAT) and limits.

45.2.1 Statement of financial position split by trading and banking books

	2022			2021		
	Banking book	Trading book	Total	Banking book	Trading book	Total
	(Rupees in '000)					
Cash and balances with treasury banks	296,015,386	-	296,015,386	441,252,246	-	441,252,246
Balances with other banks	41,513,022	-	41,513,022	64,438,075	-	64,438,075
Lendings to financial institutions	254,593,287	-	254,593,287	93,742,432	-	93,742,432
Investments	1,177,215,851	771,585,191	1,948,801,042	1,036,253,263	912,702,715	1,948,955,978
Advances	1,782,497,923	-	1,782,497,923	1,507,047,097	-	1,507,047,097
Fixed assets	113,871,657	-	113,871,657	98,676,342	-	98,676,342
Intangible assets	18,422,200	-	18,422,200	12,630,475	-	12,630,475
Deferred tax assets	5,797,045	-	5,797,045	-	-	-
Other assets	173,654,999	3,639,550	177,294,549	141,773,908	8,951,592	150,725,500
Total	3,863,581,370	775,224,741	4,638,806,111	3,395,813,838	921,654,307	4,317,468,145

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45.2.4.1 Mismatch of interest rate sensitive assets and liabilities

Interest rate sensitivity gaps for assets and liabilities which have contractual maturities have been reported based on the earlier of the re-pricing date or maturity date. Assets and liabilities which do not have any contractual maturities have been bucketed on the basis of a behavioural study conducted by Market Risk Management and approved by ALCO.

	Effective yield / interest rate	2022										Not exposed to yield / interest risk	
		Exposed to yield / interest risk											
		Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years		
On-balance sheet assets													
Financial assets													
Cash and balances with treasury banks	0.11%	296,015,386	61,230,526	78,365	-	-	-	-	-	-	-	-	234,706,495
Balances with other banks	2.69%	41,513,022	16,584,295	2,980,350	240,594	567,535	-	-	-	-	-	-	21,140,248
Lendings to financial institutions	12.70%	254,593,287	254,593,287	-	-	-	-	-	-	-	-	-	-
Investments	11.45%	1,948,801,042	486,539,567	348,175,889	504,257,638	81,479,252	141,127,675	121,282,529	40,498,150	125,268,160	48,224,107	-	51,948,075
Advances	11.83%	1,782,497,923	514,600,572	832,361,502	198,348,625	48,597,784	33,646,253	37,842,266	63,125,400	42,045,484	2,462,280	-	9,467,757
Other assets		159,854,891	-	-	-	-	-	-	-	-	-	-	159,854,891
		4,483,275,551	1,333,548,247	1,183,596,106	702,846,857	130,644,571	174,773,928	189,124,795	103,623,550	167,313,644	50,686,387	-	477,117,466
Financial liabilities													
Bills payable		52,001,577	-	-	-	-	-	-	-	-	-	-	52,001,577
Borrowings	8.69%	583,771,399	60,227,050	315,772,669	59,704,698	34,998,780	23,588,588	4,891,011	13,269,544	68,649,120	2,669,939	-	-
Deposits and other accounts	6.24%	3,469,342,252	255,655,896	1,482,420,793	160,852,100	170,524,435	20,442,371	12,502,454	10,265,838	6,404,175	7,195	-	1,350,266,995
Subordinated debt	15.20%	18,874,000	-	18,874,000	-	-	-	-	-	-	-	-	-
Other liabilities		27,079,479	218,665	437,330	655,995	1,311,990	2,623,981	2,623,981	5,247,961	13,959,576	-	-	-
Lease Liability against right-of-use asset	11.61%	180,202,302	-	-	-	-	-	-	-	-	-	-	180,202,302
Others		4,331,271,009	316,101,611	1,817,504,792	221,212,793	206,835,205	46,654,940	20,017,446	28,783,343	89,012,871	2,677,134	-	1,582,470,874
		152,004,542	1,017,446,636	(633,908,686)	481,634,064	(76,190,634)	128,118,988	(139,107,349)	74,840,207	76,300,773	48,009,253	(1,105,353,408)	-
On-balance sheet gap		133,017,272	-	-	-	-	-	-	-	-	-	-	-
Net non - financial assets		285,021,814	-	-	-	-	-	-	-	-	-	-	-
Total net assets		285,021,814	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet financial instruments													
Foreign exchange contracts - forward purchases		284,366,183	121,003,450	81,121,232	76,868,066	5,373,435	-	-	-	-	-	-	-
Foreign exchange contracts - forward sales		(150,216,870)	(89,485,965)	(33,541,544)	(22,003,460)	(5,016,085)	-	(169,816)	-	-	-	-	-
Government Securities transactions - forward purchases		117,020,407	115,303,606	1,331,036	385,765	-	-	-	-	-	-	-	-
Government Securities transactions - forward sales		(15,275,533)	(15,275,533)	-	-	-	-	-	-	-	-	-	-
Cross Currency Swaps - purchases		23,863,687	2,746,513	308,700	-	709,425	2,394,210	166,808	5,947,340	8,012,291	3,578,400	-	-
Cross Currency Swaps - sales		(30,407,998)	(3,319,106)	(452,862)	-	(679,293)	(3,266,252)	(169,816)	(9,918,301)	(9,073,750)	(4,528,618)	-	-
Interest rate swaps - sales		(3,033,333)	-	(208,333)	-	-	(1,000,000)	(1,625,000)	(200,000)	-	-	-	-
		226,316,543	130,972,965	48,558,220	55,250,371	387,482	(1,872,042)	(1,797,824)	(3,170,961)	(1,061,459)	(950,218)	-	-
Off-balance sheet gap		1,148,419,601	(585,350,457)	(585,350,457)	536,884,435	(75,803,152)	126,246,946	137,309,525	71,669,246	77,239,314	47,059,035	(1,105,353,408)	-
Total yield / interest rate risk sensitivity gap		1,148,419,601	(585,350,457)	(585,350,457)	536,884,435	(75,803,152)	126,246,946	137,309,525	71,669,246	77,239,314	47,059,035	(1,105,353,408)	-
Cumulative yield / interest rate risk sensitivity gap		1,148,419,601	563,069,144	1,099,953,579	1,024,150,427	1,150,397,373	1,287,706,898	1,359,376,144	1,436,615,458	1,483,674,493	1,483,674,493	378,321,085	-

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45.3 Enterprise Risk Management

The Enterprise Risk Management (ERM) function was set up in 2020, and is applicable to all functions within the Bank, thus ensuring a robust and consistent approach to risk management at all levels of the organisation.

The Bank's Enterprise Risk Management Framework, approved by the Board, outlines the essential ERM components, principles and concepts, and suggests the use of a common ERM language, while providing a clear direction and guidance for integrated risk management within the Bank. Day-to-day responsibility for risk management is distributed through the delegation of accountability to individuals, with reporting and escalation facilitated through a governance structure. Standards, policies, and limits are well defined to ensure tasks and processes are consistently controlled.

During the year, a Bank-wide Risk and Control Repository has been created with the objective of identifying all risks and issues in a holistic manner across the entire organisation and ensuring that they are adequately monitored and mitigated.

The ERM function also includes a Model Risk Management unit that provides independent review and validation of all models being used in the Bank.

45.4 Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

A comprehensive ORM Framework is in place which address all significant aspects of ORM. The Bank uses loss data management, Risk and Control Self Assessments and tracking of Key Risk Indicators (KRIs) to gauge the likelihood and severity of operational risk. The SAS software is used to facilitate this process. Operational Risk coordinators have been assigned from all departments of the Bank and are responsible for implementation of the Framework in coordination with the ORM department. An Operational Risk Management Committee (ORMC) monitors and oversees operational risk issues.

The Bank uses stress testing to proactively assess impacts to the Bank. RCSA exercises are conducted at regular intervals across the Bank. Operational risk reports are regularly submitted to the senior management and the BRMC.

45.4.1 Business Continuity Planning (BCP)

It is the policy of the Bank to maintain a well-defined business continuity plan with clearly defined roles, responsibilities and ownership for crisis management, to ensure business continuity and IT disaster recovery. The Bank's Business Continuity Steering Committee, includes representation from the senior management of the Bank and is the governing body for BCP. It meets on a periodic basis to review key initiatives, testing results and action plans for strengthening the Bank's ability to manage crisis situations. The Bank's business continuity program complies with the regulatory framework and the leading Business Continuity Management standard, ISO 22301. The business continuity program is subject to regular internal, external and regulatory reviews and audits.

45.4.2 IT related controls

During the year, the Bank's IT controls were further strengthened, with special focus on controls around testing and quality assurance of all the products or solutions taken into production. Enhanced focus and visibility was given to IT Audit and Compliance, and several control / monitoring and technology hygiene initiatives were launched in close coordination with Internal Audit and Global Compliance. A formal procedure for IT Risk Management was introduced to identify and mitigate potential risks in a centralized manner. This has been further aligned with the Enterprise Technology Governance and Risk Management (ETGRM) framework. IT Risk Coordinators, aligned with the enterprise-wide Risk Coordinators have been introduced to ensure that risks are reported and coordinated regularly. An IT Risk Register has been developed to track and monitor IT risks; the process will be automated in 2023 aligned with other areas of the Bank.

Controls around 'Cloud Computing' were put in place as per the directives and framework provided by the SBP. IT introduced better visibility of its services management function by revamping existing processes and introducing new processes for effective controls and visibility across the Bank. The IT Steering Committee discipline was established at all international locations to bring efficiency and effectiveness in technology governance and operations.

45.4.3 Information Security Risk

It is vitally important for the Bank to protect its customers and their data from cyberattacks and to provide secure banking services. Information Security plays a pivotal role in protecting the Bank's data assets from both internal and external threats through effective cyber security risk management, supported by preventive and detective controls capable of responding to emerging external threats.

Targeted and frequent information security awareness initiatives for customers and employees were launched using multiple delivery channels, to elevate their level of awareness and better equip them to counter security challenges. Significant progress has also been made in raising information security standards at international locations to a level consistent with the policies, standards, and controls implemented for the domestic business.

Moving forward, the Bank plans to strengthen its cyber-defenses through the use of automation and modern technologies, in particular, AI and machine learning. Furthermore, the Bank will work towards further alignment of its information security operations center with international best practices.

Customers are an important component of the security process and continuous customer education about cyber risks will remain an important component of our defense strategy. These security measures will allow the Bank to continue offering innovative digital solutions to its clients while ensuring them protection and peace of mind.

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45.5 Liquidity Risk Management

Liquidity risk is the risk that the Bank may be unable to meet its cash obligations as they become due, or to fund assets at a reasonable cost, because of the inability to liquidate assets, or to obtain adequate funding.

The Bank follows a comprehensive liquidity risk management policy approved by the Board. The policy provides guidelines for establishing a robust liquidity risk management framework which helps in identifying the key liquidity and funding risks to which the bank is exposed, describes how these risks are identified, measured, monitored and reported, and prescribes the techniques and resources used to manage and mitigate these risks. The policy stipulates maintenance of various ratios, funding preferences, and evaluation of the Bank's liquidity under normal and crisis situations (stress testing). The Bank also has a Contingency Funding Plan in place to address liquidity issues in times of crisis. This plan identifies early warning indicators to preempt unforeseen liquidity crises. Triggers are used to ascertain potential stress scenarios.

The Bank's ALCO is responsible for the formulation of overall strategy and oversight of asset and liability management. Liquidity Risk is monitored using a range of metrics, including Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR); liquidity gaps and various liquidity ratios are regularly monitored by Market Risk Management. Liquidity risk is reviewed by ALCO on a monthly basis and an update is provided to the BRMC on a quarterly basis.

45.5.1 Maturities of Assets and Liabilities - based on contractual maturity of the assets and liabilities of the Group

	2022												
	Total	Up to 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
Assets													
Cash and balances with treasury banks	296,015,386	294,937,045	999,976	-	78,365	-	-	-	-	-	-	-	-
Balances with other banks	41,513,022	27,116,527	-	-	11,745,452	-	1,914,596	-	736,447	-	-	-	-
Lending to financial institutions	254,593,287	-	254,593,287	-	-	-	-	-	-	-	-	-	-
Investments	1,948,801,042	-	2,238,282	265	127,113,065	14,824,099	248,316,856	96,963,827	252,686,160	212,501,914	332,341,640	112,944,792	434,675,047
Advances	1,782,497,923	259,547,814	105,507,594	22,394,196	30,737,454	40,274,353	31,306,341	66,487,966	96,043,481	124,315,073	225,884,029	210,207,153	234,241,479
Fixed assets	113,871,657	7,900,183	149,739	174,695	424,260	759,093	759,093	2,277,278	2,277,278	2,277,278	9,109,113	9,109,113	9,816,856
Intangible assets	18,422,200	5,213,969	27,391	31,956	77,608	138,857	138,857	416,571	416,571	416,571	1,666,285	1,666,285	2,117,895
Deferred tax assets	5,797,045	210,325	64,597	75,384	183,026	1,162,638	1,541,380	805,100	805,100	1,878,758	2,206,326	4,632,460	(6,930,667)
Other assets	177,294,549	1,029,416	6,176,545	7,205,989	16,606,284	25,147,106	22,739,775	58,066,577	14,010,872	14,010,872	11,901,410	175,124	230,619
	4,638,806,111	595,955,279	369,757,411	29,882,445	186,965,514	82,306,146	306,332,156	225,753,399	366,239,462	355,063,265	582,781,235	336,308,793	685,485,737
Liabilities													
Bills payable	52,001,577	52,001,577	-	-	-	-	-	-	-	-	-	-	-
Borrowings	583,771,399	354,731	22,624,531	36,114,622	172,380	131,873,741	44,024,208	169,652,830	19,846,991	5,152,948	949,508	67,913,017	15,771,052
Deposits and other accounts	3,469,342,252	2,723,069,657	80,119,079	67,405,184	84,861,493	44,469,669	73,438,855	158,494,285	78,794,809	100,197,829	24,468,728	13,095,258	13,448,375
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	27,079,479	7,189	43,134	50,323	122,213	216,665	216,665	655,995	655,995	655,995	2,623,981	2,623,981	5,247,961
Lease Liability against right-of-use asset	202,715,590	6,444,791	38,668,742	45,113,532	106,149,910	5,886,515	442,100	-	-	-	-	-	-
Others	4,353,784,297	2,781,877,945	141,455,486	148,683,661	191,305,996	176,562,075	123,578,243	329,245,210	99,297,795	106,006,772	28,042,217	83,632,256	34,468,388
	285,021,814	(2,195,922,666)	228,301,925	(118,801,216)	(4,340,482)	(94,255,929)	182,753,913	(103,491,811)	266,941,667	249,056,483	554,739,018	252,676,537	651,017,349
Net assets	14,688,525	87,771,332	1,235,369	178,467,639	2,878,949	285,021,814	69,332,253	1,955,382	109,628,253	406,347,026	69,332,253	1,955,382	109,628,253
Share capital													
Reserves													
Surplus on revaluation of assets - net of tax													
Unappropriated profit													
Non-controlling interest													

(Rupees in '000)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2021

Total	Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 Years	Over 5 Years
Assets													
	441,252,246	426,697,951	9,687,044	702,262	1,404,524	-	-	-	2,760,465	-	-	-	-
Cash and balances with treasury banks	64,438,075	52,871,491	3,796,981	4,041,096	2,158,380	1,485,344	264,890	-	19,893	-	-	-	-
Balances with other banks	93,742,432	-	42,953,067	19,591,484	9,838,081	1,700,000	19,661,800	-	-	-	-	-	-
Lendings to financial institutions	1,948,955,978	-	9,060,103	8,008,040	17,689,095	44,689,736	191,802,861	158,624,712	39,347,661	353,263,279	149,763,596	314,827,792	532,338,654
Investments	1,507,047,097	321,301,969	69,963,505	13,312,743	28,118,123	44,683,542	37,780,816	100,415,436	71,271,461	163,960,725	135,365,959	184,879,667	280,590,309
Advances	98,676,342	7,822,501	113,377	132,273	321,234	574,757	574,757	1,724,272	1,724,272	6,887,090	6,887,090	7,877,221	62,283,226
Fixed assets	12,630,475	2,059,221	18,892	22,041	53,528	96,773	96,773	287,318	287,318	1,149,273	1,149,273	1,460,757	5,663,990
Intangible assets	159,725,500	1,237,980	7,427,884	8,665,864	19,215,510	16,050,841	16,050,841	40,094,768	9,953,257	21,612,674	280,134	-	402,326
Other assets	4,317,468,145	811,991,113	143,020,853	54,475,803	78,796,475	109,279,993	266,231,738	301,146,506	129,075,872	546,883,041	293,456,052	509,045,437	861,288,505
Liabilities													
	44,186,984	44,186,984	-	-	-	-	-	-	-	-	-	-	-
Bills payable	436,288,005	653,970	4,624,531	48,157,698	4,812,910	131,854,086	36,907,850	43,043,041	44,896,063	11,007,311	13,779,480	18,992,943	72,985,564
Borrowings	3,381,998,398	2,697,560,894	61,031,839	71,203,813	172,923,545	81,669,907	81,669,907	69,472,988	53,075,319	9,226,939	18,984,320	3,468,912	8,634,816
Deposits and other accounts	12,374,000	-	-	-	-	-	-	-	-	-	-	-	12,374,000
Subordinated debt	5,082,602	8,725	(6,036)	(7,042)	(17,103)	(120,241)	(120,241)	(151,798)	(72,772)	(1,442,179)	(793,284)	(1,613,102)	9,490,447
Deferred tax liabilities													
Other liabilities	22,307,342	5,922	35,533	41,455	100,676	180,130	180,130	540,391	540,391	2,161,564	2,161,564	4,323,128	11,496,067
Lease Liability against right-of-use asset	131,565,012	4,114,846	24,689,076	28,803,922	65,886,955	1,224,253	1,224,253	1,801,112	629,152	313,312	300,853	1,865,402	70,724
Others	4,033,782,343	2,746,541,341	90,374,943	148,199,846	243,716,983	214,808,145	119,861,899	114,705,714	99,068,143	21,266,847	34,432,953	27,027,283	115,051,618
Net assets	283,685,802	(1,934,550,228)	52,645,910	(93,724,043)	(164,922,508)	(105,528,152)	146,369,839	186,440,792	30,007,729	525,616,194	259,023,119	482,018,154	746,236,887
Share capital	14,688,525												
Reserves	81,375,519												
Surplus on revaluation of assets - net of tax	25,189,371												
Unappropriated profit	158,441,418												
Non-controlling interest	4,040,969												
	283,685,802												

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

45.5.2 Maturities of assets and liabilities - based on expected maturities of the assets and liabilities of the Group

Assets and liabilities which have contractual maturities have been reported as per the remaining maturities. Assets and liabilities which do not have any contractual maturities have been reported as per their expected maturities calculated on the basis of a behavioral study approved by ALCO.

		2022									
		Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
		(Rupees in '000)									
Assets											
Cash and balances with treasury banks	296,015,386	210,396,382	4,828,207	9,287,517	12,764,975	10,032,402	6,963,382	9,341,767	16,665,452	15,735,302	-
Balances with other banks	41,513,022	40,209,023	736,446	-	567,553	-	-	-	-	-	-
Lendings to financial institutions	254,593,287	254,593,287	-	-	-	-	-	-	-	-	-
Investments	1,948,801,042	129,351,632	263,140,955	96,963,627	252,686,160	212,501,914	332,341,640	112,944,792	434,675,047	114,195,275	-
Advances	1,782,497,923	260,893,926	120,926,432	67,482,894	182,927,125	284,298,753	220,245,291	274,916,691	295,930,751	74,876,060	-
Fixed assets	113,871,657	8,634,319	1,518,186	2,277,278	4,554,557	9,109,113	9,109,113	9,828,722	14,418,220	54,422,149	-
Intangible assets	18,422,200	5,348,261	277,714	416,571	833,142	1,666,285	1,666,285	2,120,558	-	6,093,384	-
Deferred tax assets	5,797,045	1,536,895	2,720,925	977,601	2,567,878	479,495	4,077,271	2,469,546	(1,106,172)	(7,926,394)	-
Other assets	177,294,549	28,440,463	49,783,695	59,029,395	27,655,238	12,309,958	-	75,800	-	-	-
	4,638,806,111	939,404,188	443,932,560	236,434,883	484,556,628	530,397,920	574,402,982	411,697,876	760,583,298	257,395,776	-
Liabilities											
Bills payable	52,001,577	20,432,434	-	31,569,143	-	-	-	-	-	-	-
Borrowings	583,771,399	325,968,809	28,906,885	52,353,543	3,723,589	29,960,056	7,413,921	20,084,490	115,170,805	189,301	-
Deposits and other accounts	3,469,342,252	940,821,398	197,138,019	306,794,361	421,558,486	287,312,110	195,673,927	254,534,203	450,936,301	414,573,447	-
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-
Other liabilities	27,079,479	218,665	437,330	655,995	1,311,990	2,623,981	2,623,981	5,247,961	13,959,576	-	-
Lease Liability against right-of-use asset	202,715,590	78,591,335	49,725,375	26,923,857	27,889,229	2,398,410	765,084	1,530,168	14,755,970	136,162	-
Others	4,353,784,297	1,366,032,641	276,207,609	418,296,899	454,483,294	322,294,557	206,476,913	281,396,822	594,822,652	433,772,910	-
Net assets	285,021,814	(426,628,453)	167,724,951	(181,862,016)	30,073,334	208,103,363	367,926,069	130,301,054	165,760,646	(176,377,134)	-
Share capital	14,668,525	-	-	-	-	-	-	-	-	-	-
Reserves	87,771,332	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of assets - net of tax	1,235,369	-	-	-	-	-	-	-	-	-	-
Unappropriated profit	178,467,639	-	-	-	-	-	-	-	-	-	-
Non-controlling interest	2,878,949	-	-	-	-	-	-	-	-	-	-
	285,021,814	-	-	-	-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2021

	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
------(Rupees in '000)-----										
Assets										
Cash and balances with treasury banks	441,252,246	307,182,926	12,238,923	7,302,617	25,068,426	18,784,034	9,812,757	13,623,858	23,246,600	23,992,105
Balances with other banks	64,438,075	62,667,948	1,750,234	-	19,893	-	-	-	-	-
Lendings to financial institutions	93,742,432	72,380,632	21,361,800	-	-	-	-	-	-	-
Investments	1,948,955,978	34,757,238	236,492,597	158,624,712	168,888,110	353,263,279	149,763,596	314,827,793	428,162,687	104,175,966
Advances	1,507,047,097	161,920,025	115,009,117	126,137,279	188,475,592	218,910,603	182,250,566	254,137,064	134,618,654	125,588,197
Fixed assets	98,676,342	8,378,362	1,149,515	1,724,272	3,448,545	6,897,090	6,897,090	7,884,046	12,710,771	49,586,651
Intangible assets	12,630,475	2,151,845	191,545	287,318	574,636	1,149,273	1,149,273	1,462,595	-	5,663,990
Other assets	150,725,500	35,508,797	36,301,782	38,184,320	18,579,982	21,708,444	281,044	-	161,131	-
	4,317,468,145	684,947,773	424,495,513	332,260,518	405,055,184	620,712,723	350,154,326	591,935,356	588,899,843	309,006,909
Liabilities										
Bills payable	44,196,984	8,367,265	853,089	34,976,630	-	-	-	-	-	-
Borrowings	436,258,005	58,249,109	168,800,165	43,421,012	49,732,681	11,598,450	14,406,913	16,670,978	65,355,555	8,023,142
Deposits and other accounts	3,381,998,398	955,209,378	249,242,548	181,583,090	432,805,501	333,394,713	174,174,096	239,477,908	401,975,826	414,135,338
Subordinated debt	12,374,000	-	-	-	-	-	-	-	-	12,374,000
Deferred tax liabilities	5,082,602	(21,562)	(240,447)	(151,646)	(145,519)	(1,442,127)	(793,388)	(1,613,113)	3,611,383	5,879,021
Other liabilities										
Lease Liability against right-of-use asset	22,307,342	180,130	360,261	540,391	1,080,782	2,161,564	2,161,564	4,323,128	11,499,522	-
Others	131,565,012	35,126,263	39,649,085	16,441,101	20,979,093	3,651,047	963,993	1,927,985	12,683,087	143,358
	4,033,782,343	1,057,110,583	458,664,701	276,810,578	504,452,538	349,363,647	190,913,178	260,786,886	495,125,373	440,554,859
Net assets	283,685,802	(372,162,810)	(34,169,188)	55,449,940	(99,397,354)	271,349,076	159,241,148	331,148,470	103,774,470	(131,547,950)
Share capital	14,668,525									
Reserves	81,375,519									
Surplus on revaluation of assets - net of tax	25,159,371									
Unappropriated profit	158,441,418									
Non-controlling interest	4,040,969									
	283,685,802									

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

45.6 Derivatives Risk

The policy guidelines for derivatives exposures are approved by the Board on the recommendation of the BRMC.

The responsibility for derivatives activity lies with the Treasury and Global Markets business. Measurement and monitoring of market and credit risk limits and exposure, and their reporting to senior management and the Board is done by Market Risk Management (MRM) which, in coordination with the business, also presents limits for review and approval to ALCO and the BRMC. Treasury Operations records derivatives activity in the Bank's books, executes settlements of trades and carries out regulatory reporting to the SBP.

45.6.1 Credit Risk

Credit risk is the risk of non-performance by a counterparty which could result in an adverse impact on the Bank's profitability. The credit risk associated with derivative transactions is categorized into settlement risk and pre-settlement risk. Pre-settlement and settlement risk limits for derivative transactions are determined and monitored daily using an approved framework.

45.6.2 Market Risk

The Bank, as a policy, hedges all Options transactions back-to-back. The Bank minimizes the exchange rate risk on its Cross Currency Swaps portfolio by hedging the exposure in the interbank market on a rolling basis. The Bank also manages the interest rate risk of Interest Rate Derivatives and Cross Currency Swaps through Price Value of a Basis Point (PVBP) limits which are monitored and reported by MRM to senior management on a daily basis. These limits are approved by ALCO annually and then approved by the Board on the recommendation of the BRMC.

45.6.3 Operational Risk

The Bank has put in place a robust control framework for derivatives transactions. Front office staff dealing in derivatives have the requisite training and experience to conduct this business; responsibilities have been divided amongst the Structuring Desk (tasked with the overall ownership of derivatives and structured products), Treasury Sales (who are involved in marketing and executing transactions with the Bank's client base) and Trading (which proactively manages the risk from a business perspective).

A detailed product program, approved by the Board, governs the entire value chain for derivatives, including credit and market risk management, booking, sales and settlement. There is a clear segregation of duties whereby operational aspects are handled by Treasury Operations, whereas all risk issues are the responsibility of the Risk department. A Treasury Middle Office function, reporting into Risk, carries out daily monitoring of exposures, while Compliance monitors any deviation from approved policies and procedures. Internal Audit also regularly reviews systems, transactional processes, accounting practices and end-user roles and responsibilities as part of their reviews of this function.

45.6.4 Liquidity Risk

The types of derivative transactions entered into by HBL are typically straightforward, or 'vanilla' transactions, whereby the Bank is exposed to a negligible amount of liquidity risk.

46 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

- 46.1 The Board of Directors, in its meeting held on February 24, 2023, has proposed a final cash dividend of Rs 1.50 per share for the year 2022. This is in addition to the Rs 5.25 already paid during the year bringing the total dividend for the year to Rs 6.75 per share (2021: Rs 7.50 per share). This appropriation is expected to be approved by the shareholders in the forthcoming Annual General Meeting. The consolidated financial statements for the year ended December 31, 2022 do not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending December 31, 2023.

47 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue in the Board of Directors meeting held on February 24, 2023.

48 GENERAL

- 48.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

ANNEXURE I: ISLAMIC BANKING BUSINESS

The Bank operates 294 (December 31, 2021: 259) Islamic Banking branches and 573 (December 31, 2021: 614) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
ASSETS			
Cash and balances with treasury banks		17,497,223	28,015,270
Balances with other banks		451,114	1,162,953
Due from financial institutions	1	-	28,671,686
Investments	2	183,654,832	191,864,941
Islamic financing and related assets - net	3	223,974,766	166,058,790
Fixed assets		6,497,224	4,629,739
Intangible assets		30,066	-
Due from Head Office	4	257,428	-
Deferred tax assets		1,160,304	-
Other assets		8,653,602	12,962,183
		442,176,559	433,365,562
LIABILITIES			
Bills payable		20,267	26,310
Due to financial institutions	5	74,694,404	31,567,668
Deposits and other accounts	6	319,883,948	346,895,368
Due to Head Office	4	-	11,439,635
Subordinated debt		-	-
Deferred tax liabilities		-	73,097
Other liabilities		15,693,460	15,554,392
		410,292,079	405,556,470
NET ASSETS			
		31,884,480	27,809,092
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
(Deficit) / surplus on revaluation of investments - net of tax		(1,538,078)	114,330
Unappropriated profit	8	32,922,558	27,194,762
		31,884,480	27,809,092
Contingencies and commitments			
	9		
PROFIT AND LOSS ACCOUNT			
Profit / return earned	10	46,415,296	24,109,086
Profit / return expensed	11	28,064,213	12,360,809
Net profit / return		18,351,083	11,748,277
Other income / (loss)			
Fee and commission income		1,053,121	696,748
Dividend income		-	-
Foreign exchange income / (loss)		372,255	(20,401)
Income from derivatives		-	-
Gain / (loss) on securities - net		82,252	(23,958)
Others		625	272
Total other income		1,508,253	652,661
Total income			
		19,859,336	12,400,938
Other expenses			
Operating expenses		6,786,714	4,149,716
Workers' Welfare Fund - charge		234,083	168,786
Other charges		168,439	2,803
Total other expenses		7,189,236	4,321,305
Profit before provisions			
		12,670,100	8,079,633
Provisions / (reversals) and write offs - net		1,434,083	(22,121)
Profit before taxation			
		11,236,017	8,101,754
Taxation		5,505,648	3,159,684
Profit after taxation			
		5,730,369	4,942,070

ANNEXURE I: ISLAMIC BANKING BUSINESS

		2022	2021
		(Rupees in '000)	
1	DUE FROM FINANCIAL INSTITUTIONS		
	Call money lendings	-	24,500,000
	Bai Muajjal receivable from financial institutions	-	4,171,686
		-	28,671,686

2 INVESTMENTS BY SEGMENT

	2022				2021			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
(Rupees in '000)								
Federal Government securities								
Ijarah Sukuks	125,360,260	-	(2,772,531)	122,587,729	119,617,967	-	(537,141)	119,080,826
Other Federal Government Securities	4,686,060	-	-	4,686,060	11,810,120	-	-	11,810,120
	130,046,320	-	(2,772,531)	127,273,789	131,428,087	-	(537,141)	130,890,946
Non-Government debt securities								
-Listed	45,943,545	-	57,829	46,001,374	47,325,231	-	681,000	48,006,231
-Unlisted	10,363,349	-	16,320	10,379,669	12,924,196	-	43,568	12,967,764
	56,306,894	-	74,149	56,381,043	60,249,427	-	724,568	60,973,995
Total Investments	186,353,214	-	(2,698,382)	183,654,832	191,677,514	-	187,427	191,864,941

		Note	2022	2021
			(Rupees in '000)	
3	ISLAMIC FINANCING AND RELATED ASSETS - NET			
	Diminishing Musharakah		94,643,200	81,033,335
	Running Musharakah		57,261,410	30,704,784
	Wakalah		14,541,328	10,381,176
	Ijarah	3.1	2,294,057	2,095,534
	Murabaha	3.2	3,791,439	1,897,123
	Currency Salam		-	195,118
	Tijarah		2,887,334	2,058,785
	Istisna		1,994,354	973,605
	Musawamah		777,472	401,370
	Advance for Diminishing Musharakah		5,364,119	3,573,753
	Advance for Ijarah		3,599,862	1,208,139
	Advance for Murabaha	3.2	5,546,361	8,687,338
	Advance for Salam		2,029,702	1,228,367
	Advance for Istisna		13,169,142	12,886,460
	Advance for Musawamah		3,856,574	272,258
	Inventories against Murabaha	3.2	5,410,563	2,438,918
	Inventories against Tijarah		5,427,552	3,347,923
	Inventories against Istisna		3,853,373	3,708,194
	Islamic financing and related assets - gross		226,447,842	167,092,180
	Provision against Islamic financing and related assets			
	-Specific		(1,376,081)	(334,402)
	-General		(1,096,995)	(698,988)
			(2,473,076)	(1,033,390)
	Islamic financing and related assets - net of provision		223,974,766	166,058,790

ANNEXURE I: ISLAMIC BANKING BUSINESS

3.1 Ijarah

	2022						Book value as at Dec 31, 2022
	Cost			Accumulated Depreciation			
	As at Jan 1, 2022	Additions / (deletions)	As at Dec 31, 2022	As at Jan 1, 2022	Charge for the year / (depreciation on deletion)	As at Dec 31, 2022	
	(Rupees in '000)						
Plant and machinery	1,331,602	297,695 (233,031)	1,396,266	367,007	196,738 (73,365)	490,380	905,886
Vehicles	2,030,992	948,330 (706,252)	2,273,070	900,053	467,810 (482,964)	884,899	1,388,171
Total	3,362,594	1,246,025 (939,283)	3,669,336	1,267,060	664,548 (556,329)	1,375,279	2,294,057
	2021						
	Cost			Accumulated Depreciation			Book value as at Dec 31, 2021
	As at Jan 1, 2021	Additions / (deletions)	As at Dec 31, 2021	As at Jan 1, 2021	Charge for the year / (depreciation on deletion)	As at Dec 31, 2021	
	(Rupees in '000)						
Plant and machinery	933,485	786,521 (388,404)	1,331,602	264,301	276,355 (173,649)	367,007	964,595
Vehicles	2,615,928	474,905 (1,059,841)	2,030,992	943,461	487,613 (531,021)	900,053	1,130,939
Total	3,549,413	1,261,426 (1,448,245)	3,362,594	1,207,762	763,968 (704,670)	1,267,060	2,095,534

3.1.1 Future Ijarah payments receivable

	2022				2021			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
	(Rupees in '000)							
Ijarah rentals receivable	1,322,523	2,377,212	540,108	4,239,843	821,158	1,168,984	636,948	2,627,090

3.2 Murabaha

	Note	2022	2021
		(Rupees in '000)	
Murabaha financing	3.2.1	3,791,439	1,897,123
Advances for Murabaha		5,546,361	8,687,338
Inventories against Murabaha		5,410,563	2,438,918
		14,748,363	13,023,379
3.2.1 Murabaha receivable - gross	3.2.1.1	3,866,887	1,915,375
Deferred murabaha income	3.2.1.2	(23,780)	(8,223)
Profit receivable shown in other assets		(51,668)	(10,029)
Murabaha financing		3,791,439	1,897,123
3.2.1.1 The movement in gross Murabaha receivable during the year is as follows:			
Opening balance		1,915,375	1,526,183
Sales during the year		16,310,831	27,740,135
Adjusted during the year		(14,359,319)	(27,350,943)
Closing balance		3,866,887	1,915,375
3.2.1.2 The movement in Deferred Murabaha income during the year is as follows:			
Opening balance		8,223	2,980
Arising during the year		1,301,204	650,102
Recognised during the year		(1,285,647)	(644,859)
Closing balance		23,780	8,223
3.2.1.3 Murabaha sale price		3,866,887	1,915,375
Murabaha purchase price		(3,791,439)	(1,897,123)
Total profit receivable		75,448	18,252

ANNEXURE I: ISLAMIC BANKING BUSINESS

4 Due from Head Office mainly represents inter-branch transactions.

	Note	2022 (Rupees in '000)	2021
5 DUE TO FINANCIAL INSTITUTIONS			
Unsecured acceptances of funds	5.2	19,000,000	1,000,000
Acceptances from the SBP under:			
- Islamic export refinance scheme	5.3	19,931,491	20,029,111
- Islamic long term financing facility	5.4	7,183,674	5,892,219
- Islamic financing facility for renewable energy power plants	5.5	693,399	336,665
- Islamic refinance facility for modernization of Small & Medium Enterprises (SMEs)	5.6	129,838	7,480
- Islamic refinance and credit guarantee scheme for women entrepreneurs	5.7	5,720	-
- Islamic refinance scheme for payment of wages and salaries		-	1,253,895
- Islamic refinance facility for combating COVID-19	5.8	143,564	-
- Islamic temporary economic refinance facility	5.9	2,749,061	2,866,313
- Secured Mudarbah Agreement	5.11	24,689,405	-
Acceptances from Pakistan Mortgage Refinance Company	5.12	168,252	181,985
		74,694,404	31,567,668

5.1 Amounts due to financial institutions are all in local currency.

5.2 Unsecured acceptances of funds carry profit at rates ranging from 13.50% to 16.10% per annum (2021: 10.05% per annum) and are due to mature latest by February 3, 2023.

5.3 These acceptances have been obtained from the SBP for extending Islamic export finance to customers. These carry profit at rates ranging from 11.00% to 12.00% per annum (2021: 1.00% to 2.00% per annum) and are due to mature latest by June 2023.

5.4 These acceptances have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry profit at a rate of 12.00% per annum (2021: 2.00% to 2.50% per annum) and is due to mature latest by June 30, 2032.

5.5 These acceptances have been obtained from the SBP under a scheme for financing renewable energy power plants to promote renewable energy projects in the country. These carry profit at a rate of 3.00% per annum (2021: 2.00% to 3.00% per annum) and are due to mature latest by June 3, 2034.

5.6 These acceptances have been obtained from the SBP under a scheme to finance modernization of Small and Medium Enterprises. These carry profit at a rate of 2.00% per annum (2021: 2.00%) and are due to mature latest by March 30, 2026.

5.7 These acceptances have been obtained from the SBP under a scheme to finance women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry profit at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by December 31, 2025.

5.8 These acceptances have been obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing under the facility is Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry profit at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by October 1, 2026.

5.9 These acceptances have been obtained from the SBP under a scheme to provide concessionary refinance for setting up new industrial units in the backdrop of challenges faced by industries during the COVID-19 pandemic. The maximum financing granted under this facility is Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry profit at a rate of 1.00% per annum (2021: 1.00% per annum) and are due to mature latest by June 30, 2032.

5.10 For all SBP acceptances, the SBP has the right to recover the outstanding amounts from the Bank at the date of maturity of the acceptance by directly debiting the Bank's current account maintained with the SBP.

5.11 These represent acceptances of funds from SBP under Shariah Compliant Mudarbah based Open Market Operations (OMO) and are secured against lien of the Bank's investment in GOP Ijarah Sukuks. The expected average return on OMO is 16.15% (2021: nil) and are due to mature on February 24, 2023.

5.12 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 168.252 million (2021: Rs 181.985 million) for on-lending to customers. The principal amount is payable in semi-annual installments from August 2020 to February 2023. Profit at the rate of 11.21% per annum (2021: 11.21% per annum) is payable semi-annually.

ANNEXURE I: ISLAMIC BANKING BUSINESS

6 DEPOSITS AND OTHER ACCOUNTS

Note	2022			2021		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	81,787,557	3,711,186	85,498,743	74,346,661	2,812,898	77,159,559
Savings deposits	159,782,570	2,207,605	161,990,175	123,817,395	860,050	124,677,445
Term deposits	24,360,643	475,406	24,836,049	37,250,613	224,478	37,475,091
	265,930,770	6,394,197	272,324,967	235,414,669	3,897,426	239,312,095
Financial Institutions						
Current deposits	414,372	-	414,372	628,929	-	628,929
Savings deposits	47,142,963	-	47,142,963	103,455,298	-	103,455,298
Term deposits	1,646	-	1,646	3,499,046	-	3,499,046
	47,558,981	-	47,558,981	107,583,273	-	107,583,273
6.2	313,489,751	6,394,197	319,883,948	342,997,942	3,897,426	346,895,368

	2022	2021
	(Rupees in '000)	
6.1 Composition of deposits		
- Individuals	173,366,447	137,652,291
- Government (Federal and Provincial)	9,991,846	15,877,953
- Banking Companies	187,810	1,330,231
- Non-Banking Financial Institutions	47,371,171	106,253,042
- Other public sector entities	476,817	2,708,961
- Other private sector entities	88,489,857	83,072,890
	319,883,948	346,895,368

6.2 This includes deposits amounting to Rs 192,155.426 million (2021: Rs 160,236.723 million) which are eligible to be covered under insurance arrangements .

	Note	2022	2021
		(Rupees in '000)	
7 CHARITY FUND			
Opening balance		44,724	4,234
Additions during the year			
- Received from customers on account of delayed payment		24,144	45,115
- Profit on savings account		1,053	175
		25,197	45,290
Payments / Utilization during the year			
- Health	7.1	(44,800)	(4,800)
Closing balance		25,121	44,724

7.1 Details of charity payments

Details of charity payments individually exceeding Rs 100,000

Indus Hospital & Health Network	32,800	-
Patients Aid Foundation	12,000	-
Behbud Association Karachi	-	4,800
	44,800	4,800

8 ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT

Opening Balance	27,194,762	22,253,744
Add: Islamic Banking profit for the year	11,236,017	8,101,754
Less: Taxation	(5,505,648)	(3,159,684)
Less: Transferred / Remitted to Head Office	(2,573)	(1,052)
Closing Balance	32,922,558	27,194,762

9 CONTINGENCIES AND COMMITMENTS

- Performance Guarantees		2,862,623	2,446,959
- Commitments	9.1	31,705,993	54,293,996
		34,568,616	56,740,955

ANNEXURE I: ISLAMIC BANKING BUSINESS

	Note	2022 (Rupees in '000)	2021
9.1	Commitments:		
	Trade-related contingent liabilities	26,704,850	36,101,034
	Commitments in respect of forward foreign exchange contracts	9.1.1 5,001,143	18,192,962
		<u>31,705,993</u>	<u>54,293,996</u>
9.1.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	2,405,370	9,520,227
	Sale	2,595,773	8,672,735
		<u>5,001,143</u>	<u>18,192,962</u>
10	PROFIT / RETURN EARNED		
	On:		
	Financing	22,097,669	10,496,063
	Investments	23,606,961	11,634,767
	Amounts due from financial institutions	710,666	1,978,256
		<u>46,415,296</u>	<u>24,109,086</u>
11	PROFIT / RETURN EXPENSED		
	On:		
	Deposits and other accounts	19,944,630	10,732,901
	Amounts due to financial institutions	7,553,435	1,371,877
	Foreign currency deposits for Wa'ad based transactions	15,157	29,156
	Lease liability against right-of-use assets	550,991	226,875
		<u>28,064,213</u>	<u>12,360,809</u>

12 The Islamic Banking Business maintains the following pools:

General Pool PKR (Mudarabah)

Remunerative rupee deposits of customers form part of the General Pool.

The objective of this pool is to effectively manage Rupee deposits of customers to earn and distribute returns from Rupee denominated earning assets. The funds in this pool are generally deployed in financing assets, placements with FIs and investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

Special Pool PKR (Mudarabah)

HBL also manages a Rupee denominated Special Pool, with the objective of offering higher returns for selected clients.

The objective of this pool is to effectively manage Rupee deposits of customers to earn and distribute higher returns from Rupee denominated earning assets. The funds in this pool are generally deployed in financing assets, placement with FIs and investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

Treasury Pool(s) (Mudarabah / Wakalah / Musharakah)

Treasury pools are created when the Bank accepts placement of funds from FIs for liquidity management. Treasury pools may be based on the principle of Mudarabah, Wakalah or Musharakah. These pools are maintained separately from depositors' pools as these are formed by funds from professional counterparties and are generally obtained for a shorter tenor. The liquidity can also be deployed to fund earning assets in the depositor pools. HBL preferably accepts funds from Islamic Banking Institutions but is permitted to deal with conventional banks as well.

General Pool FCY (Mudarabah)

Remunerative foreign currency (FCY) deposits of customers form part of the FCY General Pool.

The objective of this pool is to effectively manage the FCY deposits of customers to earn and distribute returns, generally from FCY denominated assets. However, in case FCY denominated assets are not available, the Bank may invest these funds in local currency assets by converting the funds to local currency and charging the cost of Shariah compliant hedging to the pool. The funds in this pool are generally deployed in financing assets, placement with FIs and investments in Sukuks etc. Loss (if any) is borne by the depositors as per their proportionate share in the overall volume of the pool.

ANNEXURE I: ISLAMIC BANKING BUSINESS

Special Pool FCY (Mudarabah)

HBL also manages an FCY denominated Special Pool, with the objective of offering higher returns for selected clients.

The objective of this pool is to effectively manage FCY deposits of customers to earn and distribute higher returns, generally from FCY denominated assets. However, in case FCY denominated assets are not available, the Bank may invest these funds in local currency assets by converting the funds to local currency and charging the cost of Shariah compliant hedging to the pool. The funds in this pool are generally deployed in financing assets, placement with FIs and investments in Sukuks etc. Loss (if any) is borne by the depositors as per their proportionate share in the overall volume of the pool.

Islamic Export Refinance Scheme (IERS) Pool PKR (Musharakah)

IERS is an SBP program which offers the Islamic equivalent of conventional Export Refinance and enables exporters to avail refinance through Islamic Banks under Shariah compliant modes. This pool is created for the Export Refinance on Musharakah basis. The profit distribution works exactly the same as pre-agreed profit sharing. Since this is structured as a Musharakah (partnership) as opposed to Mudarabah (fund management), there is no Mudarib fee sharing mechanism.

- 13 The Mudarib's share of profit is 28.63% (2021: 25.88%) and, after netting of Hiba to depositors amounting to Rs 4.99 million (2021: Rs 504.73 million), amounts to Rs. 7.347 million (2021: Rs 3,657.724 million). For the Bank's overseas branch, the Mudarib's share of profit is 12.71% (2021: 7.75%) and, after netting of Hiba to depositors amounting to Rs 6.488 million (2021: Rs 3.124 million), amounts to Rs 4.280 million (2021: Rs 1.569 million) was booked as net profit for 2022.
- 14 The following parameters are used for profit distribution from the pool:
- Permissible direct expenses can be charged to the relevant pool. Administrative and operating expenses are paid by the Mudarib and not charged to the relevant pool.
 - The Bank first charges the proportionate profit to average equity allocated to the pools and then charges the Mudarib fee before distribution of profit to depositors.
 - The Bank gives priority to depositors' funds over its own equity for placement in investing activities.
 - Provisions for non-performing accounts are borne by the Mudarib. These are only charged to the respective pool on write off.
 - Income generated from non-funded activities is not considered as income of the pool.
- 15 The average rate of profit earned on the earning assets of the Islamic banking business during the year was 12.80% (2021: 8.03%). A Profit rate of 7.65% (2021: 4.90%) was distributed to depositors and for overseas branch, the average rate of profit earned on the earning assets of the Islamic banking business during the year was 12.71% (2021: 7.75%). A Profit rate of 7.24% (2021: 3.50%) was distributed to depositors.

16 DEPLOYMENT OF MUDARABAH BASED DEPOSITS BY ECONOMIC SECTOR

	2022	2021
	(Rupees in '000)	
Agriculture, forestry, hunting and fishing	21,858,084	5,429,816
Automobile and transportation equipment	927,822	714,285
Cement	6,597,323	7,981,000
Chemicals and pharmaceuticals	13,777,662	11,106,945
Construction	8,867,496	7,000,000
Education and medical	368,793	245,455
Financial	130,584,655	134,611,794
Food, tobacco and beverages	24,685,890	18,588,497
Individuals	17,926,643	8,826,085
Printing and publishing	1,062,126	1,772,668
Production and transmission of energy	90,124,630	94,229,544
Telecommunication	5,666,666	2,005,189
Textile	35,353,751	27,088,761
Metal and allied	5,249,472	9,730,538
Oil and gas	578,814	2,376,893
Mining and quarrying	528,383	604,774
Sugar	3,124,716	1,383,368
Wholesale and retail trade	3,169,885	1,764,346
Others	39,649,863	23,497,163
Total gross Islamic financing and related assets and investments	410,102,674	358,957,121
Total lending to financial institutions	-	28,671,686
Total deployed funds	410,102,674	387,628,807

16.1 Deployment of Mudarabah based deposits by economic sector by public / private sector

Public / Government	237,725,136	231,444,305
Private	172,377,538	156,184,502
Total	410,102,674	387,628,807

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
1	HIGHNOON TEXTILES PVT. LTD. 25 K M MULLTAN ROAD LAHORE	BABAR AGHA 35202-3065543-3 SOHAIL HAMEED KHAN 35202-2337062-5 MAHMOOD ZAFAR 35202-1622249-9	AGHA FAKHAR HUSSAIN HAMID ULLAH KHAN SHEIKH ZAFAR HUSSAIN	630,834	532,732	-	1,163,567	-	532,732	-	868,141
2	ALI RAZA H NO 21/ B AZIZ ST KAMAL GUNJ LAHORE	35202-4564947-1	SHEIKH IMITIAZ HUSSAIN	2,178	870	-	3,049	-	699	-	699
3	M.M.ISPAHANI LTD P O BOX NO 13145 31 WEST WHARF ROAD KARACHI	MIRZA MUHAMMAD ISPAHANI 42301-6591072-9	MIRZA ABUL HASAN ISPAHANI	-	42,026	-	42,026	-	24,124	-	24,124
4	GOHAR MOTORS 24-A JAIL ROAD LAHORE	MIRZA KAREEM ISPAHANI 42201-6057263-1 MIRZA ZIA ISPAHANI 42301-1058413-5	MIRZA KHALEEL ISPAHANI MIRZA ABUL HASAN ISPAHANI	12,999	11,926	-	24,925	-	9,658	-	9,658
5	THE MERCHANT 60/11, LANE NO 24, KHAYABANE-E- BADBAN PHASE VII DHA KARACHI	HABIB AHMED 35201-1473865-1 MUHAMMAD SALEEM 35202-7357434-7	ABDUL HAMEED FATEH MUHAMMAD	9,153	5,307	-	14,460	2,153	5,307	-	7,460
6	REHMAN MEDICINE CO SUIT # 17, 13; CANTONMENT PLAZA SADAR ROAD PESHAWAR CANTT B) HOUSE # 7, IRSHAHABAD TOWN PESHAWAR MODEL (G) SCHOOL WARSAK ROAD	ABDUL NAFAY ASLAM MIAN 42301-3192556-3	MUHAMMAD ASLAM	1,488	1,297	-	2,785	-	785	-	785
7	SULTAN TRADING COMPANY 140- 1ST FLOOR REGENCY PLAZA, THE MALL, FAISALABAD	MUZAMMIL SULTAN 33100-3058364-3	SALEEM UL HASSAN	222,374	92,153	-	314,527	-	64,527	-	64,527
		SALEEM UL HASSAN 33100-6033276-9 KHURRAM SULTAN 33100-5823060-7	GHULAM HUSSAIN SALEEM UL HASSAN								

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
8	ATHAR TAHIR NASIR AMIR ANJUM FARAH FARNAZ (SCHON GROUP) SCHON CENTRE I/I CHUNDRIGAR ROAD KARACHI	SYED ATHER HUSSAIN 42301-9533743-5 SYED TAHIR HUSSAIN 42000-2107518-9 NASIR H SCHON 42000-1427717-1 SYED AMIR HUSSAIN 42301-0980580-7 MRS.ANJUM HUSSAIN 42000-5848720-4 MRS.FARAH NASIR SCHON 42000-8294695-4 FARNAZ AMIR HUSSAIN 91509-0116253-6	SYED TALIB HUSSAIN SYED ATHER HUSSAIN SYED ATHER HUSSAIN SYED ATHER HUSSAIN SYED TAHIR HUSSAIN SYED NASIR HUSAIN SYED AMIR HUSSAIN	335,355	272,929	-	608,284	242,425	-	272,929	-	515,353
9	IDEAL GARMENT INDUSTRIES IDEAL HOUSE, 13-KM, MULTAN ROAD, THOKAR NIAZBAIG LAHORE	GHAZANFAR RAFIQUE 35202-9574991-3 AAMER RAFIQUE 35202-9585766-7	MUHAMMAD RAFIQUE MUHAMMAD RAFIQUE	26,225	28,602	-	54,826	-	-	23,826	-	23,826
10	SWEETY TEXTILES PVT LIMITED 3.5 KM JARANWALA ROAD, KHURRIANWALA FAISALABAD	MIAN GHULAM FARID 33100-388605-9 MUHAMMAD ADNAN FARID 33100-6327745-1 FIRDOUS AKHTER 33100-2798435-2	ALI MUHAMMAD GHULAM FARID GHULAM FARID	97,880	24,812	-	122,692	20,042	-	24,812	-	44,855
11	MUHAMMAD ARSALAN KHAN HOUSE 579 STREET 04 DEFENCE OFFICER HOUSING SOCIETY PHASE 01 MALIR CANTT KARACHI	42101-1699808-5	MUHAMMAD YOUSUF KHAN	24,346	1,353	-	25,699	-	-	1,153	-	1,153
12	BEADON ALUMINUM PVT LTD 15 A BEADON ROAD,LAHORE	SYED ATHAR ALI 35201-1587734-3 SYED TAHIR ALI 35201-1587760-3 SYED AZFAR ALI 35201-1587751-1 SYED KAMRAN ALI 35201-3202378-1 SYED MOHSIN ALI 35201-1444261-7	SYED AZHAR ALI SYED AZHAR ALI SYED AZHAR ALI SYED AZHAR ALI SYED SARWAT ALI	60,056	58,870	-	118,926	-	-	58,870	-	58,870

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
13	HAJI ABDUL WADOOD & BROTHERS KARYANA DEALERS BAZAR KHAWAJA GUNJ HOTI MARDAN	ABDUL WADOOD 16101-9606574-3	SHAHZADA	23,000	9,414	-	32,414	-	9,414	-	9,414
14	MINHAJ COTTON WASTE FACTORY ROOM NO 11 3RD FLOOR CENTURY TOWER KALMA CHOWK LAHORE	MUHAMMAD FARYAD MALIK 34601-4949170-5	MALIK ABDUL HAMEED	29,999	19,073	-	49,072	-	15,072	-	15,072
15	AL HAMEED RICE MILLS KOT NOORA GHAKHAR MANDI DISTT. GUJRANWALA	TARIQ HAMEED 34104-2312216-5 QAISER HAMEED 34104-2312196-3 FAISAL HAMEED 34104-2312228-7	CHAUDHRY ABDUL HAMEED ABDUL HAMEED CHAUDHRY ABDUL HAMEED	10,000	8,022	-	18,022	-	5,522	-	5,522
16	SADDAR MOBILE ZONE G-44-A GROUND FLOOR RAINBOW CENTRE MAINFIELD STREET KARACHI	MUHAMMAD UMAR 42301-8471913-5	MUHAMMAD TAYYAB	9,998	6,841	-	16,839	-	6,152	689	6,841
17	MUHAMMAD BASHIR & CO 363 BADAR ST RAHIM ROAD MISRE SHAH LAHORE	MUHAMMAD BASHIR 35202-3815177-3	CH MUHAMMAD IBRAHIM	12,499	7,298	-	19,797	-	6,297	-	6,297
18	THREE STAR ENTERPRISES ROOM NO.10, 11TH FLOOR TRADE CENTER SHAHRAH-E-LIAQUAT NEW CHALLI KARACHI	MUHAMMAD HASHIM 42201-0771183-5 ABDUL AZIZ 42201-7424636-7	MUHAMMAD SIDDIQ MUHAMMAD SIDDIQ	12,108	8,292	-	20,401	-	5,901	-	5,901
19	CHAUDHRY HOSIERY 496-JINNAH COLONY FAISALABAD	MUHAMMAD JAVAJD ASLAM 33100-0256453-5	MUHAMMAD ASLAM CH.	37,292	12,016	-	49,308	-	9,924	-	9,924
20	TARIQ HAMEED & CO KOT NOORA GHAKHAR MANDI DISTT. GUJRANWALA	TARIQ HAMEED 34104-2312216-5	ABDUL HAMEED	30,000	19,798	-	49,798	-	16,798	-	16,798
21	AL AZIZ HOSIERY INTERNATIONAL P-268/C GULBERG COLONY FAISALABAD	MUHAMMAD AMIN 35200-1425308-9 MUHAMMAD AHSAN AZIZ 33100-0848176-5	NOOR MUHAMMAD AZIZ AHMAD	2,200	2,211	-	4,411	-	1,042	-	1,042
22	CRESCENT SOFTWARE PRODUCTS PVT LTD 1ST FLOOR 65-XX KHAYABAN-E- IQBAL ROAD PHASE III DHA LAHORE	HUMAYUN MAZHAR 35201-2124933-9 KHURRAM MAZHAR KARIM 35201-1471781-3	MIAN MAZHAR KARIM MIAN MAZHAR KARIM	24,657	24,828	-	49,485	-	24,828	-	24,828

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
23	HUNZA PACKAGES PVT LTD PLOT NO 63/3 PHASE II INDUSTRIAL ESTATE HATTAR	M. NADEEM MUSHTAQ QURESHI 35201-6555143-3 FAIZA SUJMAL HUDA 35201-1704926-8	MIAN M.MUSHTAQ QURESHI MUHAMMAD QAMARUL HUDA	3,753	1,464	-	5,216	1,753	-	1,464	-	3,216
24	PREMIUM TELECOM PVT LTD 7 LDA PLAZA EGERTON ROAD LAHORE	SAJID SOHAIL 31104-21138764-7 SHAHID RASOOL PASSPORT NO.112278857	GHULAM RASOOL GHULAM RASOOL	19,973	14,896	-	34,869	14,973	-	14,896	-	29,869
25	RANA TRADERS GHALLA MANDI FEROZEWALA DISTT GUJRANWALA	MUHAMMAD ISHTIAQ 34101-8475198-3 MUHAMMAD IQBAL 34101-1130405-9 NUSRAT PARVEEN 34101-7384489-0 MUSARRAT PARVEEN 42101-4559073-0	NAIAZ MUHAMMAD KHAN BASHIR AHMED MUHAMMAD MUNAWAR IQBAL KHAN KHALIL UR REHMAN KHAN	20,661	15,163	-	35,824	-	-	15,163	-	15,163
26	FUTURE MOBILES SHOP-7-B ZAMAN PLAZA-HALL ROAD LAHORE	AMBREEN FARMAN 35202-9121004-0	FARMAN ALI	10,000	9,042	-	19,041	-	-	8,041	-	8,041
27	GLOBE ENTERPRISES 17 GROUND FLOOR STOCK EXCHANGE BUILDING STOCK EXCHANGE ROAD KARACHI	MUHAMMAD YOUSUF MEMON 42301-5263232-5	UMAR BHAI	391	493	-	885	391	-	493	-	885
28	MUHAMMAD YOUSUF MEMON ROOM NO.63 - B BLOCK A ADAMJEE NAGAR KARACHI	42301-5263232-5	UMAR BHAI	379	7,399	-	7,779	379	-	7,399	-	7,779

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
29	MONTGOMERY FLOUR & GEN. MILLS LTD. G T ROAD SAHIWAL	SADAQAT AHMED SHAFI 36502-0150687-1 AISHA GULZAR 36502-3187159-0 MISBAH ZEHRRA 36502-0915921-8 HINA SALAHUDDIN 42301-0928777-2 SALAH UDDIN SHAFI 36502-8090302-3 UMAIR AHMED SHAFI 36502-5249796-5 HAMESH GUL 36502-1375835-3	SH. MUHAMMAD SHAFI SADAQAT AHMED SHAFI HAMESH GUL MUHAMMAD AZAM KHAN SADAQAT AHMED SHAFI SADAQAT AHMED SHAFI ZAKI BABER	207,321	392,899	-	600,221	-	257,798	-	257,798
30	PARAMOUNT SPINNING MILLS LTD II FLOOR FINLAY HOUSE, II, CHUNDRIGAR ROAD KARACHI	MUHAMMAD AKHTAR MIRZA 35201-9676042-3 SOHAIL MAQSOOD 35201-4740143-5 MUHAMMAD A SHRAF KHAN 35201-1346603-5 ABID SATTAR 35202-2306906-3 MUHAMMAD ARIF 35201-1641317-5 ZARQA ASIF 35404-0827790-2 MUHAMMAD JUNAID 35202-6261910-9	KARAM DAD KHAN MAQSOOD ELLAHI MUHAMMAD DILSHAD KHAN ABDUL SATTAR ZAHID ABDUL HAMEED ANWAR MUHAMMAD ASIF AKRAM MUHAMMAD RASHEED	100,129	55,907	-	156,036	42,560	-	55,907	98,467
31	CHEMI VISCO FIBRE LTD D-4, SOUTH AVENUE S.I.T.E. KARACHI	USMAN GHANI 42201-2168505-3 ABDUL SHAKOOR KHATRI 42301-1015565-5 ABDUL HAI USMAN GHANI 42201-6425490-1 GHULAM MUSTAFA KHATRI 35202-3022772-5 KASHIF KERIO 45402-4394916-3 ARIFA 42301-7644128-0 ABDUL SATTAR KERIO 45402-4964010-1	HAJI MUHAMMAD HAJI MUHAMMAD USMAN GHANI MUHAMMAD MUHAMMAD BAKHSH KERIO MUHAMMAD BUX KEERIO MUHAMMAD BUX KEERIO	1,004,201	2,399,549	-	3,403,750	474,201	-	2,399,549	2,873,750

Details of advances written-off
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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
32	AL BERUNI GROUP FOR EDUCATION HAMDARD UNIVERSITY CANAL ROAD, FAISALABAD	MUHAMMAD RIAZ KARIM 61101-1951618-1 AZMAT ALI 61101-1981285-5	ABDUL KARIM REHAM ALI KHAN	12,963	11,066	-	24,029	-	8,029	-	8,029
33	NEW ALI RICE MILLS 4 KM KASUR ROAD ALLAH ABAD TEH CHUNIAN KASUR	MUHAMMAD ASHIQ AMJAD 35101-2499511-9 MUHAMMAD KHALID 35101-3885164-3 MUHAMMAD AAASHIQ 35102-0597984-5 SARDAR MUHAMMAD FARHAN SARWAR 35101-4131391-7	UMER DIN SARAJ DIN PIARA SARDAR MUHAMMAD SARWAR	48,706	10,651	-	59,356	-	7,410	-	7,410
34	S K POULTRY FARMS A-20 DEH KHER KHARKARO DISTRICT MALIR KARACHI	KAIF SADIQ 42201-0417067-6	SADIQ AMIN KHAN	4,843	15,563	-	20,406	-	13,906	-	13,906
35	MUHAMMED SHABBIR KHAN HAMDARD CHAMBERS, I.I. CHUNDRIGAR ROAD NEAR DAILY JANG KARACHI	42201-1356634-3	ABDUL GHAFUOR KHAN	499	2,082	-	2,581	499	2,082	-	2,581
36	AL SHAAFI PVT LTD 3/7-RACE VIEW VILLAS OFF JAIL ROAD LAHORE	NUSRAT MEHDI 34603-4356601-3 QAISARA MEHDI 35202-3057140-4 MUHAMMAD SHARIF 35202-2318011-1	MUHAMMAD SHAFI UDDIN GHULAM ABBAS CHEEMA AFTAB DEEN	15,268	8,056	-	23,325	-	8,055	-	8,055
37	GULSHAN WEAVING MILLS LTD 2ND FLOOR, FINLAY HOUSE I.I.CHUNDRIGAR ROAD,KARACHI	JAHANGIR AHMED SHAKOOR 42201-0545325-7 IRS HAD UL HAQ 36603-4837708-9 MAZHAR HUSSAIN 35202-6332238-5	ABDUL SHAKOOR ABDUL SHAKOOR SHEIKH MUHAMMAD NAWAZ	73,512	49,282	-	122,794	51,859	49,282	-	101,141
38	ALI MUHAMMAD BASTI BANDA NOOR SAMAND KHAN WALA P/O DULLAH BADEHAR TEHSIL CHISHTIAN DISTT BAHAWAL NAGAR	31102-5661112-7	ZAHOOR KHAN	5,000	1,851	-	6,851	-	1,851	-	1,851

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
39	SAIFY AND CO VILLAGE SALEEMPURA P/O JHALLAN TEH NOSHARA VIRKAN DIST. GUJRANWALA	MUHAMMAD ASLAM 34103-2142578-3	FAQIR MUHAMMAD	248	815	-	1,063	-	-	813	-	813
40	AFAQ TOOL INDUSTRY KASHMIR COLONY GAZI ROAD LOHIANWALA GUJRANWALA	MUZAMMAL AHMED 34101-2499533-7	MUHAMMAD SHARIF	896	1,347	-	2,243	-	-	1,343	-	1,343
41	IMRAN HAIDER VILLAGE RUSTAM PUR P/O SAME TEHSIL MURIDKE DISTT SHEIKHUPURA	35401-1843003-7	KHADIM ALI	866	560	-	1,426	-	-	501	-	501
42	MUNAWAR HUSSAIN CHAK NO.36 S.B. P.O. SAME TEH & DISTT. SARGODHA	38403-3240511-3	NAWAB KHAN	800	855	-	1,655	-	-	785	-	785
43	GHULAM ABBAS CHAH JAHAN WALI GERBI BAHAR POST OFFICE SAME TEHSIL SHORKOT DISTRICT JHANG.	33203-1404186-5	HAQ NAWAZ	350	531	-	881	-	-	531	-	531
44	HABIB SARWAR MOHALLAH MODEL TOWN ST#2 MORE SAMBERIAL TEH SMBERIAL DIST SIALKOT	34601-5434712-9	ABDUL GHANI	2,299	644	-	2,944	-	-	594	-	594
45	KHALID KHAN MOUZA GAWRI BALOOCH TEHSIL MAILSI	36602-1976546-1	HAFIZ MUNAWAR KHAN	799	640	-	1,439	-	-	589	-	589
46	MUHAMMAD SALEEM ZAHEER CHAK NO 553/EB PO SAME TEHSIL & DISTRICT VEHARI	36603-1224577-3	ABDUL SHAKOOR	361	161	-	522	361	-	161	-	522
47	MIAN TRADERS KAMOKE ROAD TATLAY AALI, P.O KHAS GUJRANWALA	HABIB AHMAD 34101-2723855-7	NAWAB DIN	7,994	4,252	-	12,246	-	-	4,246	-	4,246

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
48	AQSA CONSTRUCTION COMPANY AQSA PLAZA 127-CIVIC CENTER SYED-NA-FAROOQ KA AZAM ROAD SABZAZAR SCHEME LAHORE	RIAZ AHMED 35202-3035224-9	CH. M. TUFAIL	2,000	2,381	-	4,380	-	2,380	-	2,380
49	GHULAM ASGHAR KHAN MACHAKA P/O SAME SADIQABAD	31303-2339918-1	GHULAM QADIR KHAN	992	1,944	-	2,936	-	1,943	-	1,943
50	MUHAMMAD NAWAZ BEILA SARBANA P/O HAVELI BAHADUR SHAH TEH SHOR KOT DISTT JHANG	33203-6668897-9	NOOR AHMAD	1,799	1,407	-	3,207	-	1,357	-	1,357
51	INAYAT ULLAH DERA CHEEMA P/O NOKHAR TEH NOWSHERA VIRKAN DISTT GUJRANWALA	34103-9636900-5	NAZAR MUHAMMAD	2,096	669	-	2,765	-	665	-	665
52	VIRK TRADERS VILL NOWSHERA VIRKAN ROAD NOKHAR DISTT GUJRANWALA	MUHAMMAD ASLAM VIRK 34103-0494004-5	ALI MUHAMMAD VIRK	2,996	2,192	-	5,188	-	1,673	-	1,673
53	RASHID ALI VILL PASWAL P/O KOT NAINAN TEH SHAKAR GARH DISTT. NAROWAL	34502-1612705-9	BASHIR AHMAD	1,200	637	-	1,837	-	597	-	597
54	MIAN MUHAMMAD QASIM TAHIR HOUSE NO 291 BLOCK F SHAH RUKNE ALAM COLONY MULTAN	36201-0544143-9	MIAN GHULAM QADIR	479	928	-	1,407	-	907	-	907
55	YAQOOB LIVE STOCK FETTING & DAIRY CHAH WALH WALA MOUZA ALI PURE KANJO TEHSIL KEHROR PAKKA DIST LODHRAN	MALIK ABDUL AZIZ 36202-0349247-1	MALIK KARAM BUX	7,500	5,930	-	13,430	-	5,230	-	5,230
56	WALI AHAD KHAN H # Z-104 SHAHI BAZAR KHIPRO DISTT. SANGHAR	44202-4336023-1	MUHAMMAD YASIN KHAN	2,023	1,977	-	4,000	-	1,684	-	1,684

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Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
57	KHALID HUSSAIN MOHALLAH DARAS WALA GAJIAN NOO P.O SAME DISTT. SHEIKHUPURA	35404-3832062-9	WARYAM	688	733	-	1,421	-	721	-	721
58	AMANAT ALI SAHI NEAR RESIDENCE CH INAYAT MUHAMMAD NUMBERDAR VILL P/O JANDOO SAHI TEH DASKA DISTT SIALKOT	34601-5312441-3	JILAL DIN SAHI	1,000	595	-	1,595	-	565	-	565
59	ALI AKBAR KHAN ISLAMABAD MUHALLA P O MEHAR	41205-6083818-1	GHULAM MUHAMMAD	799	1,714	-	2,513	-	1,714	-	1,714
60	AHMED DIN MOHALLAH HAJI JAN WALA KHUDIAN KHAS P/O KHUDIAN KHAS TEHSIL KASUR DISTT. KASUR	35102-7862006-5	MIAN NATHA	1,498	1,103	-	2,600	-	1,098	-	1,098
61	AMJAD ALI MOUZA KALAS P.O. WALLAH TEHSIL: LALIAN DIST: CHINIOT	33201-9300113-1	GHULAM MUHAMMAD	1,500	1,011	-	2,511	-	896	-	896
62	IMTIAZ AHMED MOHALLAH BANGLA VILLAGE BEGOWALA TEH SAMBRIAL DISTT SIALKOT	34601-1709330-5	NABI AHMED	1,000	879	-	1,879	-	779	-	779
63	RANA MOHAMMAD AKRAM KHAN VILL P/O KOTLI BAWA FAQEERCHAND TEH. PASRUR DISTT. SIALKOT	34602-3695699-7	MUHAMMAD SULEMAN KHAN	660	531	-	1,191	-	511	-	511
64	ZAHEER ABBAS VILLAGE MANGHA QADEEM P/O SAME TEHSIL PASRUR DISTT SIALKOT	34602-1200904-3	MUHAMMAD BASHIR	2,300	1,672	-	3,972	-	1,557	-	1,557
65	M AFZAL KHOKHER VILL KOTLI KHOKHRAN P.O. KOPRA TEH SAMBRIAL DISTT SIALKOT	34601-2638013-9	CH REHMAT ALI KHOKHER	2,498	1,824	-	4,322	-	1,822	-	1,822
66	MAQBOOL AHMED VILAGE KOT NAINA P/O SAME TEH SHAKARGARH DIST NAROWAL	34502-5429144-3	NAZIR AHMED	1,500	954	-	2,454	-	899	-	899
67	HUSSNAIT AHMAD BAIG CHAK 385 GB TEH SAMUNDRI DISTT.FAISALABAD	33105-3887208-1	M SAEED ULLAH BAIG	-	971	-	971	-	906	-	906

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
68	ABDUL RASHEED & BROTHERS REHMAT PURA BASTI ABDULLAH DEPALPUR DISTT OKARA	NAZIR AHMAD 35301-1984230-3 ABDUL RASHEED 35301-1984235-1	MUHAMMAD YASIN MUHAMMAD YASIN	7,499	880	-	8,379	-	872	-	872
69	TAHIR IQBAL VILLAGE HALLOWAL P.O SAME TEHSIL & DISTT NAROWAL	34501-4233746-1	MUHAMMAD SULEMAN	999	793	-	1,792	-	742	-	742
70	MUHAMMAD UMAR DRAZ CHAK NO 59 JB CHALADAY WALI P/O SAME TEH & DISTT FAISALABAD	33100-3920805-5	ABDUL HAQ	1,395	687	-	2,082	-	517	-	517
71	CHEEMA CONTROL SHED CHAK NO. 105 S.B P.O SAME TEHSIL & DISTT SARGODHA	MAZHAR SAQLAIN 38403-8691317-3	IRSHAD ULLAH CHEEMA	2,282	2,079	-	4,362	-	1,962	-	1,962
72	EHSAN ULLAH MADHUKEY TEHSIL SAMBRIAL DISTRICT SIALKOT	34601-0759006-1	MUHAMMAD BOOTTA	2,000	1,658	-	3,658	-	1,628	-	1,628
73	MUBASHIR AHMAD DAAK KHANA KHAS GATHIALIAN TEHSIL PASROOR DISTRICT SIALKOT	34602-3768088-5	MUHAMMAD LATIF	2,265	1,212	-	3,477	-	1,132	-	1,132
74	HUSSAIN RAZA MOZA MAMDANA KHURD KAMALIA	33302-8752494-1	RAHAT HUSSAIN	800	1,086	-	1,886	-	869	-	869
75	NEW DAWN SUZUKI CENTRE NAQI ROAD NILA GUMAD LAHORE	RASHID HABIB 35202-2994812-9	HABIB UR REHMAN	979	989	-	1,968	-	989	-	989
76	UMER SHAHZAD CHAK NO 302-GB BHATI CHAK,P/O KHAS TEH & DISTT TOBA TEK SINGH	33303-6304933-7	MUHAMMAD RAMZAN	1,688	1,136	-	2,824	-	886	-	886
77	SHAFIQUE ANJUM MOHALLAH NOKHAR GADEEM FAROOQABAD SHEIKHUPURA	35404-0737707-7	MUHAMMAD RAFIQ	491	597	-	1,088	-	538	-	538
78	M&F ELECTRONICS 1/B 2ND FLOOR IKHLAQ CENTER 16-HALL ROAD LAHORE NEAR DATA DARBAR MKT HALL ROAD LAHORE	MAZHAR MAHMOOD 35202-0483707-1	MUHAMMAD JAHANGIR	2,999	1,420	-	4,419	-	1,420	-	1,420

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Rupees in '000

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79	MUHAMMAD YASEEN CLOTH HOUSE MAIN BAZAR JALAL PUR BHATTIAN TEHSIL PINDI BHATTIAN	MUHAMMAD YASEEN 34302-1249547-9	MUHAMMAD BAKHSH	1,300	2,105	-	3,405	-	2,105	-	2,105
80	UMAIR WALI AHAD HOUSE # Z-104 MOHALLAH SAHI BAZAR KHIPRO	44202-1233182-9	WALI AHAD KHAN	1,399	1,188	-	2,588	-	983	-	983
81	MIAN MUHAMAD YOUNIS HOUSE-47 MOHALLAH SAFARI TOWN BOSAN ROAD MULTAN BOSAN ROAD	36602-7386918-9	MIAN SHAMS UDDIN	1,280	718	-	1,997	-	697	-	697
82	FURQAN HABIB CHAK NO 254 G.B SOUNDH TEHSIL TOBA TEK SINGH	33303-2205926-7	HABIB UR REHMAN	1,795	1,138	-	2,932	-	1,132	-	1,132
83	ANAYAT ULLAH R/O GILA KALAR WALA NEAR JAMIA MASJID P/O KHAS TEHSIL PASROOR DISTRICT SIALKOT	34602-8103059-7	ALLAH DITTA	998	967	-	1,965	-	965	-	965
84	SUZUKI MARDAN MOTORS NOWSHERA ROAD MARDAN	SADULLAH KHAN 16101-1773975-1	JAFFER KHAN	1,696	916	-	2,612	-	834	-	834
85	GHULAM MUHAMMAD CHAK NO 185-JB PO SAME TEH BHOWANA DISTT CHINIOT	33201-7223966-1	SHER MUHAMMAD	1,700	709	-	2,409	-	570	-	570
86	MUHAMMAD ASLAM PIR DA KOT P/O ASIAN TEHSIL & DISTT CHINIOT	33201-1612778-3	WARYAM	1,342	740	-	2,082	-	582	-	582
87	SHAIKAT HAYAT RASOOL MOH SAADAT VPO MARI INDUS TEH & DISTT MIANWALI	38302-5192999-9	MALIK GHULAM RASOOL	540	693	-	1,233	-	583	-	583
88	MUHAMMAD ASIF MOUZA MURAD WALA P/O RABANA TEH SAHIWAL DISTT SARGODHA	38402-6468362-3	HAQ NAWAZ	2,503	1,338	-	3,841	-	1,141	-	1,141
89	ZULFIQAR ALI VILL DHAROWAL KANG P/O SAME TEH WAZIRABAD	34104-8938384-1	LALL KHAN	1,269	1,068	-	2,338	-	858	-	858

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
90	MUHAMMAD ANWAR CHAK NO 46 GB TEH SAMUNDRI DISTT FAISALABAD	33105-0383927-1	MUHAMMAD SARWAR	1,165	808	-	1,973	-	773	-	773
91	LASANIA OIL MILLS 3 KM NAROWAL ROAD MURIDKE DISTT SHEIKHUPURA	MIAN ABDUL MUKHTAR 35401-1856686-9	HAJI KHUSHI MUHAMMAD	6,999	5,769	-	12,768	-	5,303	-	5,303
92	BILAL AHMED OPEE PO KHAS TEH KOTWOMIN DISTT SARGODHA	38406-0416270-5	MUHAMMAD YAR	550	746	-	1,296	-	676	-	676
93	MUHAMMAD AHMAD KOT TAHIR PO SAME TEH AND DIST T NANKANA SAHIB	35402-0247148-9	MUHAMMAD ISMAIL	800	628	-	1,428	-	503	-	503
94	SAMMER ABBAS V.P.O RAJOA TEHSIL CHINIOT DISTT JHANG	33201-4295315-9	AZHAR HUSSAIN	1,059	767	-	1,826	-	606	-	606
95	MOHAMMAD ISHFAQ VILLAGE GHULLAH MARHAN P/O SAME TEH DIST NAROWAL	34501-8303966-9	GHULAM MUHAMMAD	1,260	712	-	1,972	-	682	-	682
96	SAAD ULLAH KHAN CHAK NO.25NB DIST. SARGODHA	38403-2268139-5	SAEED ULLAH KHAN	385	667	-	1,052	-	577	-	577
97	GHULAM MUSTAFA BAJWA MAHAL GACHAY PO GUNNA KALAN TEH DISTT SIALKOT	34603-4720272-9	MUHAMMAD ASLAM BAJWA	940	531	-	1,471	-	521	-	521
98	IJAZ AHMAD BASTI BADHAIRA KHAIRO GHAZI KHANANA P/O SAME TEHSIL HASIL PUR DISTRICT BAHAWALPUR	31203-1705269-9	GHULAM HUSSAIN	2,000	1,079	-	3,079	-	1,079	-	1,079
99	WASEEM GULL GUL PALACE, HOUSE NO. 5 OPP. CHENAB RANGER HEAD QUARTER SIALKOT	34603-2710588-7	CHAUDHRY GULL MUHAMMAD	1,600	592	-	2,192	-	567	-	567
100	M MUMTAZ MAQBLOOL P O KHAS KOT BHAI KHAN TEHSIL SHAH PUR SARGODHA	38404-6188382-5	HAJI SARDAR FERAZ KHAN	1,399	664	-	2,064	-	614	-	614

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
101	MUHAMMAD AKBER BASTI SAIDAN SIAN TEHSIL DEPAL PUR DISTT OKARA	35301-1965976-3	AHMED DIN	2,500	2,029	-	4,529	-	-	2,029	-	2,029
102	AHMAD CORPORATION 26-A POONCH ROAD ISLAMIA PARK LAHORE	AFTAB AHMED 35202-0709661-7	GHULAM RASOOL	1,300	876	-	2,176	-	-	717	-	717
103	MEHDI HASSAN VILLAGE MADHORA KALLAN P.O KASSESAY TEHSIL PINDI BHATTIAN	34302-2887207-7	MUHAMMAD KHAN	1,356	1,257	-	2,613	-	-	1,213	-	1,213
104	ASAD JAHANGIR CHAK NO 65 SB PO KHAS TEH BHALLWAL DISTT SARGODHA	38401-0351630-3	JAHANGIR KHAN	1,899	1,525	-	3,425	-	-	1,525	-	1,525
105	QAMAR HAYAT GHULLAHPUR PO KHAS TEH KOT MOMIN DISTT SARGODHA	38401-5621939-5	MUHAMMAD AZAM	950	611	-	1,561	-	-	561	-	561
106	MIAN GHULAM FARID BASTI BUDH GHULAM P.O.LUDDEN TEHSIL & DISTT. VEHARI	36603-1421527-5	MIAN MUHAMMAD ALI	1,499	1,070	-	2,569	-	-	569	-	569
107	HAZRAT GHULAM MOHALLAH TATI KHEL DISTT AND PO BADABER TEH AND DISTT	17301-3965567-9	NOOR GHULAM	700	564	-	1,264	-	-	514	-	514
108	INAYAT ALI CHUDHARY MOHALLHA RASHEED PURA SHAKARGHAR DISST NAROWAL	34502-3227652-5	CHUDHARY ALLHA DITA	2,000	1,483	-	3,483	-	-	1,483	-	1,483
109	MUHAMMAD AKHTER MOHALLA KALASIANWALA ROAD POST OFFICE KHAS TEHSIL AND DISTRICT	38201-3497051-3	MUHAMMAD AMEER JOIYA	-	630	-	630	-	-	530	-	530
110	USMAN ALI CHAK NO 8719-L ANJUM FORM PO SAME TEH & DISTT SAHIWAL	36502-1343750-3	CH IRSHAD AKHTAR	1,241	967	-	2,208	-	-	698	-	698
111	RIZWAN SHEHZAD VILLAHE KHANA MIANWALI P/O KHOKHAR WALI TEHSIL AND DISTT NAROWAL	34501-2023127-7	BASHIR AHMAD	500	815	-	1,315	-	-	815	-	815

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
112	PARVEEN RANI WALLAH PO SAME TEHSIL LALIAN DIST.CHINIOT	33201-0342459-6	FEROZ KHAN	2,500	1,755	-	4,255	-	1,585	-	1,585	
113	CH. MANZOOR AHMAD CHAK NO 102 SB PO KHAS TEHSIL AND DISTRICT SARGODHA	61101-9791691-7	CH SHAKAR DIN	1,218	596	-	1,815	-	596	-	596	
114	ABDUL ROJAF GALI PATHANA MOH.IMAM BARGA TEH SHAKARGARH	34502-5656343-3	MUHAMMAD MAQBOOL	2,001	1,119	-	3,120	-	1,119	-	1,119	
115	GHULAM MUHAMMAD MOUZA ILYAS P/O DULA BAHDERA CHISHTIAN	31102-0595486-7	MAHMOOD KHAN	2,500	2,881	-	5,381	-	2,881	-	2,881	
116	MUHAMMAD BOOTA VILLAGE VERN P/O KHAS DISTT SHEIKHUPURA	35404-4559204-1	SARDAR KHAN	660	1,213	-	1,873	-	1,133	-	1,133	
117	MUHAMMAD IQBAL HOUSE NO.4-STREET NO.11-AZEEM PARK KOT KHAWAJA SAEED LAHORE.	35202-2431836-5	MUHAMMAD AMIN	613	1,179	-	1,793	-	1,093	-	1,093	
118	M SHABBIR SANDHU V./POFF SATRAH TEHSIL DASKA DISTT SIALKOT	34601-0757613-1	ZAFAR HUSSAIN	1,999	1,321	-	3,320	-	1,321	-	1,321	
119	SOHAIL IFTIKHAR KHAN SHAHRAH-E-HAQ GHEE MILLS AREA P.O.CHICHAWATNI TEHSIL CHICHAWATNI	35200-0530984-9	IFTIKHAR-UDDIN KHAN	624	894	-	1,519	-	894	-	894	
120	MUHAMMAD MUMTAZ VILLAGE MATEELA P O KHASS TEHSIL KOTMOMAN DISTRICT SARGODHA	38406-0407751-5	MOULA BUX	250	615	-	864	-	614	-	614	
121	WELCOME TIMBER STORE OPPOSITE SHELL PETROL PUMP AL FAYYAZ COLONY SATYANA ROAD FAISALABAD	M. GULZAR AHMAD NAZ 33100-1549694-5	SHER MUHAMMAD NAZ	899	1,040	-	1,939	-	1,039	-	1,039	
122	AKBAR ALI SHAH H NO 884-A ST NO 9 BLOCK -2 JOHAR TOWN LAHORE	35201-7349006-9	SYED MOHSIN ALI SHAH	1,300	1,986	-	3,286	-	1,746	-	1,746	

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
123	MUHAMMAD ISHAQ VILLAGE GULAB GRAH P.O.BEGOWAL TEHSIL SAMBRIAL DISTRICT SIALKOT	34604-0356345-3	MUHAMMAD INAYAT	2,500	959	-	3,459	-	959	-	959
124	MUNIR DYEING DOST STREET, SAMUNDRI ROAD, FAISALABAD	ZAHEER AHMAD 33100-5736663-5	MIAN BASHIR AHMAD	1,675	1,240	-	2,915	-	1,043	-	1,043
125	TRAVEL CHAIN EXPRESS 10-STREET NO-9 RAJPOOT PARK SHAHDARA TOWN LAHORE	AROONA HABIB 35202-2458061-8	HABIB UR REHMAN	5,499	913	-	6,412	-	897	-	897
126	AURANGZEB TARIQ V.P.O KOPRA KHURD TEH. SAMBRIAL DISTT. SIALKOT	34604-0417980-9	TARIQ HUSSAIN	2,065	1,167	-	3,232	-	712	-	712
127	L AND S INTERNATIONAL 274 DARUL IHSAN TOWN SAMUNDRI ROAD FAISALABAD	MUHAMMAD FAROOQ 33100-2583173-9	ABDUL LATIF	8,498	2,378	-	10,876	-	2,376	-	2,376
128	SHARJAH HOSIERY SHARJAH HOSERY BAZAR THANNEWALA GUJRANWALA	JAVAJD IQBAL 34101-5612301-3	MUHAMMAD DIN	740	931	-	1,671	-	831	-	831
129	YASIR MALHI NAI ABADI BADDOMALHI VILLAGE & P.O. BADDOMALHI TEHSIL & DISTT NAROWAL	34501-8864488-1	MUHAMMAD MUNIR	2,000	855	-	2,855	-	765	-	765
130	MUHAMMAD ASHRAF VILLAGE DHILWAN P/O BUDHYANA TEHSIL PASRUR DISTT SIALKOT	34603-7644909-1	NOOR MUHAMMAD	1,407	1,204	-	2,611	-	981	-	981
131	DECENT BAKERY & SWEET SAHIWAL JINNAH CHOWK SAHIWAL	MUHAMMAD YOUNIS 36502-7493575-7 MUHAMMAD ASLAM 36502-1349989-3 MUHAMMAD ARSHAD 36502-3633360-5	EID MUHAMMAD EID MUHAMMAD EID MUHAMMAD	10,000	7,524	-	17,524	-	6,423	-	6,423

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
132	NUSRAT BAGUM POST OFFICE DONGA BONGA BARRA SAJWAR KHAN TEHSIL HAROONABAD DISTT BANAHWALNAGAR	31101-1547097-2	MUHAMMAD AKRAM KHAN	2,000	1,202	-	3,202	-	1,102	-	1,102
133	KHALID LATIF AND CO KOT KHADIM ALI SAHIWAL	KHALID LATIF 36502-2194050-9	CH. LASHKAR ALI	1,200	1,370	-	2,570	-	1,370	-	1,370
134	FARAH KHAN VILLAGE WALI POOR BORA P/O KHAS TEHSIL SHAKARGARH DISTT. NAROWAL	34502-6014880-4	MUHAMMAD NIAZ KHAN	1,200	949	-	2,149	-	749	-	749
135	WASEEM AKHTAR KH NO. 455/50 MOUZA RATTA AMRAL AFSHAN COLONY RAWALPINDI	37405-2376481-5	GHULAM SARWAR	1,696	1,107	-	2,803	-	1,107	-	1,107
136	ABDUL JABBAR & BROTHERS THANA MORE KAMALLA DISTT TOBA TEK SINGH	ABDUL JABBAR 33302-7846537-9	ABDUL SATTAR	550	634	-	1,184	-	634	-	634
137	AHMAD TRADERS 73/B GRAIN MARKET CHISHTIAN DISTRICT BAHAWALNAGAR	ABDUL AZIZ 31102-0607298-3	JAMAL DIN	1,249	1,031	-	2,280	-	1,030	-	1,030
138	SIDDIQUE BHAI JEWELLERS SHOP#344G GROUND FLOOR PANORAMA SHOPPING CENTRE THE MALL LAHORE	UMAR SIDDIQUE KHAN 35202-2478175-1	M. SIDDIQ KHAN	1,000	976	-	1,976	-	976	-	976
139	BINISH LALI VILLAGE & P.O. JABANA TEHSIL LALIAN DISTT. CHINOT	33201-1576535-4	NADEEM HAYAT LALI	1,400	639	-	2,039	-	539	-	539
140	AFTAB & BROTHERS SULTAN PURA PO QADIRABAD COLONY TEH & DISTT HAFIZABAD	AFTAB AHMAD 34301-7199270-7	MUSHTAQUE AHMED	-	896	-	896	-	771	-	771
141	RANA ZAILADAR KHAN VILLAGE GOLLIAN P/O KHAS TEH DASKA DISTT SIALKOT	34601-0816717-9	CH GHULAM MUHAMMAD	958	555	-	1,513	-	533	-	533
142	SHOUAIB TRADERS GHALLAH MANDI NOKHAR DISTT GUJRANWALA	GULZAR AHMED 34103-6082747-1 RASHEED AHMED 34103-7276070-1	ABDUL SATTAR MUHAMMAD SHAFI	795	867	-	1,662	-	867	-	867

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
143	NEHMAT ULLAH POST OFFICE BADIANA TEH PASROOR DISTT SIALKOT	34602-7468424-9	MUHAMMAD SHAFI	956	881	-	1,837	-	867	-	867
144	JAFAR ALI CHAK NO 79 G/B FAISALABAD	33100-3848542-7	MUHAMMAD ASLAM	1,000	523	-	1,523	-	523	-	523
145	MUHAMMAD AKRAM GHALI NO 4 MOHLLA IMDAD COLONY P/O HUJRA SHAH MUQEEM TEHSIL DEPALPUR DISTT OKARA	35301-9697781-1	BASHIR AHMED	2,500	1,801	-	4,301	-	1,801	-	1,801
146	USMAN GHANI VILLAGE & P O JESSERWALA NEAR JESSERWALA ADDA TEH DASKA DISTT SIALKOT	34601-4062395-3	ABDUL GHANI	748	1,002	-	1,750	-	700	-	700
147	AKBER ALI V NAWAN PIND PO RATTA BAJWA TEHSIL PASRUR DISTRICT SIALKOT	34602-0640125-9	MUHAMMAD ISMAIL MARHOOM	1,000	506	-	1,506	-	506	-	506
148	MOHAMMAD RAZAQ VILL DIN POR KALAN P/O SAME TEH SHAKARGARH DISTT NAROWAL	34502-1563607-1	BASHIR AHMED	1,300	1,075	-	2,375	-	1,075	-	1,075
149	AFZAL WEAVING FACTORY 7-KM SATYANA ROAD FAISALABAD	IMRAN AFZAL 33100-1991316-3	MUHAMMAD AFZAL	9,991	11,002	-	20,993	-	10,107	895	11,002
150	AURANG ZEB C/O ANMOL CNG HEGARWALA GUJRAT ROAD TEHSIL PHALIA	34403-7057643-1	MUHAMMAD INAYAT	1,500	963	-	2,463	-	878	-	878
151	MUHAMMAD RIAZ VILL HALLOWAL PO SAME DISTT NAROWAL	34501-4200642-1	ABDUL MAJEED	2,380	1,172	-	3,552	-	1,152	-	1,152
152	PEARL TEXTILE INDUSTRIES 33 KM JOHAL SHEIKHUPURA ROAD FAISALABAD	MUHAMMAD DANISH ANEES 42201-1985532-9 MUHAMMAD HAMMAD ANEES 42000-4610134-7	MUHAMMAD ANEES MUHAMMAD ANEES	7,063	2,341	-	9,404	-	2,341	-	2,341
153	SAJJAD SALEEM KHAN CHAK NO 93/D PO MALIKA HANS TEH & DISTT PAKPATTAN	36402-3625788-5	MUHAMMAD ZAMAN KHAN	1,200	929	-	2,129	-	929	-	929

Details of advances written-off
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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
154	FAISAL BROTHERS COLONY ROAD MAILSI DISTT VEHARI	MUHAMMAD SIDDIQUE 36602-2676844-1	KARIM BUKHSH	1,000	1,181	-	2,181	-	1,089	92	1,181
155	FAQIR HUSSAIN POULTRY FARM CHAK NO.385 GB TEH.SAMUNDRI NEAR KANIWALA BANGLA DISTT. FAISALABAD	FAQIR HUSSAIN BAIG 33105-0287970-9	MIRZA MUHAMMAD SADDIQUE	1,081	2,202	-	3,283	-	1,857	-	1,857
156	IMRAN HAIDER VILLAGE BAKHAR BAR KHAS TEH SHAHPUR DIST SARGODHA	38404-9896780-1	SAMAR ABBAS	1,300	1,129	-	2,429	-	1,074	-	1,074
157	RAI MANSAB ALI KOT RAI BASHIR AHMED MASHMOLA MASOO SHAREEF TEH & DISTT NANKANA	35402-6151935-7	RAI MUHAMMAD ALI	898	1,024	-	1,922	-	1,022	-	1,022
158	SAEED AHMED BHAROKAY PO GUNNA KALAN TEH DISTT SIALKOT	34603-3702457-3	SHABBIR AHMED	2,500	1,680	-	4,180	-	1,565	-	1,565
159	VIRK BRICKS COMPANY 3 K.M.G.T.ROAD KAMOKE TEHSIL KAMOKE DISTT. GUJRANWALA	CH. MUHAMMAD ARSHAD 34102-0677785-3	MUHAMMAD YOUNIS VIRK	3,621	2,938	-	6,559	-	2,938	-	2,938
160	RASHEED GAINCHO VILLAGE AKRO PO AKRO TAULKA KOTRI DIST.JAMSHORO	41204-6689216-9	GHULAM HYDER	1,000	1,353	-	2,353	-	1,150	-	1,150
161	GIFT CENTRE SHOP NO. 10, HAROON SHOPPING CENTRE 36-COMMERCIAL ZONE LIBERTY LAHORE	MUHAMMAD NAWAZ 35202-0778711-7	MEHER TAJ DIN	830	1,610	-	2,440	-	1,610	-	1,610
162	KHAN MUHAMMAD GONDAL VILL GONDAL P/O KHAS TEHSIL SHAHPUR DISTT SARGODHA	38404-9790051-7	RIFFAT ABBAS	1,399	707	-	2,106	-	656	-	656
163	SIKANDER TRADERS VILL KOT LADHA P/O SAME DISTT GUJRANWALA	QAISER ABBAS 34103-4791217-3	GHULAM ABBAS	2,034	2,077	-	4,111	-	1,661	-	1,661
164	MIAN MUHAMMAD AZHAR IQBAL HOUSE NO 282/1 SHAHRUKNE ALAM COLONY J BLOCK MULTAN	36201-4959501-1	MIAN MUHAMMAD IQBAL	2,300	988	-	3,287	-	702	-	702

Details of advances written-off

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Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
165	NUSRAT BANO VILL AND P/O VERPAL KALAN TEHSIL WAZIRABAD DISTT GUJRANWALA	34104-8113627-6	CH FAIZ AHMAD TOOR	1,097	1,078	-	2,175	-	748	-	748
166	MUHAMMAD NASEEM VILLAGE AKRO TALUKA KOTRI JAMSHORO	36302-7132105-5	MUHAMMAD RAHIM KAINJO	876	1,010	-	1,887	-	807	-	807
167	MASTER TEA COMPANY RES-VILLAGE DULLA KHURD TEHSIL & DISTRICT LAHORE 235 SATTILITE TOWN 21 KM FEROZEPUR ROAD LAHORE	KHALID JAVED ANJUM 35201-6299039-9	MUHAMMAD SADDIQUE	475	744	-	1,219	-	719	-	719
168	MUHAMMAD ASHRAF GORAYA BUPRA KALAN P.O KHAS TEH NOSHEHRA VIRKAN DISTT GUJRANWALA	34103-0506204-7	AMAN ULLAH	1,455	1,312	-	2,767	-	1,212	-	1,212
169	PREMIER TRADING COMPANY 4-A, SHAH ALAM MARKET LAHORE	ATIF SAJJAD SHEIKH 35202-0595718-1	SH. SAJJAD AHMAD	5,300	1,009	-	6,309	-	1,009	-	1,009
170	TRIGON PHARMACEUTICALS PVT LTD 8 TH K M THOKAR-RAIWIIND ROAD LAHORE	MUHAMMAD ASAD 37405-0823280-5 KHALID MUNIR 35202-6378136-7 MUHAMMAD SAFDAR 36501-3646813-9	MUHAMMAD MUNIR KHAN CH. MUHAMMAD SHAFI	14,999	4,192	-	19,192	-	1,192	-	1,192
171	SIKANDAR JAVED KHAN H NO 3 STREET NO 5 SHALIMAR COLONY BOSAN ROAD MULTAN	36302-6032502-3	MUHAMMAD HUSSAIN	3,819	4,422	-	8,242	-	4,101	-	4,101
172	IMDAD ALI KHAN CHAK 810/B TEH DISTT FAID FAISALABAD	33100-1879583-9	RANA MIUBARIK ALI KHAN	2,989	3,181	-	6,170	-	2,753	-	2,753
173	MUHAMMAD RIAZ VILLAGE KISHAN GARAH P.O.BEGO WALA TEHSIL SAMBRIAL DISTRICT SIALKOT	34604-0399839-1	CH NOOR ALAM	800	614	-	1,414	-	524	-	524

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
174	KHALID SAJJID PETROLEUM BY PASS ROAD SAHIWAL	IRFAN AHMED KHAN 36502-2702525-7	MUHAMMAD SAFDER KHAN	4,000	2,901	-	6,901	-	2,881	-	2,881
175	QAISAR MANZOOR VILLAGE MANDIALA POST OFFICE CHOWBARA TEH PASRUR DISTT SIALKOT	34602-8728830-9	CH MANZOOR AHMAD	1,440	1,041	-	2,481	-	941	-	941
176	S TALIB HUSSAIN BUKHARI CHAK NO 12FW PO CHAK NO 58/ FATEH TEH CHISHTIAN DISTT BAHAWALNAGAR	35202-3041979-7	SYED JALAL SHAH	1,493	650	-	2,143	-	643	-	643
177	GHULAM ALI VILL MERAK PUR P O CHANGI TEH DASKA DISTT SIALKOT	34101-4390855-1	TALIB HUSSAIN	989	804	-	1,793	-	743	-	743
178	MANZOORAN BIBI CHAK 81 JB TEH DISTT FAISALABAD	33100-2065619-0	RIASAT ALI KHAN	1,931	2,250	-	4,180	-	1,844	-	1,844
179	MUHAMMAD RIZWAN KHAN KARIM PUR PO LANGER MAKHDOOM TEH LALLIAN	33201-9916921-3	KHIZR HAYAT	1,500	1,996	-	3,495	-	1,841	-	1,841
180	CH.FALIK SHER MOUZA RAJ GRAH P.O HUJRA SHAH MUQEEM DEPALPUR	35301-1900958-7	CH.KHIUDA BUX	1,378	1,004	-	2,382	-	982	-	982
181	JAVEED IQBAL 629 G GULSHAN RAVI LAHORE	35202-6840296-1	ABDUL HAMEED	5,020	6,541	-	11,562	-	4,062	-	4,062
182	M.NAEEM AHMED CHAK NO.113/10R JAHANIA TEHSIL JAHANIA DISTT;KHANEWAL	36101-2012509-5	MUHAMMAD YOUNIS	1,938	629	-	2,566	-	566	-	566
183	ABDUL GHAFFAR CHAK NO. 358 G.B MUGHALI TEHSIL TOBA TEK SINGH	33303-0839865-9	ABDUL HAMID	1,600	862	-	2,462	-	690	-	690
184	UMER SOHAIL TRADERS KANDA ARHAT MOUZA MOTHANEAR KOTLA CHAKAR TEH JALAL PUR PIRWALA	MUHAMMAD SOHAIL AKHTAR 36301-0971477-9	MALIK MUHAMMAD SHARIF	513	654	-	1,166	-	654	-	654

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
185	MUHAMMAD RAMZAN VILLAGE SIDHA OTHAR POST OFFICE KHAS TEH CHUNIAN DISTT KASUR	35101-5771066-7	BHUNDO KHAN	1,999	1,438	-	3,438	-	1,388	-	1,388
186	TASLEEM BIBI CHINLANWALA TEHSIL ISSA KHEL DISTT. MIANWALI.	38301-9784258-0	MUHAMMAD ASLAM	600	863	-	1,462	-	662	-	662
187	SULTAN STANDARD MARBLE VILLAGE KOT SHAHAN DISTT GUJRANWALA	ZAFAR SULTAN 34101-6412263-9 NAEEM SULTAN 34101-4528937-1	NOOR SULTAN NOOR SULTAN	843	740	-	1,583	-	740	-	740
188	MUHAMMAD AFZAL CHAH JOGHI PO DAWILOANA GHARBI AHMED PUR SIAL DIST JHANG SARGODHA	33203-0389673-5	AMEER KHAN	2,442	1,316	-	3,758	-	1,216	-	1,216
189	CH IMRAN ALI & BROTHERS GODAM # 34 RAILWAY MALL GODAM BADAMI BAGH LAHORE	IMRAN ALI 35202-2310302-7	MUHAMMAD MUSHTAQ	3,000	1,329	-	4,329	-	1,026	-	1,026
190	MUHAMMAD ASHFAQ VILL GILGITTI P O MANDHRANWALA TEH KAMOKE DISTT GUJRANWALA MADRANWALA KALLAR	34102-7651885-1	KHALIL UR REHMAN	1,499	859	-	2,358	-	858	-	858
191	MUHAMMAD ASIF JHANGAR LAL P/O MEERAN PUR TEH & DISTT.NANKANA SAHIB	35404-5316158-5	MUHAMMAD ASHRAF	1,600	2,042	-	3,641	-	2,041	-	2,041
192	PRINCE CLOTH HOUSE FLAT NO.27 12-A DAVIS ROAD AL KARIM HOUSING SOCIETY LAHORE	YOUSAF KAREEM 35202-1027762-3	SHEIKH DEEDAR ALI	4,690	676	-	5,367	-	647	-	647
193	ABBAS ALI VILLAGE NAWAN PIND P/O RATTA BAJWA TEHSIL PASRUR DISTT SIALKOT	34602-0608181-7	MUHAMMAD ISMAIL	1,000	568	-	1,568	-	538	-	538
194	MUHAMMAD TANVIR KHAN MOHALLAH PARANA WARD NO 05 HOUSE NO 1197 VPO BHOPALWALA THE SAMBRIAL DISTT SIALKOT	34601-8322563-9	ZULF HUSSAIN	1,000	729	-	1,729	-	579	-	579

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
195	MUHAMMAD ISHAQUE CHAK GHORTAN WALA KOT SAI SINGH P.O.JHANG SADAR	33202-0352869-1	NAWAB KHAN	2,500	1,894	-	4,394	-	1,824	-	1,824
196	WALEED AKHTAR SHAH H 95 A CIVIL LINES KHANEWAL CITY TEH AND DISTT KHANEWAL	36103-7496298-7	M. AKHTAR SHAH	608	720	-	1,329	-	579	-	579
197	DASKA TUBEWELL INDUSTRIES 128-RAILWAY ROAD, CHOWK DALGIRAH, LAHORE	MIR MUHAMMAD MUAZ AKRAM 35201-2671794-9	MEER MUHAMMAD AKRAM	4,935	3,469	-	8,404	-	3,379	-	3,379
198	MUHAMMAD SARWER LOT NO 16-17 POST OFFICE AMEERABAD CHAK NO 49 M L TEHSIL DARYA KHAN DISTT BHAKAR	38102-7513784-7	NOOR MUHAMMAD	1,500	821	-	2,321	-	721	-	721
199	MUHAMMAD SHER P/O KHAS, NEHANG TEHSIL SAHIWAL DISTRICT SARGODHA SAHIWAL	38402-8165376-5	MUHAMMAD RAMZAN	950	618	-	1,568	-	568	-	568
200	SAJJAD ALI HINJRA HOUSE MAIN STREET MADRANWALA TEH KAMOKE DIST SIALKOT	34102-2334745-9	CH GHULAM SARWAR	1,999	807	-	2,806	-	776	-	776
201	ARAIN BROTHERS GHALLA MANDI AHMEDPUR EAST	MUHAMMAD RAUF 31201-0333035-9	MUHAMMAD MUNIR	3,499	1,641	-	5,141	-	1,641	-	1,641
202	IFTIKHAR AHMED VILL MARALI PO SAME DISTT NAROWAL	34501-4183392-1	SAID AHMED	571	553	-	1,124	-	544	-	544
203	AL TAF NAZIR VILLAGE DHAHDAL P/O SATTRA TEH PASRUR	34601-1155515-3	CHAUDHRY NAZIR AHMED	2,500	1,121	-	3,621	-	999	-	999
204	MOHAMMAD IFTEKHAR VILL PO WALANEY TEH DISTT SIALKOT	34603-8333831-7	MOHAMMAD SHAFIQUE	990	785	-	1,774	-	774	-	774
205	BASHIR AHMED VILLAGE SAHO CHAK PO BADIANA TEH DISTT SIALKOT	34603-2198913-7	MUNSHI	1,199	1,197	-	2,396	-	1,096	-	1,096

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
206	MUHAMMAD SHOAIB KHAN H NO 20 ST.03 MADINA TOWN HARBAN PURA LAHORE	34601-9050863-9	M HAFEEZ KHAN	1,594	483	-	2,077	374	-	479	-	853
207	IAZI PETROLEUM IAZI COLONY BINDORE PO SAME TEH RAHIM YAR KHAN	TAHIR SANA 31303-0804421-1	MUHAMMAD SANAUULLAH	2,990	1,727	-	4,717	-	-	1,727	-	1,727
208	ZAGHAM AND CO. GHALLA MANDI QILA DIDAR SINGH TEHSIL AND DISTT GUJRANWALA	HASSAN ARIF 34101-1774125-3	MUHAMMAD ARIF	5,000	1,558	-	6,557	-	-	777	-	777
209	MUHAMMAD ASLAM MASMOOLA FATTOKI P/O LANDEY DISTT KASUR	35101-2454252-9	AKBER ALI	988	1,004	-	1,993	-	-	993	-	993
210	BUKHARI PARDIA CLOTH CIVIL LINE GUJRANWALA	MUZAHAR ALI 34101-9321035-9 TEHMINA SAFDAR 34101-4627553-2 ANDLEEB ZAHRA 34101-8121091-2	SYED KAUSAR ALI MUZAHAR ALI SYED MANZAR ALI	1,805	962	-	2,767	-	-	837	-	837
211	MUHAMMAD ARSHID HUSSAIN VILLAGE WARN POST OFFICE SAME TEHSIL AND DISTT SHEKHUPURA	35404-7223966-1	MUHAMMAD LATIF	449	560	-	1,029	-	-	579	-	579
212	UMAR GARMENTS H. NO. 2 ST. NO. 2 KOOCHA MUHAMMADIA TEZAR AHATA LAHORE	MIAN AHSAN NAVEED 35202-2493643-7	MIAN NAVEED ASLAM	11,000	9,247	-	20,247	-	-	8,747	-	8,747
213	KHALID JAVED VILLAGE CHOOHAY WALA P/O PHAMA SARAI TEHSIL NOSHEHRA VIRKAN DISTT GUJRANWALA	34103-2983809-9	BASHIR AHMED	879	822	-	1,701	-	-	651	-	651
214	ZAMAN ULLAH AMBALTASH PO SUKHEKI MANDI TEH PINDI BHATTIAN	34302-1201921-3	ALI MUHAMMAD	1,400	773	-	2,173	-	-	773	-	773
215	MUHAMMAD AMIN VILLAGE PALANG PUR PO CHABBA SINDWAN TEHSIL N VIRBAN DISTRICT GUJRANWALA	34103-0514446-9	NAWAB DIN	256	679	-	934	-	-	617	-	617

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
216	MAZHAR SABTAIN NEAR DEAR NALIAN WALA KOT RASOOL PURIAN P/O KHAS TEHSIL WAZIRABAD DISTT GUJRANWALA	34104-1866189-5	ABDUL KHALIQ	750	532	-	1,281	-	531	-	531
217	MUHAMMAD ARSHAD HOUSE NO 104 MOHALLAH WADERA SAIBKPT TEH KHAIRPUR TAMEWALI NRIMAM BARGAH KHAIRPUR TAMEWAL	31102-0321347-1	ALI AHMAD	371	132	-	503	371	132	-	503
218	IORA ALI FLAT NO 15 SECTOR C WEST BLCOK ASKARI II BEDIAN ROAD LAHORE	33102-5923980-0	ZAFAR EJAZ KAHN	336	198	-	535	336	198	-	535
219	ANSAR MEHMOOD BHATTYWAD POST OFFICE SALLOKE TEHSIL DASKA TEHSIL DASKA	34601-5712814-9	AKBAR ALI	2,500	1,931	-	4,431	-	1,730	-	1,730
220	ANSAR ABBAS PO KHAS DOHATTA AZMAT TEHSIL PINDI BHATTIAN DISTRICT HAFIZABAD	34302-7921609-9	MUHAMMAD AKRAM BHATTI	1,008	712	-	1,719	-	684	-	684
221	JAVED ALMAS MOUZAFATEH PURI POST OFFICE MURIDKE DISTT SHEIKHUPURA	35401-0305634-5	CHAUDHARY GHULAM YOUSAF	1,798	1,212	-	3,010	-	1,210	-	1,210
222	LIAQAT ALI VILL THATA P O TALHARA TEH DASKA	34601-6370091-7	SAEED AHMAD	1,500	788	-	2,288	-	758	-	758
223	JAMIL TARIQ P/O UTMANZAI TARIQ ABAD TEH AND DISTT CHARSADDA	17101-4937782-9	TARIQ AZAM KHAN	388	211	-	599	388	211	-	599
224	ASIF BASTI PANCHAYAT - KANSI ROAD QUETTA	54400-4363169-9	BANARSI BARKAT	321	186	-	507	321	186	-	507
225	MUHAMMAD RAMZAN ALI MURTAZA ASSOCIATES PVT LTD 22KM OFF FERROZ PUR ROAD ROHI NALA MAUZA DOLU KHURD TEH CANT LAHORE	38402-5056885-1	ALLAH BAKHSH	422	220	-	641	422	220	-	641

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

ANNEXURE II

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
226	ATHAR ALI SIDDIQUI SANTE PVT LTD UDLD DISTRIBUTORS GULPLAZA CHARSADEA ROAD PESHAWAR	35401-7782919-9	MAZHAR AI SIDDIQUI	737	378	-	1,115	737	-	378	-	1,115
227	IFTIKHAR AHMED DISTRICT EDUCATION OFFICER PRIMARY LARKANA	43203-6938835-1	GULZAR AHMAD	372	168	-	540	372	-	168	-	540
228	WAQAR MEHMOOD SSP ADMIN FOR AIG CTD SIALKOT	34602-2900949-1	MEHMOOD AHMED	555	136	-	690	555	-	136	-	690
229	MUHAMMAD NUMAIR H NO 25 STREET 5 BUHADUR STREET ITTIFAQ COLONY SANDA KHURD LAHORE	35202-1307683-7	MUHAMMAD IL YAS BHATTI	383	204	-	587	383	-	204	-	587
230	NOSHEEN HASSAN HOSPITAL HEAD QTR UPPER KHURRAM AGENCY PESHAWAR	21303-0778412-6	NOOR HASSAN	394	164	-	558	394	-	164	-	558
231	KHALID HUSSAIN VILLAGE MUREED HUSSAIN BHAND PO PIR JO GOTH KINGRI DISTT KHANPUR	45204-1609100-5	SHAHMEER KHAN BHAND	408	205	-	613	408	-	205	-	613
232	SHEHRAM AHMAD KHAN HOUSE NO 157 CHAMBALE BLOCK FOUR SEASONS HOUSING SOCIETY SAMUNDRI ROAD FAISALABAD	33100-2345537-1	RANA IMITIAZ AHMED KHAN	2,053	372	-	2,425	271	-	372	-	643
233	MUHAMMAD USMAN ZAMEEN.COM 8TH FLOOR,MEGA TOWER ADJACENT MACDONALD MAIN BOULEVARD GULBERG LAHORE	33102-6606253-9	MUHAMMAD IKRAM	438	229	-	667	438	-	229	-	667
234	ABDUL REHMAN H NO 70 JINNAH TOWN THOKAR NIAZ BAIG MULTAN ROAD LAHORE	35202-1191275-3	M RAMZAN	351	221	-	572	351	-	221	-	572
235	SYED TANVEER SHAH PLATOON 443 DOFC BANNU	17101-8808204-7	FEROZ BSHAH	333	216	-	549	333	-	216	-	549

Details of advances written-off
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S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
236	ZAWAR ALI SIDDIQUI UDL DISTRIBUTION FRST FLOOR BLOCK F GULL PLAZA CHARSAJDA ROAD PESHAWAR	35401-7791564-9	MAZHAR ALI SIDDIQUI	490	249	-	739	490	-	249	-	739
237	IHTSHAM ALI H NO 13 ABDALI ST SHERAZ PARK ALAM IQBAL TOWN LAHORE	35302-0522853-5	MUZAFAR MEHMOOD	359	221	-	580	359	-	221	-	580
238	ASIF KHALIL H NO A 116 BLK B KAZIMABAD MALIR KARACHI	44103-0296066-3	KHALIL AHMAD	455	236	-	691	455	-	236	-	691
239	MOAZZAM JAVED HOUSE NO 55 B DARS BARAY MIAN MUGHALPURA LAHORE CANTT NEAR SHALIMAR HOSPITAL LAHORE	35200-8332130-5	JAVED ASHRAF	297	210	-	507	297	-	210	-	507
240	SHOUKAT ALI H NO 05 ST NO 6 VILLAGE HEAR MOH BARA DARI BEDIAN ROAD NEAR SUFU HADIYAT GENERAL STORE LAHORE	35201-3679174-9	ABDUL RASHEED	487	241	-	728	487	-	241	-	728
241	NAZAR HUSSAIN VILL. DHARAM KOT POST OFFICE PROPI NAGRAH TEH.DASKA DISTT. SIALKOT	34601-8671139-9	NOOR HUSSAIN	1,273	1,445	-	2,718	-	-	1,068	-	1,068
242	ZEEESHAN ULLAH VILLAGE DAROR MUSLIM PO SRI RAM PURA TEH MURIDKE DISTT SHEIKHUPURA	35401-8835377-7	LIAQAT ALI	1,199	789	-	1,988	-	-	638	-	638
243	REMACO ENGINEERS GROUND FLOOR SARA TOWERS KHYBER SUPPER MKT BARA ROAD PESHAWAR CANTT	RIZWAN AHMED SAEED 17301-7696347-3	SAEED AHMED KHAN	2,499	2,247	-	4,746	-	-	1,656	-	1,656
244	JAWAD YOUNAS HOUSE NO 376 BLOCK F SHAH RUKN E ALAM COLONY MULTAN	36201-5335797-5	MIAN MUHAMMAD YOUNAS	4,498	1,586	-	6,084	-	-	1,034	-	1,034

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
245	NASIR ABBAS CHAK NO 210 JB TARAR TEH BHOWANA DISTT CHINIOT	33201-8446523-3	CH GHULAM MUSTAFA	720	639	-	1,359	-	559	-	559
246	AMJAD AND BROTHERS ENTERPRISES HOUSE NO 73 MOHALLAH A.M COLONY GULSHAN RAVI LAHORE	AMJAD ALI 35200-2402098-1	GHULAM MUHAMMAD	4,995	1,605	-	6,600	-	1,374	-	1,374
247	JAWAID RASHEED L 635 SECTOR 5 A 4 NORTH KARACHI KARACHI	42101-5381876-5	ABDUL RASHEED	3,526	1,950	-	5,476	-	1,950	-	1,950
248	SYED NAZAR ABBAAS SHAH TIBA GAME SHAH P/O TIBA MEHER SHAH TEHSIL PIPLAN DISTT MIANWALI	38303-0630354-3	SYED MUHAMMAD SHAH	750	872	-	1,621	-	800	-	800
249	MALIK MUHAMMAD IQBAL OLD JALALPUR ROAD MOUZA SANDI WALA WARD NO.12 DISTT LODHRAN TEHSIL & DISTT. LODHRAN	31202-7037659-1	MALIK DURR MUHAMMAD	2,456	1,399	-	3,855	-	1,180	-	1,180
250	M. NIAZ KHAN VILLAGE WALI PUR P/O BARA MANGA TEHSIL SHAKARGARH DISTT. NAROWAL	34502-7379085-3	MUHAMMAD NAWAZ KHAN	2,000	1,896	-	3,896	-	1,596	-	1,596
251	NEW SARHAD PUNJAB WOOD & STEEL FURNITURE BANNU ROAD NEAR N.B.P SH YUSAF ROAD BRANCH TEH & DISTT DERA ISMAIL KHAN	MUHAMMAD AYAZ 12101-1578806-7 MUHAMMAD ARIF 12101-0897998-3	MALIK GHULAM RASOOL KHAN HAJI MUHAMMAD RIAZ	4,493	4,484	-	8,978	-	4,484	-	4,484
252	R S TRADERS MAKKAH TOWN SAMIJA ABAD NO 02 PIRAAN GHAIB ROAD MULTAN	RASHID ALI 36302-0394711-1	MUHAMMAD ALI	3,499	707	-	4,206	-	595	-	595
253	ZEEESHAN MEHMOOD DAAK KHANA KHAS CHAK NO 473 GB BEJA PUR SAMUNDRI FAISALABAD	33105-7053954-9	SULTAN AHMED	3,115	445	-	3,560	191	445	-	637
254	MUHAMMAD HANIF HANIF HOUSE MOHALA DHODAK COLONY PIRAN GHAIB RD MULTAN	32103-9631767-7	NMAZAR HUSSAIN	442	190	-	632	442	190	-	632

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S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
255	MUHAMMAD USMAN MAJEED H NO 44 L STAFF COLONY UET LAHORE	35202-2451879-3	CH ABDUL MAJEED	436	135	-	571	436	-	135	-	571
256	NAZAR MOHAMMAD V.DAIRA KHERLAN BHERI WALA P/O.BOTALA JHANDA SINGH TEH. NOWSHERA VERKAN DISTT.GRW	34103-5965615-5	ISMAEL	649	828	-	1,477	-	-	657	-	657
257	INDUS OIL TRADERS JAM PUR ROAD RAJAN PUR TEH&DISTT RAJANPUR	SH. IRFAN IQBAL 32203-7183236-9	ABDUL SATTAR SHAIKH	2,500	3,076	-	5,576	-	-	2,987	-	2,987
258	GULZAR AHMED CHAK NO.48/SB PO SILLANWALI TEH & DISTT SARGODHA	38405-6949423-1	MOHAMMAD SADIQ	296	541	-	837	-	-	537	-	537
259	KHALID MAHMOOD KHALID HOUSE JASSOWALI PO UDHO FAATTEH TEH PASRUR DISTT SIALKOT	34602-9592618-7	MUNIR AHMAD	2,299	1,900	-	4,199	-	-	1,744	-	1,744
260	MAQSOOD AHMAD CHAK NO 459 GPO SAME FAISALABAD	33104-7341378-1	MUSHTAQ AHMED	416	164	-	580	416	-	164	-	580
261	SYED SHAJAR ABBAS SHERAZI HOUSE NO 2 GALI IMAM BARGAH WALI MUJAHID COLONY SARGODHA	38401-6115481-7	HASNAIN AKHTAR SHAH	395	225	-	620	395	-	225	-	620
262	MUHAMMAD NAWAZ CHAK NO 169 CHABBA PO KARIYAL BAGANWALA TEH SAFDARABAD DISTT SHEIKHUPURA	35403-1136493-9	MUHAMMAD MALIK	619	320	-	939	619	-	320	-	939
263	BILAL AHMAD H NO 12 ST 8 MUHAMMAD PURA NEAR BILAL CHOWK ICHRA LAHORE	36502-1455647-1	ASHFAQ AHMED	422	197	-	619	422	-	197	-	619
264	MUHAMMAD IRFAN SUB DIVISIONAL OFFICER BUILDING DEPARTMENT NEAR AWAN HOTEL TOBA TEK SINGH	33301-2110376-7	M FAZIL	399	180	-	579	399	-	180	-	579
265	BADAR UL ISLAM PERAL CERAMICS (PVT) LTD PLOT NO # C-288, HUB HITE	42101-4569609-9	ABDUL HANNAN	374	201	-	574	374	-	201	-	574

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
266	NOSHEEN BAIG HOUSE 1373, STREET 84 D.12.1 ISLAMABAD	42201-6497338-8	MUHAMMAD YAQOOB	430	228	-	658	430	-	228	-	658
267	MUHAMMAD TARIQ CHAK NO 282/GB TEH JARANWALA. DISTT FAISALABAD.	33104-2070270-3	NOOR MUHAMMAD	2,000	1,068	-	3,068	-	-	962	-	962
268	SHEBAZ SULTAN LURHKA HOUSE MEHMOOD COLONY STREET NO 01 FAISALABAD ROAD JARANWALA DISTT FAISALABAD	33104-1575475-9	MUHAMMAD TARIQ	2,500	1,480	-	3,980	-	-	1,332	-	1,332
269	GULBAZ SULTAN TARIQ CHAK NO 282 GB P O SAME TEH JARANWALA FAISALABAD	33104-7756029-5	MUHAMMAD TARIQ	2,500	1,414	-	3,913	-	-	1,272	-	1,272
270	MUHAMMAD RAMZAN GAGA WALI P/O NAZAM PURA TEHSIL ZILA GUJRANWALA.	34101-9489754-3	FAZAL HUSSAIN	1,999	1,751	-	3,750	-	-	1,350	-	1,350
271	IMTIAZ AHMED MOHALLAH MUSTAFA ABAD TALWANDI BHINDRAN P/O SAME TEH & DISTT NAROWAL	34501-1968990-1	MUHAMMAD SHARIQ	600	826	-	1,426	-	-	741	-	741
272	ABDUL RAZZAK H NO 1038 IQBAL COLONY UNIT NO 12 LATIFABAD HYDERABAD	41103-2142434-9	NOOR MUHAMMAD	1,400	537	-	1,937	-	-	537	-	537
273	JEHANGIR PETROLUM SERVIS MULTAN RAOD SERAI MOHAJIR P/O SERAI MOHAJIR TEH & DISTT	ABDUL QAYUM 38101-0701072-5 MUHAMMAD AFZAAL 38101-4451418-1	MUHAMMAD AYUB MUHAMMAD LATIF	4,999	767	-	5,766	-	-	767	-	767
274	KIRAN SHOES NEAR NIMWALA TARIA KOT KHAWAJA SAEED LAHORE	MAQSOOD KHAN 35201-3188522-5	ABDUL WAHEED	2,600	5,808	-	8,408	-	-	5,808	-	5,808
275	MUHAMMAD SADDIQUE KOT FAZAL DIN HALLA P/O SAME TEH PATTOKI DISTT KASUR	35103-8819927-1	SAHIB DIN	1,946	1,441	-	3,386	-	-	1,336	-	1,336
276	TAHIR SALJAD VILL. PO. WAAN TEH. SAMBRAL	34601-0863158-7	BARKAT ALI	900	673	-	1,573	-	-	603	-	603

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
277	HAJF MUSTAJAB HUSSAN H.NO. 01 STREET NO. 11 MOHALLAH REHMAN COLONY KHANEWAL ROAD MULTAN	36302-6217470-7	GHULAM ABBAS	355	212	-	566	355	-	212	-	566
278	FARIDULLAH P NO 272 AND BARAK 4 FC LINE BARA TANK	12201-1870183-7	HAJI NAZAR GULL	351	200	-	551	351	-	200	-	551
279	MUHAMMAD ASHFAQ BUTT BAGRIAN KEHNA PO SAMEE MEHRANWALI TEH DASKA SIALKOT	34104-2261776-7	MUHAMMAD SIDDIQ	339	180	-	519	339	-	180	-	519
280	KHALID MEHMOOD CHAK NO 47 5 L PO KHAS TEH & DISTT SAHIWAL	36502-0115617-5	MUHAMMAD HUSSAIN	447	251	-	698	447	-	251	-	698
281	MUHAMMAD FAROOQ FLAT NO A 6 PLOT C 136 FIRST FLOOR NASIR COLONY 11 B SECTOR NORTH KARACHI	42201-0156754-3	MASROOR AHMED KHAN	437	244	-	682	437	-	244	-	682
282	SHAMSHAD AHMAD H NO E 32 CIVIL QTR KOTWALI ROAD FAISALABAD	33100-4893466-1	MUHAMMAD RAMZAN FATMI	354	211	-	565	354	-	211	-	565
283	WASEEM BUKHARI MOHALLAH ISLAMPURA ST NO 2 P/O AJURANGA ABAD SARAI ALAMGIR GUJRAT	34301-0824814-7	SYED MUMTAZ HUSSAIN	350	167	-	517	350	-	167	-	517
284	ASGHAR ALI BHATTI H NO 6 MOH HOUSING COLONYNEW BLOCK NEAR DISPOSAL PUMP GUJRANWALA ROAD HAFIZABAD	34301-5127787-1	MUHAMMAD KHAN	669	371	-	1,040	669	-	371	-	1,040
285	WAQAR ASLAM HOUSE NO 27, PHASE 1, STREET 2 SHAHBAZ TOWN QUETTA CANTT	54400-6038222-5	MUHAMMAD ASLAM	435	209	-	644	435	-	209	-	644

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
286	ABDUL SATTAR SARIAB ROAD H NO G 32 MOHALA UNIVERSITY COLONY QUETTA	54400-3878010-5	NAZR MUHAMMAD	497	165	-	662	497	-	165	-	662
287	REHMAN HUSSAIN FC LINE DARYABA BANNU	21202-0495783-9	AKHTAR HUSSAIN	345	178	-	522	345	-	178	-	522
288	ZUBAIR ABBAS 3 KM OFF MULTAN ROAD BASTI LAL SHAH RAINWIND ROAD OPP INDUS HOME FACTORY LAHORE	32302-2359303-1	ALLAH WASYA	402	159	-	561	402	-	159	-	561
289	QUDWAI TRADERS H:NO 105 BLK C UNIT NO 11 LATIFABAD HYDERABAD	ZOBAIB ARIF FAROOQUI 41304-7942832-5	ARIF IKRAM FAROOQUI	5,000	822	-	5,822	-	-	816	-	816
290	SHER ALAM SOFA & PARDA CLOTH HOUSE SHOP 03/04 OPP ISLAMIA COLLEGE ARBAB ROAD MARKET JAMROD ROAD PESHAWAR	SHER ALAM 17301-6702700-1	WAZIR MUHAMMAD	1,997	1,699	-	3,697	-	-	1,697	-	1,697
291	RIAZ AHMAD CHAK NO 60/61GD SAHIWAL	36502-3139525-3	WALI MUHAMMAD	899	779	-	1,678	-	-	678	-	678
292	TAHSEEN IQBAL HOUSE NO C-293 Q CO OPRATING HOUSING SOCIETY MAKLI P O MAKLI TALUKA DISTRICT THATTA	41409-8261780-1	MUHAMMAD IQBAL ZAHID	644	310	-	953	644	-	310	-	953
293	ASIF HABIB BASTI GURO KAND OLD SHUJABAD ROAD POST OFFICE KHAS RANJHEEL PUR TEHSIL AND DISTRICT MULTAN	36302-5466560-5	MUHAMMAD HABIB	500	228	-	728	500	-	228	-	728
294	MUHAMMAD AMIR ABBASI HOUSE NO A81 STREET NO 6 BLOCK 13C GULSHAN E IQBAL NEAR MASJID GUBA KARACHI	42301-5169504-1	MUHAMMAD ASHRAF	710	398	-	1,108	710	-	398	-	1,108
295	AMJAD ALI INTERLOOP LTD 1KM JARANWALA ROAD KHURIANWALA DISTT. FAISALABAD	35403-1182135-9	NAWAB DIN	350	214	-	564	350	-	214	-	564

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
296	BILAL FAYYAZ JANJUA ARF PAC KAMRA ATTOCK	34202-4771946-5	RAJA FAYYAZ MUHAMMAD	733	241	-	974	733	-	241	-	974
297	SHAHZAD SHAFIQUE POST OFFICE KHAS CHUND BHARWANA TEHSIL AND DISTRICT JHANG SADER	34202-6527286-3	MUHAMMAD SHAFIQUE KHAN	351	234	-	585	351	-	234	-	585
298	MUHAMMAD AYAS IDREES IDREES, POLICE LINE GHAZI COMPANY FAISALABAD ADD.2. CHAK NO.202 GB DAK KHANA	33105-6552325-5	MUHAMMAD IDREES	486	216	-	702	486	-	216	-	702
299	MEHBOOB TALPUR GOTH PIKKA CHANNA POST OFFICE DIKKA CHANNA TANDO SHAHBAZ ISEHWAN SHARIF JAMSHORO	41206-1457309-3	YAR MUHAMMAD	724	146	-	870	724	-	146	-	870
300	MUDASSER RASOOL PARO HUR CAMP GHARI WEST LINE BALDIA COLONY HOUSE NO 54 HYDERABAD	41303-1483089-5	ABDUL RASOOL MEMON	676	191	-	866	676	-	191	-	866
301	KHALIL AHMED INSPECTOR GENERAL POLICE OFFICE GULISTAN ROAD QUETTA NEAR CAFE CHINA CHECK POST QUETTA	54400-3080587-1	MUJAHID IQBAL	381	251	-	631	381	-	251	-	631
302	MUHAMMAD ASLAM WARD NO 1 MUHALLA MUHAMMAD ARSLAN BUGIT DERA MURAD JAMALI DISTT NASARABAD	55302-6365495-9	MUHAMMAD ARSALAN	328	227	-	555	328	-	227	-	555
303	KASHIF KHAN H NO LDA 51 ST 1 MUHALLA SIKANDRIA COLONY PO NAWAZN KOT LAHORE	35202-5943548-3	RASHIM KHAN	362	251	-	614	362	-	251	-	614
304	TAJAMMAL MUNIR NAEEM ELECTRONICS SATIYANA ROAD NADRA OFFICE FAISALABAD	33102-5631846-9	MUNIR AHMAD TABASIM	412	276	-	689	412	-	276	-	689

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

ANNEXURE II

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
305	MUHAMMAD USMAN AZIZ HOUSE # P-102, NEAR JAMIA MASJID AMINA GULSHAN-E- RAFIQUE COLONY FAISALABAD	33100-1003783-9	MUHAMMAD AKRAM	421	230	-	651	421	-	230	-	651
306	ZEEESHAN MASIH PUNJAB POLICE QILLA GUJJAR SINGH POLICE LINE LHR BSU-(LHR)	35201-4243476-1	SHARIF MASIH	429	226	-	655	429	-	226	-	655
307	SHAIKAT HUSSAIN BASTI CHAH ARREY WALA MOUZA MATITAL P O JAAL WALA MULTAN	36302-4279960-1	SARWAR GHULAM	371	159	-	531	371	-	159	-	531
308	DANIAL ASLAM CHAK NO 9 JB BAHOWAL TEH DISTT FAISALABAD	33100-4894401-3	AZIZ MASIH	444	285	-	728	444	-	285	-	728
309	SHAFQAT TARIQ SAFWAN TOWN MAIN STREAT HOUSE NO.3 NEAR MOBLINK TOWER AHMED PUR EAST DISTRICT BAHAWALPUR	31201-6177209-5	MUHAMMAD SHAFI TARIQ	440	261	-	701	440	-	261	-	701
310	SHOAB ALI ABBASI HOUSE NO 4 MUHALLAH NEW SABIR TOWN STREET NO 4 LAJPAT NAGAR SHAHDARA LAHORE	35202-3774609-7	ABDUL HAY ABBASI	470	315	-	785	470	-	315	-	785
311	MOHAMMAD ASLAM MOHALLAH LATIF PARK PURANA NAROWAL ROAD SHAHDARA LAHORE	35202-4670501-5	AMANAT ALI	333	210	-	543	333	-	210	-	543
312	MUHAMMAD ABDULLAH SAJJAD NEAR IQBAL CHOWK STREET PROFESSOR LATIF WALI MOH MUSLIMABAD GUJRAT	34201-4553185-5	SAJJAD MUHAMMAD MEER	339	204	-	543	339	-	204	-	543
313	TAHIR IMTIAZ KARNAL POST OFFICE SAMA SATTI TEH DISTT BHAWALPUR	31202-7655069-1	AHMED BUKHSH	614	324	-	938	614	-	324	-	938
314	S INTISAR MEHDI DAKKHANA KHAS MARI INDUS TEHSIL AND ZILA MIANWALI	38302-2243862-7	SYED HAMEED AKHTAR	518	347	-	864	518	-	347	-	864

Rupees in '000

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
315	TAHIR AHMED HOUSE NO 16 STREET NO 20 REHMAN PURA LAHORE	33201-8877285-1	MUHAMMAD AZEEM	530	341	-	871	530	-	341	-	871
316	KARAMULLAH DIST SESSION COURT SUI DERA BUGTI SUI	55103-3411317-3	M ARSLAN	956	609	-	1,565	956	-	609	-	1,565
317	WASEEM SHAHID FLAT NO 1967/27 STREET NO 1 HAZOORI BAGH ROAD CHAH BAJEY WALA NEAR TAHIR GENERAL STORE MULTAN	36302-4979132-0	MUSHTAQ AHMAD SHAH	397	228	-	625	397	-	228	-	625
318	MEHMOOD KHAN VILLAGE SHAHBAZ SHAH P/O SHAH JAHAN SHAH TEHSIL & DISTRICT BANNU	11101-3100806-9	DOST MUHAMMAD KHAN	505	332	-	837	505	-	332	-	837
319	MUKHTAR AHMED RIND FLAT NO 06 SAWERA HOMES SHAHBAZ TOWN QASIMABAD HYDERABAD	45303-2176527-5	IMDAD ALI RIND	723	359	-	1,083	723	-	359	-	1,083
320	HASSAN IQBAL MUZA GHURRI P/O BUNGA HAYAT TEH & DISTT PAKPATTAN	36402-0790756-3	MIAN WALI MUHAMMAD	419	554	-	974	-	-	554	-	554
321	MUHAMMAD YOUSAF HADYALA VIRKAN P/O QILLA SATTAR SHAH TEH FEROWZEWALA	35401-1140126-7	NAZIR AHMED	22	1,363	-	1,385	-	-	885	-	885
322	GUJJAR POULTRY FARM AHALI RAWAN CHAK NO 110 S.B P/O CHAK 46 S B TEH & DISTT. SARGODHA	MUHAMMAD MUNIR 38403-2079422-7	KHUDA BAKHSH	1,000	570	-	1,570	-	-	570	-	570
323	SHAIKAT HAYAT V.P.O. MANCHAR CHATTA TEH WAZIRABAD	34104-5013162-7	NASRULLAH KHAN	805	993	-	1,798	-	-	633	-	633
324	MOHAMMAD YAR MAUZA BHRAIRI P.O.KHAS TEHSIL 18-HAZARI DISTT JHANG	33202-1262825-1	AHMAD YAR	1,000	1,013	-	2,013	-	-	933	-	933

Details of advances written-off

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Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
325	SYED IMRAN RAZA QILA SATTAR SHAH P/O SAME TEH FEROEZE WALA	35404-4286879-5	SYED MOHSIN RAZA	498	853	-	1,351	-	651	-	651
326	MUHAMMAD SIDDIQUE HOUSE NO 38 BLOCK A MOHALLAH SATELLITE TOWN GUJRANWALA	34101-1349975-5	MUHAMMAD IBRAHIM	2,499	2,187	-	4,687	-	1,787	-	1,787
327	M. RIZWAN MALIK & CO. 67 RAVI PARK QILA LACHMAN SINGH LAHORE	MALIK M RIZWAN 35202-5504066-1	MALIK ABDUR RAHEEM	14,995	6,986	-	21,981	-	6,531	-	6,531
328	FAYAZ HUSSAIN HOUSE NO.1188/1189 MUHALLA GAREEB ABAD WARD NO 1 SHOIAB MEDICAL CENTER NAWAB SHAH DIST SHAHEED B.A.B	45402-2786894-3	GHULAM HYDER	1,506	814	-	2,320	-	620	-	620
329	MUHAMMAD ABBAS PEER SHAH WALA P/O KOT BAHADUR TEHSILE AHMED PUR SIAL	33203-4066950-3	MIAN GHULAM ABBAS	2,000	1,624	-	3,624	-	1,324	-	1,324
330	GHULAM HAUDER MOUZA SHARF P O INYTIAN TEH KHAIROPUR	31204-0178219-9	GHOUS MUHAMMAD KHAN	2,500	1,931	-	4,431	-	1,861	-	1,861
331	RUKHSAR AHMAD MOUZA SHARAF P.O. ANAITI TEHSIL KHAIR PUR TAMEWALI	31204-0194316-3	RAB NAWAZ	1,999	3,718	-	5,717	-	3,099	-	3,099
332	KAMRAN HABIB CHAK NO 254 G.B TEHSIL TOBA TEK SINGH DISTT. TOBA TEK SINGH	33303-2205925-7	HABIB UR REHMAN	1,999	551	-	2,549	-	549	-	549
333	MEHAR ASHFAQ AHMED BASTI MEHAR KHUDA BUX WALI JAMALPUR P O KHAS TEHSIL HASIL PUR DISTT BAHAWALPUR	31203-1726342-1	MEHAR HAJI FAIZ MUHAMMAD	1,198	884	-	2,082	-	697	-	697
334	KABIR HAYAT GORAYA VPO LORRIKHI TEH DASKA DISTT SIALKOT	34601-6796251-3	CH NASRULLAH KHAN	2,369	626	-	2,995	-	601	-	601
335	KHALID MEHMOOD WARD # 7 NEAR BALDIA KOT MITHAN TEHSIL AND DISTT RAJAN PUR	32403-7902930-3	MUHAMMAD YAR KHAN	2,250	1,421	-	3,671	-	1,421	-	1,421

Details of advances written-off
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S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
336	ALI HASAN MAAN KOT NOOR MUHAMMAD MACHIRALA TEHSIL AND DISTRICT NANKANA SAHIB	35404-1795589-3	MUHAMMAD AKRAAM MAAN	895	694	-	1,589	-	664	-	664
337	MUHAMMAD ASAD VILL DHRANG P/O SABOKI DANIAN TEH KAMOKI DISTRICT GUJRANWALA	34102-0390834-5	MUHAMMAD SHARIF	1,185	556	-	1,741	-	506	-	506
338	ABID ROY COMMISSION SHOP ABID HOUSE PO KHAS SIRANWALI TEH DASKA SIALKOT	ABID HUSSAIN 34601-7794834-9	INAYAT ULLAH	4,153	1,244	-	5,398	-	1,244	-	1,244
339	SAJJAD ALI CHAK NO 108 NB PO CHAK 104 NB TEH AND DISTT SARGODHA	38403-9181828-7	FEROZE DIN	600	758	-	1,358	-	558	-	558
340	MUHAMMAD WALLYAT KOT NADAN P/O NOKHAR DISTT GUJRANWALA	34103-6690748-7	HASSAN MUHAMMAD	2,500	1,023	-	3,523	-	1,023	-	1,023
341	QURAT UL AYEN ZIA ROAD MOHALLAH SHARIFPURA SHAKARGARH P/O SHAKARGARH TEH SHAKARGARH DISTT NAROWAL	34502-1275744-8	TALAL SAQIB	2,430	1,779	-	4,209	-	1,669	-	1,669
342	JALAL PURA POULTRY FARM MOUZA JALAL PURA P/O RAIWIND, TEHSIL LAHORE, DISTRICT LAHORE	HUSSAIN IFTIKHAR 35202-2269480-7	ARIF IFTIKHAR	9,457	6,923	-	16,379	-	6,913	-	6,913
343	MALIK ABDUL GHAFUOR BASTI WIGHA WALL P/O & TEH KAHROR PACCA DISTT LODHRAN	36202-0961878-3	MALIK ALLAH WASAYA	800	765	-	1,565	-	665	-	665
344	ALI ABBAS PIRZADA SHEIKH WAHIN P O & TEHSIL KHAIR PUR TAMEWALI DISTT. BAHAWALPUR	31204-4088372-5	SAJJAD HUSSAIN PIRZADA	2,500	1,555	-	4,055	-	1,555	-	1,555
345	MUHAMMAD ALAM KOT PINDI DAS DISST SKP	35401-6703188-1	NIAZ MUHAMMAD	699	1,379	-	2,079	-	1,079	-	1,079

Details of advances written-off

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Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
346	AZIZ AHMAD KOT SHER KHAN CHAK 20 SB P/O SAME TEH:KOTMOMIN DISTT. SARGODHA	38401-0379833-5	MUHAMMAD NAWAZ	2,497	1,875	-	4,373	-	1,748	-	1,748
347	SARFRAZ AHMED VILL & P/O BASI WALA TEH PASRUR DISTT SIALKOT	34602-9367110-9	REHMAT ALI	1,500	769	-	2,268	-	718	-	718
348	NISAR AHMED VIL. & P/O BHADO WALA TEH DASK A DISTT SIALKOT	34601-9879162-5	MUHAMMAD RAFIQUE	1,504	1,422	-	2,926	-	1,416	-	1,416
349	ASAD ALI SATHIO TALPUR COLONY GHAREEB ABAD PARO P O TANDO MUHAMMAD KHAN DISTT T M KHAN	41308-4081739-1	MIR MUHAMMAD	700	1,093	-	1,793	-	793	-	793
350	AHMED RICE TRADERS MAIRAJ COLONY JAMAL PUR ARANIAN P/O MORE KHUNDA TEHSIL & DISTRICT NANKANA SAHIB	ABBAS ALI 35402-0984819-5	ARIF ALI	2,000	822	-	2,822	-	812	-	812
351	RAMA MUHAMMAD ASLAM CHAK NO264/HR TEHSIL FORTABBAS	31103-1466974-3	MUHAMMAD AFZAL	1,499	944	-	2,442	-	942	-	942
352	GHULAM MUSTAFA CHAK NO 102 S.B P.O KHAS SARGODHA	38403-0294020-1	LAL KHAN	312	1,511	-	1,823	-	1,123	-	1,123
353	ANSAR MASOOD KOTLI CHAMB WALI P/O KALA KALAN TEH DASKA	34601-9172972-3	MASOOD AHMED SIAN	2,000	1,564	-	3,564	-	1,464	-	1,464
354	JAWAD TRADERS DILSHAD TRADE CENTER MAIN CHOWK MORE KHUNDA TEH AND DISTT NANKANA SAHIB	ASIF MEHMOOD 35402-9734875-7	MUHAMMAD ISMAIL	4,998	1,602	-	6,600	-	1,602	-	1,602
355	RAZA ULLAH VILLAGE HALLOWAL P/O HALOWAL TEH & DISTT NAROWAL	34501-6545022-3	NAZIR AHMED	1,249	1,406	-	2,655	-	1,255	-	1,255
356	FIDA HUSSAIN THATHA DHONDA PO KALAYKI MANDI TEHSIL AND DISTT HAFIZABAD	34301-1656045-7	SARDARA	1,200	678	-	1,878	-	653	-	653

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
357	AHMED DASTGIR ALAWAL KOT P/O BAHAWAL KOT TEH & DISTT.NANKANA SAHIB.	35501-0141347-7	GHULAM DASTGIR	670	1,409	-	2,079	-	1,179	-	1,179
358	ALLAUD DIN KHAN VIL.&.PO.HUND TEH LAHORE & DISTT SWABI KPK	16201-7348462-9	KHUSHAL KHAN	999	732	-	1,731	-	730	-	730
359	TARIQ MASOOD WAGHA VILLAGE KHAIRO PUR MALLIAN PO MALLIAN KALAN TEH SHEIKHUPURA DISTT SHEIKHUPURA	35404-5718641-9	CH MUHAMMAD SHARIF WAGHA	1,985	1,522	-	3,507	-	1,157	-	1,157
360	WASAF NAWAZ HAMBOANA P/O LALIAN TEHSIL CHINNIOTDISTT.JHANG	33201-7509427-3	MUHAMMAD NAWAZ	1,000	794	-	1,794	-	744	-	744
361	FAISAL HAYAT MOHALLAH GALLA MANDI PHOOL NAGAR TEH PATTOKI DSITT KASUR PHOOL NAGAR	35103-1014240-5	RANA M HAYAT KHAN	9,903	4,624	-	14,526	-	4,426	-	4,426
362	RIAZ AHMED MAJROOH VILL KOTLI JOIAN P.O.ADDA BEGOWALA TEHSISL SAMBRIAL DISTRICT SIALKOT	34601-4383693-5	SARDAR MUHAMMAD	994	658	-	1,652	-	628	-	628
363	MAHMOOD AHMED VILLAGE SHADI KHANWALA P/O WAHNDI TEHSIL KAMOKI DISTT GUJRANWALA	34102-0425697-9	MUHAMMAD HUSSAIN	478	711	-	1,189	-	711	-	711
364	WAHAJ RICE MILLS & EXPORT QUALITY SARGODHA ROAD ADDA PEELOWAL SADIQIA SARGODHA ROAD DISTRICT JHANG	RAFFI AHMAD MUBARRIK 61101-0271964-9 IFTIKHAR ALI ANJUM 33201-9109570-3 MUSHTAQ AHMAD 33201-9604779-7	NAZIR AHMAD NAZIR AHMAD NAZIR AHMAD	23,000	11,765	-	34,765	-	9,147	-	9,147
365	MUJTABA POULTRY FARM VILL DHOKE SIAL PO BALKASAR NEAR INTRERCHANGE TEH & DISTT CHAKWAL	FARRAKH HUSSAIN CHOUDHARY 61101-2000597-1 GHULAM MUJTABA 61101-1777887-9	CHAUDHRY MUHAMMAD HUSSAIN GULZAR MUHAMMAD	1,451	2,155	-	3,606	-	1,306	-	1,306

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
366	ISHFAQ FOUNDARY HOUSE NO.8 STADIUM ROAD SARGODHA	SHAHZAD AHMAD BUTT 38403-3809943-9	MUHAMMAD ISHFAQ	8,000	2,745	-	10,745	-	2,566	-	2,566
367	ALI HAMZA KARAMAT MOHALLAH PURANI ABADI GALI DAR BAR WALI KHANQAH DOGRAN DISTT SHEIKHUPURA	35403-0659672-5	KARAMAT ALI	2,000	1,574	-	3,574	-	1,424	-	1,424
368	MUHAMMAD SADIQ MAHAY CHATTAY P/O KHAS TEH,KAMOKE DISTT. GUJRANWALA	34102-5152814-5	SAID MUHAMMAD	828	925	-	1,753	-	803	-	803
369	ABID HUSSAIN SHAH DARBAR E ALIA BABA MOOJ DARYA SHEIKH CHOHRAR P/O SAME TEH & DISTT JHANG	33202-1270960-3	ZAHOOR HUSSAIN SHAH	2,437	983	-	3,420	-	895	-	895
370	SHEIKH WASEEM MAHMOOD H 291 A LDA COLONLY SHAH JAMAL LAHORE	35202-4986096-3	MUHAMMAD SIDDIQUE	1,551	1,831	-	3,382	-	1,831	-	1,831
371	SAGHAR RICE HULLER P.O GOLARCHI DISTT.BADIN	ASHOK KUMAR 41102-2772776-7	RELOO MAL	2,000	1,609	-	3,609	-	1,249	-	1,249
372	ZAHID TRADERS V.P.O KOT LADHA DISTT GUJRANWALA	SAIFULLAH TARAR 34103-7014358-3 ZAHID ALI 34103-7173769-7	MUSHTAQ AHMED TARAR MUSHTAQ AHMED TARAR	2,500	2,790	-	5,290	-	2,790	-	2,790
373	AKBAR GARMENTS SHOP NO 7 MASHALLAH MARKET BANO BAZAR AREA SAMAJ STREET ICHHRA LAHORE	MUHAMMAD AKBAR 35202-2821073-7	MUHAMMAD IL YAS	1,000	1,044	-	2,043	-	1,043	-	1,043
374	UR INC PK 64-A1 MAIN PECO RD TOWN SHIP LAHORE	HABIB ULLAH 36302-0295441-3 BANO MUNIR 35201-4042999-4	MUHAMMAD RAFIQ MUHAMMAD MUNIR KHAN	9,000	10,493	-	19,493	-	8,713	-	8,713
375	SAJJAD CLOTH HOUSE NEAR SHAHEEN MARKET HAFIZABAD	ANEEQ AHMED 34301-1716109-3	ABDUL MAJEED	1,180	1,165	-	2,345	-	1,018	-	1,018
376	AHMAD NASEER CHEEMA CHAK SAD P/O KALASKE TEH WAZIRABAD	34104-2347867-7	CH SANA ULLAH CHEEMA	788	1,182	-	1,970	-	1,170	-	1,170

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
377	RIASAT ALI VILLAGE THATHA POST OFFICE TALHARA TEHSIL DASKA DISTRICT SIALKOT	34601-8119337-7	MUHAMMAD SAEED	1,800	1,270	-	3,070	-	1,180	-	1,180
378	MUHAMMAD ABBAS BASHIRA POST OFFICE SAME TEHSIL & DISTICT SAHIWAL	36502-5608575-3	SHARF KHAN	1,343	911	-	2,253	-	903	-	903
379	MUHAMMAD IMRAN KHAN MOUZA LAL DEH P/O LUDDAN TEHSIL AND DISTT VEHARI	36603-2967527-3	MUHAMMAD HAKIM ALI	2,297	1,185	-	3,481	-	881	-	881
380	SYED SHAHID ABBAS MOH BUKHARI UCH SHAREEF TEH AHMED PUR BHAWAL PUR	31201-0411308-1	MAKHDOOM SYED AON	557	244	-	802	557	244	-	802
381	ASIF JAVED IESCO OFFICE DHUDIAL TEHSIL AN D DISTRICT CHAKWAL	37201-1570929-3	FAZAL HUSSAIN	469	244	-	713	469	244	-	713
382	NUSHAD HUSSAIN 27406516 PAKISTAN RAILWAY OLD ENGINE	35201-6889482-1	FARASAT HUSSAIN	408	174	-	582	408	174	-	582
383	FAYYAZ HUSSAIN CHAH WALA MASTY WALA NEAR LIAQAT PLAZA BUND ROAD LAHORE	36302-9117781-5	SHOUKAT ALI	716	417	-	1,133	716	417	-	1,133
384	TAHIR SALEEM HOUSE NO 170 SHAH FAREED TOWN DERA ISAMAIL KHAN	36302-0135295-3	M SALEEM	716	418	-	1,134	716	418	-	1,134
385	SHAHZAD AMJAD 88133 QUALITY ASSURANCE STYLE 3A STYLE TEXTILE 126 3 KOT LAKH PAT LHR BSU-(LHR)	35103-3381331-7	HAKIM ALI	587	323	-	910	587	323	-	910
386	MUHAMMAD ZUBAIR SP RAILWAY POLICE OFFICE SADDAR RWP RAWALPINDI	37301-2060189-9	GHULAM HUSSAIN	419	191	-	609	419	191	-	609
387	ALI ASLAM HOUSE NO A-37 SECTOR Z-4 GULSHAN E MAYMAR KARACHI	42101-1911569-7	MUHAMMAD ASLAM	438	236	-	674	438	236	-	674

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
388	SYED MUHAMMAD TALIB ABBAS HOUSE NO.1, STREET NO.208-B JINNAH GARDEN PHASE-I ISLAMABAD	61101-9289102-5	SYED MUHAMMAD ABBAS RIZVI	364	198	-	562	-	198	-	562
389	TAUSEEF AHMED HOUSE NO R-123 AREA NORTH KARACHI SECTOR 9 KARACHI	42401-4786132-3	M JAN ALAM	526	247	-	774	-	247	-	774
390	ALI AMJAD HOUSE NUMBER 5 GALI NUMBER 5 MOHALA BAIGUM ROAD MAZANG LAHORE	35202-1479490-5	AMJAD HUSSAIN	472	259	-	731	-	259	-	731
391	MUHAMMAD SOHAIL SHAFIQUE HOUSE NO 63 MAIN STREET YASRUB COLONY MULTAN ROAD	35202-8941214-3	MUHAMMAD SHAFIQUE	1,459	797	-	2,257	-	797	-	2,257
392	KAMRAN RASOOL BASTI FAROQABAD, P/O ALI PUR, GHALWAN 2, ALI PUR MUZAFFARGARH	32301-5278215-7	MUHAMMAD AFZAL	392	156	-	548	-	156	-	548
393	MUHAMMAD ABID ALI HOUSE NO 580 NISHTER BLOCK ALLAMA IQBAL TOWN	35202-2622210-9	ABDUL GHANI	1,452	774	-	2,226	-	774	-	2,226
394	ARSALAN ABID FLAT NO 103 BLOCK 03 AL KHIZAR HEIGHT BLOCK K 3A GULISTANE- JOHAR KARACHI	42201-8490384-7	ABID HUSSAIN SHAIKH	406	175	-	581	-	175	-	581
395	AKBAR ALI HOUSE # 196 RIZWAN BLOCK AWAN TOWN MULTAN ROAD NEAR RIZWAN MASJID LAHORE	36302-9678731-3	MUSHTAQ ALI	1,767	947	-	2,715	-	947	-	2,715
396	HAROON MASIH H NO 2 MUHALLA GOVT PRINTING PRESS KARISHAN NAGAR LAHORE	35202-7928024-7	SALAMAT MASIH	381	205	-	585	-	205	-	585
397	MUHAMMAD TAYYAB ZAHID HOUSE NO 1 HASSAN TOWN STREET NO. 2 MULTAN ROAD LAHORE	35202-4255217-3	ZAHID JAVEED	1,500	646	-	2,146	-	646	-	2,146

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
398	IQRA ARSHAD HOUSE NO.537 NADRA ABAD STREET NO 03 BEDIAN ROAD NEAR S A SCHOOL SYSTEM LAHORE	35201-7156854-6	CH MUHAMMAD ARSHAD	403	128	-	532	403	-	128	-	532
399	MUHAMMAD RIAZ ASHAR TOWER 7.5 KM KHURRIANWAL A JARANWALA ROAD NEAR PHALAI STOP FAISALABAD	33102-7350402-1	MUHAMMAD RAMZAN	546	233	-	779	546	-	233	-	779
400	NADEEM M BUKSH BUILDING WEST WHARF ROAD NEAR CUSTOM HOUSE KARACHI	43203-4192472-1	NAZIR AHMAD	736	90	-	826	736	-	90	-	826
401	YOUNAS HABIL H NO 9/1 ST NO 11 MUHALLAH MUJ AHID COLONY BAKARA MANDI	35202-8833350-7	RAJ MASIH	354	158	-	511	354	-	158	-	511
402	SOHAIL HANIF ENGLANDER INDUSTRIES PVT LTD NEW INDUSTRIAL AREA MIRPUR AK	35401-0401600-3	M HANIF	392	185	-	576	392	-	185	-	576
403	MUHAMMAD KHALIL GUL AHMED GTM 2 PLOT HT4B LANDHI	35201-3217125-7	NAZIR AHMED	393	169	-	562	393	-	169	-	562
404	NADEEM AHMED FLAT NO 205 2ND FLOOR ASAISH APARTMENT BLOCK 16 GULISTAN-E- JOHAR KARACHI	42101-8678424-3	BASHIR AHMED	367	186	-	553	367	-	186	-	553
405	SHAMA NAZ JHANG ROAD P 61 ST.15 MOH SAFABAD FAISALABAD	33102-4759888-0	M ASLAM	422	220	-	642	422	-	220	-	642
406	HARIS KHAN LARAX COLONY NO 228 ST 03 SHADRA GUJRANWALA	35202-3469196-7	RASHEED KHAN	358	161	-	519	358	-	161	-	519
407	MUHAMMAD ISRAR ALI REHMAN PHOTO STATE, SECTOR II SUKKUR TOWN SHIP SUKKUR	45504-8250630-5	ALI BUX SOOMRO	395	233	-	628	395	-	233	-	628

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
408	SHAH FAISAL HOUSE NO 28 STREET NO 9 NEW SADIQ COLONY BAHAWALPUR DUBAI MAHAL ROAD	31202-4953725-9	SYED JAMEEL AHMED SHAH	624	459	-	1,083	624	-	459	-	1,083
409	ARSALAN MEHBOOB HOUSE 1932 LINK ROAD OLD BOARD OFFICE MOHALLAH KEHAL ABBOTTABAD ISLAMABAD	13101-1576194-3	MEHBOOB KHAN	434	251	-	685	434	-	251	-	685
410	FAYYAZ HUSSAIN SHAH HOUSE NO 824/1-4 POST OFFICE NOOR PUR FSD	33100-9306585-9	SYED MEHBOOB SHAH	443	258	-	701	443	-	258	-	701
411	YASIR ABBAS NAZD CHUNGI WATTA KHEL MOHALLAH MIANA NAYEE ABADI MIANWALI	38302-8653302-9	MUHAMMAD ZAMAN	611	298	-	909	611	-	298	-	909
412	BAZAN AKHTOOB BHATTI HOUSE NO CB-698 STREET NO 15 MUHALLA AZIZ ABAD RAWALPINDI	37405-5342935-5	MANSOOR AKHTAR BHATTI	351	189	-	540	351	-	189	-	540
413	MAZHAR ALI ALI BLOCK MR TOUR OFFICE NUMB 164 NEAR KALMA CHOKE NEW GARDEN TOWN LAHORE	35201-7606734-1	MUHAMMAD ALI	353	195	-	548	353	-	195	-	548
414	MUHAMMAD ABID WARD # 1 STREET # 02 BAHAWAL NAGAR FORT ABBAS GHALLA MANDI BAHAWAL NAGAR	31103-7456533-3	REHMAT ALI RAHAT	374	209	-	583	374	-	209	-	583
415	KHURRAM MURTAZA P 114 ST NO 03 MOH RAFIQUE COLONY 279 RB KHURD PO GHULAM MUHAMMAD ABAD FAISALABAD	33100-0430789-5	GHULAM MURTAZA	441	243	-	684	441	-	243	-	684
416	MUHAMMAD IRFAN RELIECLSE 23 KM DEPAL PUR ROAD LAHORE	35102-5934787-9	MUHAMMAD RAFEEQ	340	162	-	502	340	-	162	-	502
417	BHATTI SPARY CENTRE ADDA PULL ARAY WALA MOUZA CHOWKI RANGO KHAN TEH KAHROR PACCA	MUHAMMAD YOUSAF 36202-0966409-5	ASHIQ MOHAMMAD	800	793	-	1,593	-	-	543	-	543

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
418	QURESHI OIL SPELLER GANWAR SHAH ROAD KHANQAH SHARIF TEHSIL & DISTT BAHAWALPUR	ALLAH MEHAR 31202-0302860-3 MUHAMMAD AFZAL 31202-0302876-5	SARDAR MUHAMMAD HAJI ALLAH MEHAR	450	1,071	-	1,521	-	1,046	-	1,046
419	AMIR ELAHI CHOHANAY CHAK P/O PHKLIAN TEH & DISTT SIALKOT	34603-8229222-9	MAQBOOL AHMED	504	596	-	1,100	-	528	-	528
420	MANDOST MOHALLA KOHO DISTRICT DERA BUGTI	55101-0866623-3	HASLAAN KHAN	388	223	-	611	388	223	-	611
421	ABDUL KHALIQ HOUSE NO 110 MANJOAR RD HUDDA QUETTA	51401-4828283-5	ATTA MUHAMMAD	479	210	-	689	479	210	-	689
422	IFTIKHAR WASEEM DISTT EDUCATION OFC FEMALE GT RDNEAR 2 SCHOL PESHAWAR	17301-8587668-5	NISAR AHMAD	331	189	-	519	331	189	-	519
423	SOHAIL ABBAS HOUSE NO 7 STREET NO 1 MUHALLAH KHARAK	35202-4060443-7	SHOKAT ALI	426	249	-	675	426	249	-	675
424	CH ZAFAR HUSSAIN GHAUSIA STREET CANTT SIALKOT WARD 4 SADDAR BAZAR SIALKOT	34603-7001841-9	CH FAZAL DIN	724	123	-	846	724	123	-	846
425	QURBAN ALI NHMP DIST POLICE COLONY QTR NO 36 AIRFORCE RD UTHAL B2 CINDAR QUETTA	35301-3091920-7	MUHAMMAD HANIF	549	318	-	866	549	318	-	866
426	BATOOR KHAN MOHALLAH MALOZAI DEH BAHADAR PESHAWAR	17301-1875407-7	REHMAN	390	138	-	528	390	138	-	528
427	ARSHAD IQBAL U AV ORDERLY ROOM NO 2U A V PAF BASE MUSHAF SARGODHA	16202-3832865-5	ROSHAN DIN	615	272	-	887	615	272	-	887

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
428	JAN FAROOQI AMEER & SONS MG-115 DEANS TRADE CENTRE PESHAWAR CANTT.	17301-1643855-7	MARJAN	409	206	-	615	409	-	206	-	615
429	AYESHA SHAHBAZ NEAR MASJID MAHAJREEN H NO 329 HARRAPA PO SAME TEH & DIST SAHIWAL	36502-6755061-4	M SHAHBAZ	816	255	-	1,071	816	-	255	-	1,071
430	QAISER KHAN H NO 212 MOHALLAH GHARRIN KHAN DABGARI	17301-8175442-5	USMAN KHAN	486	236	-	722	486	-	236	-	722
431	RAFAQAT ALI 302028 PRINTING PRODUCTION CAMPUS STYLE TX 126 3 KOT LAKH PAT INDUSTRIAL ESTATE LAHORE	35103-1304981-5	JALAL DIN	378	161	-	539	378	-	161	-	539
432	RAFIQ AHMAD SAJID H-NO 6 ARAYWALI GALI KACHA PHATTAK SHER SHAH ROAD MULTAN	33202-1571725-1	RAJA KHAN	387	162	-	548	387	-	162	-	548
433	YASIR BASHIR CHAK NO 18/11L P.O SAME DISTTSAHWAL CHICHA WATNI	36501-7800178-1	BASHIR AHMAD	708	187	-	894	708	-	187	-	894
434	KHALID HUSSAIN HOUSE 2425 CENTRAL JAIL ROAD MOHALLAH YAQOOB MULTAN	36302-5543821-1	TALIB HUSSAIN	356	189	-	545	356	-	189	-	545
435	M YOUSAF BASTI SHARIFABAD P/O RALATIBA ELLAHABAD VEHARI	36603-9936623-5	LASHKAR ALI	331	171	-	503	331	-	171	-	503
436	ALI DASTGEER H NO 433 ST NO 2 GHOUS GARDEN PHASE IV NEAR CANAL BANK MANAWAROAD LAHORE	35201-9647893-5	S AZHAR HUSSAIN	389	277	-	666	389	-	277	-	666
437	MARIA AHSAN H NO 524 BLOCK NASHTAR MUJALLA ALAMA IQBAL TOWN DISTT LAHORE	34601-0472921-8	AHSAN ULLAH	358	192	-	550	358	-	192	-	550

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Un-Debited (Waiver)	Debited (Reversal)	
438	FOUZIA YASIN KHAN MUHALLA QURESHIAN CHOUK HAKIMAN SHAKAR GARH TEH SHAKARGARH DISTT NAROWAL	34502-7457550-0	MUHAMMAD YASIN KHAN	2,395	1,678	-	4,073	-	1,173	-	1,173
439	MUHAMMAD ASHRAF VILLAGE BHATTY WADH DAK KHANA SALHOKY TEH DASKA DISTT SIALKOT	34601-9569305-7	MUHAMMAD YOUSAF	805	1,043	-	1,848	-	893	-	893
440	SHAH BROTHER CEMENT MADINA TOWN STREET NO 04 MORRHUNDA JARANWALA ROAD NANKANA SAHIB FAISALABAD	MEHNDI HUSSAIN SHAH 35402-1947343-7	ABDUL KAREEM SHAH	5,000	834	-	5,834	-	834	-	834
441	MUZAFFAR IQBAL VILLAGE MEEROWALA P/O SAEDOKY NAROWAL	35202-5852968-1	SUBHAN KHAN	1,117	1,243	-	2,361	-	1,204	-	1,204
442	MUHAMMAD SALEEM MOUZA EASA P/O TAHLI TALBANI TEHSIL KHAIRPUR TAMEWALI DISTT. BAHAWALPUR	31204-6935216-5	HAFIZ ALLAH DAD	774	1,382	-	2,156	-	1,381	-	1,381
443	MUMTAZ HUSSAIN MOZA WSAWA P/O 18 HAZARI TEHSIL 18 HAZARI	33202-7363433-1	SIKANDAR KHAN	2,499	1,400	-	3,899	-	1,276	-	1,276
444	MEER ALI CHAK DOJULA P/O LASHARI TEH & DISTT. OKARA	35302-2426427-9	JALLA	450	607	-	1,057	-	557	-	557
445	MUHAMMAD QAMAR ZAMAN CHAK NO=8779-LANJUM FORM BY PASS SAHIWAL	36502-1343743-9	IRSHAD IKHTAR	2,000	1,243	-	3,243	-	993	-	993
446	NABIAHMED VILL RATTADHOTHARIAN P/O BHRI DISTT GUJRANWALA	34103-2528416-3	RAHMAT ULLAH	1,100	668	-	1,767	-	517	-	517
447	KHURSHED AHMED VILLAGE KOT YOUSAF P/O JOURA SIAN TEH WAZIRABAD	34104-0416459-3	KHAN MUHAMMAD	800	1,317	-	2,117	-	1,047	-	1,047
448	ABID HUSSAIN BRITISH HOME H.NO. 176.STREET NO. 19. ISLAMABAD	61101-8293014-1	QAIM-UD-DIN	750	969	-	1,719	-	889	-	889

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

ANNEXURE II

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
449	SHER MUHAMMAD GUNJAL SHUMALI P/O TEHSIL QUAIDABAD DISTRICT KHUSHAB	38201-0219590-9	BARKHURDAR	1,000	522	-	1,522	-	-	522	-	522
450	KHALID MEHMOOD DERA BAKHIANA KOTMOMAN TEH KOTMOMAN DISTT SARGODHA	38401-0228797-3	SYED MUHAMMAD	600	633	-	1,233	-	-	583	-	583
451	HAMAD RAZA VILLAGE TIBBA MEHR BAN SHAH PO KHAS PIPLAN MIANWALI SARGODHA	38303-0977016-7	S IQBAL HUSSAIN SHAH	999	901	-	1,900	-	-	700	-	700
452	AMAN ULLAH SALAM PO KHAS THESIL BHALWAL DISTT. SARGODHA	38401-6003378-1	NAZAR HAYAT	800	579	-	1,379	-	-	514	-	514
453	M RAFIQUE MOUZA KOHLAH P/O KHAS TEH & DISTT	35302-2008485-3	DOST MUHAMMAD	700	1,369	-	2,069	-	-	1,369	-	1,369
454	KHAN TRACTORS ALI PUR ROAD KHANGARH DISTT MGARH	RASHID ULLAH KHAN 32304-0158809-1	AMANULLAH KHAN	5,000	5,910	-	10,910	-	-	5,909	-	5,909
455	WAHLA RICE TRADERS C/O JAVED RICE MILL SHAMSA ROAD BADDOWALHI DISTT NAROWAL	ASGHAR ALI 34501-2026248-5 AMJAD ALI 34501-2006311-9 MUHAMMAD RIAZ 34501-2013455-5 ABDUL MAJEED 35401-1731236-5 RASHEED AHMED 35401-1731231-3	SHUKAR DIN SHUKAR DIN GHULAM MUHAMMAD INAYAT ULLAH INAYAT ULLAH	1,372	838	-	2,209	-	-	672	-	672
456	JAVED MUZAFFAR BUTT H NO 137-G PHASE V DHA GUJRANWALA	35202-2370549-1	MUZAFFAR HUSSAIN	4,006	1,838	-	5,844	-	-	1,124	-	1,124

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
457	RANA COTTON FACTORY GP OIL MOUZA BAIR BUND KOTLA LAL G T ROAD SHAHER SULTAN TEH JATOI	RANA MEHMOOD UL HASSAN 32302-4214924-9 MUHAMMAD SULEMAN 32302-6973755-1 RANA MAHFOOZ AHMAD 32302-3958270-3 ZAHIDA URF ABIDA KHANUM 32302-9456789-0 MUHAMMAD RAMZAN 32302-3432565-7 ABDUL HAFEEZ 32302-6889300-1 RANA JAVAJD IQBAL 32302-7326021-5 FAZAL HAQ 32302-4220459-5	FAZAL HAQ MUHAMMAD RAMZAN RANA MUHAMMAD RAMZAN INAMI UL HAQ GHULAM ABBAS MUHAMMAD RAMZAN RANA FAZAL HAQ GHULAM ABBAS	4,337	3,632	-	7,969	-	3,631	-	3,631
458	ALI AND SONS SHOP NO 59/3 NEW GHALLAH MANDI BAHAWALPUR	RANA ALI BAHADAR KHAN 31202-8798060-5	MUHAMMAD YOUNIS KHAN	615	615	-	1,230	-	615	-	615
459	MUHAMMAD ASLAM CHAH PEOPLE WALA BANSLE WALA PO KOT ABBAS SHAHEED TEHSIL MULTANSADAR DISTT MULTAN	36303-0997033-1	GHAZI KHAN	3,993	930	-	4,923	-	923	-	923
460	BABAR AMAN MALIK HOUSE # 147 STREET # 48 SECTOR F-10/4 ISLAMABAD	61101-6078927-5	AMAN ULLAH KHAN MALIK	19,540	21,316	-	40,856	-	16,196	-	16,196
461	MOD PLASTIC G. T ROAD GUJRANWALA	MIRZA GHAZAINFAR BAIG 34101-8191587-5	MIRZA MUHAMMAD HANIF	6,848	3,517	-	10,365	-	3,265	-	3,265
462	CHAUDHARY & BROTHERS PSC ROAD CHAK 80-10-R P.O PIROWAL TEHSIL KHANEWAL	CH MUHAMMAD ASHRAF 36103-8923326-3	CH FAIZ MUHAMMAD	4,500	4,568	-	9,068	-	4,501	-	4,501
463	RANA MART P-825 ST.NO.17, NEAR ALI GHARH HIGH SCHOOL, FLAT ISLAM NAGAR FAISALABAD	ABDUL MAJEED 33100-7464444-9	REHMAT ALI	1,500	587	-	2,087	-	587	-	587
464	ASAD ATTA H NO 1H/68 FALCON OFFICERS HOUSING SOCIETY MALIR CANTT KARACHI	42201-2419112-3	RAI ATTA ULLAH KHAN	1,505	663	-	2,168	399	661	-	1,060

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
465	MUHAMMAD ZIA UL HAQ CH BASHIR AUTOS NEAR GENERAL BUS STAND LAYYAH DISTT LAYYAH	32202-2520618-7	CH. BASHIR AHMAD	2,995	781	-	3,776	-	676	-	676
466	AHMED ALI CHOWK SIKADAR P/O BUNGA HAYAT PAKPATTAN	36402-5653063-5	HAJI QUTAB DIN	799	595	-	1,394	-	594	-	594
467	HASSAN PROTEIN FARMS VILLAGE BADAR PUR POST OFFICE KHAS THE & DISTT KASUR	AKHTAR ALI 35102-8044865-7	RASHEED AHMED	7,068	5,784	-	12,852	-	5,733	-	5,733
468	MUHAMMAD YOUNAS VILL GILGITTI P O MUDHRIAN WALA KALLAR TEH KAMOKE DISTT GUJRANWALA	34102-8172088-3	NASEER UD DIN	30	834	-	864	-	744	-	744
469	BABAR HUSSAIN FAZAL VILL GAGAY PO NAZAAMI PUR GUJRANWALA	34101-2663349-9	FAZAL HUSSAIN	1,007	966	-	1,973	-	748	-	748
470	ALAMIDAR PROTEEN FARM NEAR DARBAR BABA REHMAN SHAH JAMBR KHURD P/O SAME TEH PATTOKI DISTT KASUR	MUHAMMAD IJAZ 35103-1329093-3	ANAYAT ALI	1,500	1,270	-	2,770	-	970	-	970
471	SABIR ALI CHAK # 278/HR PO BOX CHAK # 279/HR TEHSIL FORT/ABBAS	35201-6914697-1	HUKAM DEEN	2,000	789	-	2,789	-	549	-	549
472	ALI HASSAN VILLAGE BHITTAY WID P/O SALOKAY TEH. DASKA DISTT. SIALKOT	34601-1059061-9	AKBAR ALI	900	860	-	1,760	-	560	-	560
473	MUBAREK JEWELLERS SARAFI BAZAR GUJRANWALA	SAJJAD ALI 34101-0517935-9	MUBARAK ALI	1,200	1,450	-	2,650	-	1,264	-	1,264
474	MUHAMMED YAYAH KHAN KHAIJUDAY P O SAME TEH HASILPUR DISTT BAHAWALPUR	31203-4192681-5	M JALAL KHAN	2,506	2,687	-	5,192	-	2,678	-	2,678

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Un-Debited (Waiver)	Debited (Reversal)	
475	AMIR LIAQUAT CHATTHA MOF-9, GOR-11 BAHAWALPUR HOUSE DISTT LAHORE	33101-3186625-5	LIAQUAT ALI CHATTHA	3,000	2,068	-	5,068	-	1,686	-	1,686
476	KOLAR POULTRY FARM KOT WARIS, TEH WAZIRABAD, DISTT GUJRANWALA	IMTIAZ AHMED CHAUDHRY 34104-5630754-9	RAYASAT ALI CHOUDHRY	5,298	5,065	-	10,364	-	4,064	-	4,064
477	SHEHNAZ KAUSAR VILLAGE & POST OFFICE BHAKHIAN WALA TEH DASKA DISTT SIALKOT	34601-4244879-0	ASJAD HUSSAIN	170	1,143	-	1,313	-	993	-	993
478	KAMIL GOTH MUHAMMAD SOOMER PO SHUJA JAKRO TALUKA SHAHDADPUR DISTT SANGHAR	44204-9209555-9	DODO	2,999	1,666	-	4,665	-	1,165	-	1,165
479	IMTIAZ AHMAD DAAK KHANA GONDAL THATHI OBHI TEHSIL SHAHPUR DISTT.SARGODHA	38404-9287052-7	HAJI GHULAM JEELANI	374	566	-	940	-	535	-	535
480	ALLAH RAKHIO VILLAGE ALI BUX KHASKHELY POST OFFICE TANDO GHULAM ALI TALUKA MATLI	41103-6036537-9	MUHAMMAD SIDDIQUE	1,200	578	-	1,778	-	578	-	578
481	COMMERCIAL GARMENTS SALE POINT KATCHERY BAZAR BLOCK 5 SARGODHA	USMAN ASLAM 38403-3946349-5	CH. MUHAMMAD ASLAM	6,000	694	-	6,694	-	694	-	694
482	MUHAMMADI KARYANA AND GENERAL STORE ADDA JHANGI WALA CENTRAL JAIL ROAD BAHAWALPUR	FAYYAZ AHMED 31202-0212195-1	MUHAMMAD YOUSAF	1,997	961	-	2,959	-	943	-	943
483	GAMER UL ZAMAN GAJAE GOLA POST OFFICE GAJAR GOLA TEH WAZIRABAD DISTT. GUJRANWALA	34104-2172252-3	RAFIQUE AHMAD	149	1,064	-	1,213	-	813	-	813
484	RAB NAWAZ BHATTI KOT MUHABBAT JALAL PUR BHATTIA N TEHSIL PINDI BHATTIAN DISTRICT HAFIZABAD	34302-6292968-1	ATA MUHAMMAD BHATTI	4,000	2,296	-	6,296	-	1,996	-	1,996

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
485	MUHAMMAD HAFEEZ UR REHMAN MOUZA MARI P.O.KHAS SARGODHA	38403-3210764-7	MUHAMMAD ABDUR REHMAN	2,500	1,695	-	4,195	-	1,695	-	1,695
486	KHALID & ASSOCIATES MEZZANINE FLOOR PLOT NO 3-C BADAR COMM ST NO 12 PH V EXT DHA KARACHI	ZAKI YASIN 42201-6836905-5 KHALID YASIN 42301-0656244-3	MUHAMMAD YASIN KHAN MUHAMMAD YASIN KHAN	13,089	1,128	-	14,217	-	1,128	-	1,128
487	MUHAMMAD SULMAN & COMPANY 9X MOH HOUSING COLONY SHEIKHUPURA	M SULEMAN ASHRAF 35404-7858170-5	MUHAMMAD ASHRAF	5,000	1,722	-	6,722	-	1,720	-	1,720
488	MUHAMMAD NAWAZ VPO RANDHIR TEH SAMBRIAL DISTT SIALKOT	34604-0375018-5	SARFRAZ NAWAZ	2,000	696	-	2,696	-	596	-	596
489	USMAN BROTHERS SHOP NO 46 GHALA MANDI GHOL CHAKER NARANING MANDI TEH MURIDKEY DISTT. SHEIKHUPURA	ABID ALI 35401-8157065-5	MAQBOOL AHMED	1,931	1,976	-	3,907	-	1,926	-	1,926
490	KALEEM ULLAH FLAT NO A/2 JAVAID MARKET I-10/4 ISLAMABAD	56503-5144414-5	UBAIDULLAH	595	319	-	914	595	319	-	914
491	SAJJAD AHMED KHAN VILLAGE POST OFFICE QILLAH TAK SINGH TEH DASKA DISTT. SIALKOT	42301-4859847-1	MUHAMMAD FAZL KHAN	607	359	-	966	607	359	-	966
492	ALI MUMTAZ JAJJA ABBASIYAN P/O KHAS TEH KHANPUR RAHIM YAR KHAN	31301-1962240-3	MUMTAZ AHMAD	718	287	-	1,006	718	287	-	1,006
493	MUHAMMAD AHMAD RESCUE 1122 SADDAR RAWALPINDI	36402-0990611-1	NOOR AHMED	411	184	-	595	411	184	-	595
494	NASIR KHAN H NO C 387 GABOOL GOTH GULISTAN E JOHAR BLOCK II KARACHI	42201-6004982-1	LAL KHAN NIAZI	503	247	-	750	503	247	-	750

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
495	MUHAMMAD IRFAN ATLAS HONDA LTD 26/27 K M LAHORE SHEIKHUPURA ROAD SHEIKHUPURA	35404-0336775-1	MUHAMMAD RAMZAN	523	307	-	830	523	-	307	-	830
496	AHMED SHAHBAZ PERVEZ MUGHAL HOUSE REHMAN COLONY C/O HAJI ASLAM MUGHAL THALI ROAD	31303-8111990-7	MALIK PERVEZ AKHTAR	671	369	-	1,040	671	-	369	-	1,040
497	NASIR OIL MILLS BYE PASS CHOWK ADDA PERMIT LODHRAN DISTT. LODHRAN	MUHAMMAD NASIR 36203-7261489-9	MUHAMMAD BASHIR	2,497	2,872	-	5,369	-	-	2,872	-	2,872
498	INAYAT ALI VILL KALU CHEEMA P/O AHMED NAGAR TEH WAZIR ABAD	34104-2283880-3	ALI MUHAMMAD	1,999	1,613	-	3,612	-	-	1,412	-	1,412
499	NATIONAL SILK MILLS 147-MULTAN ROAD LAHORE	M. FAYYAZ KHALID 35202-6743199-3 M. RIAZ KHALID 35202-4490566-1 M. MUMTAZ TUFAIL KHALID 35202-4868593-5	MUHAMMAD TUFAIL MUHAMMAD TUFAIL MUHAMMAD TUFAIL	48,833	18,626	-	67,459	-	-	18,626	-	18,626
500	ZEEESHAN JEWELLERS SHOP NO.6 G F LATIF PLAZA FEROZE PUR ROAD LAHORE	KHALID RASHEED 35201-1168683-7	ABDUL RASHEED	3,993	4,654	-	8,647	-	-	4,419	-	4,419
501	SALAMAT ALI V/ SYIAN P/O CHICHERWALI TEH PASRUR	34602-3163205-9	ALLAH RAKHA	1,000	799	-	1,799	-	-	699	-	699
502	ZULFIQAR ALI V. HERVANCE PUJR P/O QILA KALERWALA TEH. PASRUR DISTT. SIALKOT	34602-0681285-5	NISAR AHMED	1,100	913	-	2,013	-	-	788	-	788
503	S M JAVEED BROTHERS 128-CHOWK DALGRAN NISHTER ROAD, LAHORE	SYED MUSHARRAF ALI 35202-2140584-3	SYED IRFAN ALI	7,492	4,416	-	11,908	-	-	4,208	-	4,208

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

ANNEXURE II

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
504	ABDUL GHAFUOR VILLAGE GODHARI P/O MALOKAY TEHSIL AND DISTT NAROWAL	34501-7437349-7	MUHAMMAD YOUSAF	989	642	-	1,631	-	-	596	-	596
505	IMRAN MALIK MAIN BAZAR GHALLA MANDI GALA SHEIKHUPURA CITY SHEIKHUPURA	35404-0644480-1	JAN MOHAMMAD	700	687	-	1,387	-	-	512	-	512
506	MUHAMMAD JHANGIR CHAK NO 190,NB JHAMTANWALA PO SAME TEH SARGODHA DISTT SARGODHA	38403-8707048-7	SULTAN AHMAD	940	768	-	1,708	-	-	758	-	758
507	MIQDAD HUSSAIN 27071 C DOLPHIN P21 PUNJAB POLICE QILLA GUJJAR SINGH LAHORE	35104-0429459-3	AZADAR HUSSAIN	449	191	-	640	449	-	191	-	640
508	RASHID HAMEED HOUSE # 221 WASWOOD COLONY THOKAR NIAZ BAIG LAHORE	31102-5240376-5	ABDUL HAMEED	877	378	-	1,255	877	-	378	-	1,255
509	AHMAD KHAN HOUSE 48-M, STREET # 5 KASHMIRI COLONY,PINDI RAJPUTAN KOT LAKHPAT LAHORE	38202-2406930-9	SHER ALI	631	235	-	866	631	-	235	-	866
510	AMIR ABBAS 094769 DYEING FINISHING STYLE CAMPUS STYLE TEXTILE 126 3 KOT LAKH PAT	35501-0479210-0	MUHAMMAD AKRAM	315	189	-	504	315	-	189	-	504
511	MUHAMMAD SADIQUE 309021 PRINTING PRODUCTION SAP STYLE TEXTILE 126 3 KOT LAKHPAT INDUSTRIAL ESTATE LAHORE	36304-4357039-7	ABDUL HAFIZ	325	187	-	512	325	-	187	-	512
512	MUHAMMAD ARSHAD HOUSE NO 32-E FAROOQ COLONY NEAR BEACON HOUSE SCHOOL WALTON	35202-7306009-5	DOST MUHAMMAD	395	229	-	624	395	-	229	-	624

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
513	MUHAMMAD EJAZ HOUSE # 145 NASHTAR BLOCK ALLAMA IQBAL TOWN LAHORE	36304-4464950-1	LIAQAT ALI QUERSHI	701	404	-	1,104	701	-	404	-	1,104
514	MUHAMMAD SALMAN HABIB QUARTER 20-G P & T COLONY MULTAN ROAD, LAHORE	35202-8011377-1	ABDUL HABIB	490	285	-	775	490	-	285	-	775
515	WAQAS MASOOD CHAK 160 NB P O SHAH NIKDRE TEH SILANWALI DISTT. SARGODHA	38405-8671055-7	CH IKRAM MASOOD	391	173	-	564	391	-	173	-	564
516	MUHAMMAD NAEEM SAEED ALAM PLAZA 4TH FLOOR GULBERG II LAHORE	53403-9837894-9	LAL MUHAMMAD	718	319	-	1,036	718	-	319	-	1,036
517	FARZANA NAEEM HOUSE 519 JAMIYA MASJID WALI MOHALLAH BUDHEY WALA JHANG	33202-6348022-2	AHMAD	371	165	-	536	371	-	165	-	536
518	Wafa Iqbal H NO A 1258 TEHSIL STREET INSIDE BHATTI GATE KARACHI	35202-3025131-8	M IQBAL	357	160	-	516	357	-	160	-	516
519	GULZAR HUSSAIN GOPANG SOS HOUSE PLOT -24 SUKKUR HOUSING SOCIETY NEAR MAGSI KANTA SHIKARPUR ROAD SUKKUR	45504-3362430-7	MUHAMMAD RAMZAN GOPANG	323	182	-	505	323	-	182	-	505
520	ZAR AHMAD 333 SALMAN BLOCK NISHTAR COLONY FEROREPUR ROAD LAHORE	35201-7282563-1	SAEED AHMAD	367	191	-	558	367	-	191	-	558
521	ZEEESHAN KHAN MALGHANI ZEEESHAN MALGHANI COMPANY SHOP NO 13 C/99 MECHONGY ROAD QUETTA NEW ENGLISH BAKERY	54400-5319740-1	WAHEED UR REHMAN MALGHANI	340	190	-	531	340	-	190	-	531
522	MISS KHALIDA DISTT OFFICER EDUCATION KACHI AT DHADAR QUETTA	55302-1907773-8	DILBER HUSSAIN	414	198	-	613	414	-	198	-	613
523	MUHAMMAD IMRAN BUTT 489-SHAHBAZ BLOCK MUSTAFA TOWN, WAHDAT ROAD LAHORE	35202-3681989-9	MIAN UMER DARAZ BUTT	544	241	-	785	544	-	241	-	785

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
524	ABDUR RAUF KHAN CHALYAR PO KHAWAJA KHELA TEH KHAWAJA KHELA DIST SWAT	15602-8360465-9	ROIDAD KHAN	372	166	-	538	372	-	166	-	538
525	SHAMIM AKHTAR H NO A 135 MOHALLAH MAKKA BASTI ORANGI TOWN SECTOR 4/F KARACHI	42401-7423150-2	FAREED ULLAH	617	393	-	1,010	617	-	393	-	1,010
526	MALIK KHURAM SHAHID PMCL JAZZ DHQ KOHISTAN ROAD F-8 MARKAZ ISLAMABAD	36302-3765094-7	MALIK SHAHID JAMIL	308	194	-	501	308	-	194	-	501
527	AULFAT MURAD H NO B 103 ST NO 5 RAWAL TOWN ISLAMABAD	41204-4762657-3	MALIK FAROOQ UR REHMAN	371	245	-	616	371	-	245	-	616
528	RIZWAN ALI STREET # 5 NEAR SHAHZAD BOOK BINDER NOOR WALI RAHIM YAR KHAN	31303-4689090-5	ZULFIQAR ALI	311	202	-	513	311	-	202	-	513
529	MUHAMMAD WAQAR MAIN MANSOORA BAZAR MULTAN ROAD NEAR FRESH VEGETABLE POINT LAHORE	34101-3623844-7	GHULAM RABBANI	390	253	-	644	390	-	253	-	644
530	ZEEESHAN EJAZ HOUSE NO 1 SANGAM STREET OUTSIDE LAHORI GATE SHEIKHABAD ROAD PESHAWAR	17301-0134642-7	EJAZ MALIK HUSSEIN	650	360	-	1,010	650	-	360	-	1,010
531	MUHAMMAD SHAHBAZ MARTIN DOW LTD SAMEEL ENTERPRISES HOUSE NO.154 STREET NO.3, MOHALLAH GOBIND PURA TOBA TEK SINGH	33301-5869301-7	GHULAM MURTAZA	350	236	-	586	350	-	236	-	586
532	SHAHNAWAZ OFFICE OF THE TMO GHOTKI	45102-7589485-9	SULTAN GHOTO	352	270	-	623	352	-	270	-	623

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
533	SYED NADEEM ZIA H NO 6 MUHALLA SHEIKH MAIN BAZAR GHAZIABAD LAHORE	35201-7273562-1	SYED ZIA UL HAQ	319	196	-	515	319	-	196	-	515
534	SOHAL SHOUKAT WARD # 16 STOP # 5 SAKHI DAIRY KAHNA NEW LAHORE CANTT	35201-2524413-7	SHOUKAT ALI MALIK	338	194	-	532	338	-	194	-	532
535	MUHAMMAD ARSHAD HOUSE NO 275 GULL KHURD NASHTAR TOWN FEROREPUR ROAD LAHORE	35403-7992286-5	M SHARIF	401	228	-	630	401	-	228	-	630
536	AZIZ AHMED V/PO HASSAN KHAN WALA KALoor KOT BHAKKAR	38103-2204952-5	MUHAMMAD IQBAL KHAN	6	1,162	-	1,168	-	-	866	-	866
537	MUSHTAQ JEWELLERS 22-BASEMENT LATIF PLAZA FEROREPUR ROAD LAHORE	MUSHTAQ AHMED 42000-1740054-9	AHMED NAWAZ KHAN	1,000	1,186	-	2,186	-	-	1,085	-	1,085
538	IQBAL COMMISSION AGENT NEW GHALLA MANDI, M M ROAD FATEHPUR TEH KAROR LAL EASON DISTT LAYYAH	FAKHAR IQBAL 32202-9802767-3	MUHAMMAD IQBAL	3,999	1,354	-	5,353	-	-	1,354	-	1,354
539	IMRAN AND CO QAIMPUR BAHAWALPUR ROAD HASILPUR	MOHAMMAD KHALID 31203-1616195-5	KHUSHI MOHAMMAD	2,000	1,427	-	3,427	-	-	1,427	-	1,427
540	GHULAM HAIDER PO NANKANA SAHIB ABIYAN WALA TEHSIL & DISTT NANKANA SAHIB	35501-0339974-3	KHIZAR HAYAT	1,000	802	-	1,802	-	-	647	-	647
541	EAGLE ENTERPRISES SHOP NO 3 (GF) ALI CENTRE SHAH ALAM MARKET NEAR FAWARA CHOWK LAHORE	TARIQ ZAID AHMED 35202-3698631-9	MUHAMMAD KHAN	1,497	779	-	2,275	-	-	675	-	675
542	MOHAMMAD AKRAM SHAH MOHALA SIDDIQA ABAD P/O USMAN WALA DISTT KASUR	35102-3376879-5	ABDUL RAZZAQ	1,699	1,636	-	3,336	-	-	1,636	-	1,636

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
543	GHOUS BUX BASTI GOTH GHANA MOUZA BAKHRAI NEAR JAMIA MASJID PO SAMMA SATTA TEHSIL & DISTT BAHAWALPUR	31202-0300252-7	MALIK YOUSAF	800	661	-	1,461	-	581	-	581
544	LEATHER FIELD KHATA # 244 MANGLE MANDI NJAZ NAGAR KASUR	MUHAMMAD RIAZ 17301-0685949-9 NASEER AHMED 17301-6580738-3 EJAZ HUSSAIN 17301-2349844-3	ABDUL KARIM KHAN ABDUL KARIM KHAN MEHBOOB ALI KHAN	14,538	3,578	-	18,115	-	3,578	-	3,578
545	ABDUL MAJEED VILLAGE JASSO WALI P O UDDO FATAH TEHSIL PASRUR DISTT SIALKOT	34602-6538201-9	REHMAT ALI	1,600	727	-	2,326	-	656	-	656
546	UMAIR H NO B/46 1 FLOOR GALI NO 5 AL QURESH CENTRY LIAQUATABAD KHI	42101-5876056-9	MUHAMMAD IQBAL ANSARI	409	242	-	651	409	242	-	651
547	INAYATULLAH CHANNA LAKHAN COLONY MUHALLA ANWAR ABAD GHOTKI TEHSIL AND DISTRICT GHOTKI AMARA	45102-8206521-3	ABDUL RAUF CHANNA	344	162	-	506	344	162	-	506
548	WAQAR SALEEM H 144 NISHTAR BLOCK ALLAMA IQBAL TOWN LAHORE	36302-7845794-5	MUHAMMAD SALEEM	1,471	791	-	2,262	1,471	791	-	2,262
549	MAHRAM ALI HOUSE NO-A-1039 GAREB ABAD NEAR ABOBAKR MASJID NAWAB SHAH DISTT SHAHEED BENAZIR ABAD	44204-9547170-3	ABDUL HAKEEM	372	231	-	603	372	231	-	603
550	NADEEM ASHRAF NAKKA KAHOUT DAAKHANA KHAS TEHSEL TALA GANG DISTT CHAKWAL	37203-7536385-1	MUHAMMAD ASHRAF	332	177	-	510	332	177	-	510
551	YASIR MUZAMMIL RANA MOBISERVE PAKISTAN REGIONAL OFFICE OFF NO 6 1C1 BLOCK 1 TOWNSHIP LAHORE	36603-2489454-9	RANA MUZAMMIL KHAN	672	410	-	1,082	672	410	-	1,082

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
552	NAVEED AKHTAR NAEEM ELECTRONICS SHEIKHUPURA ROAD FAISALABAD JAMILABAD CHOWK	35201-8296844-1	AKHTAR HUSSAIN	608	323	-	931	608	-	323	-	931
553	ZAHID MAHMOOD FESCO SUB DIV JHAWARIAN SARGODHA	38401-8438986-1	ABDUL RAUF	339	205	-	544	339	-	205	-	544
554	FARHAN JAVED H.NO.163-B SATELITE TOWN RAHIM YAR KHAN	31303-3771305-7	SHEIKH ZAHOOR AHMED JAVED	346	162	-	509	346	-	162	-	509
555	HABIB NAWAZ MOHALLAH WADHLANWALA HADALI TEH/DISTT.KHUSHAB	38201-8238684-5	MUHAMMAD HAYAT	299	856	-	1,155	-	-	565	-	565
556	AL-FAZAL JEWELLERS MADINA BAZAR ICHHRA LAHORE	FAZAL UL REHMAN 35202-4810155-7	MUHAMMAD AFZAL	2,500	3,256	-	5,756	-	-	3,056	-	3,056
557	M. JAHNGER KHAN COLONY JHADA P/O KOT HAKAM KHA TEH BHALWAL DISS SARGODHA	38401-0372264-9	KHIZER HAYAT	2,299	2,299	-	4,598	-	-	2,144	-	2,144
558	MUHAMMAD SHAHBAZ VILLAGE BATIANWALA P/O THALI GHURIA TEH PINDI BHATTIAN	34302-1234250-9	ALI MUHAMMAD	627	740	-	1,367	-	-	737	-	737
559	MUHAMMAD ASHRAF VILLAGE HALOWAL P/O TALWANDI BHINDRAN TEH & DISTT NAROWAL	34501-6973659-5	ABDUL MAJEEED	899	658	-	1,558	-	-	558	-	558
560	MUHAMMAD JAMIL WAHGA POST OFFICE MALIAN KALAN KHAIR PUR MALIAN TEHSIL AND DISTT SHEIKHUPURA	35404-6227486-7	HAJI M SHARIF WAHGA	859	873	-	1,731	-	-	631	-	631
561	MUHAMMAD ZEESHAN ABID SHAH HOUSE NO 1016 MOH NAQSBAND COLONY NORANG JAHANIYAN HOUSE MILTAN	36302-1232102-5	MAKHOOM SYED ABID HUSSAIN	2,175	2,197	-	4,372	-	-	2,077	-	2,077

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
562	GHULAM DASTGHHEER VILLAGE KORIKEY P/O SAME TEHSIL DASKA DISTT SIALKOT	34601-0656750-9	YAQOOB KHAN	900	751	-	1,651	-	601	-	601
563	VARIETY JEWELLERS SHOP NO 199-218 PANORAMA SHOPPING CENTRE THE MALL LAHORE	GHAZI SALAH UD DIN 35202-3038680-3	MUHAMMAD IQBAL	4,000	2,969	-	6,969	-	2,969	-	2,969
564	IRFAN ALI VILLAGE MUGHOKI P/O JALALPUR BHATTIAN TEH PINDI BHATTIAN DISTRICT HAFIZABAD	34302-5821711-7	ATTA MUHAMMAD	778	636	-	1,415	-	515	-	515
565	KHALID MEHMOOD KHALID CHAK NO. 204RB FAISALABAD H NO 3897 ST NO 10 MANSOOR ABAD FAISALABAD	33100-6446151-9	ABDUL MAJEED	1,000	823	-	1,823	-	657	-	657
566	GALAXY INTERNATIONAL HIUSE NO 1 STREET NO 2 SECTOR NO E DHA PHASE 2 ISLAMABAD	MUHAMMAD ATIF 34203-2496950-7	MUHAMMAD ASIF	3,500	576	-	4,076	-	576	-	576
567	CH MUHAMMAD ARIF VILL P/O MANGAT ROSHAN HOUSE MANGAT	34402-1011641-9	MUHAMMAD ROSHAN	1,297	896	-	2,194	-	894	-	894
568	MOHAMMAD AKRAM JHALIANWALA P/O CHABBA SANDWAN DISTT. GUJRANWALA	34103-0547962-1	KHUSHI MUHAMMAD	780	624	-	1,404	-	524	-	524
569	SABIR ALI CHAH BHIRKEY WALA MOZA KAIYAN PUR POST RANGEEL PUR TEHSIL AND DISTT MULTAN	36302-9777997-9	MUHAMMAD HABIB	1,605	1,422	-	3,027	-	1,322	-	1,322
570	MUHAMMAD FARASAT ABBAS KHAN NEEL KOT MULTAN PUBLIC SCHOOL ROAD MOHALA CHAH SYEDAN WALA MULTAN	36302-8206669-9	GHULAM SAFDAR KHAN	228	691	-	919	-	519	-	519
571	FAQEER MOHAMMAD UR MANZOOR AHMED CHAK NO 171/TDA P/O PIR JAGGI TEH DISTT LAYYAH	32203-2021002-5	MEHER BAKHO KHARAL	188	904	-	1,092	-	700	-	700

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				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)	
572	SULTAN HASSAN AKHTAR VILLAGE SHAH PUR P O BADHOMALH I TEH & DISTT NAROWAL	34501-1948305-9	GHULAM FAREED	1,999	751	-	2,751	-	651	-	651
573	SYED ALI SAJJAD HUSSAIN SHAH HAVELI KORANG PO SAME TEH KABIRWALA DISTT KHANEWAL	35201-1777662-3	SYED MUKHTAR HUSSAIN SHAH	1,475	1,395	-	2,870	-	1,370	-	1,370
574	FAZAL BARI RICE MILLS KASUR ROAD DHANG SHAH DISTT KASUR	ZAIGHUM SALIK BARI 35200-6277455-9	MALIK FAZAL BARI	4,000	2,947	-	6,947	-	2,944	-	2,944
575	MALIK MUHAMMAD SALEEM BHUTTA STREET 03 LUQMAN TOWN BHUTTA COLONY NEAR USMAN LAAJ USMAN LAAJ GALAXY PUBLIC SCHOOL MULTAN	36302-7099725-1	MALIK ALLAH BAKHSH	473	88	-	561	473	88	-	561
576	WAQAR ASLAM PIRACHA H NO 40 AL MUMTAZ ROAD BAIT UL RAZA COLONY ALLAMA IQBAL TOWN NEAR CITY CADDET SCHOOL LAHORE	35202-2739111-3	MUHAMMAD ASLAM PIRACHA	457	94	-	552	457	94	-	552
577	ALTAF HUSSAIN HOUSE NO.30 STREET NO.11 A TEHZAB AHATTA SAWMI NAGAR ROAD LAHORE	35201-6532345-5	IMAM DIN	572	121	-	693	572	121	-	693
578	ALI IMRAN HOUSE # 218 ALLAMA IQBAL TOWN JHNAGI WALA ROAD LAHORE	31201-0288472-5	MOIN UR RASHEED KHAN	581	101	-	682	581	101	-	682
579	MUHAMMAD YOUSAF BLOCK#H H#64 D.G KHAN	32102-2648370-7	GHULAM HUSSAIN	711	120	-	831	711	120	-	831
580	MUHAMMAD SIDDIQUE HOUSE # 322-A-2 WAPDA TOWN GUJRANWALA	34101-5252140-7	IMTIAZ AHMED	691	151	-	841	691	151	-	841

Details of advances written-off

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Rupees in '000

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
581	SHARJEEL SALMAN 487 Opposite HBL SATELITE TOWN GUJRANWALA	34101-1171528-7	SALMAN CHAUDHRY	461	88	-	549	461	-	88	-	549
582	TANVEER HUSSAIN KOKARI P/O CHAK 118/P TEH RAHIM YAR KHAN DISTT RAHIM YAR KHAN	31303-5957268-5	ABDUL KARIM	576	27	-	602	576	-	27	-	602
583	RAJA SAQIB IQBAL HOUSE NO 450, MOHALLA JANJUA MODREN COLONY KHEWARA PD KHAN JHELUM	37302-1191378-9	RAJA ZAFAR IQAL	462	129	-	591	462	-	129	-	591
584	IMRAN YOUSF B - 228 SHER BAAZ BUSINESS 2ND FLOOR SATELLITE TOWN RAWALPINDI	37405-0634429-9	M YOUSF	417	98	-	515	417	-	98	-	515
585	SOHAIL ANJUM OFFICE 601-D EDEN TOWER 6TH FLOOR MAIN BOULEVARD GULBERG LAHORE	35202-3498973-1	ALI AKBAR	764	164	-	928	764	-	164	-	928
586	ZEEESHAN IQBAL NO 13-B SHADMAN COLONY BEHIND STADIUM BAHAWALPUR	31202-2329621-1	M IQBAL	617	106	-	723	617	-	106	-	723
587	IMTIAZ AHMAD H NO 223 C, PHASE 8 DHA LAHORE	35202-6430188-7	M RAFIQUE	767	125	-	891	767	-	125	-	891
588	AMIR GHAFFAR HOUSE # BX-221 NEW SADIQ COLONY BAHAWALPUR	31202-5857388-7	ABDUL GHAFFAR	569	72	-	641	569	-	72	-	641
589	TAYYAB TAHIR ALI PUR ROAD STREET NO.2 MOHALLA NAWAB COLONY HAFIZABAD	34301-2586649-1	SAIF ULLAH	540	130	-	670	540	-	130	-	670

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S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
590	KAMRAN AZIZ 3 DEEN STREET 27 JALAL DIN ROAD NEAR DARMAYANI MASJID MOZANG LAHORE	35202-9477994-7	MIAN ABDUL AZIZ DEAN	583	74	-	658	583	-	74	-	658
591	NADIR ALI FLAT # 51 TOWER 5 BAHRIA APARTMENTS BAHRIA TOWN KARACHI	43202-2479720-5	ALI SHER MUGHERI	720	126	-	845	720	-	126	-	845
592	MUHAMMAD ASLAM HOUSE # 28-D-1 OLD OFFICER COLONY ZARAR SHAHEED ROAD LHR CANTT LAHORE	35202-7498032-5	MUHAMMAD ISMAIL	470	61	-	530	470	-	61	-	530
593	MURAD AHMED KHAN H NO 141 ST NO 01 SEC 11 1/2 KHALIDABAD ORANGI TOWN NEAR DABA MORE KARACHI	42401-1931710-7	M ASHIQ KHAN	460	115	-	574	460	-	115	-	574
594	WASIM AHMED QURASHI HONY PROMOTION LIAQUAT BAGH NEAR ARIAN HOTEL RAWALPINDI	37405-6621172-5	M HAMEED QURESHI	533	103	-	636	533	-	103	-	636
595	SHAHZAD UMER HAYAT HOUSE NO 1732/381 MAKKAH COLONY BALDIA TOWN NEAR DEHLI JAMA MASJID KARACHI	42401-4184049-1	MUHAMMAD FAREED	548	122	-	670	548	-	122	-	670
596	MUZAMAL HUSSAIN P-515 STNO 07 AFGHANABAD ROAD MOHALLAH AFGHANABAD FAISALABAD	33100-6213518-7	KHADIM HUSSAIN	608	136	-	744	608	-	136	-	744
597	UMAZ ALI HOUSE NO C-46/47 MOH HOUSING SOCIETY NAWABSHAH SBA HYDERABAD	45402-0974830-1	ZAIN UL ABIDEEN	441	80	-	521	441	-	80	-	521
598	SOHAIL ANJUM H# 403, Y BLOCK, Ph 3, DHA CANTT LAHORE	35202-3498973-1	ALI AKBAR	864	171	-	1,035	864	-	171	-	1,035

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

ANNEXURE II

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
599	MUHAMMAD ASHFAQ GULSHAN E LATIF KORANGI INDUSTRIAL AREA H#A-81 SECTOR 9 KARACHI	34601-6977316-9	ALLAH DATA	511	110	-	621	511	-	110	-	621
600	MUHAMMAD MOHSIN AYUB HOUSE # 10 AMILA STREET TAJ BAGH NEW PHASE # III LAHORE	35202-6550051-9	MUHAMMAD AYUB	544	102	-	645	544	-	102	-	645
601	MUHAMMAD SALEEM BABAR 4 SEASON PHASE 2 MARRY GOLD HOUSE NO.66, SAMDRI ROAD FAISALABAD	33100-2525515-9	M ALI CHAUDHRY	637	44	-	681	637	-	44	-	681
602	MUHAMMAD BILAL ABDULLAH HOUSE A-BLOCK SAHAFI COLONY NEAR FAST CABLE FACTORY LAHORE	35201-5647498-3	MUHAMMAD IQBAL	476	97	-	573	476	-	97	-	573
603	SHAMAS UD DIN P 1376 ST 12 BAZAR NO 3 MOH RAZA ABAD FAISALABAD	33100-9681467-9	MUHAMMAD ASHRAF	435	82	-	517	435	-	82	-	517
604	SYED RASHID HUSSAIN SHAH H # 30 SHAHEEN BLOCK SECTOR B BAHRIA TOWN LAHORE	91104-2453406-7	SYED SADIQ	429	88	-	517	429	-	88	-	517
605	SALEEM RAZA HOUSE # 120,BLOCK C, STREET # 18 PWD HOUSING SOCIETY ISLAMABAD	34403-5749492-3	MUHAMMAD AKRAM	680	43	-	723	680	-	43	-	723
606	MUHAMMAD AWAIS AWAIS HOUSE STREET # 5 COLLEGE ROAD LINK RUSTAM ROAD DASKA DIST SIALKOT	34601-8809709-1	M YOUSAF	510	84	-	594	510	-	84	-	594
607	BASEER UL HAQ MIRZA H NO 8 ST NO 24 IQBAL STREET MOHALLA ISLAMIA PARK POONCH ROAD LAHORE	35202-2076552-7	WAJAH HAIDER MIRZA	541	66	-	606	541	-	66	-	606

Rupees in '000

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S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
608	SYED FARAZ SHAH H NO A 390 BLOCK 12 GULBERG F B AREA NEAR JAMA MASJID KARACHI	42101-2675703-7	S WAQBOOL SHAH	641	111	-	752	641	-	111	-	752
609	ASIA SHAHZAD H NO 26 STREET NO 127 CHIRAGH DIN ROAD MOZANG LAHORE	35202-6246792-0	MUH SHAHZAD ASLAM	1,267	257	-	1,524	1,267	-	257	-	1,524
610	SABKHASE UMER 159 SHAHEEN BLOCK SECTOR B BAHRIA TOWN LAHORE	35202-1898537-7	FIAZ AHMED	1,290	230	-	1,520	1,290	-	230	-	1,520
611	MUHAMMAD SHAHZAD ASLAM HOUSE NO-26 STREET NO-127 CHIRAGH DIN ROAD MOZANG LAHORE	35202-2777983-3	MUHAMMAD ASLAM	1,280	289	-	1,570	1,280	-	289	-	1,570
612	HASSAN MAHMOOD MOHALLAH MALIKAM WALA DERA NAWAB SAHIB AHMAD PUR EAST BAHAWALPUR	31201-9981277-9	MALIK MUHAMMAD HUSSAIN	686	41	-	727	686	-	41	-	727
613	MIAN WASEEM MUNIR 66 B BLOCK PCHS GHAZI RD NEAR DEFENCE LAHORE	35201-4571982-3	MIAN M MUNIR	585	140	-	726	585	-	140	-	726
614	JAHANGIR ZULFIQAR DAKKHANA VILL RORAS TEH SAMBRIAL DIST SIALKOT	34603-9767583-3	ZULFIQAR	500	82	-	582	500	-	82	-	582
615	EJAZ HUSSAIN L 128 SECTOR DTP II KDA GROUND MEHMOODABAD NO 2 KARACHI	42201-7993742-9	MANZOOR HUSSAIN	1,459	259	-	1,718	1,459	-	259	-	1,718
616	FAHAD JAVED OFFICE#14 AL NAJAF 1ST FLOOR KANDLOOR PLAZA F-10 MARKAZ ISLAMABAD	37405-8829546-3	JAVED IQBAL ANJUM	514	99	-	613	514	-	99	-	613
617	MUHAMMAD TURAB 14 D/1 DHA PHASE 1 LAHORE	00000-0563873-1	RAZA MEHDI	971	163	-	1,134	971	-	163	-	1,134

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's/Husband's Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
618	AFTAB AHMED FLAT NO 302 BLOCK O IQRA COMPLEX PERFUME CHOWK BLOCK 17 GULISTAN JOHAR KARACHI	44203-1558140-1	A JABBAR	535	98	-	633	535	-	98	-	633
619	ALI SHAN SHAHALAM MARKET RANG MEHAL D-PLAZA ALI GARMENTS, LAHORE	33102-5660895-3	MUBARIK ALI	1,502	321	-	1,823	1,502	-	321	-	1,823
620	KHUSHI MUHAMMAD MASROOR FLAT # A 6 PLOT C 136 NASIR CENTER MAIN 11 B ROAD NORTH KARACHI	42201-0530732-1	MASROOR AHMED KHAN	442	101	-	543	442	-	101	-	543
621	ASIF KHALIL HOUSE# A-116 BLOCK B KAZIMABAD MODEL COLONY NEAR MALIR CANTT MALIR KARACHI	44103-0296066-3	KHALIL AHMED	516	106	-	622	516	-	106	-	622
622	RAO MUDASSIR ALI HOUSE#169-A DEFENC EOFFICERS COLONY SHER SHAH ROAD CANTT MULTAN	36302-1181663-9	RAO IDREES ALI	717	201	-	918	717	-	201	-	918
623	ALI SHAN SHAHALAM MARKET RANG MEHAL D-PLAZA ALI GARMENTS, LAHORE	33102-5660895-3	MUBARIK ALI	1,999	425	-	2,423	1,999	-	425	-	2,423
624	SYED IMRAN ALI MUZAMMIL ELECTRONICS OPP SAUDIA GIRLS COLLAGE NEAR SAUDABAD CHORANGI MALIR KARACHI	42201-1096442-7	SYED MUZAMMIL HUSSAIN	674	112	-	786	674	-	112	-	786
625	HASHAM YOUSAF 23 QUEEN ROAD NAWAI WAQT HEAD OFFICE LAHORE	35202-5452986-3	M NAEEM	651	125	-	775	651	-	125	-	775
626	JAMSHED ALI MALIK FLAT # 603 SHADMAN RESIDENCY TOWER-A, BLOCK-2, CLIFTON KARACHI	42301-9827542-1	SHOUKAT ALI MALIK	731	152	-	883	731	-	152	-	883

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
627	MUHAMMAD NAEEM HOUSE # I.H 149 FALCON COMPLEX GULBURG-3 LAHORE	35202-0190634-7	MUHAMMAD YOUSAF	486	77	-	563	486	-	77	-	563
628	SAEEDA NAZAR FAREED 13-A, E-1, GULBERG-III, LAHORE	35202-7860285-8	CH. NAZAR MUHAMMAD	950	162	-	1,112	950	-	162	-	1,112
629	SYED ZULFIKAL ABBAS GARDEZI HASAN KOSHAK ABDALI ROAD, NEAR JALIL CENTER 59/D PUNJAB MULTAN	36302-8470246-5	SYED KHIZAR ABBAS GARDEZI	1,082	268	-	1,350	1,082	-	268	-	1,350
630	NAIK MUHAMMAD HOUSE # R/198, TARIQ BIN RYAD HOUSING S MALIR HALT, OPP. PRINT PRESS, SINDH KARACHI	42501-7533032-1	MUHAMMAD RAMZAN	739	79	-	819	739	-	79	-	819
631	AQIB MAHMOOD 133-E/1, GULBERG III, LAHORE	35202-4113464-3	ARIF MAHMOOD	451	75	-	527	451	-	75	-	527
632	SYED QAISER ABBAS ZAIDI 79/2 UPPER PORTION STREET NO 22 AL HILAL DHA PHASE 6 KARACHI	42000-9223597-5	SYED MUHAMMAD ABBAS ZAIDI	642	104	-	745	642	-	104	-	745
633	IRFAN SAEED HOUSE NO. 446, STREET NO. 16, CHAKLALA - III RAWALPINDI	37405-9507107-9	M-SAEED	1,214	269	-	1,483	1,214	-	269	-	1,483
634	SHAHID GULZAR 16-J, PHASE I, D.H.A., LAHORE	35200-1404399-7	SH. M GULZAR	547	141	-	688	547	-	141	-	688
635	SYED MOHAMMAD IMRAN 322, SHARFABAD, GROUND FLOOR, STREET #19, B.M.C.H.S. NR TV STATION, KARACHI	42201-2216006-1	SYED MUHAMMAD OWAIS	618	60	-	678	618	-	60	-	678
636	AMIR REHMAN MES WATER SUPPLY, PAF BASE, CHAKLALA H# 68/6, RAWALPINDI	37405-0492354-7	ABDUL REHMAN	589	83	-	672	589	-	83	-	672
637	BOOTA MASHI OGDCL BLUE AREA NEAR HBL TOWER ISLAMABAD	37405-2444160-3	SIDDIQ MASHI	458	102	-	560	458	-	102	-	560

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
638	ABDUL JABBAR KANDHRO INCHARGE WATER TESTING LABORATORY PUMHS UNIVERSITY NAWAB SHAH	41504-0366846-3	NOOR MUHAMMAD KANDHRO	498	104	-	601	498	-	104	-	601
639	ARSHAD MEHMOOD LOPOWALIPO SAMBRIAL DISTT SIALKOT	34601-3838352-3	MUHAMMAD ARIF	513	58	-	570	513	-	58	-	570
640	MUHAMMAD HAROON MOHALAL ROYAL NIEKPUAR SIALKOT	34603-7439976-5	TARIQ HUSSAIN	473	126	-	599	473	-	126	-	599
641	M USMAN NAZIR NAZIR JUJT HOUSE STREET NO 07 SAIF HABIB TOWN SHAHDRAH LAHORE	35202-7839614-3	NAZIR AHMAD	500	111	-	611	500	-	111	-	611
642	SOHAIL AHMAD WAINS HOUSE HANS ROAD SABZAZAR COLONY NEAR SHALIMAR METRO STATION MULTAN	36302-1704580-9	MUHAMMAD ASLAM	1,220	170	-	1,390	1,220	-	170	-	1,390
643	IMTIAZ ALI SHAIKH FLAT#K-104 PHASE I SHUMAIL COMPLEX MOSAMIAT MAIN UNIVERSTY ROAD KARACHI	42501-7635079-3	LAL BUX SHAIKH	485	62	-	546	485	-	62	-	546
644	SHAFIQ UR REHMAN SAVOYA TRADERS LAYYAH ROAD CHOWK SARWAR SHAHEED MULTAN	32303-7521152-9	MUHAMMAD RAMZAN	462	100	-	562	462	-	100	-	562
645	ZEEZHAN SAFDAR SHOP NO 18 CHOWK SARDAR CHAPPAL BILAL GUNJ NEAR NIB BRANCH LAHORE	35202-6461656-3	MUHAMMAD SAFDAR	420	95	-	515	420	-	95	-	515
646	MISHAL ONEIL FLAT NO B 10/B 4TH FLOOR BLOCK B/B UNIQUE CENTER GULSHAN E IQBAL KARACHI	90309-0101759-4	BASIL RIAZ	435	98	-	533	435	-	98	-	533

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
647	MUHAMMAD IBRAHIM PARACHA HOUSE NO.67 B NUSRAT SHAHEED ROAD MUMTAZABAD MULTAN	42201-8513260-3	MUHAMMAD FIAZ PARACHA	657	96	-	754	657	-	96	-	754
648	GHULAM MUSTAFA ABBASI H NO 61 FALCON COMPLEX MALIR CANT KARACHI	31202-6272789-5	GHULAM HAIDER	383	117	-	501	383	-	117	-	501
649	ABDUL WAHAB ASLAM H NO P- 49 ST NO 5 REHMAN PURA FAISALABAD	33100-6691970-7	MUHAMMAD ASLAM ANJUM	1,105	304	-	1,409	1,105	-	304	-	1,409
650	UMME RUBBA WASIF FLAT NO 503 GLANDAR SUNRISE APARTMENT BLOCK-10 GULSTAN E JOHAR KAMRAN CHOWRANGI KARACHI	42201-2278163-2	WASIF AHMED KHAN	594	166	-	760	594	-	166	-	760
651	TAHSEEN JAVED MALIK ST 09 MOH SHAHZADA SHAHEED COLONY KASHMIR BAZAR GUJRANWALA	34101-2556217-5	JAVED IQBAL MALIK	433	78	-	510	433	-	78	-	510
652	ABDUL WAHAB ASLAM P-49 STREET#5 REHMAN PURA FAISALABAD	33100-6691970-7	MUHAMMAD ASLAM ANJUM	611	165	-	776	611	-	165	-	776
653	MANSOOR AHMED ASKARI 10 LAHORE E SECTOR HOUSE NO:610 LAHORE	90406-0156068-7	MUHAMMAD YOUNAS	1,477	262	-	1,739	1,477	-	262	-	1,739
654	USMAN JAVAID SHEIKH ISMAIL KARYANA STORE HABIB CHOWK ABID SHEHEED ROAD MADINA TOWN FAISALABAD	33102-1421163-5	KHALID PERVEZ	880	211	-	1,090	880	-	211	-	1,090
655	SARFRAZ AHMED MARTH MALIK JEWELLERS AL MAJEEED SHOPPING CENTRE MAIN BAZAAR WAZIRABAD GUJRANWALA	34601-0754970-5	RASHEED AHMED	536	81	-	617	536	-	81	-	617
656	MUHAMMAD DANISH SARFARAZ H#R-427 SEC-15-B, BUFFERZONE NORTH KARACHI, NEAR NAGAN CHOWRANGI KARACHI	42101-1533077-9	SARFARAZ AHMED KHAN	496	74	-	570	496	-	74	-	570

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Un-Debited (Waiver)	Debited (Reversal)		
657	MIRZA FARHAN BAIG A 112 GROUND FLOOR BLOCK 5 KDA SCHEME 24 GULSHAN E IQBAL KARACHI	41304-6188693-7	MIRZA ATHESHAME	748	203	-	951	748	-	203	-	951
658	UMAIR AZAM OLD AZAM INDUSTRIES FACTORY AREA SHAHBAZ PUR ROAD RAHIM YAR KHAN	31303-0383171-1	MEHMOOD AZAM	429	97	-	526	429	-	97	-	526
659	RANA GHULAM ABBAS NOON H NO 254-A KHANEWAL ROAD SHAMSABAD COLONY EID GAH MULTAN	36302-8910516-3	RANA ABDUL GHAFOOR	922	213	-	1,136	922	-	213	-	1,136
660	SARDAR ALI HOUSE NO.251, SABRI STREET DARBAAR MAHAL ROAD, NEW MUSLIM TOWN, BAHAWALPUR	31205-8439764-9	SHEIKH BASHIR AHMED	555	17	-	571	555	-	17	-	571
661	HABIB UR REHMAN MUHAMMAD BIN QASIM PUBLIC H/S NEAR TOTAL PUMP LARI ADA KAMALIA FAISALABAD	33203-1457447-3	MUHAMMAD RAMZAN	563	134	-	697	563	-	134	-	697
662	TALAT FAROUK APT # 1-A, 5 STAR SEA BREEZE, SHARAH IRAN, CLIFTON BLK 5 KARACHI	42301-2898620-9	M. FAROUK	542	145	-	687	542	-	145	-	687
663	SYED KHURRAM ALI HAROON STREET, NOOR DIN ROAD 5-W-V-1-S-52, LAHORE	35202-6456281-5	SYED MUHAMMAD HANIF SHAH	709	150	-	859	709	-	150	-	859
664	MUHAMMAD AMIR MUSHTAQ 116-H, GULSHAN RAVI, LAHORE	35202-6834504-1	MUHAMMAD MUSHTAQ QURESHI	791	213	-	1,005	791	-	213	-	1,005
665	ASAD MAQBOOL KHAWAJA 97-B -3, GULBERG-III, LAHORE	35202-7013045-1	KHAWAJA MAQBOOL AHMAD	447	110	-	557	447	-	110	-	557
666	MUHAMMAD ARSLAN HOUSE#51 STREET#17 Y BLOCK PEOPLES COLONY GUURANWALA	34101-2664092-7	MUHAMMAD RAFI	899	172	-	1,071	899	-	172	-	1,071

Details of advances written-off
Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
667	MUHAMMAD NAVEED HOUSE # 29 A/1 STREET # 19 AL FAZAL PARK SANDA ROAD HAKIMAN WALA BAZAR SANDA KHURD LAHORE	35202-1740509-9	MUHAMMAD YASEEN	961	184	-	1,145	961	-	184	-	1,145
668	AQSA AKRAM HOUSE# 50 LOWER PORTION STREET #2 BB-BLOCK SECTOR-D BAHRIA TOWN LAHORE	35202-0154310-2	MUHAMMAD AKRAM	999	271	-	1,270	999	-	271	-	1,270
669	MUHAMMAD BILAL SHABIR HOUSE 5 ST 1 MUSLIM ST MOHALLA RAHEEM MOOR MISTRI SHAH LAHORE	35202-7308982-7	MUHAMMAD BOOTA	488	118	-	607	488	-	118	-	607
670	SYED ALI ABBAS ZAIDI HOUSE NO 655 1ST FLOOR AREA 5-C4 NORTH KARACHI,	42301-2113639-5	SYED ALEY AHMED ZAIDI	1,155	225	-	1,380	1,155	-	225	-	1,380
671	ASIF NAEEM HOUSE # 16 S STREET # 10 SECTOR B PHASE 1 DHA ISLAMABAD	13101-2437215-9	SANA ULLAH	1,709	407	-	2,116	1,709	-	407	-	2,116
672	SALMAN ARSHAD CHAUDHRY HOUSE#78/5-A ARIF JAN ROAD LAHORE CANT LAHORE	35201-7164735-5	ARSHAD MAHMOOD CH	961	232	-	1,193	961	-	232	-	1,193
673	NASEEM KHAWER ALVI KHAWER MOTORS 3-B JAIL ROAD LAHORE	35202-8358007-9	HAFIZ MUHAMMAD DAWOOD ALVI	478	42	-	521	478	-	42	-	521
674	SALMAN ARSHAD CHAUDHRY HOUSE # 78/5-A ARIF JAN ROAD LAHORE CANT LAHORE	35201-7164735-5	ARSHAD MAHMOOD CH	482	131	-	613	482	-	131	-	613
675	AMIR EDGER HOUSE NO 334 MOHALLAH SADAT COLONY DRIGH ROAD KARACHI	42201-0128549-7	ALBERT SMOAIL ALISHA	748	164	-	912	748	-	164	-	912
676	MUHAMMAD MOHSIN RAFI MEHROOZ COTTAGE HAFEEZ STREET BUKHARI ROAD NEAR DINGA PHATAK	34101-4258464-9	MUHAMMAD RAFI	1,644	369	-	2,013	1,644	-	369	-	2,013

Details of advances written-off

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2022

Rupees in '000

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/Directors (with NIC No.)	Father's /Husband's Name	Outstanding Liabilities at the beginning			Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief Provided		Total	
				Principal	Mark-up (Debited + Undebited)	Other Charges			Total	Un-Debited (Waiver)		Debited (Reversal)
677	SYED AFTAB AHMAD SHAH HOUSE # 155-D, BLOCK # 3 KHURRAM COLONY, MULIM TOWN RAWALPINDI	37405-3193269-5	SYED MUMTAZ	507	110	-	617	507	-	110	-	617
678	ADNAN IDREES H#523-D UPPER PORTION ST#3 WESTRIDGE#3 ALAHABAD NEAR IDEAL BAKERY RAWALPINDI	37405-3829781-9	MUHAMMAD IDREES	1,022	232	-	1,254	1,022	-	232	-	1,254
679	ARSALAN AHMED SABZWARI BANGLOW#D-17 RUFISPRING FIELD SEC#13-A SCHEME 33 ABU HASSAN ISPHANI ROAD, KARACHI	42201-3078563-9	SYED TAQUEER AHMED	811	197	-	1,008	306	-	197	-	503
680	ZAHID HUSSAIN 80-C GULBERG PUNJAB FAISALABAD	33100-0542982-7	ABDUL REHMAN	822	193	-	1,015	416	-	193	-	609
681	MOHAMMED YUNUS BANDUKDA PHASE I D.H.A 6-A NORTH CIRCULAR AVENUE KARACHI	42301-1409738-7	HAJI ISMAIL	709	187	-	896	439	-	187	-	626
682	WAQAR SAMAD HOUSE #92 G PHASE # 05 DHA LAHORE	17301-1383513-7	MIAN ABDUSAMAD	1,173	98	-	1,271	473	-	98	-	571
683	JUNAID GILL H NO 3 SURVEY 93-94 SECTOR 39 GULSHAN E SIKANDAR KORANGI KARACHI	42201-1383333-7	JAVED GILL	1,233	272	-	1,506	478	-	272	-	751
				4,166,027	4,832,001	-	8,998,027	1,346,223	-	4,558,998	1,676	5,906,897

**Details of disposal of fixed assets to related parties - Consolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANNEXURE-III

The particulars of fixed assets sold to related parties, other than through a regular auction, are given below:

Description	Original cost	Accumulated depreciation	Book Value	Sale proceeds	Mode of disposal	Particulars of buyer
------(Rupees in '000)-----						
Electrical, Office and Computer Equipment	8,175	5,915	2,260	4,608	Insurance Claim	Jubilee General Insurance Limited
Furniture & Fixtures	1,005	739	266	485	Insurance Claim	Jubilee General Insurance Limited
Leasehold Improvements	14,178	8,176	6,001	4,629	Insurance Claim	Jubilee General Insurance Limited
Vehicles	1,481	807	674	1,165	Insurance Claim	Jubilee General Insurance Limited
Vehicles	5,520	4,103	1,417	1,104	Buyback as per the terms of employment	Muhammad Amir Khan (CEO) - HBL MfB
Total	30,359	19,740	10,618	11,991		

HBL DOMESTIC NETWORK

AS AT DECEMBER 31, 2022

- Retail Branches Conventional

Name of Region	Number of Branches
Bahawalpur	54
Faisalabad	79
Gujranwala	65
Gujrat	62
Hyderabad	54
Islamabad	119
Jhelum	73
Karachi	114
Lahore	83
Mardan	92
Mirpur A.K.	56
Multan	100
Muzaffarabad	39
Peshawar	100
Quetta	46
Sahiwal	73
Sargodha	63
Sialkot	69
Sukkur	50

- Islamic Banking 294

- Commercial 18

- Corporate (Including KEPZ) 12

1,715

Subsidiaries

- HBL Microfinance Bank (HBL MFB) Limited

Name of Region	Number of Branches
Sindh	46
Punjab	89
Balochistan	7
Khyber Pakhtunkhwa	18
Capital Territory	1
Gilgit Baltistan	23
Azad Kashmir	2

186

- Habib Bank Financial Services (Private) Limited

- HBL Currency Exchange (Private) Limited

- HBL Asset Management Limited

Associates

- Jubilee General Insurance Company Limited

- Jubilee Life Insurance Company Limited





UNCONSOLIDATED FINANCIAL STATEMENTS



DIRECTORS' REPORT 2022

On behalf of the Board of Directors, we are pleased to present the Unconsolidated Financial Statements for the year ended December 31, 2022.

Macroeconomic Review

Following a high-growth phase in FY'22 when the economy expanded by 6.0%, FY'23 commenced with Pakistan's worst-ever floods, causing an estimated damage of ~\$32 billion. Pakistan's challenges have been significant – the external front was impacted by rising commodity prices and debt repayments, exacerbated by delays in the IMF program, while the domestic economy came under severe pressure, compounded by a lack of political clarity. These factors have led to an overall slowdown in the economy with moderation in most high-frequency data. The Large-Scale Manufacturing Index posted a decline of 3.7% during 1HFY'23 and the SBP has warned of downside risks to even the 2% target for GDP growth. In Jan'23, inflation surged on account of higher fuel and energy prices, food inflation and currency depreciation, registering a nearly 50-year high of 27.6%. Core inflation, which has been on a consistently rising trend, increased to 17.0%, reflecting the secondary impact of rising energy prices. Average inflation for 7MFY'23 is 25.4% vs 10.2% in the same period last year and is already much higher than the SBP's FY'23 projection of 21% - 23%.

The global economic slowdown took its toll on Pakistan's external sector. Exports fell by 7% in 7MFY'23, compared to the same period last year. The trade balance however, improved, as restrictions on luxury imports, fiscal and monetary tightening, and an overall slowdown in demand led to a 21% contraction in imports. The trade deficit for 7MFY'23 thus declined by 31% to \$17 billion. With the gap between the interbank and the kerb rates widening, remittances decreased to \$1.9 billion in Jan'23, the fifth successive month-on-month decline and the first sub-\$2 billion level since May'20. For 7MFY'23, remittances of \$16 billion were 11% lower YoY. However, the narrowing of the trade deficit supported the current account, with the 7MFY'23 deficit falling by 67% over 7MFY'22, to \$3.8 billion.

Pakistan's foreign exchange reserves depleted to nine-year lows, falling to \$2.9 billion by 3 Feb'23, amid delays in the IMF review. Most external financing avenues are now linked to the IMF Board approval. The completion of a number of prior actions, including additional taxation measures and further increases in fuel, gas and utilities prices should help move closer to the Staff Level Agreement. The deteriorating external account dragged the currency, which remained volatile throughout the year and ended the year 27% (Rs 48/\$) lower. The recent restoration of a market-determined exchange rate caused a further downward spike with the Rupee falling by Rs 49/\$ to Rs 275/\$ before recovering slightly.

The primary surplus in 1HFY'23 improved significantly, both in absolute and percentage terms; this clocked in at 1.1% of GDP compared to 0.1% of GDP in 1HFY'22. Tax collections increased by 17% YoY in 1HFY'23, driven by a 50% increase in direct taxes. However, current expenditure increased by 30%, led by floods and a 77% increase in mark-up payments. The fiscal deficit for 1HFY'23 thus registered a 23% increase over 1HFY'22 to PKR 1.7 trillion, although it remained at 2.0% of GDP.

Equity markets saw another volatile year with the market shedding 2% during the last quarter and 9% from December 2021. Investor participation remained dull with low volumes as macroeconomic pressure, extended political uncertainty and a rapidly falling Rupee all weighed on sentiments. The exodus of foreigners continued, particularly in banking sector stocks as international investors sold \$127 million over the year.

The central bank has continued to tighten monetary policy and, in the Jan'23 MPC, raised the policy rate by 100 basis points to 17%, a 25-year high. The SBP was of the view that inflation is broad-based and persistent, with core inflation on a rising trend for the past 10 months. Further, expectations have skewed upwards, and timely intervention was needed to lower them. It emphasised that the short-term costs of taming inflation are lower than the costs of allowing it to become entrenched. Industry advances and deposits were distorted in Dec'22 as banks raced to increase their Asset / Deposit Ratio to avoid punitive tax rates. For 2022, industry advances increased by 17% while deposits growth slowed to only 7%, with market deposits showing their first-ever fourth-quarter decline in Q4'22. Industry spreads in 2022 grew by 100 bps over 2021, reflecting the increase in benchmark interest rates and the continuing re-pricing of balance sheets.

Financial Performance

In 2022, HBL has delivered its highest profit before tax of Rs 71.6 billion with a consistent growth trajectory throughout the year, backed by record quarterly profits. PBT is 21% higher than the PBT of Rs 59.0 billion last year. The Bank's profit after tax, however, declined by 10% to Rs 30.9 billion, as a higher tax charge caused by excessive and retrospective taxation impacted the bottom line by Rs 10.3 billion. Earnings per share declined slightly, to Rs 21.04 in 2022 from Rs 23.36 in 2021.

HBL's balance sheet grew by 7% to Rs 4.4 trillion. Domestic current deposits grew by Rs 203 billion, a 20% growth over the prior year, reaching Rs 1.2 trillion; low-cost savings accounts increased by Rs 136 billion. The Bank's focused efforts to mobilize low-cost deposits and contain its cost of funds led to a record current account mix of 41.5% and a CASA ratio of 86.5%. Total domestic deposits reached Rs 2.9 trillion and HBL's total deposits as of December 2022 rose to Rs 3.2 trillion.

In line with its stated intent of supporting customers throughout economic cycles, HBL helped its clients and the country navigate through extremely challenging times. Domestic advances grew steadily throughout the year, by Rs 241 billion

to Rs 1.4 trillion, registering a broad-based growth of over 20% for the second consecutive year. The Bank's flagship consumer portfolio increased to Rs 122 billion, and lending to the Commercial segment crossed a landmark Rs 100 billion. Agriculture financing is a key priority of the Bank and the portfolio reached an all-time high of Rs 50.6 billion. HBL's total advances increased by 17.2% to Rs 1.6 trillion, with the ADR improving to 52.9%.

With rapid monetary tightening, net interest margins improved by 67bps over 2021 while the Bank achieved a Rs 500 billion growth in average balance sheet volumes. Consequently, net interest income grew by 26% to Rs 152 billion. Non-fund income grew by 25% to Rs 38.3 billion with a standout performance from all areas. HBL's dominant fee franchise again delivered excellent results, rising 24% to Rs 27.7 billion. Its flagship Cards business continues to set new records, contributing nearly half the increase in fees and constituting nearly 50% of total fee income. Despite constraints, Trade income grew by 19% to Rs 3.2 billion. Investments in the Bank's branchless banking initiative, Konnect, are now coming to fruition as Konnect generated fees of Rs 1.5 billion, more than double that in 2021.

HBL continues to invest in its people and its digital infrastructure to deliver innovative and unique customer solutions. HBL, as always, also stepped up to support the country and its people during the catastrophic floods that displaced millions of people. In 2022, total administrative expense increased to Rs 110.5 billion as unprecedented inflation affected costs across all categories. However, with a strong revenue base, the domestic cost / income ratio was maintained at the prior year's level of 51.1%. Total provisions of the Bank increased marginally, to Rs 6.5 billion, as HBL prudently boosted previously created reserves, in order to insulate the Bank from the fallout of the current economic conditions. HBL's infection ratio slightly improved from 5.1% to 5.0% while total coverage remained above 100%.

Movement in Reserves

	2022	2021
	Rupees in million	
Profit after tax	30,867	34,271
Unappropriated profit brought forward	148,392	129,263
Profit attributable to equity holders of the Bank	30,867	34,271
Re-measurement gain on defined benefit obligations – net of tax	157	206
Transferred from surplus on revaluation of assets – net of tax	58	181
	31,082	34,658
Profit available for appropriation	179,474	163,921
Appropriations:		
Transferred to statutory reserves	(3,087)	(3,427)
Cash dividend – Final	(3,300)	(4,401)
1 st interim cash dividend	(3,300)	(2,567)
2 nd interim cash dividend	(2,200)	(2,567)
3 rd interim cash dividend	(2,200)	(2,567)
Total appropriations	(14,087)	(15,529)
Unappropriated profit carried forward	165,387	148,392
Earnings per share (Rupees)	21.04	23.36

Capital Ratios

With the strong results, internally generated capital grew by 10% in 2022. The massive Rupee devaluation of Rs 48/\$ impacted the Capital Adequacy Ratio (CAR) by 96 bps. As a result, HBL's unconsolidated Tier 1 CAR declined to 12.8% while the total CAR reduced to 15.0%. Nevertheless, both ratios remain comfortably above current regulatory requirements; these were eased in December, as the SBP lowered the D-SIB buffer for all categories of banks by 50bps.

In December 2022, the Bank issued Rs 6.5 billion of perpetual term finance certificates, which qualify as Additional Tier 1 capital, thus boosting its Tier 1 CAR by 34 bps.

Business Developments

In 2022, HBL attained a deposit market share of 13% with a domestic book of Rs 2.9 trillion, adding nearly 800,000 customers through its branch network. This included more than 135,000 new customers of HBL Asaan Account, a basic account targeted at enhancing inclusion; HBL now has over 1.1 million customers in this segment with a total deposit of over Rs 17 billion.

New product launches were based on a well-thought out needs analysis. The Bank introduced Mahana Amdan, a savings product aimed at retirees, offering higher returns with monthly profit payouts. HBL's classic Freedom Account, which provides banking solutions to businessmen, was supplemented with an insurance offering that provides coverage against loss of cash and valuables as well as hospitalization coverage. The Bank crafted an offering to address the unique financial requirements of the agricultural segment which resulted in the launch of the Haryali Account in November 2022.

HBL proudly serves over 4 million women customers, including nearly 1 million under its internationally recognized women's market program, HBL Nisa. During 2022, the program added nearly 160,000 new accounts with total Nisa deposits increasing by Rs 40 billion. The Bank also launched Nisa Asaan, an initiative targeted specifically towards the unbanked and underbanked women of Pakistan. To cater to the growing savings needs of women a mutual funds proposition was launched for women in collaboration with HBL Asset Management Company.

HBL's Prestige proposition is designed to change the landscape of priority banking across Pakistan, serving affluent customers with a bespoke product suite in line with their sophisticated needs. Prestige is now offered at 38 lounges across 16 cities in Pakistan. In 2022, Prestige went international with its first lounge in Jumeirah, Dubai. In order to expand the offering's scope, 400 regular branches were also enabled to onboard Prestige customers, offering them access to the value proposition, but without a dedicated footprint. As a commitment to product innovation and service excellence, Prestige offers fully automated lockers that are available to clients 24x7 in select locations. Vitality, an insurance product catering to the health and lifestyle needs of high-net-worth individuals was added to the Prestige product offering.

The Bank continues to lead the industry on the Roshan Digital Account initiative, being the first to cross 100,000 accounts, with a 20% market share. Since inception, HBL has channeled over \$900 million to the country through this initiative. The Bank remains the market leader for investments in Naya Pakistan Certificates as well as financing under the Roshan Apni Car and Roshan Apna Ghar programmes.

To provide convenience to clients, the digital account opening journey was augmented to provide an enhanced and seamless onboarding, based on insights from customer experiences. The entire conventional branch network has been enabled to onboard clients to the Konnect platform. This has served the dual purpose of easing congestion at branches and enabling low-ticket accounts to be accessed and serviced via HBL's extensive agent network.

Bancassurance regained its market leadership position with a 30% share of premiums written. Investment Services, which distributes HBL AMC's funds, are now available in over 1,400 branches and achieved AUM sales of Rs 5 billion.

HBL's Consumer Banking business had another stellar year with total consumer lending growing by 19% to Rs 122 billion. The credit cards business further consolidated its leadership with a growth of over 60% in card usage, achieving Rs 182 billion in spend and a portfolio size of Rs 24 billion, up by 47% over the previous year. HBL's credit cards remain top-of-wallet with one out of every three Rupees spent on credit cards in Pakistan being on HBL. Over 90,000 new credit cards were issued in 2022, a 17% growth from 2021. The business also offered significant limit increases to assist qualifying customers in light of inflationary pressures.

HBL has continued to solidify its position as the largest card issuer in Pakistan with one in every five people holding an HBL Debit Card, a total of 6.5 million debit cards issued. Spend volumes in 2022 increased by 58% to Rs 122 billion, of which 30% was at e-commerce merchants. The Tokenization or Tap and Pay feature was launched for credit cards in 2021; in 2022, this was enabled on MasterCard and Visa Debit Cards under the HBL Pay brand, allowing customers to pay by simply tapping their mobile phones at contactless enabled POS machines. The Bank expanded its POS network to more than 46,000 machines, the largest network in the industry. Throughput at HBL's terminals grew by 46% to Rs 264 billion, accounting for more than a third of the country's total sales volume.

Personal Loans, with a portfolio of Rs 44 billion, continued to be one of the most important pillars of consumer financing with fresh disbursements of over Rs 28 billion in 2022. Ready Cash was established as a future growth product with ~Rs 3.5 billion of credit lines approved for around 6,000 customers. Despite external challenges being faced by the autos industry, HBL has maintained its leadership position in 2022, financing 11,200 cars – the highest in the market – and increasing market share from 11.5% to 12.4%.

HBL remains focused on digitalization to improve customer convenience with faster processing. In 2022, one third of credit cards and 23% of personal loans were booked through HBL Mobile, a paperless process with instant decisioning. Towards the end of the year, in yet another industry-first innovation, Digital Car Finance was launched and promises to be a game changer for the auto financing business.

HBL is fully committed to investing and growing the SME business in a significant and sustainable way. In 2022, Advances grew by 20% to over Rs 89 billion; new and enhanced limits of Rs 35 billion were approved, 26% higher than in 2021. The SME customer base crossed 15,000, an impressive growth of 25%. The growth in scale and size has been primarily driven through enhancing sales capabilities, process simplification, use of technology and implementing scoring models for quick decisioning. The repositioning of the business has enabled faster growth with particular focus on small businesses that have a real impact on the economy. HBL has entrenched its leading position in the industry with market share increasing from 14.1% to 16.5% in 2022.

New products, focused on cashflow based lending, were designed specifically for Small businesses within the overall SME segment to accommodate the fact that these businesses are frequently collateral deficient and lack formal documentation.

This model is delivering results as HBL has already disbursed more than Rs 7 billion to 2,400 customers. The Supply Chain Financing business has shown exponential growth of over 50% and is nearing PKR 10 billion. The Bank is an active participant in SBP-led initiatives for SMEs and has disbursed more than Rs 5 billion under various schemes.

HBL continued to lead the market in Agriculture financing with the landmark achievement of crossing Rs 50 billion in advances, a 27% growth over 2021. The Bank's already dominant market share crossed 35%. SBP declared HBL as the 'Top Agri Lending Bank' in the Large Banks category for FY'22. The Bank was also nominated as the Champion Bank for Balochistan to lead the industry for enhancing access to agriculture credit and financial inclusion in the most under-privileged province of Pakistan. Under this initiative, HBL drove activities to create farmer awareness and worked with educational institutions to prepare students for employment opportunities. HBL was also awarded the Best Bank for Agriculture 2022 at the Pakistan Banking Awards.

In 2022, HBL made fresh disbursements of Rs 17 billion, 30% higher than in 2021, adding 3,500 customers. HBL's focused approach on the agriculture value chain led to Rs 3 billion financing for businesses with linkages to agriculture such as processing units and cold storage facilities. The revamping of lending to the dairy and livestock sector has enabled the Bank to on-board over 1,400 farms and build a portfolio of more than Rs 3 billion. HBL also maintained leadership in Electronic Warehouse Receipt (EWR) financing by funding over Rs 700 million and achieving a market share of more than 70%. SBP named HBL as the role model financial institution for introducing and upscaling the EWR regime in the country. HBL stood by its customers during the devastating floods, deferring repayments of more than 5,000 affected farmers while continuing fresh disbursements to enable farmers to timely sow their Rabi crops.

Considering the importance of women in the agriculture workforce, HBL launched the Nanni Kissan and Agli Nasal digital video commercials highlighting the importance of female education in the uplift of agriculture. The financial literacy and awareness of farming communities was further upscaled under the flagship "Kissan Ki Awaz" program with more than 40 sessions conducted across the country.

To bring resilience to the Agriculture sector against climatic vulnerabilities HBL, in collaboration with insurance partners, successfully completed the pilot test of the Area Yield Index Insurance product for wheat-paddy farmers. This provides insurance to farmers in case yields are impacted by climate events. To further its digitalization objectives, HBL implemented an automated Loan Origination System to digitally route loan applications. A Salesforce management application was provided to field teams, facilitating them in digitally recording customer visits and developing a sales pipeline. HBL remained the largest user of the Punjab Land Record Authority's portal, both in Fard extractions and in online charge creation.

HBL's unique and first-of-its-kind Farm-to-Processor initiative was implemented in the form of various pilot projects to uplift and turnaround Pakistan's agriculture sector. HBL has been more than a lender, helping farmers improve their production through supply-side initiatives and impartial agronomical advisory. From only 5 farmers and 444 acres when HBL embarked upon this journey in 2020, the Bank has now achieved completion of 17 pilot projects, scaling up in-kind financing to 550 farmers for 26,000 acres. HBL's fundamental shift is led by a team of 80 agronomists and field officers who guide farmers on best practices. In order to reduce time away from farm activities, HBL launched a digitally-enabled farmer onboarding system through HBL Pay. As a result of HBL's interventions, farmers with relatively small land and lease-holdings – who represent the majority of country's farmers – achieved an average increase of 46% in crop yield (with the highest increase being 118%) and an impressive average increase of 195% in net income (highest increase of 611%). These results have been independently validated by Princeton University development economists and demonstrate a double bottom-line impact both for the farmers and the Bank.

HBL's Islamic Banking business is one of the fastest growing areas within the Bank, offering the entire spectrum of the Bank's products, from large-ticket Corporate deals to retail deposits and consumer finance. In 2022, the Islamic branch network increased from 259 to 294. HBL achieved a 7% share of the market for Islamic deposits, with the total customer base crossing 1 million. In line with the Bank's "Mobile First" strategy, HBL launched an exclusive Islamic Banking Mobile App early in 2022 with transactions through this App crossing Rs 11 billion.

An Islamic Konnect account was launched in August 2022 to cater to the unbanked and under-banked segments of society who prefer Shariah-compliant solutions. In the 5 months since launch, 200,000 current accounts have been opened, with more than 400,000 transactions valuing over Rs 2.7 billion; women make up 28% of the Islamic Konnect client base. This product also offers salary disbursement and cash collection services to corporates and microfinance institutions that prefer Shariah-compliant banking.

HBL's Islamic Consumer business had another strong year, doubling its portfolio. Islamic Car Finance increased the number of units sold by 30%, even as the overall market shrank by 32%; receivables rose to nearly Rs 6 billion. HBL picked up the pace in the Government-led Mera Pakistan Mera Ghar scheme with a total book size of Rs 8 billion.

Total lending to Corporate and Commercial customers increased by 32%. This includes financing of the Islamic business' unique customers as well as Islamic products offered to conventional clients. The focus on trade resulted in a growth of 11% over last year, even though the market remained depressed due to import restrictions.

HBL continues to provide market leading products to its Corporate customers, by offering solutions for working capital and term loan needs, transaction banking products and specialized products to help clients manage foreign exchange and market risks. This is achieved through a one-window solution for the wholesale banking needs of Corporate customers, while also providing their management and employees access to HBL's suite of consumer and retail banking products. In a

difficult year, HBL continued to lend prudently, maintaining portfolio quality through frequent reviews and achieving double digit loan growth.

HBL maintained its leadership position in cash management and continues to play an instrumental role in digitizing the financial value chain. Total cash management throughput increased by 56% to Rs 12.3 trillion in 2022. HBL Pay Business Banking, the Bank's digital platform continued to drive volumes – for the second year running, payments through this platform doubled, to Rs 6.7 trillion with nearly 40 million transactions processed. The AsiaMoney 2022 survey ranked HBL as the Market Leader amongst domestic banks for cash management as well as the Best Services for cash management in Pakistan. What is most gratifying about these particular awards is that they were based on votes by customers, a testament to HBL's goal of delivering innovative products tailored to client needs. HBL's market-leading employee banking proposition provides payroll services to 3.2 million employees with deposit balances growing to Rs 252 billion. In 2022, HBL added a new feature of pay continuation insurance to provide its customers peace of mind.

In line with HBL's vision of becoming the leading trade bank in Pakistan, a new vertical of Global Trade Services (GTS) has been created to increase focus on this business and on specialized product development to capture market share. The strategic intent is to centralize all GTS products under one umbrella, create product specialization and develop innovative structures aimed at facilitating both conventional as well as complex transaction banking needs. With import curbs affecting both importers and exporters with import dependency, HBL remained close to its clients to provide support and assist them in their Trade needs. This enhanced focus helped HBL to grow its market share to 12.9% despite an overall decline in volumes.

HBL's Investment Banking business remains the first choice for clients and continued to support customers through advisory support and cutting-edge solutions, even in this very challenging environment. The Bank executed 20 deals valued at more than Rs 200 billion, covering the entire suite of investment banking products across a diverse array of sectors. The strategic Public Private Partnership area closed 2 road infrastructure projects. HBL also played a pivotal role in advising and closing Pakistan's first and largest hybrid REIT issuance. 22 accolades received from various international and domestic publishers over the course of the year are a testament to the breadth and depth of HBL's dominance of this space.

In an environment of excessive volatility, HBL's Treasury team stepped up client engagement, providing regular economic updates and facilitating customers. The Bank's groundbreaking digital FX portal, HBL Infinity® has received tremendous market acceptance with more than 350 clients transacting around \$5.5 billion in 2022. During the year, this portal was extended to customers in the UAE and has seen a very strong reception from the client base in the region. HBL also launched Symphony®, a fixed income portal which, in another industry-first, allows institutional and corporate investors to transact digitally in the Pakistan Government Securities market, in a paperless and instantaneous manner.

HBL continues to re-engineer its Home Remittances business through improvements in service quality coupled with extensive marketing campaigns in source countries. This has led to higher volumes, which grew by 13% to \$3.1 billion, and a rise in market share, to 10.6%.

HBL's Retail digital channels – Mobile and Internet Banking, ATMs and POS – continued to play a significant role in shaping Pakistan's financial landscape, connecting customers, businesses, and Government. In 2022, over 310 million financial transactions worth more than Rs 4.3 trillion were processed through these channels, a growth of over 55%, evidencing our commitment to becoming a *Technology Company with a Banking License*. Transactions through digital channels now constitute 82% of financial transactions and have contributed to significantly reducing the footfall at branches, thus containing costs and allowing for better customer focus at the branch level.

HBL Mobile and Internet Banking processed more than 125 million financial transactions worth over Rs 2.3 trillion, a doubling over 2021. This growth was driven by higher ticket sizes and a user base that has now grown to 3.2 million. HBL Mobile also processed over half a billion services transactions. The increasing confidence of customers in HBL's digital products is reflected in the exponential growth of large ticket and C2B transactions – corporate and education fee payments rose by 221% and 93% respectively, shifting ~1.3 million corporate collection transactions away from branches. In 2022, an HBL Islamic Mobile app was launched to provide convenience for customers with Shariah-compliant needs.

HBL pioneered financial transactions through the HBL WhatsApp banking channel during 2022. WhatsApp banking now has almost 300,000 users; 54,000 transactions valued at more than Rs 150 million were processed and 2.3 million services transactions were conducted.

With over 2,200 billing partners, HBL's Electronic Bill Presentment System (EBPS) enables customers to pay bills online. Payments rose by 65% over the previous year, reaching Rs 1.3 trillion in 2022. During the year, HBL also extended this service to the whole industry by exposing its unique billers to 1-Link, thereby enabling customers of other banks to make online payments to these organisations.

Maintaining its streak of bringing innovative solutions to Pakistan, HBL commercialized the conversion of mobile phones into POS terminals, thus enabling smartphones to accept card-based payments at the time of delivery and revolutionizing the delivery payments process. Through bypassing the need for cash on delivery, merchants get real-time information and 24-hour settlement, thus saving them the hassle of handling cash while freeing up their working capital. For this first-to-market initiative the Bank won the Best Payments Initiative award at the Pakistan Digital Awards and the Point of Sale Initiative for the Year at the Asian Retail Finance Awards.

HBL Pay Checkout empowers online merchants to accept digital payments through cards, bank accounts, and e-wallets. This service is now available at 620 e-Commerce merchants with over 4.6 Mn transactions valued at Rs 35 billion processed in 2022.

Financial inclusion in all its forms is a key objective of HBL. Konnect by HBL is the Bank's main vehicle for expanding financial inclusion, offering easy access to the unbanked and under-banked segments of society across Pakistan. Konnect now has 8.3 million customers with women constituting 24% of the client base. In 2022, Konnect launched an Islamic deposit account, enabling customers to fulfil their banking needs in a Shariah-compliant way and filling a major gap in the market. With over 200,000 accounts opened since launch, Konnect Islamic Account remains unique in the industry.

Konnect offers flexible disbursement solutions to more than 840 companies and small businesses with processed volumes exceeding Rs 238 billion in 2022. Konnect collection services cater to loan repayments, school fees and distributor collections, offering round the clock banking services across Pakistan without the need to go to a branch. Total collections in 2022 more than tripled, to Rs 170 billion. Konnect by HBL has had the privilege of partnering with the Government on a variety of initiatives such as the Benazir Income Support Programme, emergency disbursements for flood relief and fuel subsidies. During the year, Konnect entered into a payment partnership with the World Food Programme and the World Health Organization for the distribution of social support payments.

Early in 2021, Robotic Process Automation (RPA) was introduced with successful proof of concept deliveries and more than 50 processes converted to RPA. During 2022, the program has successfully delivered value in different cross-functional areas; since the start of the programme, 86 processes have been moved to RPA, resulting in improved processing time and saving more than 18,000 person-hours per month. This has enabled capacity increases of up to four times in these areas.

HBL witnessed significant improvement in its international operations in 2022, by staying relevant to network clients and upgrading technology platforms, payment systems and digital applications. Trade volumes rose by 68%, and network customer business doubled, driven by utilizing the network more effectively and enhancing beneficiary marketing. Deposits across the network remained stable with a healthy CASA mix. For multi-country clients, a structure of group level limits has been established under a Global Relationship Manager which will enable a more holistic management of key customers.

HBL's two branches in China serve as the main engine for origination and execution of Chinese transactions, facilitating greater intra-network flows. The Bank's successful China coverage model now covers UAE, Sri Lanka, Bangladesh and the Maldives. In 2022, this model was expanded to East Africa in partnership with our affiliate - Diamond Trust Bank. HBL serves 54 Chinese enterprises, 19 of whom are customers in multiple locations, furthering its objective of being a bank of relevance in the region. In Pakistan, HBL remains the leading bank for China business. The China franchise is well positioned to become the flagship of the international business over the next few years.

HBL continued to leverage its unique position of being one of only 3 banks in MENA and South Asia to offer end-to-end RMB intermediation by extending RMB offerings to other financial institutions. HBL's RMB Nostro proposition enables it to offer liquidity management to its Chinese clients and salary remittance services to their expatriate employees. HBL China has also established 17 new FI relationships in multiple countries to further enhance the proposition and launched an LC advising rebate program for banks in Pakistan and Bangladesh.

HBL strives to provide customers with efficient and consistent service through improving self-service and digital options, front line empowerment and monitoring. Over 300 end-to-end customer journeys were simplified to improve productivity, turnaround time and customer experience. Initiatives to further reduce turn-around-times (TAT) included enhancement of Teller transaction limits and extended hours for account opening. Through the Aagahi Drive launched in 2021, over 16,000 sessions were conducted to educate front-line staff on new and revised processes, enabling them to serve customers efficiently while ensuring a robust compliance culture. A weekly Friday Huddle was introduced to review the service experience of customers over the week and identify areas for improvement. The customer satisfaction level was 80% with problem resolution satisfaction score at 59%. During 2022, 271,433 complaints were received by the Bank, which were resolved, on average, within 5 days. The Bank's Customer Centricity Guidelines were enhanced to include parameters for fair treatment of customers and to further inculcate a culture of service excellence through accountability, recognition, and training.

In line with HBL's diversity agenda, 35 fully accessible model branches were completed with features especially designed for differently-abled individuals, from tactile floors and talking ATMs to Braille stationery and dedicated parking. Under a Female Friendly Branch initiative, infrastructure in 350 branches was upgraded to improve hygiene and provide convenience and a sense of inclusiveness to the Bank's female staff and customers.

HBL's Digital Customer Experience (DCE) handled 14.1 million interactions in 2022, with non-voice interactions through digital channels showing a growth of 59%. 17 new self-service features were added in 2022 and IVR-based interactions grew by 60%, to 1.6 million. HBL's Contact Centre also received ISO 9001:2015 certification for its controls and governance.

HBL announced its commitment to meeting AKDN's Net Zero target by 2030. Solar panels were installed at 232 premises leading to a 288 MT reduction in HBL's carbon footprint. Other initiatives aimed at emissions reduction include HVAC and lighting rationalization in major buildings, smart fuel cards and awareness sessions to involve staff in energy conservation. All new major buildings of HBL are planned to be EDGE+ certified. In recognition of its sustainability initiatives, HBL again received an Environmental Excellence Award from the National Forum for Environment & Health.

In 2021, HBL took a decision to upgrade its Core Banking System from Mysis to Temenos to enable the future growth plans of the Bank. The project was formally initiated in February with the commencement of workshops for the various workstreams and preparation of Business Requirement Documents. A Testing Center of Excellence was also established to enhance Quality Assurance of software development across the bank, and implement automated testing to deliver more resilient releases and a smoother customer journey.

The HBL Brand enjoys robust health; a Brand Health Tracker study was conducted in 2022 in which HBL emerged as the strongest brand in the industry with a Brand Equity Index of 4.1, along with the highest brand awareness, usage, and consideration scores. In 2022, HBL's flagship platform of HBLPSL was activated via the advertising campaign of "Jahan Fans, Wahan Stadium", celebrating the spirit of the game and millions of cricket fans across the world. This was the seventh edition of HBL's sponsorship of Pakistan's largest and most popular sporting event. HBL's digitally-led entertainment show attracted more than 25 million views and won the prestigious Effie Award in the Influencer Marketing category.

HBL digital marketing efforts focused on themes and platforms favoured by its clients. The Pakistan website showed an increase both in traffic as well as in session durations. Improved discoverability on search engines led to 54% of all website traffic coming through search vs 9% in 2021. HBL's Agricultural campaign was a heart-warming made-for-digital narrative that received appreciation across social platforms. In 2022, HBL went on TikTok for the first time and continues to grow a presence for reaching younger and more varied audiences.

Human Resources

True to being a "Bank with a Soul", HBL undertook a number of initiatives in 2022 to provide support to staff and their families. As a market and industry first, the Bank announced the extension of its service age to 65 years. This was driven by a motivation to support employees when they reach the age of 60, but still have the energy and drive to continue at a high level of performance for some years. This also allows such employees to continue serving our customers and to mentor younger staff. This leading initiative, which was universally hailed, will benefit hundreds of families. To help employees cope with the current economic challenges, two Interim ad hoc financial assistance payments were made to middle and junior management staff. To assist employees with transport costs, interest free motorcycle loans were offered to support employees' purchase of their own vehicles and 'Share Sawari', an in-house ride sharing app was launched. Rehabilitation and reconstruction financial assistance was also provided to staff impacted by the floods.

The Bank's relentless focus on Diversity, Equity and Inclusion bore fruit with the Bank being recognized as the Most Inclusive Organization in Pakistan by GDEIB of the Centre for Global Inclusion. As part of this assessment, HBL won 15 awards in various categories. During the year, the Waapsi returnship program for experienced women re-entering the workforce was strengthened with a number of women hired under this program. The Bank ended the year with a diversity ratio of 21%; our goal is to increase participation by women to a quarter of the workforce by 2025. As part of our push to be even more inclusive for people with disabilities, several initiatives were undertaken, including specialized training, targeted hiring, providing grants for assistive devices and launching a specialized internship / work experience program.

Attracting and developing talent remains a cornerstone of the Bank's strategy. To build a values-based culture and develop leadership capabilities at all levels, the Leadership Excellence program was launched in partnership with a leading global leadership development organization. Under this comprehensive program, spread over the next 3 years, over 3,000 leaders ranging from the Bank's Executive Committee to the junior-most front-line leader will be trained and developed in line with HBL's Leadership DNA. In 2022, this program was initiated for the Executive Committee and the General Managers of the Bank; for the remaining employees, it will be launched in 2023.

To create a strong talent pipeline, while also helping to upgrade the capabilities of the country's educational institutions, collaborations were formalized with 15 universities throughout Pakistan to provide customized support to students, faculty and curriculum depending on institutional needs and HBL's objectives. This program will assist students with scholarships and internships; provide faculty with research opportunities and real-life business projects; and provide universities with assistance on curriculum development to prepare students with skills required in today's workplaces.

HBL continues its journey of cultural transformation to have engaged, digitally savvy and customer-centric staff to deliver its strategy. The Bank's management trainee and graduate trainee programs, The League remain amongst the most sought-after in the industry and help to build a high-potential talent bench strength. Additionally, entry-level batch hiring for certain targeted roles helped to add capacity. As part of capability building, over 500,000 person-hours of training were delivered to keep employees' skills updated in line with global best practices and market needs. In pursuit of the Bank's customer-centricity goals, customer service and compliance training were at the top of the agenda. As part of the drive to continue embedding HBL's Values in the organization, 2022 annual performance assessments for all employees also included a formal evaluation of how well they demonstrated the expected behaviours.

Risk Management Framework

HBL's strategy is underpinned by the proactive management of risk. HBL fosters a strong risk culture through a comprehensive management of risks, applicable to all levels of the organization with close Board oversight, multi-tier management supervision, efficient systems and clearly articulated policies and procedures. As part of the governance structure, the Board Risk Management Committee (BRMC) monitors, assesses and manages the risk profile of the Bank on an ongoing basis. At senior management level, various risk committees are responsible for oversight and execution, while day-to-day risk management activities are delegated to different levels.

As the economy came under pressure during the year, time-tested credit management practices, including regular Early Alert Committee meetings and stress testing, helped to ensure the strength and resilience of the Bank's credit portfolio. There was a continued focus on enhancing portfolio monitoring and implementing tools for early identification of risks, particularly within the SME, Agriculture and Consumer lending portfolios. New credit scorecards were developed for Consumer and Agriculture and refresher training was provided to credit teams across the country. Risk management systems continued to evolve to facilitate business growth whilst limiting the effect of any residual risks.

To further develop bench strength and provide structured risk management training, HBL has introduced a comprehensive modular training program. The objective is to develop a uniform credit risk assessment mindset that is focused on forward-looking risk drivers, and hence adopt a proactive, rather than a reactive approach based on historical data. The program has been developed in-house and is being delivered by the Bank's senior resources.

Market and liquidity risk indicators are reviewed on a monthly basis by the Market & Liquidity Risk Committee and by ALCO. A comprehensive structure is in place to ensure that the Bank remains within its tolerance for market risk.

Policies and procedures are in place to govern operational risk management in a systematic and consistent manner. Key tools such as Risk & Control Self-Assessment (RCSA), Key Risk Indicators and Operational Loss Data Management are used to gauge the likelihood and severity of operational risk incidents. The Bank's operational risk profile and fraud risk assessment are regularly shared with senior management and the BRMC.

The Enterprise Risk Management (ERM) function was a key area of management focus and continued to be strengthened during the year. ERM is applicable to all functions, which ensures a robust and consistent approach to risk management at all levels of the organization. The Bank's ERM Framework, approved by the Board, outlines the high-level risk management principles and sets out the governance structure, standards, objectives and key responsibilities of different functions.

During 2022 the ERM team created a Bank-wide Integrated Risk and Control Repository (IRCR). The objective of this repository is to identify, manage, monitor and mitigate all risks and issues in a holistic way across the entire organization. As part of the implementation of the IRCR, self-testing by the first line of defence is being embedded across the organization. The ERM function also includes a Model Risk Management arm that aims to provide an independent review and validation of all models being used in the Bank.

The Compliance function's role is to strengthen the compliance environment and manage compliance risk across the institution by enabling the Bank to comply with applicable laws, regulations, guidelines and the Bank's internal policies and procedures, including financial crime compliance (FCC) management. HBL places reliance on Compliance Risk Management (CRM) as a prudent mitigation strategy. Global Compliance, as an independent function, assists senior management in designing, implementing, and enabling the CRM framework in all relevant jurisdictions in liaison with businesses. The objective of this framework is to proactively manage regulatory instructions, requirements and expectations as well as to identify emerging compliance and financial crime risks. HBL's CRM strategy dovetails with the Bank's strategy and incorporates industry trends, evolving regulatory requirements and global best practices.

Compliance, in liaison with business, identifies, assesses, monitors, and reports compliance risk through regulatory themed RCSAs. A comprehensive process of regulatory risk repository management has been implemented for ensuring adequate design and effectiveness of controls around regulatory requirements. During 2022, a weekly Regulatory Pulse was introduced as an information and monitoring tool for regulatory risk management and readiness assessment. Accordingly, enhancements were made to certain policies and procedures to create a more appropriate and enabling compliance framework.

The current volatile economic environment and the evolving geopolitical and regional situation have resulted in new emerging regulatory and FCC risks. Accordingly, Compliance instituted continuous engagement with internal customers through a series of *Compliance On the Go* roadshows across all regions. This was in addition to the rigorous specialized engagement sessions and trainings conducted bank-wide. In order to benchmark with global best practices, a validation and optimization project has been initiated for enhancing the effectiveness of existing transaction monitoring and sanctions screening systems.

Global Compliance has recently realigned its organizational structure by enhancing compliance monitoring, digital enablement and innovation in order to seamlessly connect with the businesses whilst enabling the necessary touchpoints with regulators. The Ethics & Conduct function has also now been integrated within the Compliance function.

The Compliance Committee of Management, chaired by the President, monitors and reviews compliance and conduct related matters. The Board Compliance & Conduct Committee (BCNCC) supports the Board in overseeing the implementation of a compliance and conduct culture and provides governance over the implementation of a bank-wide compliance program. HBL's whistleblowing program is directed at safeguarding the Bank's integrity and reputation and aims to increase employee ownership in reporting suspected cases of fraud, corruption, harassment and other infringements of the Bank's Code of Conduct. The BCNCC also oversees ethics and conduct related matters including whistle-blowing; any related investigations are overseen by the Board Audit Committee (BAC) and disciplinary actions are reviewed by the Board Human Resource & Remuneration Committee. During the year, further efforts were made to spread awareness of the various communication channels available for employee speak-up.

It is vitally important for HBL to protect its customers and their data from cyberattacks and data breaches. The Bank's Information Security function plays a pivotal role in protecting HBL's data assets from both internal and external threats through the effective management of cybersecurity risk, supported by preventive and detective controls capable of responding to emerging external threats. The Bank's 24x7 Security Operations Centre continues to contribute to a robust security posture through various monitoring, detection, and preventive mechanisms.

Robust authentication and behavioral analytics of customers transacting over digital channels are essential controls in the prevention of cyber-frauds. A focused effort has helped the Bank to reduce the quantum of such incidents. The Bank also successfully completed the annual requirement of demonstrating compliance to the SWIFT Customer Security Program as well as ISO 27001 compliance. An extensive internal awareness campaign was launched to provide training and guidance on information security related matters and was supplemented by targeted awareness campaigns for customers. The Bank is committed to strengthening cyber-defenses through the use of automation and modern technologies, including AI and machine learning, while proactively mitigating against advanced security threats. These security measures allow HBL to continue offering innovative digital solutions to its clients while ensuring them protection and peace of mind.

Corporate Social Responsibility (CSR)

HBL makes a concerted effort to operate in ways that enhance the well-being of society, and that emphasize compassion and sharing, a spirit that we inculcate in our employees as a socially responsible organization. Contributing to the communities in which we operate is one of the pillars of our strategic agenda. The majority of HBL's giving is done through the HBL Foundation (HBLF), under strict evaluation criteria to maintain transparency, quality and legitimacy, and to monitor and measure the impact and sustainability of each grant. The Foundation seeks out organizations that help underserved and underprivileged communities to navigate a future where at least basic individual needs are met. HBLF completed a decade of giving in 2021; in 2022, its philanthropic funding was increased to 1.5% of the Bank's profit after tax.

In 2022, HBL directly contributed Rs 133 million, the bulk of which was on flood rehabilitation efforts in Sindh and Balochistan. In its immediate response the Bank, in partnership with Jubilee Life Insurance and Jubilee General Insurance, distributed relief supplies worth Rs 180 million to over 10 communities across both provinces. These included 15,000 ration bags providing up to 8 million meals, 4,000 mosquito nets, and 3,100 family-sized water-proof tents. The floods accentuated the problem of access to safe drinking water for which HBLF provided Rs 10 million for the distribution of 2,500 water filtration kits. HBL partnered with the Government of Pakistan and the National Disaster Management Authority, to disburse emergency relief funds under the BISP umbrella to 1 million flood affectees. HBL and its staff went above and beyond in the face of this humanitarian crisis, defying challenges of mobility and approachability to ensure that the impacted population was helped in any way possible. HBL also contributed Rs 128 million to build 100 prefabricated houses in each of two villages in the Larkana area.

In 2022, HBL Foundation donated Rs 349 million to 31 organizations operating in the areas of healthcare, education, community development, arts and culture across Pakistan. Rs 252 million were contributed to the healthcare sector for lifesaving medical equipment, tertiary healthcare for children, and eye and surgical camps. Amongst others, support was provided to the Sundas Foundation's whose Iron Chelation Therapy program will benefit 200 Thalassaemia patients a year, a mobile hospital that benefits 500 people per week in the remotest areas of Punjab, and a pediatric center in PIMS Islamabad for preventive, emergency, and primary childcare.

The Foundation donated Rs 76 million for the provision of education, technical and vocational programs to students across Pakistan. In 2022, HBLF also launched Science, Technology, Engineering, Arts and Mathematics (STEAM) scholarships for girls from underserved communities. 5 scholarships each were given to the National University of Sciences and Technology and to the Lahore University of Management Sciences.

HBL Foundation also supports interventions related to art, music and culture. All Pakistan Music Conference, a Karachi-based not-for-profit, was provided a grant for an archiving project called Living Masters that aims to document the art, journey, and relationships of legendary musicians in Pakistan through interviews and masterclasses.

To ensure the inclusion of a diverse set of communities, Rs 5.5 million were granted for procurement and distribution of rations to 1,000 Christian, Hindu, Fisherfolk, and Transgender families. These disbursements were carried out with the support of the Gender Interactive Alliance and Tehrik-e-Niswan and provided these families sufficient food for a month.

HBL encourages a strong spirit of volunteerism amongst its employees through a well-coordinated program that regularly identifies opportunities to serve. During the year, our staff stepped up to support a diverse range of activities including tree plantation, clean-up drives, blood camps and donating books and toys to the less fortunate.

Credit Ratings

In June 2022, the Bank's credit ratings were re-affirmed by VIS Credit Rating Company Limited at AAA/A-1+ for long-term and short-term respectively. The rating of the TFCs issued as Additional Tier 1 Capital in September 2019 has also been re-affirmed as AA+. The recently issued Additional Tier 1 Capital TFCs have been rated as AA+. The Outlook on all ratings is Stable. The ratings incorporate HBL's position as the largest commercial bank in the country and reflect its strong financial and liquidity profile and systemic importance. VIS also pointed out that HBL's strategy of enhancing its digital footprint remains a competitive advantage for the Bank. In October, Moody's downgraded the sovereign rating from B3 to Caa1, with a Negative Outlook. It subsequently mirrored this action for the large Pakistan banks, including HBL.

Future Outlook

At the start of 2023, Pakistan faces perhaps the most challenging economic conditions in its history. While the country has faced serious crises in previous eras, the current situation is complicated by the sheer magnitude of the fiscal and monetary challenges. Structural shortcomings that have built up over several decades have finally come home to roost, resulting in an import-dependent economy which has continued to pile pressure on the external account and resulted in downgrades of Pakistan's sovereign ratings.

The impact of these factors has been compounded by the aftermath of the Covid pandemic and the Russian invasion of Ukraine. The combination of these two events have led to an upheaval in global supply chains and the concomitant rise of high and persistent inflationary pressures across the globe; a large-scale reduction in risk appetite on frontier markets such as Pakistan; and a realignment of geopolitical preferences. The low level of foreign exchange reserves has led to a de-facto rationing, resulting in supply bottlenecks across the economy, now even affecting exports. Companies are responding by cutting production and announcing layoffs, which will further depress demand and affect lives and livelihoods, all against a backdrop of entrenched inflation at levels not seen for nearly half a century.

It is quite clear that the only pathway out of this situation is to rapidly conclude the 9th review of the EFF and seek a continuation of the IMF programme. A Staff Level Agreement with the Fund is now an existential necessity, and must be pursued with single-minded urgency. The government has belatedly agreed to many of the major conditionalities required by the Fund, including concessions on revenues (mostly indirect), and a reversion to a floating exchange rate regime. A resolution is likely to be accompanied by difficult social and political conditions, although we should see a gradual return of investor appetite, leading to a near-normalization of conditions over the next 12 – 18 months. Policymakers must now tread a sensible path towards meaningful structural reform and a way out of the current predicament.

HBL has successfully navigated the plethora of headwinds it has faced during the year. Successive record quarters have led to another record year with leadership positions further entrenched across most areas of our operations; results from the strong domestic franchise have been boosted by the international business also now delivering operating profitability. For the second year in a row, our achievements were recognised through our winning Pakistan's most prestigious award, The Best Bank in Pakistan, at the IBP Banking Awards. Our Transaction Banking business has won a number of awards; the fact that these are based on client feedback makes them even more meaningful. We dedicate these results to our customers, many of whom have banked with us across generations and who are at the heart of all we do.

HBL's investments in technology over many years are coming to fruition; the more virtual way of life, originally forced upon the world by the pandemic, is now seen by customers as a means of accessibility and convenience. Increasing digitalization of our businesses has become a way of life for HBL, whether it be paperless consumer financing, remote digital account opening or gamified hiring and training. This year, we have again introduced a slew of innovative products that have revolutionized the digital banking space: WhatsApp banking, Tokenization, Mobile POS enablement and Pakistan's first Islamic branchless banking proposition. From HBL Mobile to Konnect, e-commerce to QR payments, HBL continues to set benchmarks in customer uptake and usage, embedding its position as a technology company with a banking license – one that is shaping the digital landscape in the country.

HBL is an integral part of the nation's fabric – as Pakistan's premier financial institution, HBL keeps stepping up in every sphere to support the country. We remain obsessed with providing thought leadership across the full spectrum of the economy, working with the Government under a public-private partnership model. Our pioneering interventions in agriculture have had a dramatic impact on the lives of farmers and going forward we will scale this up even more rapidly. Our role in helping Pakistan exit the FATF grey list has been publicly acknowledged and lauded and we remain the go-to organisation in the country for disaster relief. In 2022, we extended our founding support to HBLPSL to a full decade – an event that has helped put Pakistan back on the map of world cricket and brought untold joy to tens of millions of Pakistanis. HBL continues to patronise the arts and artists, bring art into the public space and providing people from all walks of life opportunities to enjoy and appreciate art.

HBL continues to take bold initiatives to tackle the world's most important issue – climate change – by continually raising the bar, even at the cost of foregoing business. Our ambition of achieving Net Zero by 2030 is our stake in the ground in pursuit of environmental commitments. We remain relentlessly focused on financial inclusion in all its aspects – inclusion of women through HBL Nisa and our own gender diversity targets; inclusion of the underserved through Konnect and microfinance; inclusion of the differently-abled through targeted hiring and facilities at our touchpoints; and inclusion of millennials through digital banking – to ensure a brighter future for Pakistan and Pakistanis. Among our most cherished recognition of all is having been named as The Most Inclusive Organization in Pakistan.

Dividend

The Board has recommended a final cash dividend of Rs 1.50 per share for the year ended December 31, 2022, bringing the total cash dividend for the year to Rs 6.75 per share. The Board had earlier declared and paid interim cash dividends of Rs 5.25 per share.

Meetings of the Board

	Board Meeting	
	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	9	9
Mr. Khaleel Ahmed	9	9
Mr. Shaffiq Dharamshi	9	9
Mr. Moez Ahamed Jamal	9	9
Ms. Saba Kamal	9	9
Mr. Salim Raza	9	9
Dr. Najeeb Samie	9	9
Mr. Muhammad Aurangzeb	9	9

Meetings of Board Committees

	Board Audit Committee		Board Risk Management Committee		Board Human Resource and Remuneration Committee		Board Compliance & Conduct Committee	
	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	N/A	N/A	N/A	N/A	6	6	N/A	N/A
Mr. Khaleel Ahmed	8	8	N/A	N/A	6	6	8	8
Mr. Shaffiq Dharamshi	N/A	N/A	6	6	6	6	8	8
Mr. Moez Ahamed Jamal	8	8	N/A	N/A	N/A	N/A	8	8
Ms. Saba Kamal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Salim Raza	N/A	N/A	6	6	N/A	N/A	N/A	N/A
Dr. Najeeb Samie	8	8	N/A	N/A	6	6	N/A	N/A
Mr. Muhammad Aurangzeb	N/A	N/A	6	6	N/A	N/A	N/A	N/A

	Board Development Finance Committee		Board Nomination & Remuneration Committee		Board IT Committee		Board Oversight Committee – International Governance*	
	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance	Meetings held during tenure	Attendance
Mr. Sultan Ali Allana	N/A	N/A	N/A	N/A	N/A	N/A	2	2
Mr. Khaleel Ahmed	4	4	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Shaffiq Dharamshi	N/A	N/A	4	4	N/A	N/A	N/A	N/A
Mr. Moez Ahamed Jamal	N/A	N/A	4	4	4	4	N/A	N/A
Ms. Saba Kamal	4	4	N/A	N/A	4	4	N/A	N/A
Mr. Salim Raza	4	4	4	4	4	4	N/A	N/A
Dr. Najeeb Samie	N/A	N/A	4	4	N/A	N/A	2	2
Mr. Muhammad Aurangzeb	4	4	N/A	N/A	N/A	N/A	2	2

* The Board of Directors, in its 243rd Meeting held on September 22, 2022, dissolved the Board Oversight Committee for International Governance (BOC-IG), and formed a new Committee namely the Board Strategy Input & Monitoring Committee (BSIMC) to assist the Board in discharging its oversight duties with respect to the development, monitoring and implementation of the Bank's strategy. No meeting of the BSIMC was held in 2022.

Meetings of the Shariah Board

	Shariah Board Meeting	
	Meetings held during tenure	Attendance
Dr. Muhammad Zubair Usmani (Chairman)	4	4
Dr Ejaz Ahmed Samadani (Member)	4	4
Mufti Muhammad Yahya Asim (Resident Shariah Board Member)	4	4

Auditors

The current auditors, Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, retire and, being eligible, offer themselves for reappointment at the Annual General Meeting. Accordingly, the Board of Directors, on the recommendation of the Board Audit Committee, recommends the appointment of Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, as the auditors of the Bank for the financial year 2023 at a fee of Rs 41.899 million with out of pocket expenses and taxes to be paid at actuals.

Statement on Corporate and Financial Reporting

The Board is committed to ensuring that the requirements of corporate governance set by the Securities and Exchange Commission of Pakistan are fully met and the Directors are pleased to report that:

- a) The financial statements prepared by the management of the Bank present a true and fair view of the state of its affairs, operational results, cash flows and changes in equity.
- b) Proper books of accounts of the Bank have been maintained.
- c) Accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The Bank has followed International Financial Reporting Standards (as applicable to Banks in Pakistan) in the preparation of its financial statements and there is no departure from the said standards.
- e) As a continuous process, efforts have been made to implement an adequate and effective internal control system. HBL follows the SBP Internal Control Guidelines, including the roadmap and the guidelines for Internal Controls over Financial Reporting (ICFR). The Bank has developed a Framework for the management of ICFR.
- f) There are no doubts about the Bank's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance as detailed in the Listed Companies (Code of Corporate Governance) Regulations (the Code).
- h) Key operating and financial data for the last six years is presented in the financial statements under the section "Growth 2017 to 2022 – Consolidated".
- i) The Directors, CEO, CFO and Company Secretary have confirmed that neither they nor their spouses are engaged in the business of stock brokerage.
- j) Audit, Human Resource and Remuneration, Risk Management, IT, Compliance and Conduct, Development Finance, Board Oversight for International Governance, and Nomination & Remuneration Committees constituted by the Board are functioning efficiently in accordance with their Terms of Reference. In September 2022, the Board Oversight Committee for International Governance was replaced with the Board Strategy Input & Monitoring Committee, described more fully below. The Board has held nine (9) meetings in the year, including at least once in every quarter.

The Board is pleased to endorse the statement made by the management relating to Internal Controls. The Statement of Internal Control, the Statement of Compliance with the Code, the Review Report on Statement of Compliance with the Code and the Auditors' Reports are attached to the Financial Statements.

Value of Investments in Employee Retirement Benefits Funds

The table below shows the value of the investments of the provident, pension, gratuity and benevolent funds maintained by the Bank, based on their audited financial statements as at December 31, 2022.

	Rupees in million
Employees' Provident Fund	3,718
Employees' Pension Fund	3,175
Employees' Gratuity Fund	2,609
Employees' Benevolent Fund – Executives and Officers	1,874
Employees' Benevolent Fund – Clerical and Non-Clerical	579

Pattern of Shareholding

The pattern of shareholding as at December 31, 2022 and the trading in the Bank's shares by Executives, as defined by the Board of Directors under the Code, is given in the Annual Report under the requirements of the Code.

Parent Company

As disclosed in Note 1.1 of the financial statements, the Aga Khan Fund for Economic Development (AKFED) S.A., is the parent company of the Bank and its registered office is in Geneva, Switzerland.

Training programs attended by Directors

All Directors have either obtained required certification from an SECP approved Directors' Training program and/or stand exempted from such training, in accordance with the Regulations.

In 2022, the Board attended three training sessions: Ethics & Integrity; the spectrum of Islamic Finance, both local and global; and the latest AML/CFT trends based on safeguarding financial integrity in the global landscape. These sessions were conducted by well-recognized external experts.

Board Performance Evaluation

HBL's Board has opted for an external annual evaluation of the Board and its Committees, which was carried out by the Pakistan Institute for Corporate Governance (PICG) in 2022. The evaluation assessed performance both as a Board as well as at the individual Director level, and covered Board Composition, Strategic Planning, Board & CEO Effectiveness, Board Information, Board Committees, Board Procedures and the Control Environment.

Process of Appointment and Nomination of Board members:

Directors are elected to a 3-year term by the shareholders of the Bank. Any casual vacancies are filled by the Board of Directors in line with the Bank's Articles of Association and in compliance with applicable laws and regulations. The nomination of Board members is undertaken by the Board Nomination and Remuneration Committee (BNRC). This can arise either in case of a casual vacancy or where specific requirements are introduced by regulators. Once a potential candidate is identified, the Committee, having undertaken its due diligence, submits a recommendation for the Board's approval. All Directors are approved by the SBP in line with its Fit and Proper Test (FPT) criteria; further, the Independent Directors meet the additional requirements for independence as specified in the SBP's Corporate Governance Regulatory Framework.

Composition of the Board and Board Committees

The composition of the Board and details of Board Committees are given in the Statement of Compliance with the Code of Corporate Governance.

The Board has the following committees for providing support in strategic direction and enhanced oversight. The board committees function as per their respective Terms of Reference (TORs) approved by the Board. A brief description of the functions of each sub-committee, is as follows:

Board Audit Committee (BAC): The BAC facilitates the Board in setting the 'tone at the top' for a strong and effective system of internal controls. The Committee reviews the adequacy and effectiveness of the Bank's internal control environment, including financial and operational controls, accounting systems, and reporting structure. The Committee provides oversight of the Bank's Internal Audit function; approves and monitors the progress of the risk-based annual audit plan; and ensures that the Internal Audit Function has adequate resources and is appropriately placed within the organization structure to maintain its independence. The BAC also reviews the Bank's financial statements and associated matters before recommending them to the Board for approval; as part of this process, the Committee also interacts with the External Auditors of the Bank and recommends the appointment, both of the statutory auditors, as well as the auditors of overseas branches, to the Board. The BAC is also responsible for monitoring the implementation of new accounting standards; in particular, the Board has designated the BAC as the committee responsible for oversight of the implementation of IFRS 9 in HBL. For areas that are under its purview, the BAC recommends policies to the Board for approval.

Board Risk Management Committee (BRMC): The Committee is responsible for oversight and advice to the Board on risk related matters, including governance, with respect to the Bank's risk appetite and internal control systems. The BRMC also ensures the structure and completeness of the Bank's internal risk framework in relation to the risk profile, design of systems of controls and the development and maintenance of an independent, supportive and proactive risk management culture. The Committee also takes a forward-looking approach to ensure that evolving risks are identified and mitigated.

Board Human Resource and Remuneration Committee (BHRRC): The Committee recommends key Human Resources and Remuneration policies including major terms of employment and benefits, performance management and compensation plans for all key executives and other staff members of the Bank. It also reviews and recommends the people strategy, policies for staff training, career development, talent management and succession planning in line with relevant regulatory requirements and best practices.

Board Compliance & Conduct Committee (BCNCC): The BCNCC supports the Board in overseeing the implementation of a compliance and conduct culture and provides governance over the implementation of a bank-wide compliance program. It also monitors the Compliance function's mandate and ensures its capabilities to effectively manage the Bank's compliance risks. The Committee reviews inspection reports from domestic and international regulatory authorities including time-bound management action plans to address identified issues. In order to enhance the overall conduct environment, the BCNCC also oversees ethics and conduct related matters.

Board Development Finance Committee (BDFC): The Committee was constituted with the vision of transforming HBL into a "Bank with a Soul", adding perspective to Pakistan's economic, demographic and sociographic realities. Its goal is to help HBL unleash its true potential, given the opportunities available, particularly in financially excluded, underserved and unserved segments. Through this Committee, the Bank furthers the agenda of sustainability, development, and green banking. The BDFC provides strategic input on initiatives for improving financial inclusion, especially through the use of affordable technology; access to financial services; and awareness creation in priority sectors and the communities that the Bank serves.

Board IT Committee (BITC): The Board IT Committee reviews, evaluates and makes recommendations to the Board regarding the Bank's major technology investment plans and strategies. The Committee also reviews the benefits and returns derived from technology spend. The BITC focuses on digital initiatives that can help customer centricity, reduce costs and enhance revenues, and provides guidelines on engaging with Fintechs and using Cloud services. Additionally, the Committee ensures that effective oversight is provided to the Information Security function of the Bank and that the Information Security posture is aligned with the Bank's risk appetite.

Board Nomination & Remuneration Committee (BNRC): The Committee assists the Board in identifying an appropriate structure, size and balance of skills on the Board as deemed necessary to support the strategic objectives and values of HBL for sustainable growth. The BNRC also recommends to the Board, the remuneration arrangements for Directors in line with the regulatory framework.

Board Oversight Committee – International Governance (BOC-IG): The Committee terms of reference included providing oversight of governance of overseas business operations, including subsidiaries, in accordance with the SBP's Governance Framework for Banks' Overseas Operations. This committee was dissolved by the Board in September 2022, and replaced with the Board Strategy Input & Monitoring Committee described below.

Board Strategy Input and Monitoring Committee: This Committee has been constituted to oversee the Bank's strategy and monitor its implementation. It shall support the Board in conducting structured and holistic reviews of the business, financial and operational performance of the Bank. It shall provide strategic advice and integrated insights on the evolving operating landscape considering evolving trends, competition and market developments such that the Bank is positioned appropriately to harness opportunities emerging at present and in the future. The Committee shall also monitor Bank's progress against its strategic plan along with other initiatives that enable HBL to gain regional relevance in its strategically important locations.

Appointment and Composition of the Shariah Board

To appoint a Shariah scholar, the management first conducts the screening of the proposed Shariah Board member in line with the SBP's Fit and Proper Criteria (FAPC). This is then forwarded to HBL's Board of Directors for approval, after which it is submitted to the SBP along with the filled FAPC form and Board approval and other supporting documents. After receipt of SBP's clearance, the management engages the Shariah Board member, executes the contract and informs SBP. Each Shariah Board Member is dedicated to only one commercial bank in Pakistan.

HBL's Shariah Board comprises of three members

Dr. Muhammad Zubair Usmani is amongst the most experienced Shariah Board Members and serves as Chairman of the Shariah Board. He completed his Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He holds a PhD in Islamic Finance from the University of Karachi and a Masters degree in International Relations. He has been associated with the banking and financial services industry since 1999 and has provided Shariah Advisory services to various financial institutions locally and globally. He has also served as a member of the Shariah Board of the State Bank of Pakistan and as Chairman of the Shariah Boards of United Bank Limited and Habib Metropolitan Bank Limited.

Dr. Ejaz Ahmed Samadani is an eminent Shariah scholar. He received his religious qualifications of Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He holds a PhD in Islamic Studies from Karachi University, a Masters degree in Islamic Studies from Bahauddin Zakariya University and an LLB from Sindh Muslim Government College. He has been associated with the banking and the financial services industry since 2004 and has provided Shariah Advisory services to various financial institutions locally and globally. He also serves as Chairman, Shariah Board of Maldives Islamic Bank and Member, Shariah Supervisory Board of MCB-Arif Habib Alhamra Islamic Funds. He has also served as Member, Shariah Board of United Bank Limited, The Bank of Punjab and as Shariah advisor of Alfalah GHP Islamic Fund.

Mufti Muhammad Yahya Asim received his religious qualifications of Takhassus fil Iftaa (Islamic Jurisprudence) and Shahdat ul Aalimiyah from Jamia Dar ul Uloom, Karachi. He also holds a Masters degree in International Relations, Arabic and Islamic Studies. Currently, he is pursuing a PhD from the University of Karachi. He has been associated with Islamic Banking and the financial services industry since 2004 and has provided Shariah Advisory services to HBL, Habib Metropolitan Bank, Atlas Asset Management, HBL Asset Management and TPL Window Takaful. He has been associated with HBL since 2008 and currently serves as the Resident Shariah Board Member of the HBL Shariah Board.

The Terms of Reference of the Shariah Board (SB) are in accordance with the Shariah Governance Framework issued by the SBP. These include, inter alia, the following:

- The SB is empowered to consider, decide and supervise all Shariah related matters of HBL. All decisions, rulings, fatawas of the SB shall be binding on the Bank whereas the SB shall be responsible and accountable for all its Shariah-related decisions.
- The SB shall ensure the development of a comprehensive Shariah compliance framework for all areas of operations of HBL Islamic Banking. All products or services to be offered by HBL Islamic Banking shall have prior approval of the SB.
- The SB shall approve all procedure manuals, product programs/structures, process flows, related agreements, marketing advertisements, sales illustrations and brochures so that they are in conformity with the rules and principles of Shariah.

Compensation of Directors

The shareholders of the Bank approved the Board Remuneration policy at the Annual General Meeting held on March 30, 2020. Under this policy, the Directors' fee for attending Board and Committee meetings is Rs. 600,000 per meeting. The policy also provides travel and daily allowance entitlements for Non-Executive Directors for business related travel.

The details of the remuneration of the CEO and fees paid to the Directors are disclosed in Notes 38.1 and 38.2 to the unconsolidated financial statements.

Compensation of Shariah Board Members

The Head, Islamic Banking recommends the compensation of Shariah Board members, based on industry practice, to the President. After approval of the President, it is forwarded to the Head HR for recommendation to the Board Human Resource and Remuneration Committee. The Committee reviews and recommends the compensation of Shariah Board members to the Board of Directors for approval.

The current monthly remuneration of Shariah Board members, as approved by the Board of Directors, is Rs. 950,000, Rs. 900,000 and Rs. 800,000 for the Chairman, Shariah Board, Member Shariah Board and Resident Shariah Board Member, respectively. The Resident Shariah Board Member is also entitled to a car allowance.

As per their contracts of employment, The Shariah Board members are entitled to travel allowance and daily allowance as per the Bank's Travel Policy.

The details of remuneration paid to Shariah Board Members are disclosed in Note 38.3 to the unconsolidated financial statements.

Appreciation and Acknowledgement

On behalf of the Board and management, we would like to place on record our appreciation for the efforts of our regulators and the Government of Pakistan, in particular the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan. In these unprecedented times, they have stepped up with policies and measures that are prudent, proactive and balanced, protecting the economy, customers and people of Pakistan, while also safeguarding the integrity and soundness of the banking and financial services industry.

We are indebted to our customers, many of whom have banked with us for generations, and who continue to entrust us with their business and confidence. Our shareholders have provided steadfast support and to them, and to all our stakeholders, we are deeply grateful. The Board and the management remain committed to maintaining the highest standards of governance and we assure our stakeholders that we will be industry leaders in this area.



Lastly, but certainly not the least, we express our deepest appreciation and gratitude to our employees and their families, especially in customer facing units and branches, who continually go the extra mile, even at personal cost, to ensure that our customers are able to meet their critical needs. They are our heroes and heroines and we salute them for their dedication and tireless efforts.

On behalf of the Board

Muhammad Aurangzeb
President & Chief Executive Officer

Moez Ahamed Jamal
Director

February 24, 2023

مالیاتی کارکردگی

بلند ترین سہ ماہی منافع کے باعث، HBL نے 2022ء میں 71.6 ارب روپے کا قبل از ٹیکس منافع دیا ہے جس میں سال بھر مسلسل اضافہ ہوا ہے۔ PBT گزشتہ سال کے 59.0 ارب روپے کے مقابلے میں 21% زیادہ ہے۔ تاہم بینک کا بعد از ٹیکس منافع 10% کم ہو کر 30.9 ارب روپے رہ گیا کیونکہ حد سے زیادہ ٹیکس لگنے کی وجہ سے بینک پر 10.3 ارب روپے کا اثر پڑا۔ فی حصص آمدنی 2021ء کے 23.36 روپے سے کم ہو کر 2022ء میں 21.04 روپے ہو گئی۔

HBL کی بیلنس شیٹ 7% اضافے کے ساتھ 4.4 ٹریلین روپے تک پہنچ گئی۔ ڈومیسٹک کرنٹ ڈپازٹس میں 203 ارب روپے کا اضافہ ہوا جو گزشتہ سال کے مقابلے میں 20% اضافے کے ساتھ 1.2 ٹریلین روپے تک پہنچ گئے۔ کم لاگت سیونگ اکاؤنٹس میں 136 ارب روپے اضافہ ہوا۔ کم لاگت ڈپازٹس کو متحرک کرنے اور فنڈز کی لاگت پر قابو پانے کی کوششوں پر بینک کی توجہ کے نتیجے میں 41.5% کاریکارڈ کرنٹ اکاؤنٹ کس اور 86.5% CASA تناسب پیدا ہوا۔ دسمبر 2022ء تک مجموعی ڈومیسٹک ڈپازٹس 2.9 ٹریلین روپے تک پہنچ گئے اور HBL کے کل ڈپازٹس بڑھ کر 3.2 ٹریلین روپے تک پہنچ گئے۔

اپنے مذکورہ عزم کے مطابق معاشی ادوار میں کسٹمر کی مدد کے لیے، HBL نے اپنے کسٹمر اور ملک کی انتہائی مشکل وقت سے گزرنے میں مدد کی۔ ملکی قرضوں میں مستقل طور پر سال بھر 241 ارب روپے اضافہ ہوا اور یہ 1.4 ٹریلین روپے تک پہنچ گیا، جس میں مسلسل دوسرے سال 20% سے زائد کا وسیع البینا اضافہ ریکارڈ کیا گیا۔ بینک کا فلنگ شیپ کنزیومر پورٹ فولیو بڑھ کر 122 ارب روپے تک پہنچ گیا اور کمرشل شعبے کے قرضے 100 ارب روپے سے تجاوز کر گئے۔ زرعی فنڈنگ بینک کی اہم ترجیح ہے جس کا پورٹ فولیو 50.6 ارب روپے کی تاریخ کی بلند ترین سطح پر پہنچ گیا ہے HBL کے کل ایڈوانسز 17.2% اضافے کے ساتھ 1.6 ٹریلین روپے تک پہنچ گئے جبکہ ADR میں 52.9% بہتری ہوئی۔

تیز رفتار مالیاتی سختیوں کے ساتھ، 2021ء کے مقابلے میں خالص سود کے مارجن میں 67bps کی بہتری آئی ہے جبکہ بینک نے اوسط بیلنس شیٹ حجم میں 500 ارب روپے کا اضافہ حاصل کیا ہے۔ اس کے نتیجے میں خالص سود کی آمدنی 26% اضافے کے ساتھ 152 ارب روپے تک پہنچ گئی۔ نان فنڈ آمدنی 25% اضافے کی نمایاں کارکردگی کے ساتھ 38.3 ارب روپے تک پہنچ گئی۔ HBL کی طاقت ور فیس فریچائز نے ایک بار پھر شاندار نتائج پیش کیے اور 24% اضافے کے ساتھ 27.7 ارب روپے تک پہنچ گئی۔ اس کا فلنگ شیپ کارڈ بزنس نئے ریکارڈ قائم کر رہا ہے، جس نے فیسوں میں تقریباً نصف اضافہ کیا ہے جو کل فیس آمدنی کا تقریباً 50% بنتا ہے۔ رکاوٹوں کے باوجود تجارتی آمدنی 19% اضافے کے ساتھ 3.2 ارب روپے تک پہنچ گئی۔ بینک کے برانچ لیس بینکنگ منصوبے Konnect میں سرمایہ کاری اب نتیجہ خیز ثابت ہو رہی ہے کیونکہ Konnect نے 1.5 ارب روپے کی فیس حاصل کی ہے جو 2021ء کے مقابلے میں دوگنی سے بھی زیادہ ہے۔

HBL اپنے لوگوں اور ڈیجیٹل انفراسٹرکچر میں سرمایہ کاری جاری رکھے ہوئے ہے تاکہ کسٹمرز کو جدید اور منفرد حل فراہم کیے جاسکیں۔ جب تباہ کن سیلاب کے نتیجے میں لاکھوں افراد بے گھر ہوئے تو HBL نے ہمیشہ کی طرح آگے بڑھ کر ملک اور عوام کی مدد کے لیے اقدامات کیے۔ 2022ء میں مجموعی انتظامی اخراجات بڑھ کر 110.5 ارب روپے ہو گئے کیونکہ غیر معمولی افراط زر نے تمام شعبوں کے اخراجات کو متاثر کیا۔ تاہم، ایک مضبوط ریونیو کی بنیاد کے ساتھ، مقامی لاگت / آمدنی کا تناسب پچھلے سال کی 51.1% کی سطح پر برقرار رکھا گیا۔ بینک کے مجموعی پرووژن معمولی اضافے کے ساتھ 6.5 ارب روپے تک پہنچ گئے کیونکہ HBL نے بینک کو موجودہ معاشی حالات کے اثرات سے بچانے کے لیے پہلے سے تیار ذخائر میں دائرہ بندی سے اضافہ کیا۔ HBL کا لیکویڈیشن تناسب 5.1% سے قدرے بہتر ہو کر 5.0% پر آ گیا جبکہ مجموعی کوریج 100% سے اوپر رہی۔

ذخائر میں اتار چڑھاؤ

2021

2022

ملین روپے

34,271	30,867
129,263	148,392
34,271	30,867
206	157
181	58
34,658	31,082
163,921	179,474

بعد از محصول منافع

افتتاحی غیر تخصیص شدہ منافع

بینک کے انکیویٹی ہولڈرز کا منافع

وضاحت شدہ منفعت کی ذمہ داریوں پر منافع کی دوبارہ بینائش۔ محصول کا خالص اثاثہ جات کی دوبارہ تخصیص پر سرپلس سے منتقل شدہ۔ محصول کا خالص

مناسب کارروائی کے لیے دستیاب منافع

ڈائریکٹرز رپورٹ 2022ء

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے سالِ مختتمہ 31 دسمبر 2022ء کے غیر مجموعی مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔

کلیاتی اقتصادیات کا جائزہ

مالی سال 2022ء میں اعلیٰ شرح نمو کے بعد جب معیشت میں 6.0% اضافہ ہوا، مالی سال 2023ء کا آغاز پاکستان کے اب تک کے بدترین سیلاب سے ہوا، جس سے تقریباً 32 ارب ڈالر کا نقصان ہوا۔ پاکستان کے چیلنجز بہت نمایاں رہے ہیں۔ بیرونی محاذ اجناس کی بڑھتی ہوئی قیمتوں اور قرضوں کی ادائیگیوں سے متاثر ہوا، جس میں IMF پروگرام میں تاخیر کی وجہ سے اضافہ ہوا، جبکہ ملکی معیشت شدید دباؤ میں آگئی، جس کی وجوہات میں غیر یقینی سیاسی صورت حال بھی شامل تھی۔ ان عوامل کی وجہ سے زیادہ تر بائی فریکوئنسی ڈیٹا میں اعتدال کے ساتھ معیشت مجموعی طور پر سست روی کا شکار ہوئی۔ وسیع پیمانے پر مینوفیکچرنگ انڈیکس میں مالی سال 23 کی پہلی ششماہی کے دوران 3.7% کمی ریکارڈ کی گئی اور اسٹیٹ بینک نے GDP نمو کے لیے بھی منفی خطرات سے خبردار کیا ہے۔ جنوری 23 میں ایندھن اور توانائی کی قیمتوں میں اضافے، ایشیائی خوردونوش کی مہنگائی اور کرنسی کی قدر میں کمی کی وجہ سے افراط زر میں اضافہ ہوا، جو تقریباً 50 سال کی بلند ترین سطح 27.6% ریکارڈ کی گئی۔ بنیادی افراط زر مسلسل اضافے کے رجحان کے ساتھ بڑھ کر 17.0% تک پہنچ گئی، جو توانائی کی بڑھتی ہوئی قیمتوں کے ثانوی اثرات کی عکاسی کرتا ہے۔ مالی سال 2023ء کے 7 ماہ کے لیے اوسط افراط زر گزشتہ سال کے اسی عرصے کے 10.2% کے مقابلے میں 25.4% ہے اور یہ پہلے ہی اسٹیٹ بینک کے مالی سال 23 کے 21% سے 23% کے تخمینے سے کہیں زیادہ ہے۔

عالمی معاشی سست روی نے پاکستان کے بیرونی شعبے کو متاثر کیا۔ مالی سال 2023ء کے 7 ماہ میں برآمدات میں گزشتہ سال کے اسی عرصے کے مقابلے میں 7% کمی واقع ہوئی۔ تاہم لگژری امپورٹس پر پابندیوں، مالی اور مالیاتی سختی اور مجموعی طور پر طلب میں کمی کی وجہ سے درآمدات میں 21% کمی کے باعث تجارتی توازن میں بہتری آئی۔ اس طرح مالی سال 2023ء کے 7 ماہ میں تجارتی خسارہ 31% کم ہو کر 17 ارب ڈالر رہ گیا۔ انٹرنیٹ اور کرب ریٹس کے درمیان بڑھتے ہوئے فرق کے باعث جنوری 23 میں ترسیلات زر کم ہو کر 1.9 ارب ڈالر رہ گئیں جو ماہ بہ ماہ مسلسل پانچویں کمی ہے اور مئی 20 کے بعد پہلی مرتبہ 2 ارب ڈالر سے کم ہے۔ مالی سال 2023ء کے 7 ماہ کے دوران 16 ارب ڈالر کی ترسیلات زر سال بہ سال 11% کم رہیں۔ تاہم تجارتی خسارے میں کمی سے کرنٹ اکاؤنٹ کو سہارا ملا اور مالی سال 2023-2020 کا 7 ماہ کا خسارہ مالی سال 22 کے 7 ماہ کے مقابلے میں 67% کم ہو کر 3.8 ارب ڈالر رہ گیا۔

IMF کے جائزے میں تاخیر کے باعث پاکستان کے زرمبادلہ کے ذخائر 3 فروری 23 کو کم ہو کر 9 سال کی کم ترین سطح پر 2.9 ارب ڈالر رہ گئے۔ زیادہ تر بیرونی فنانشنگ کے شعبے اب IMF بورڈ کی منظوری سے منسلک ہیں۔ اضافی ٹیکس کے اقدامات اور ایندھن، گیس اور یوٹیلیٹیز کی قیمتوں میں مزید اضافے سمیت متعدد پیٹنگی اقدامات کی تکمیل سے اسٹاف لیول معاہدے میں مدد ملے گی۔ زوال پذیر ایکسٹرنل اکاؤنٹس کرنسی کو بھی ڈبوراہے ہیں، جو سال بھر غیر مستحکم رہا اور سال کے اختتام پر 27% (48 روپے / ڈالر) کی کمی واقع ہوئی۔ مارکیٹ سے طے شدہ شرح تبادلہ کی حالیہ بحالی کی وجہ سے روپے کی قدر میں مزید گراؤ دیکھی گئی اور روپیہ 49 روپے / ڈالر کی کمی سے 275 روپے / ڈالر پر آ گیا۔

مالی سال 23 کی پہلی ششماہی میں بنیادی سرپلس میں قطعی اور فیصد دونوں لحاظ سے نمایاں بہتری آئی ہے۔ یہ GDP کا 1.1% تھا جبکہ مالی سال 22 کی پہلی ششماہی میں یہ GDP کا 0.1% سرپلس تھا۔ مالی سال 23 کی پہلی ششماہی میں ٹیکس وصولیوں میں سال بہ سال 17% اضافہ ہوا جس کی وجہ براہ راست ٹیکسوں میں 50% اضافہ تھا۔ تاہم سیلاب اور مارک اپ ادائیگیوں میں 77% اضافے کی وجہ سے موجودہ اخراجات میں 30% اضافہ ہوا۔ مالی سال 23 کی پہلی ششماہی کے لیے مالیاتی خسارہ مالی سال 22 کی پہلی ششماہی کے مقابلے میں 23% اضافے کے ساتھ 1.7 ٹریلین روپے ہو کر GDP کے 2.0% پر برابر رہا۔

ایکویٹی مارکیٹ ایک اور غیر مستحکم سال کا شکار رہی جس میں گزشتہ سہ ماہی کے دوران مارکیٹ میں 12% اور دسمبر 2021 سے 9% کمی واقع ہوئی۔ کلیاتی اقتصادی دباؤ، بڑھتی ہوئی سیاسی غیر یقینی صورتحال اور تیزی سے گرتی ہوئی روپے کی قدر کی وجہ سے سرمایہ کاروں کی شرکت اور حجم کم رہے۔ غیر ملکیوں کا اخراج جاری رہا، خاص طور پر بینکنگ سیکٹر کے حصص میں، کیونکہ بین الاقوامی سرمایہ کاروں نے سال کے دوران 127 ملین ڈالر فروخت کیے۔

سینٹرل بینک نے مانیٹری پالیسی میں سختی جاری رکھی اور جنوری 23 کی MPC میں پالیسی ریٹ 100 بیس پوائنٹس بڑھا کر 17% کر دیا ہے جو 25 سال کی بلند ترین سطح ہے۔ اسٹیٹ بینک کا موقف تھا کہ افراط زر وسیع البینا اور مستقل ہے، بنیادی افراط زر میں گزشتہ 10 ماہ سے اضافے کا رجحان برقرار ہے۔ مزید، توقعات بڑھ رہی ہیں اور انہیں کم کرنے کے لیے بروقت مداخلت کی ضرورت تھی۔ اس میں زور دیا گیا ہے کہ افراط زر پر قابو پانے کے قلیل المیعاد اخراجات سے مضبوط کرنے کے اخراجات سے کم ہیں۔ دسمبر 22ء میں انڈسٹری ایڈوانسز اور ڈپازٹس تو زمر وڈ کا شکار رہے کیونکہ بینکوں نے تادیبی ٹیکس کی شرح سے بچنے کے لیے اپنے اثاثہ جات / ڈپازٹ کے تناسب میں اضافے میں تیزی دکھائی۔ 2022ء کے لیے صنعتی قرضوں میں 17% اضافہ ہوا جبکہ ڈپازٹس کی شرح نمو کم ہو کر صرف 7% رہ گئی، مارکیٹ ڈپازٹس میں چوتھی سہ ماہی میں پہلی بار کمی دیکھی گئی۔ 2022ء میں انڈسٹری اسپرڈ میں 2021 کے مقابلے میں 100 bps کا اضافہ ہوا، جو بیٹنچ مارک شرح سود میں اضافے اور بیلنس شیٹس کی مسلسل ری پرائسنگ کی عکاسی کرتا ہے۔

بینک روشن ڈیجیٹل اکاؤنٹ کے ضمن میں بھی صنعت کی قیادت جاری رکھے ہوئے ہے اور 20% مارکیٹ شیئر کے ساتھ 100,000 اکاؤنٹس عبور کرنے والا پہلا ادارہ بن گیا ہے۔ آغاز سے اب تک HBL نے اس کے ذریعے ملک میں 900 ملین ڈالر سے زائد کی رقم چھین کی ہے۔ بینک نیپاکستان سرٹیفکیٹ میں سرمایہ کاری کے ساتھ ساتھ روشن اپنی کار اور روشن اپنا گھر پروگراموں کے تحت فنانسنگ میں بھی مارکیٹ لیڈر ہے۔

صارفین کی سہولت کے لیے ڈیجیٹل اکاؤنٹ کھولنے کا سفر صارفین کے تجربات کی بنیاد پر ایک بہتر اور ہموار آن بورڈنگ فراہم کرنے کے لیے شروع کیا گیا۔ پورا کنونینشل برانچ نیٹ ورک Konnect پلیٹ فارم پر کسٹمرز کو شامل کرنے کے قابل بنایا گیا۔ اس سے برانچوں میں بھیڑ میں کمی کے ساتھ HBL کے وسیع ایجنٹ نیٹ ورک کے ذریعے کم کماہلیت والے اکاؤنٹس تک رسائی اور سروس کا دہرہ مقصد پورا کیا گیا۔

بینک اشورنس نے پریمیم کے 30% شیئرز کے ساتھ مارکیٹ میں اپنی قائدانہ پوزیشن دوبارہ حاصل کی۔ HBL AMC کے فنڈز تقسیم کرنے والی انویسٹمنٹ سروسز اب 1400 سے زائد برانچوں میں دستیاب ہیں اور انہوں نے 5 ارب روپے کی AUMs فروخت کی ہیں۔

HBL کے کنزیومر بینکنگ بزنس میں ایک اور درخشاں سال کا آغاز ہوا جس میں کل صارفی قرضے 19% اضافے کے ساتھ 122 ارب روپے تک پہنچ گئے۔ کریڈٹ کارڈز کے کاروبار نے کارڈ کے استعمال میں 60% سے زائد اضافے سے اپنی قیادت مزید مستحکم کی، اخراجات 182 ارب روپے اور پورٹ فولیو کا حجم 24 ارب روپے تک پہنچ گیا، جو گزشتہ سال کے مقابلے میں 47% زیادہ ہے۔ HBL کے کریڈٹ کارڈز سر فہرست ہیں، پاکستان میں کریڈٹ کارڈز پر خرچ ہونے والے ہر تین روپے میں سے ایک HBL کارڈز پر آتا ہے۔ 2022ء میں 90 ہزار سے زائد نئے کریڈٹ کارڈز جاری کیے گئے جو 2021ء کے مقابلے میں 17% زیادہ ہیں۔ کاروبار نے افراط زر کے دباؤ کے پیش نظر اہل کسٹمرز کی مدد کے لیے حد میں نمایاں اضافے کی بھی پیش کش کی۔

HBL پاکستان میں سب سے بڑا کارڈ اجرا کار ہے۔ پاکستان میں ہر پانچ میں سے ایک شخص کے پاس HBL ڈیبٹ کارڈ ہے اور مجموعی طور پر 6.5 ملین ڈیبٹ کارڈ جاری کیے گئے ہیں۔ 2022ء میں خرچ کا حجم 58% اضافے کے ساتھ 122 ارب روپے تک پہنچ گیا جس میں سے 30% ای کامرس مرچنٹس کے پاس تھا۔ 2021ء میں کریڈٹ کارڈز کے لیے ٹو کننازیشن Tap & Pay فیلچر کا آغاز کیا گیا۔ 2022ء میں، یہ HBL Pay برانڈ کے تحت ماسٹر کارڈ اور ویزا ڈیبٹ کارڈز پر فعال کیا گیا تھا، جس سے صارفین کو اپنے موبائل فون رابطے کے بغیر فعال POS مشینوں پر ٹیپ کر کے ادائیگی کی سہولت ملتی ہے۔ بینک نے اپنے POS نیٹ ورک کو 46,000 سے زائد مشینوں تک وسیع دی، جو صنعت کا سب سے بڑا نیٹ ورک ہے۔ HBL کے ٹرمینلز پر آمد و رفت 46% اضافے کے ساتھ 264 ارب روپے تک پہنچ گئی جو ملک کی مجموعی فروخت کے حجم کا ایک تہائی سے زائد ہے۔

44 ارب روپے کے پورٹ فولیو کے ساتھ پرنسپل لونز 2022ء میں 28 ارب روپے سے زائد کی نئی تقسیم کے ساتھ کنزیومر فنانسنگ کے اہم ترین ستونوں میں سے ایک رہے۔ ریڈی کیش تقریباً 6,000 صارفین کے لیے 3.5 ارب روپے کی کریڈٹ لائنوں کی منظوری کے ساتھ مستقبل کی ترقیاتی مصنوعات کے طور پر رکھا گیا۔ آٹو انڈسٹری کو درپیش بیرونی چیلنجز کے باوجود HBL نے 2022ء میں اپنی قائدانہ پوزیشن برقرار رکھتے ہوئے 11,200 کاروں کی فنانسنگ کی ہے جو مارکیٹ میں سب سے زیادہ ہے۔ جس سے مارکیٹ شیئر 11.5% سے بڑھ کر 12.4% ہو گیا۔

HBL تیزی سے پروسیڈنگ کے ساتھ صارفین کی سہولت میں اضافے کے لیے ڈیجیٹلائزیشن پر توجہ مرکوز کیے ہوئے ہے۔ سال 2022ء میں ایک تہائی کریڈٹ کارڈز اور 23% پرنسپل لونز HBL موبائل کے ذریعے بک کیے گئے۔ سال کے آخر میں، جدت طرازی میں ایک اور صنعتی پہل، ڈیجیٹل کارفنانس کا آغاز کیا گیا تھا اور یہ آٹو فنانسنگ بزنس کا پھیل پلٹ دے گا۔

HBL اپنے SME بزنس میں سرمایہ کاری اور نمایاں اور پائیدار ترقی کے لیے پرعزم ہے۔ 2022ء میں ایڈوانسز 20% اضافے کے ساتھ 89 ارب روپے سے زائد ہو گئے۔ 35 ارب روپے کی نئی اور اضافی حد کی منظوری دی گئی جو 2021ء کے مقابلے میں 26% زیادہ ہے۔ SME صارفین کی تعداد 15,000 سے تجاوز کر گئی، جو 25% کی متاثر کن ترقی ہے۔ پیانے اور حجم میں اضافہ بنیادی طور پر فروخت کی صلاحیتیں بڑھانے، عمل میں آسانی، ٹیکنالوجی کے استعمال اور فوری فیصلہ سازی کے لیے اسکورنگ ماڈل نافذ کر کے کیا گیا ہے۔ کاروبار کی ری پوزیشننگ نے چھوٹے کاروباروں پر خصوصی توجہ کے ساتھ تیز رفتار ترقی ممکن بنائی جو معیشت پر حقیقی اثرات مرتب کرتے ہیں۔ HBL نے 2022ء میں مارکیٹ شیئر 14.1% سے بڑھ کر 16.5% تک پہنچنے سے صنعت میں صف اول کی پوزیشن حاصل کر لی ہے۔

کیش فلو پر مبنی قرضوں والی نئی مصنوعات خصوصاً مجموعی طور پر SME سیگمنٹ میں چھوٹے کاروباروں کے لیے ڈیزائن کی گئیں تاکہ ان کاروباروں میں اکثر ضمانت اور رسمی دستاویزات کی کمی کا حل نکالا جاسکے۔ یہ ماڈل اب نتائج دے رہا ہے کیونکہ HBL پہلے ہی 2400 صارفین کو 7 ارب روپے سے زائد کی رقم تقسیم کر چکا ہے۔ سلائی چین فنانسنگ بزنس میں 50% سے زائد کا نمایاں اضافہ ہوا ہے اور یہ 10 ارب روپے کے قریب ہے۔ بینک اسٹیٹ بینک کے زیر قیادت SMEs کے لیے اقدامات میں فعال شریک ہے اور مختلف اسکیموں کے تحت 5 ارب روپے سے زائد رقم تقسیم کر چکا ہے۔

HBL ایگریکلچر فنانسنگ میں 50 ارب روپے سے تجاوز کے شاندار کارنامے کے ساتھ مارکیٹ میں سر فہرست ہے، جو 2021ء کے مقابلے میں 27% زیادہ ہے۔ بینک کا پہلے ہی برتر مارکیٹ شیئر 35% سے تجاوز کر گیا۔ اسٹیٹ بینک نے HBL کو مالی سال 2022ء کے لیے بڑے ٹیلوں کی کیٹیگری میں ٹاپ ایگری لینڈنگ بینک قرار دیا ہے۔ بینک کو ڈیجیٹل بینک فار بلوچستان، بھی نامزد کیا گیا تھا تاکہ وہ پاکستان کے سب سے پسماندہ صوبے میں زرعی قرضوں تک رسائی اور مالی شمولیت بڑھانے کے لیے صنعت کی قیادت کرے۔ اس اقدام کے تحت HBL نے کسانوں میں شعور بیدار کرنے کے لیے سرگرمیاں شروع کیں اور تعلیمی اداروں کے ساتھ مل کر طلباء کو روزگار کے مواقع کے لیے تیار کیا۔ HBL کو پاکستان بینکنگ ایوارڈز 2022ء میں 'بیسٹ بینک فار ایگریکلچر' کا ایوارڈ بھی دیا گیا۔

2021

2022

ملین روپے

(3,427)	(3,087)
(4,401)	(3,300)
(2,567)	(3,300)
(2,567)	(2,200)
(2,567)	(2,200)
(15,529)	(14,087)
148,392	165,387
23.36	21.04

مختلف مدوں میں رکھی گئی رقم:

قانونی ذخائر میں منتقل شدہ

نقد منافع منقسمہ - حتمی

پہلا نقد عبوری منافع منقسمہ

دوسرا نقد عبوری منافع منقسمہ

تیسرا نقد عبوری منافع منقسمہ

مجموعی مناسب کارروائیاں

اعتدائی غیر تخصیص شدہ منافع

فی حصص (شیر) آمدنی (روپے)

سرمائے کا تناسب

مضبوط نتائج کے ساتھ اندرونی سرمائے کی پیداوار میں 2022ء میں 10% اضافہ ہوا۔ روپے کی قدر میں 48 روپے / ڈالر کی کمی نے کیپٹل ایڈیکویسی ریشو (CAR) کو 96bps تک متاثر کیا۔ اس کے نتیجے میں HBL کا غیر مجموعی Tier1 CAR گھٹ کر 12.8% رہ گیا جبکہ مجموعی CAR کم ہو کر 15.0% رہ گیا۔ لیکن اس کے باوجود دونوں تناسب موجودہ ریگولیٹری تقاضوں سے زیادہ آرامدہ سطح تک اوپر رہے۔ دسمبر میں ان میں نرمی کی گئی کیونکہ اسٹیٹ بینک نے تمام شعبوں کے بینکوں کے لیے D-SIB میں 50bps کی کمی کی تھی۔

دسمبر 2022ء میں بینک نے 6.5 ارب روپے کے پریپونڈ ٹرم فنانش سرٹیفکیٹ جاری کیے، جو اضافی Tier1 کیپٹل کے طور پر اہل ہیں، اس طرح اس کے Tier1 CAR میں 34bps اضافہ ہوا۔

کاروباری ترقی

2022ء میں HBL نے 2.9 ٹریلین روپے کے مقامی گوشواروں کے ساتھ 13% ڈپازٹ مارکیٹ شیئر حاصل کیا، جس میں برانچ نیٹ ورک کے ذریعے تقریباً 800,000 صارفین کا اضافہ ہوا۔ اس میں HBL آسان اکاؤنٹ کے ایک لاکھ 35 ہزار سے زائد نئے صارفین شامل ہیں۔ HBL کے اب اس سیکٹ میں 1.1 ملین سے زائد صارفین ہیں جن کے کل ڈپازٹس 17 ارب روپے سے زائد ہیں۔

نئی مصنوعات کا اجراء ضروریات کے ایک دانشمندانہ تجربے پر مبنی تھا۔ بینک نے ماہانہ منافع کی ادائیگی اور زیادہ منافع کی پیش کش کے ساتھ ریٹائرڈ افراد کے لیے ماہانہ آمدنی سیونگز پروڈکٹ متعارف کروائی ہے۔ HBL کا کلاسک فریڈم اکاؤنٹ، جو تاجروں کو بینکاری حل فراہم کرتا ہے، میں انشورنس کی پیش کش کی گئی جو نقد رقم اور قیمتی اشیاء کے نقصان کے ساتھ ساتھ اسپتال میں داخلے کی صورت میں کوریج فراہم کرتا ہے۔ بینک نے زرعی شعبے کی منفرد مالی ضروریات پوری کرنے کے لیے ایک پیشکش وضع کی جس کے نتیجے میں نومبر 2022ء میں ہریالی اکاؤنٹ کا آغاز ہوا۔

HBL فخر سے 4 ملین سے زائد خواتین صارفین کو خدمات فراہم کرتا ہے، جن میں تقریباً 1 ملین اپنے بین الاقوامی سطح پر تسلیم شدہ خواتین کے مارکیٹ پروگرام، HBL نساء کا حصہ ہیں۔ سال 2022ء کے دوران اس پروگرام میں تقریباً ایک لاکھ 60 ہزار نئے اکاؤنٹس شامل کیے گئے جن میں نساء کے کل ڈپازٹس میں 40 ارب روپے کا اضافہ ہوا۔ بینک نے نساء آسان کا بھی آغاز کیا، جو خاص طور پر پاکستان کی آن بینک اور انڈر بینک خواتین کے لیے ایک پیش رفت ہے۔ خواتین کی بچت کی بڑھتی ہوئی ضروریات پوری کرنے کے لیے HBL Asset Management Company (HBL AMC) کے تعاون سے خواتین کے لیے ایک میوچل فنڈ تجویز کیا گیا ہے۔

HBL Prestige پاکستان بھر میں ترقیاتی بینکاری کا منظر نامہ تبدیل کرنے کے لیے ڈیزائن کیا گیا ہے، جو امیر صارفین کو ان کی جدید ضروریات کے مطابق فرمائشی پروڈکٹ سویٹ فراہم کرتا ہے۔ Prestige اب پاکستان کے 16 شہروں کے 38 لاؤنجز میں پیش کیا جاتا ہے۔ 2022ء میں Prestige دبئی کے شہر جمیرہ میں اپنے پہلے لاؤنچ کے ساتھ بین الاقوامی سطح پر پہنچ گیا۔ اس پیشکش کا دائرہ کار بڑھانے کے لیے، 400 باقاعدہ برانچوں کو Prestige صارفین شامل کرنے کے قابل بنایا گیا، جو انہیں مخصوص مقام کے بغیر گراں قدر پیشکشیں کرتے ہیں۔ مصنوعات کی جدت طرازی اور خدمت کی عمدگی کے عزم کے مد نظر، Prestige مکمل طور پر خود کار لاکر پیش کرتا ہے جو منتخب مقامات پر کسٹمرز کے لیے 24x7 دستیاب ہیں۔ Vitality، ایک انشورنس پروڈکٹ ہے جو اعلیٰ نیٹ ورٹھ والے افراد کی صحت اور طرز زندگی کی ضروریات پوری کرتی ہے۔ اسے Prestige پروڈکٹ کی پیش کش میں شامل کیا گیا تھا۔

HBL نے کیش مینجمنٹ میں اپنی قائدانہ حیثیت برقرار اور فنانس و بلیو چین کو ڈیجیٹائز کرنے میں اہم کردار ادا کرنا جاری رکھا۔ 2022ء میں کل کیش مینجمنٹ پیداوار 56% اضافے کے ساتھ 12.3 ٹریلین روپے تک پہنچ گئی۔ بینک کے ڈیجیٹل پلیٹ فارم HBL Pay بزنس بینکنگ نے حجم میں اضافہ جاری رکھا۔ مسلسل دوسرے سال اس پلیٹ فارم کے ذریعے ادائیگیاں دگنی ہو کر 6.7 ٹریلین روپے تک پہنچ گئیں جس میں تقریباً 40 ملین ٹرانزیکشنز کی گئیں۔ ایشیا میں 2022ء سروے میں HBL کو کیش مینجمنٹ کے ساتھ پاکستان میں کیش مینجمنٹ کے لیے بہترین خدمات فراہم کرنے والے مقامی بینکوں میں مارکیٹ لیڈر قرار دیا گیا ہے۔ ان مخصوص ایوارڈز کے بارے میں سب سے زیادہ اطمینان بخش بات یہ ہے کہ یہ کسٹمر کے دوٹوں پر مبنی تھے، جو HBL کے کلائنٹ کی ضروریات کے مطابق جدید مصنوعات کی فراہمی کے عزم کا ثبوت ہے۔ HBL کی مارکیٹ میں سرفہرست ایمپلائز بینکنگ پروپوزیشن 3.2 ملین ملازمین کو پے رول خدمات فراہم کرتی ہے جس کے ڈپازٹ بیلنس 252 ارب روپے تک بڑھ گئے ہیں۔ 2022ء میں HBL نے اپنے صارفین کو ذہنی سکون فراہم کرنے کے لیے پے کنٹیننٹ انشورنس کا ایک نیا بچہ شامل کیا۔

HBL کے پاکستان میں معروف تجارتی بینک بننے کے وژن کے مطابق گلوبل ٹریڈ سروسز (GTS) کا ایک نیا شعبہ تشکیل دیا گیا ہے تاکہ اس کاروبار پر توجہ بڑھائی جاسکے اور مارکیٹ شیئر حاصل کرنے کے لیے خصوصی مصنوعات کی تیاری میں مہارت حاصل کی جاسکے۔ حکمت عملی کے لحاظ سے تمام GTS مصنوعات کو ایک مرکز پر لانا، مصنوعات کی مہارت پیدا کرنا اور کونٹریٹیشن اور پیچیدہ ٹرانزیکشن بینکنگ ضروریات کی آسانی کے لیے جدید ڈھانچہ تیار کرنا ہے۔ درآمدی پابندیوں کی وجہ سے امپورٹ اور ایکسپورٹ دونوں کا انحصار درآمد پر ہے، HBL اپنے کسٹمر کی تجارتی ضروریات میں مدد اور معاونت کے لیے ان کے قریب رہا ہے۔ حجم میں مجموعی طور پر کمی کے باوجود HBL کو اپنا مارکیٹ شیئر 12.9% تک بڑھانے میں مدد ملی۔

HBL انویسٹمنٹ بینکنگ بزنس کسٹمر کے لیے بدستور پہلا انتخاب ہے اور بینک اس انتہائی چیلنجنگ ماحول میں بھی مشاورت اور جدید ترین حل کے ذریعے کسٹمر کی معاونت جاری رکھے ہوئے ہے۔ بینک نے 200 ارب روپے سے زائد مالیت کے 20 معاہدے کیے، جس میں مختلف شعبوں میں سرمایہ کاری بینکاری مصنوعات کے پورے سویٹ کا احاطہ کیا گیا۔ پبلک پرائیویٹ پارٹنرشپ کے منصوبے سے سڑکوں کے بنیادی ڈھانچے کے 2 پراجیکٹ مکمل کیے گئے۔ HBL نے پاکستان کے پہلے اور سب سے بڑے ہائبرڈ REIT کے اجراء کی مشاورت اور بندش میں بھی اہم کردار ادا کیا۔ سال کے دوران مختلف بین الاقوامی اور مقامی پبلسٹرز سے حاصل ہونے والے 22 اعزازات HBL کے اس شعبے کے طول و عرض پر برتری کا ثبوت ہیں۔

شدید عدم استحکام کے ماحول میں HBL کی ٹریڈری ٹیم نے کسٹمر کی معلومات میں اضافے کا آغاز کیا، باقاعدگی سے معاشی اپ ڈیٹس اور کسٹمر کو سہولت فراہم کی۔ بینک کے اہم ڈیجیٹل FX پورٹل HBL Infinity® کے ذریعے 2022ء میں 350 سے زائد کسٹمر نے تقریباً 5.5 ارب ڈالر کی ٹرانزیکشن کی اور اسے شاندار مقبولیت حاصل ہوئی۔ اسی سال کے دوران، یہ پورٹل متحدہ عرب امارات کے کسٹمر کے لیے پیش کیا گیا جس کا کلائنٹس نے والہانہ استقبال کیا۔ HBL نے Symphony® کا بھی آغاز کیا جو انڈسٹری میں پہلی بار متعارف کروایا گیا ایک فلسفہ انکم پورٹل ہے۔ یہ ادارہ جاتی اور کارپوریٹ سرمایہ کاروں کو پاکستان گورنمنٹ سیکورٹیز مارکیٹ میں پیپر لیس اور فوری ڈیجیٹل ٹرانزیکشن کی سہولت فراہم کرتا ہے۔

HBL سروس کے معیار میں بہتری کے ساتھ ساتھ ذرائع ممالک میں وسیع پیمانے پر مارکیٹنگ کمپین سے اپنے ہوم ریمنٹس بزنس کو دوبارہ منظم کرنے کا سلسلہ جاری رکھے ہوئے ہے۔ اس کے نتیجے میں حجم میں اضافہ ہوا ہے، جو 13% بڑھ کر 3.1 ارب ڈالر ہو گیا اور مارکیٹ شیئر میں 10.6% تک اضافہ ہوا ہے۔

HBL کے ریٹیل ڈیجیٹل چینلز موبائل اور انٹرنیٹ بینکنگ، ATMs اور POS پاکستان کے باہمی منظر نامے کی تشکیل، کسٹمر، کاروباری اداروں اور حکومت کو جوڑنے میں اہم کردار ادا کرتے رہے۔ سال 2022ء میں ان چینلز کے ذریعے 4.3 ٹریلین روپے سے زائد مالیت کی 310 ملین سے زائد مالی ٹرانزیکشنز کی گئیں، جو 55% سے زیادہ کا اضافہ ہے، جو ہمارے بینکنگ لائسنس کے ساتھ ٹیکنالوجی کمپنی بننے کے عزم کا عکاس ہے۔ ڈیجیٹل چینلز کے ذریعے ٹرانزیکشنز اب مالی ٹرانزیکشنز کے حجم کا 82% ہیں اور اس نے برانچوں سے ٹرانزیکشنز میں نمایاں کمی کی ہے، اس طرح لاگت پر بچت اور براؤنج کی سطح پر بہتر کسٹمر فوکس ہوا ہے۔

HBL موبائل اور انٹرنیٹ بینکنگ سے 2.3 ٹریلین روپے سے زائد مالیت کی 125 ملین سے زائد مالی ٹرانزیکشنز کی گئیں، جو 2021ء کے مقابلے میں دگنی ہیں۔ یہ اضافہ زیادہ بڑی ٹرانزیکشنز اور زیادہ کسٹمر کی وجہ سے ہوا تھا جو اب مزید بڑھ کر 3.2 ملین ہو گئے ہیں۔ HBL موبائل کے ذریعے نصف ارب سے زائد سروسز کی ٹرانزیکشنز کی گئیں۔ بڑی ٹرانزیکشنز اور C2B ٹرانزیکشنز میں تیزی سے اضافہ HBL کی ڈیجیٹل مصنوعات پر کسٹمرز کے بڑھتے ہوئے اعتماد کی عکاسی کرتا ہے۔ کارپوریٹ اور تعلیمی فیس کی ادائیگیوں میں بالترتیب 221% اور 93% اضافہ ہوا، جس سے 1.3 ملین کارپوریٹ کلکیشن ٹرانزیکشنز برانچوں سے منتقل ہو گئیں۔ 2022ء میں HBL اسلامک موبائل ایپ متعارف کی گئی جس کا مقصد شریعت کے مطابق کسٹمرز کی ضروریات کی تکمیل کے لیے سہولت تھا۔

2022ء میں، HBL نے بانی کی حیثیت سے HBL واٹس ایپ بینکنگ چینل کے ذریعے مالی ٹرانزیکشن کا آغاز کیا۔ واٹس ایپ بینکنگ کے اب تقریباً 300,000 صارفین ہیں۔ 15 کروڑ روپے سے زائد مالیت کی 54 ہزار ٹرانزیکشنز کی گئیں اور 23 لاکھ سروسز ٹرانزیکشنز کی گئیں۔

2200 سے زائد بلنگ پارٹنرز کے ساتھ HBL کا الیکٹرانک بل پریزنٹمنٹ سسٹم (EBPS) کسٹمر کو آن لائن بلوں کی ادائیگی کے قابل بناتا ہے۔ ادائیگیوں میں گزشتہ سال کے مقابلے میں 65% اضافہ ہوا اور 2022ء میں یہ 1.3 ٹریلین روپے تک پہنچ گئیں۔ اسی سال کے دوران HBL نے اپنے منفرد بلرز کو Link-1 پر لاکر اس سروس کو پوری انڈسٹری تک توسیع دی جس سے دیگر بینکوں کے کسٹمر ان اداروں کو آن لائن ادائیگیاں کرنے کے قابل ہوئے۔

2022ء میں 3500 صارفین کا اضافہ ہوا اور HBL نے تازہ 17 ارب روپے تقسیم کیے جو 2021ء کے مقابلے میں 30% زیادہ ہیں۔ HBL کی اگر بیکچر ویلیو چین پر توجہ کے نتیجے میں پروسیڈنگ یونٹس اور کوئلڈ اسٹوریج کی سہولیات جیسے زراعت سے منسلک کاروباری اداروں کے لیے 3 ارب روپے کی فنانشنگ ہوئی۔ ڈیری اور لائیو اسٹاک کے شعبے کے قرضوں کی بحالی سے بینک 1400 سے زائد فارمز پر کام کرنے اور 3 ارب روپے سے زائد کا پورٹ فولیو بنانے کے قابل ہوا ہے۔ HBL نے الیکٹرانک ویز ہاؤس رسید (EWR) فنانشنگ میں بھی 700 ملین روپے سے زائد کی فنڈنگ اور 70% سے زائد مارکیٹ شیئر حاصل کر کے برتری برقرار رکھی۔ اسٹیٹ بینک نے HBL کو ملک میں EWR سسٹم متعارف کروانے اور بڑھانے کے لیے مثالی مالیاتی ادارہ قرار دیا۔ HBL تباہ کن سیلاب کے دوران اپنے صارفین کے شانہ بشانہ کھڑا رہا، اور 5,000 سے زائد متاثرہ کسانوں کی ادائیگیوں کو مؤخر کر دیا جبکہ کاشتکاروں کو اپنی زرعی فصلوں کی بروقت ہوائی کے قابل بنانے کے لیے تازہ ادائیگیاں جاری رکھیں۔

زرعی افرادی قوت میں خواتین کی اہمیت کے مد نظر HBL نے ’نعھی کسان‘ اور اگلی نسل‘ ڈیجیٹل ویڈیو اشتہارات کا آغاز کیا جس میں زراعت کی ترقی میں خواتین کی تعلیم کی اہمیت کو اجاگر کیا گیا۔ ملک بھر میں 40 سے زائد سیشنز کے ساتھ فلیگ شپ ’کسان کی آواز‘ پروگرام کے تحت کسان برادریوں کی مالی خواندگی اور بیداری میں مزید اضافہ کیا گیا۔

زراعت کے شعبے کی ماحولیاتی تغیر میں ابھرنے میں مدد کے لیے HBL نے انشورنس پارٹنرز کے تعاون سے گندم اور دھان کے کاشتکاروں کے لیے ایریا سیلڈ انڈیکس انشورنس پروڈکٹ کا پائلٹ ٹیسٹ کامیابی سے مکمل کیا۔ ماحولیاتی تبدیلی سے پیداوار متاثر ہونے کی صورت میں یہ کسانوں کو بیمہ فراہم کرتا ہے۔ اپنے ڈیجیٹلائزیشن کے مقاصد کو آگے بڑھانے کے لیے HBL نے قرضوں کی درخواستوں کو ڈیجیٹل کرنے کے لیے قرضوں کی وصولی کا خود کار نظام نافذ کیا۔ فیلڈ ٹیموں کو ایک سیلز فورس منجمنٹ ایپلی کیشن فراہم کی گئی تھی، جس سے انہیں صارفین کے دوروں کو ڈیجیٹل ریکارڈ کرنے اور سیلز پائپ لائن تیار کرنے میں سہولت فراہم کی گئی۔ HBL پنجاب لینڈ ریکارڈ اتھارٹی کے پورٹل کا سب سے بڑا صارف رہا، جس میں فرد نکالنے اور آن لائن چارج کری ایجنٹ دونوں شامل ہیں۔

HBL کا منفرد اور اپنی نوعیت کا پہلا فارم ٹوپرو سیر پاکستان کے زرعی شعبے کی ترقی اور بحالی کے لیے مختلف پائلٹ منصوبوں کی شکل میں نافذ کیا گیا تھا۔ HBL ایک قرض دہندہ سے زیادہ رہا ہے، جو سپلائی سائیڈ اقدامات اور غیر جانبدارانہ زرعی مشاورت کے ذریعے کسانوں کی پیداوار بہتر بنانے میں مدد کرتا ہے۔ 2020ء میں جب HBL نے صرف 5 کسانوں اور 1444 ایکڑ سے اس سفر کا آغاز کیا تھا پری بینک اب 17 پائلٹ منصوبوں کی تکمیل کر چکا ہے، جس سے 26,000 ایکڑ کے لیے 550 کسانوں کو فنانشنگ فراہم کی گئی ہے۔ HBL کی بنیادی تبدیلی کی قیادت 80 زرعی ماہرین اور فیلڈ افسران کی ایک ٹیم کر رہی ہے جو کسانوں کی بہترین طریقوں پر رہنمائی کرتے ہیں۔ زرعی سرگرمیوں سے در وقت کم کرنے کے لیے HBL نے HBL Pay کے ذریعے ڈیجیٹل کسان آن بورڈنگ سسٹم متعارف کروایا۔ HBL کی شمولیت کے نتیجے میں، نسبتاً چھوٹی زمین اور لیز ہولڈنگ والے کسانوں۔ جو ملک کے کسانوں کی اکثریت کی نمائندگی کرتے ہیں۔ نے فصل کی پیداوار میں اوسطاً 46% اضافہ کیا (جس میں سب سے زیادہ اضافہ 118% ہے) اور خالص آمدنی میں 195% کا متاثر کن اوسط اضافہ (سب سے زیادہ اضافہ 611%) کیا ہے۔ ان نتائج کی پرنسٹن یونیورسٹی کے ترقیاتی ماہرین اقتصادیات نے آزادانہ توثیق کی ہے جو کسان اور بینک دونوں کے لیے نچلے درجے پر دہرے اثرات ظاہر کرتے ہیں۔

HBL کا اسلامک بینکنگ بزنس بینک کے اندر تیزی سے بڑھتے ہوئے شعبوں میں سے ایک ہے، جو بڑے پیمانے پر کارپوریٹ سود سے لے کر ریٹیل ڈپازٹس اور کنزیومر فنانس تک بینک کی تمام مصنوعات پیش کرتا ہے۔ 2022ء میں اسلامک برانچ نیٹ ورک 259 سے بڑھ کر 294 ہو گیا۔ HBL نے اسلامک ڈپازٹس کے لیے مارکیٹ کا 7% حصہ حاصل کیا، جس میں صارفین کی مجموعی تعداد 1 ملین سے تجاوز کر گئی۔ بینک کی ’موبائل فرسٹ‘ حکمت عملی کے تحت HBL نے 2022ء کے اوائل میں ایک خصوصی اسلامی بینکاری موبائل ایپ شروع کی جس کے ذریعے ٹرانزیکشنز 11 ارب روپے سے تجاوز کر گئیں۔

ایک اسلامک Konnect اکاؤنٹ اگست 2022ء میں شروع کیا گیا تھا تاکہ معاشرے کے ان طبقات کی ضروریات پوری کی جاسکیں جو شریعت کے مطابق حل کو ترجیح دیتے ہیں۔ آغاز کے بعد سے 5 ماہ میں 2 لاکھ کرڈٹ اکاؤنٹس کھولے گئے جن میں 4 لاکھ سے زائد ٹرانزیکشنز ہوئیں جن کی مالیت 2 ارب 70 کروڑ روپے سے زائد رہی۔ اسلامک Konnect کلائنٹ بیس میں خواتین کی تعداد 28% ہے۔ یہ پروڈکٹ ان کارپوریٹس اور مائیکرو فنانس اداروں کو تنخواہوں کی تقسیم اور کیش جمع کرنے کی خدمات بھی پیش کرتی ہے جو شرعی بینکاری کو ترجیح دیتے ہیں۔

HBL کے اسلامک کنزیومر بزنس نے ایک اور مضبوط سال گزارا اور اس کے پورٹ فولیو کو دگن کر دیا۔ اسلامک کارفنانس نے فروخت ہونے والے یونٹس کی تعداد میں 30% اضافہ کیا جبکہ مجموعی طور پر مارکیٹ میں 32% کمی واقع ہوئی۔ وصولیاں تقریباً 6 ارب روپے تک پہنچ گئیں۔ HBL نے حکومت کی زیر قیادت میر پاکستان میرا گھرا اسکیم میں تیزی سے ترقی کی ہے جس کا مجموعی حجم 8 ارب روپے ہے۔

کارپوریٹ اور کمرشل صارفین کو دیے گئے قرضوں میں 32% اضافہ ہوا۔ اس میں اسلامی کاروبار کے منفرد کسٹمرز کے ساتھ ساتھ کنٹینینٹل کسٹمرز کو پیش کی جانے والی اسلامی مصنوعات کی فنانشنگ بھی شامل ہے۔ تجارت پر توجہ کے نتیجے میں گزشتہ سال کے مقابلے میں 11% اضافہ ہوا، حالانکہ درآمدی پابندیوں کی وجہ سے مارکیٹ میں مندی رہی۔

HBL اپنے کارپوریٹ کسٹمر کو ورکنگ کیپٹل اور ٹرم لون کی ضروریات، ٹرانزیکشن بینکنگ مصنوعات اور خصوصی مصنوعات کے حل پیش کرتے ہوئے مارکیٹ لیڈنگ پروڈکٹس کی فراہمی جاری رکھے ہوئے ہے تاکہ کسٹمر کو غیر ملکی زرمبادلہ اور مارکیٹ کے خطرات سے مقابلے میں مدد مل سکے۔ یہ کارپوریٹ کسٹمر کی ہول سیل بینکاری کی ضروریات کے لیے ون ونڈو سلوشن کے ذریعے حاصل کیا گیا ہے، جبکہ انتظامیہ اور ملازمین کو HBL کے کنزیومر اور ریٹیل بینکنگ پروڈکٹ سویٹ تک رسائی بھی فراہم کی گئی ہے۔ اس مشکل سال میں HBL نے دانشمندانہ انداز میں فرضے دینا جاری رکھا، پورٹ فولیو کا معیار کا برقرار رکھتے ہوئے باقاعدگی سے جائزے لیے اور قرضوں میں دہرے ہندسوں میں نمو حاصل کی۔

حل کیا گیا۔ بینک کی کسٹمر سینٹر بیٹی گائیڈ لائنز صارفین کے ساتھ منصفانہ سلوک کے پیمانے شامل کرنے اور احتساب، شناخت اور تربیت کے ذریعے خدمات کی بہترین ثقافت کے مزید فروغ کے لیے وسیع کی گئیں۔

HBL کے تنوع کے ایجنڈا کے مطابق، 35 مکمل طور پر قابل رسائی ماڈل برانچوں کو خصوصی طور پر مختلف صلاحیتوں کے حامل افراد کے لیے ڈیزائن کردہ منچرز کے ساتھ مکمل کیا گیا، جن میں ٹیکسٹائل فرسٹ اور بات کرنے والی ATMs سے لے کر بریل اسٹیشنری اور وقف پارکنگ شامل ہیں۔ فیمیل فرینڈلی برانچ کے اقدام کے تحت 350 برانچوں میں بنیادی ڈھانچہ اپ گریڈ کیا گیا تاکہ حفظانِ صحت بہتر بنا کر بینک کی خواتین اسٹاف اور صارفین کو سہولت اور شمولیت کا احساس دلایا جاسکے۔

HBL کے ڈیجیٹل کسٹمر ایکسپیرینس (DCE) نے 2022ء میں 14.1 ملین انٹرایکشنز کیے، جس میں ڈیجیٹل چینلز کے ذریعے بے آواز انٹرایکشنز میں 59% اضافہ دیکھا گیا۔ 2022ء میں 17 نئی سیلف سروس خصوصیات شامل کی گئیں اور IVR پر مبنی انٹرایکشنز میں 60% اضافہ ہوا اور یہ 1.6 ملین تک پہنچ گیا۔ HBL کے کانٹیکٹ سینٹر نے اپنے کسٹمرز اور گورننس کے لیے ISO9001:2015 سرٹیفیکیشن بھی حاصل کیا۔

HBL نے 2030ء تک AKDN کانٹینٹ زیر و ہدف پورا کرنے کے عزم کا اعلان کیا۔ 232 دفاتر میں شمسی پینل نصب کیے گئے جس سے HBL کے کاربن کے اخراج میں 288 میٹرک ٹن کمی واقع ہوئی۔ اخراج میں کمی کے دیگر اقدامات میں HVAC اور بڑی عمارتوں میں معقول لائٹنگ، اسمارٹ فیول کارڈز اور توانائی کے تحفظ میں اسٹاف کی شمولیت کے لیے آگاہی سیشن شامل ہیں۔ HBL کی تمام نئی عمارتوں کو EDGE+ سرٹیفائیڈ کرنے کا منصوبہ بنایا گیا ہے۔ اپنے پائیدار اقدامات کے اعتراف میں HBL نے ایک بار پھر نیٹشل فورم فار انوائرنمنٹ اینڈ ہیلتھ کی جانب سے انوائرنمنٹل ایسیلینس ایوارڈ حاصل کیا۔

2021ء میں HBL نے اپنے کورپوریٹ سسٹم کو MISYS سے Temenos میں اپ گریڈ کرنے کا فیصلہ کیا تاکہ بینک کے مستقبل کے ترقی کے منصوبوں کو ممکن بنایا جاسکے۔ اس منصوبے کا باضابطہ آغاز فروری میں مختلف ورک اسٹریٹجز کے لیے ورکشاپوں کے آغاز اور کاروباری ضروریات کی دستاویز بندی سے کیا گیا۔ بینکس بھر میں سافٹ ویئر کی تیاری اور اعلیٰ معیار یقینی بناتے ہوئے زیادہ مضبوط ریلیز اور صارفین کا سفر آسان بنانے کے لیے خود کار ٹیسٹنگ کے نفاذ کے لیے ایک ٹیسٹنگ سینٹر آف ایسیلینس بھی قائم کیا گیا۔

HBL برانڈ مضبوط برانڈ ہونے کا لطف لیتا ہے۔ 2022ء میں ایک برانڈ ہیلتھ ٹریکر اسٹڈی کی گئی جس میں 4.1 برانڈ ایکویٹی انڈیکس کے ساتھ HBL صنعت میں سب سے مضبوط برانڈ کے طور پر ابھرا، اس کے ساتھ ساتھ سب سے زیادہ برانڈ کی آگاہی، استعمال اور زیر غور ہونے کے اسکور بھی شامل تھے۔ 2022ء میں HBLPSL کے فلگ شپ پلیٹ فارم کو ”جہاں فینز، وہاں اسٹیڈیم“ کی اشتہاری مہم کے ذریعے تحریک دی گئی، جس میں دنیا بھر میں کروڑوں کرکٹ شائقین نے اپنے اور کھیل کے جذبے کا جشن منایا۔ یہ HBL کی جانب سے پاکستان کے سب سے بڑے اور مقبول ترین کھیلوں کے انعقاد کے تعاون کا سہارا تھا۔ HBL کے ڈیجیٹل تفریحی شونے 25 ملین سے زائد ویوز حاصل کیے اور انفلوئنسر مارکیٹنگ کیلنگری میں معتبر ایف ایوارڈ جیتا۔

HBL ڈیجیٹل مارکیٹنگ کی کوششیں اپنے کسٹمرز کی طرف سے پسندیدہ موضوعات اور پلیٹ فارمز پر مرکوز ہیں۔ پاکستان کی ویب سائٹ نے ٹریفک کے ساتھ ساتھ سیشن کے دورانیے میں بھی اضافہ دکھایا۔ سرچ انجن پر بہتر دریافت کے نتیجے میں تمام ویب سائٹ ٹریفک کا 54% سرچ کے ذریعے آیا جبکہ 2021ء میں 9% تھا۔ HBL کی زرعی مہم ایک دل کو چھو لینے والی ڈیجیٹل کہانی تھی جسے سوشل پلیٹ فارمز پر سراہا گیا۔ 2022ء میں، HBL پہلی بار ٹک ٹاک پر گیا اور نوجوان اور زیادہ متنوع سامعین تک پہنچنے کے لیے اپنی موجودگی میں اضافہ جاری رکھے ہوئے ہے۔

ہیومن ریسورسز

”احساس رکھنے والا بینک“ ہونے کے ناطے HBL نے 2022ء میں اپنے عملے اور ان کے اہل خانہ کی مدد کے لیے متعدد اقدامات کیے۔ مارکیٹ اور صنعت میں اولین کے طور پر بینک نے اپنی خدمات کی عمر میں اضافہ کر کے 65 سال کرنے کا اعلان کیا۔ یہ 60 سال کی عمر تک پہنچنے والے ان ملازمین کی تحریک کے لیے تھا، جو مزید کچھ سال تک اعلیٰ سطحی کارکردگی دکھانے کی توانائی اور جذبہ رکھتے ہیں۔ اس سے ایسے ملازمین ہمارے کسٹمر کی خدمت جاری رکھنے کے ساتھ ایک ہی وقت میں نوجوان اسٹاف کی رہنمائی بھی کر سکیں گے۔ یہ اہم اقدام، جسے عالمی سطح پر سراہا گیا، سینکڑوں خاندانوں کو فائدہ پہنچانے گا۔ موجودہ معاشی چیلنجز سے نمٹنے میں ملازمین کی مدد کے لیے مڈل اور جونیئر مینجمنٹ اسٹاف کو دو عبوری ایڈہاک فنانشل اسسٹنس پیمنٹس کی گئیں۔ ٹرانسپورٹ کے اخراجات میں ملازمین کی معاونت، ملازمین کو گاڑی کی خریداری میں مدد کے لیے بلاسود موٹر سائیکل قرضوں کی پیش کش کی گئی اور ایک ان ہاؤس رینڈیٹ شیئرنگ ایپ، شیئر سواری، متعارف کروائی گئی۔ سیلاب سے متاثرہ اسٹاف کو بحالی اور تعمیر نو کے لیے مالی امداد بھی فراہم کی گئی۔

تنوع، مساوات اور شمولیت پر بینک کی انتھک توجہ کے ثمرات ظاہر ہوئے اور سینٹر فار گلوبل انکلوژن کے GDEIB نے بینک کو 2022ء کے لیے پاکستان میں سب سے زیادہ شمولیت والے ادارے کے طور پر تسلیم کیا۔ اس تجزیے کے حصے کی حیثیت سے HBL نے مختلف شعبوں میں 15 ایوارڈز جیتے۔ سال کے دوران افرادی قوت میں دوبارہ شامل ہونے والی تجربہ کار خواتین کے لیے، واپسی ریٹرن شپ پروگرام کے تحت متعدد خواتین کی خدمات حاصل کی گئیں جس سے اس پروگرام کو تقویت ملی۔ بینک نے سال کا اختتام 21% تنوع کے تناسب کے ساتھ کیا۔ ہمارا مقصد 2025ء تک افرادی قوت کے ایک چوتھائی تک خواتین کی شرکت بڑھانا ہے۔ معذوری کے حامل افراد کی مزید شمولیت کی کوششوں کے تحت متعدد اقدامات کیے گئے، جن میں خصوصی تربیت، ہدفی ملازمتیں، معاون آلات کے لیے امداد اور ایک خصوصی انٹرن شپ / کام کے تجربے کا پروگرام شامل ہے۔

HBL نے پاکستان میں جدید حل فراہم کرنے کا سلسلہ برقرار رکھتے ہوئے موبائل فونز کی POS ٹرمینلز میں تبدیلی کر شلائز کی، اس طرح اسارٹ فونز کے ڈیوری کے وقت کارڈ پر مبنی ادائیگیاں قبول کرنے سے ڈیوری پیمینٹ کے عمل میں انقلابی تبدیلی لائی گئی ہے۔ کیش آن ڈیوری کے بغیر ہی تاجروں کو براہ راست معلومات اور 24 گھنٹے میں سیٹلمنٹ مل جاتی ہے، اس طرح وہ اپنے ورکنگ کیسٹبل کے ساتھ نقد رقم سنبھالنے کی پریشانی سے بچ جاتے ہیں۔ بینک نے پاکستان ڈیجیٹل ایوارڈز میں 'میٹ پیمنٹس'، 'انیشی ایٹو اور انیشیونل فنانس ایوارڈز' میں 'پوائنٹ آف سیل انیشی ایٹو فار دی ایئر ایوارڈ' جیتا۔

HBL Pay چیک آؤٹ آن لائن تاجروں کو کارڈز، بینک اکاؤنٹس اور ای والٹ کے ذریعے ڈیجیٹل ادائیگیوں کا اختیار دیتا ہے۔ یہ سروس اب 620 ای کامرس تاجروں کے پاس دستیاب ہے جو 4.6 ملین سے زائد ٹرانزیکشنز کر چکے ہیں جن کی مالیت 2022ء میں 35 ارب روپے رہی ہے۔

ہر انداز میں مالی شمولیت HBL کا ایک اہم مقصد ہے۔ Konnect by HBL مالی شمولیت کی وسعت کے لیے بینک کا اہم آلہ ہے، جو پاکستان بھر میں آن بینک اور انڈر بینک سیگمنٹ کو بینک تک آسان رسائی فراہم کرتا ہے۔ Konnect کے اب 8.3 ملین کسٹمر ہیں جن میں خواتین کلائنٹس کا 24% ہیں۔ 2022ء میں Konnect نے ایک اسلامی ڈپازٹ اکاؤنٹ کا آغاز کیا جس سے کسٹمر شریعت کے مطابق اپنی بینکاری ضروریات پوری کر سکیں گے اور مارکیٹ کا ایک بڑا خلاء پُر کر سکیں گے۔ آغاز کے بعد سے اب تک 200,000 سے زیادہ کھولے گئے اکاؤنٹس کے ساتھ Konnect اسلامک اکاؤنٹ بدستور اس صنعت میں لیڈر ہے۔

2022ء میں 238 ارب روپے سے زائد پراسیس کیے گئے حجم کے ساتھ 840 سے زائد کمپنیوں اور چھوٹے کاروباری اداروں کو Konnect تقسیم کے چکر دار حل پیش کرتا ہے۔ Konnect کلکیشن سروسز قرضوں کی ادائیگی، اسکول فیس اور ڈسٹری بیوٹر کی وصولی کی ضروریات پوری کرتی ہیں، جو برانچ جائے بغیر پورے پاکستان میں چوبیس گھنٹے بینکاری خدمات پیش کرتی ہیں۔ سال 2022ء میں مجموعی وصولیاں تین گنا بڑھ کر 170 ارب روپے تک پہنچ گئیں۔

HBL Konnect کو بے نظیر انکم سپورٹ پروگرام، سیلاب سے بچاؤ کے لیے ہنگامی امداد اور ایندھن کی سبسڈی جیسے متعدد اقدامات پر حکومت کے ساتھ اشتراک کا اعزاز حاصل ہے۔ سال کے دوران، Konnect نے سماجی امدادی ادائیگیوں کی تقسیم کے لیے ورلڈ فوڈ پروگرام اور ورلڈ ہیلتھ آرگنائزیشن کے ساتھ ادائیگی میں شراکت کی۔

2021ء کے اوائل میں، روبونک پروسیس آٹومیشن (RPA) متعارف کرایا گیا جس سے آزمائشی فراہمی کے کامیاب ثبوت کے ساتھ 50 سے زیادہ طرز کار RPA میں تبدیل کر دیے گئے۔ 2022ء کے دوران، پروگرام نے کامیابی سے مختلف کراس فنکشنل شعبوں میں اپنی افادیت ثابت کی۔ پروگرام کے آغاز کے بعد سے، 86 طرز کار RPA میں منتقل کیے گئے، جس کے نتیجے میں پروسیسنگ کے وقت میں بہتری آئی ہے اور ہر ماہ 18,000 سے زیادہ افرادی گھنٹوں کی بچت ہوئی۔ اس سے ان شعبوں کی استعداد میں چار گنا تک اضافہ ہوا ہے۔

HBL نے نیٹ ورک کلائنٹس سے منسلک رہنے اور ٹیکنالوجی پلیٹ فارم، پیمنٹ سسٹم اور ڈیجیٹل ایپلیکیشنز اپڈیٹ کرتے ہوئے 2022ء میں اپنے بین الاقوامی آپریشنز میں نمایاں بہتری دکھائی۔ تجارتی حجم میں 68% اضافہ ہوا اور نیٹ ورک کسٹمرز بس دگنا ہو گیا، جس کی وجہ نیٹ ورک کا زیادہ موثر طریقے سے استعمال اور مینشٹری مارکیٹنگ میں اضافہ ہے۔ ایک بہتر CASA کس کے ساتھ پورے نیٹ ورک میں ڈپازٹ مستحکم رہے ملٹی کسٹری کلائنٹس کے لیے گلوبل ریلیشن شپ مینجر کے تحت گروپ لیول کی حدود کا ایک ڈھانچہ بنایا گیا ہے جو کلیدی صارفین کے زیادہ جامع انتظام کو ممکن بنائے گا۔

چین میں HBL کی دو برانچیں چینی ٹرانزیکشنز کی ابتدا اور عمل درآمد کے لیے مرکزی انجن کے طور پر کام کرتی ہیں، جس سے انٹرانیٹ ورک فلو میں مزید سہولت ملتی ہے۔ بینک کا کامیاب چین کوریج ماڈل اب متحدہ عرب امارات، سری لنکا، بنگلہ دیش اور مالڈیپ کا احاطہ کرتا ہے۔ 2022ء میں، اس ماڈل کو ہمارے الحاق شدہ ڈائمنڈ ٹرسٹ بینک کے اشتراک سے مشرقی افریقہ تک توسیع دی گئی۔ HBL 54 چینی کاروباری اداروں کو خدمات فراہم کرتا ہے، جن میں سے 19 مختلف مقامات پر صارفین ہیں، جو خطے میں اس کے پسندیدہ بینک کے عزم کو مزید آگے بڑھاتا ہے۔ پاکستان میں HBL چینی کاروبار کے لیے بدستور معروف بینک ہے۔ چینی فریجنگز اگلے چند سالوں میں بین الاقوامی کاروبار کا فلیگ شپ بننے کے لیے اچھی پوزیشن میں ہے۔

HBL نے MENA اور جنوبی ایشیا میں صرف 3 بیٹکوں میں سے ایک ہونے کے ناطے اپنی منفرد پوزیشن کا فائدہ اٹھاتے ہوئے دیگر مالیاتی اداروں کو RMB کی پیشکشوں کو توسیع دے کر اینڈ ٹو اینڈ RMB ثالثی کی پیشکش کی۔ HBL کی RMB نوٹس و تجویز اسے اپنے چینی کسٹمرز کو لیکویڈیٹی میجمنٹ اور اپنے غیر ملکی ملازمین کو تنخواہوں کی ترسیل کے قابل بناتی ہے۔ HBL چین نے اپنی پیشکش مزید بہتر بنانے کے لیے متعدد ممالک میں 17 نئے FI تعلقات قائم کیے ہیں اور پاکستان اور بنگلہ دیش میں بیٹکوں کے لیے LC مشاورتی پروگرام کا آغاز کیا ہے۔

HBL سیلف سروس اور ڈیجیٹل آپشنز بہتر بنانے، پہلی صف کی خوبخوری اور نگرانی کے ذریعے صارفین کو موثر اور مستقل سروس فراہم کرنے کی کوشش کرتا ہے۔ پیداوار، ٹران ار اوڈ ٹائم اور کسٹمر کا تجربہ بہتر بنانے کے لیے 300 سے زیادہ صارفین کا سفر ایک سرے سے دوسرے سرے تک آسان بنایا گیا۔ ٹران ار اوڈ ٹائم (TAT) مزید کم کرنے کے اقدامات میں ٹیڈر ٹرانزیکشن کی حد میں اضافہ اور اکاؤنٹ کھولنے کے اوقات میں توسیع شامل ہے۔ 2021ء میں شروع کی گئی آگاہی مہم کے ذریعے 16,000 سے زائد سمیشنز منعقد کیے گئے تاکہ فرنٹ لائن اسٹاف کو نئے اور نظر ثانی شدہ عمل کے بارے میں آگاہی دی جاسکے، جس سے وہ صارفین کو موثر انداز میں خدمات فراہم کر سکیں اور تعمیل کا مستحکم کلچر یقینی بنا سکیں۔ ہفتے کے دوران صارفین کے سروس کے تجربے کے جائزے اور بہتری کے شعبوں کی نشاندہی کے لیے ہفتہ وار فریڈے ہڈل متعارف کروایا گیا۔ کسٹمرز کے اطمینان کا سطح 80% تھی اور مسئلے کے حل کے اطمینان کا اسکور 59% تھا۔ 2022ء کے دوران بینک کو 271,433 شکایات موصول ہوئیں جنہیں اوسطاً 5 دن کے اندر

کمپلائنس فنکشن کا کردار تعمیل کا ماحول مضبوط بنانا اور بینک کو قابل اطلاق قوانین، قواعد و ضوابط، رہنما خطوط اور بینک کی داخلی پالیسیوں اور طریقہ کار کی تعمیل کے قابل بنانا ہے جس میں فنانشل کرائم کمپلائنس (FCC) مینجمنٹ بھی شامل ہے۔ HBL کمپلائنس رسک مینجمنٹ (CRM) پر انحصار کو تدارک کی ایک دانشمندانہ حکمت عملی سمجھتا ہے۔ گلوبل کمپلائنس، ایک آزاد فنکشن کے طور پر، متعلقہ کاروباری اداروں کی معاونت سے تمام متعلقہ دائرہ اختیار میں CRM فریم ورک ڈیزائن، نافذ اور فعال کرنے میں سینئر انتظامیہ کی مدد کرتا ہے۔ اس فریم ورک کا مقصد ریگولیٹری ہدایات، تقاضوں اور توقعات کو مستعدی سے منظم کرنے کے ساتھ ساتھ ابھرتے ہوئے تعمیل اور مالی جرائم کے خطرات کی نشاندہی کرنا ہے۔ HBL کی CRM حکمت عملی بینک کی حکمت عملی سے مطابقت رکھتی ہے اور صنعت کے رجحانات، ارتقا پذیر ریگولیٹری تقاضوں اور عالمی بہترین طریقوں کو شامل رکھتی ہے۔

کمپلائنس، بزنس کے اشتراک سے، ریگولیٹری تقسیم پر مبنی رسک اور کنٹرول سیلف ایسیسمنٹ (RCSAs) کے ذریعے کمپلائنس کے خطرے کی نشاندہی، تشخیص، نگرانی اور رپورٹ کرتا ہے۔ ریگولیٹری تقاضوں کے مد نظر کنٹرول کے مناسب ڈیزائن اور افادیت یقینی بنانے کے لیے ریگولیٹری رسک رپوزٹری مینجمنٹ کا ایک جامع عمل وضع کیا گیا ہے۔ 2022ء کے دوران، ایک ہفتہ وار ریگولیٹری پلس کو ریگولیٹری رسک مینجمنٹ اور افادیت کی تشخیص کے لیے معلومات اور نگرانی کے آلے کے طور پر متعارف کرایا گیا تھا۔ اس کے مطابق، زیادہ مناسب اور قابل کمپلائنس فریم ورک بنانے کے لیے کچھ پالیسیوں اور طریقہ کار میں اضافہ کیا گیا تھا۔

موجودہ غیر مستحکم معاشی ماحول اور بدلتی ہوئی جیو پالیٹیکل اور علاقائی صورتحال کے نتیجے میں نئے ابھرتے ہوئے ریگولیٹری اور FCC خطرات پیدا ہوئے ہیں۔ اس کے مطابق، کمپلائنس نے تمام ریجن میں ”کمپلائنس آن دی گو“ روڈ شو کی ایک سیریز کے ذریعے داخلی صارفین کے ساتھ مسلسل رابطے قائم کیے۔ یہ بینک بھر میں منعقد ہونے والے متحرک خصوصی انٹیکمپنٹ سیشنز اور تربیت کے علاوہ عالمی بہترین طریقوں کے ساتھ بیچ مارک بنانے کی غرض سے موجودہ ٹرانزیکشنز کی نگرانی اور سیکشنز اسکریننگ سسٹم کی افادیت میں اضافے کے لیے ایک توثیق اور آپٹیمائزیشن کا منصوبہ شروع کیا گیا ہے۔

گلوبل کمپلائنس نے حال ہی میں اپنے تنظیمی ڈھانچے کو کمپلائنس مانیٹرنگ، ڈیجیٹل اختیار اور جدت طرازی میں اضافہ کرتے ہوئے دوبارہ ترتیب دیا ہے تاکہ ریگولیٹرز کے ساتھ ضروری سٹیچ پوائنٹس کے ذریعے بزنس سے بلا تعطل رابطے قائم کیا جاسکے۔ ایٹھس اینڈ کنٹریٹ فنکشن بھی اب کمپلائنس فنکشن میں ضم کر دیا گیا ہے۔

صدر کی سربراہی میں مینجمنٹ کی کمپلائنس کمیٹی تعمیل اور طرز عمل سے متعلق امور کی نگرانی اور تجزیہ کرتی ہے۔ بورڈ کمپلائنس اینڈ کنٹریٹ کمیٹی (BCNCC) تعمیل اور طرز عمل کے کلچر کے نفاذ کی نگرانی میں بورڈ کی معاونت کرتی ہے اور بینک بھر میں تعمیل کے پروگرام کے نفاذ پر احکامات دیتی ہے۔ HBL کے وسل بلونگ پروگرام کا مقصد بینک کی سالمیت اور سہا کا تحفظ ہے اور اس کا مقصد دھوکہ دہی، بد عنوانی، ہراسانی اور بینک کے ضابطہ اخلاق کی دیگر خلاف ورزیوں کے مشتبہ کیسز کی اطلاع دینے میں ملازمین کی ذمہ داری میں اضافہ کرنا ہے۔ BCNCC اخلاقیات اور طرز عمل سے متعلق امور کی بھی نگرانی کرتا ہے جس میں وسل بلونگ بھی شامل ہے۔ کسی بھی متعلقہ تحقیقات کی نگرانی بورڈ آڈٹ کمیٹی (BAC) کرتی ہے اور انضباطی کارروائیوں کا جائزہ بورڈ ہیومن ریسورس اینڈ ریوینویشن کمیٹی لیتی ہے۔ سال کے دوران، ملازمین سے بات چیت کے لیے دستیاب مختلف کمیونٹی چینلز کے بارے میں آگاہی کے لیے مزید کوششیں کی گئیں۔

HBL کے لیے اپنے صارفین اور ان کے ڈیٹا کو سائبر حملوں اور ڈیٹا کی خلاف ورزیوں سے بچانا انتہائی اہم ہے۔ بینک کا انفارمیشن سیکورٹی فنکشن HBL کے ڈیٹا ایسٹ کو سائبر سیکورٹی رسک کے موثر انتظام کے ذریعے اندرونی اور بیرونی خطرات سے محفوظ رکھنے میں اہم کردار ادا کرتا ہے، جس میں ابھرتے ہوئے بیرونی خطرات کے مقابلے کی صلاحیت والے حفاظتی اور جاسوسی کنٹریولز کی معاونت شامل ہے۔ بینک 7x24 سیکورٹی آپریشنز سینٹر مختلف نگرانی، سراغ لگانے اور روک تھام کے طریقہ کار کے ذریعے ایک مضبوط سیکورٹی پوزیشن میں اپنا کردار نبھا رہا ہے۔

ڈیجیٹل چینلز پر ٹرانزیکشن کرنے والے صارفین کی جامع توثیق اور طرز عمل کے تجزیے سائبر دھوکہ دہی کی روک تھام میں ضروری ضوابط ہیں۔ ایک توجہ سے بھرپور کوشش نے بینک کی اس طرح کے واقعات میں کمی میں مدد کی ہے۔ بینک نے SWIFT کسٹمر سیکورٹی پروگرام کے ساتھ ساتھ سالانہ ISO27001 کی تعمیل کی شرط بھی کامیابی سے پوری کی۔ انفارمیشن سیکورٹی سے متعلق امور پر تربیت اور رہنمائی فراہم کرنے کے لیے وسیع پیمانے پر ایک اندرونی آگاہی مہم شروع کی گئی جس میں صارفین کے لیے ہدفی آگاہی مہمیں شامل کی گئیں۔ بینک جدید سیکورٹی خطرات میں کمی کے ساتھ آٹومیشن اور جدید ٹیکنالوجیز بشمول مصنوعی ذہانت اور مشین لرننگ کے استعمال سے سائبر ڈیفنس مضبوط بنانے کے لیے پرعزم ہے۔ یہ حفاظتی اقدامات HBL کو اپنے صارفین کا تحفظ اور ذہنی سکون برقرار رکھتے ہوئے جدید ڈیجیٹل حل پیش کرنے کے قابل بناتے ہیں۔

ادارہ جاتی سماجی بہبود کی ذمہ داری

HBL ایسے انداز سے کام کرنے کی بھرپور کوشش کرتا ہے جو ایک صحت بخش معاشرے کو فروغ دیتا ہے اور جو ہمدردی اور تقسیم پر زور دیتا ہے، ایک ایسا جذبہ جو ہم اپنے ملازمین میں ایک سماجی ذمہ دار ادارے کے طور پر پیدا کرتے ہیں۔ جس معاشرے میں ہم کام کرتے ہیں ان کی فلاح کے لیے کام کرنا ہماری حکمت عملی اور ایجنڈا کے ستونوں میں سے ایک ہے۔ HBL کی زیادہ تر امداد HBL فاؤنڈیشن (HBLF) کے ذریعے کی جاتی ہے، جس میں شفافیت، معیار اور حیثیت کا تعین برقرار رکھنے اور ہر عطیے کے اثرات اور پائیداری کی نگرانی اور پیمائش کے لیے تجزیے کے سخت معیارات رکھے جاتے ہیں۔ فاؤنڈیشن ایسی تنظیموں کی تلاش میں ہے جو پسماندہ اور محروم برادریوں کی مدد کریں تاکہ مستقبل میں وہاں کم از کم بنیادی انفرادی ضروریات پوری کی جاسکیں۔ 2021ء میں HBLF عطیہ دینے کی ایک دہائی مکمل ہوئی۔ 2022ء میں اس کی رفاہی فنڈنگ کو بینک کے بعد از ٹیکس منافعے کے 1.5% تک بڑھا دیا گیا۔

اپنی صلاحیتوں میں اضافہ اور توجہ حاصل کرنا بینک کی حکمت عملی کا بنیادی جز ہے۔ اقدار پر مبنی ثقافت کی ترویج اور ہر سطح پر قائدانہ صلاحیتوں کے فروغ کے لیے ایک معروف عالمی لیڈر شپ ڈویلپمنٹ آرگنائزیشن کے اشتراک سے 'لیڈر شپ ایسیلینس' پروگرام شروع کیا گیا۔ اس کے 3 سالوں پر محیط اس جامع پروگرام کے تحت بینک کی ایگزیکٹو کمیٹی سے لے کر سب سے جونیئر فرنٹ لائن لیڈر تک 3,000 سے زائد رہنماؤں کو HBL کی قیادت کے DNA کے مطابق تربیت اور شخصیت سازی کی جائے گی۔ 2022ء میں، یہ پروگرام ایگزیکٹو کمیٹی اور بینک کے جرنل نیچرز کے لیے شروع کیا گیا ہے۔ بقیہ اسٹاف کے لیے، 2023ء میں یہ پروگرام شروع کیا جائے گا۔

ایک مضبوط ٹیلنٹ پائپ لائن کی تیاری کے ساتھ ساتھ تعلیمی اداروں کی استعداد میں اضافے میں مدد کے لیے، پاکستان بھر کی 15 یونیورسٹیوں کے ساتھ باضابطہ اشتراک کیا گیا تاکہ ادارہ جاتی تقاضوں اور HBL کے مقاصد کے مطابق طلباء، فیکلٹی اور نصاب میں ان کی مرضی کے مطابق معاونت کی جائے۔ یہ پروگرام طلباء کو وظائف اور انٹرن شپ، فیکلٹی کو تحقیق کے مواقع اور حقیقی زندگی کے کاروباری منصوبے اور یونیورسٹیوں کو نصاب کی تیاری میں مدد فراہم کریں گے تاکہ طلباء کو آج کے دفاتر میں ضروری مہارتوں سے آراستہ کیا جاسکے۔

HBL اپنی حکمت عملی کی فراہمی کے لیے ڈیجیٹل ماہر اور کسٹمر کی اہمیت جاننے والے عملے کے ساتھ باہمی ربط سے ثقافتی تبدیلی کا سفر جاری رکھے ہوئے ہے۔ بینک کے مینجمنٹ ٹرینی اور گریجویٹ ٹرینی پروگرام، 'دی لیگ' صنعت میں سب سے زیادہ پسندیدہ پروگراموں میں سے ایک ہیں اور اعلیٰ صلاحیت والے ٹیلنٹ کی تعمیر میں مدد کرتے ہیں۔ مزید، مخصوص کرداروں میں انٹری لیول کنجک بھرتی نے استعداد میں اضافے میں مدد کی۔ استعداد کار میں اضافے کے لیے ملازمین کی مہارتیں عالمی بہترین طریقوں اور مارکیٹ کے تقاضوں کے مطابق اپ ڈیٹ رکھنے کے لیے 500,000 سے زائد افرادی گھنٹوں کی تربیت فراہم کی گئی۔ بینک کے کسٹمر کی اہمیت پر مرکوز اہداف کے حصول کے لیے کسٹمر سروس اور کمپلائنس کی تربیت ایجنڈے میں سرفہرست رہی۔ ادارے میں HBL کی اقدار اپنانے کی غرض سے تمام ملازمین کے لیے 2022ء کی سالانہ کارکردگی کے جائزے میں اس بات کا باضابطہ جائزہ بھی شامل تھا کہ انہوں نے متوقع طرز عمل کا کتنا اچھا مظاہرہ کیا۔

رِسک مینجمنٹ فریم ورک

HBL کی حکمت عملی خطرے کے فعال انتظام پر مبنی ہے۔ HBL خطرات کے جامع انتظام کے ذریعے ایک مضبوط رسک کلچر کو فروغ دیتا ہے، جس کا اطلاق ادارے کی تمام سطحوں پر ہوتا ہے جس میں بورڈ کی قریبی نگرانی، کثیر سطحی انتظامی نگرانی، موثر نظام اور واضح طور پر وضع کردہ پالیسیاں اور طریقہ کار شامل ہیں۔ گورننس اسٹرکچر کے حصے کی حیثیت سے بورڈ رسک مینجمنٹ کمیٹی (BRMC) مسلسل بنیادوں پر بینک کے رسک پر وفا کی نگرانی، تجزیہ اور انتظام کرتی ہے۔ سینئر مینجمنٹ کی سطح پر، مختلف رسک کمیٹیاں نگرانی اور عملدرآمد کی ذمہ دار ہیں جبکہ روزانہ کی رسک مینجمنٹ سرگرمیوں کو مختلف سطحوں پر تفویض کیا جاتا ہے۔

جیسا کہ سال کے دوران معیشت دباؤ میں آئی، آزمودہ کریڈٹ مینجمنٹ کے طریقوں، بشمول باقاعدگی سے آر لی الرٹ کمیٹی میٹنگز اور اسٹریٹجی ٹیسٹنگ نے بینک کے کریڈٹ پورٹ فولیو کی مضبوطی اور لچک یقینی بنانے میں مدد کی۔ خصوصاً SME، زراعت اور کسٹمر کو قرض دینے والے پورٹ فولیو کے اندر خطرات کی جلد نشاندہی کے لیے پورٹ فولیو مانیٹرنگ بڑھانے اور ٹولز کے نفاذ پر مسلسل توجہ دی گئی۔ کسٹمر اور زراعت کو قرض دینے والی مصنوعات کے لیے نئے کریڈٹ اسکور کارڈ تیار کیے گئے اور ملک بھر میں کریڈٹ ٹیموں کی ریفریش ٹریننگ کی گئی۔ رسک مینجمنٹ سسٹم کسی بھی خطرات کے باقی اثرات کو محدود کرتے ہوئے کاروباری ترقی آسان بنانے کے لیے ارتقا پذیر رہا۔

اپنی پیچ اسٹریٹیجی میں مزید اضافے اور اسٹرکچرڈ رسک مینجمنٹ ٹریننگ کے لیے HBL نے ایک جامع ماڈیولر ٹریننگ پروگرام متعارف کروایا ہے۔ اس کا مقصد ایک یکساں کریڈٹ رسک اسیسمنٹ ذہنیت پیدا کرنا ہے جو آئندہ رسک ڈرائیورز پر مرکوز رہے اور اس طرح رد عمل کے بجائے تاریخی اعداد و شمار پر مبنی ایک فعال نقطہ نظر اپنائے۔ یہ ایک ان ہاؤس پروگرام ہے اور بینک کے سینئر ریورسز کے ذریعہ فراہم کیا جا رہا ہے۔

مارکیٹ اور لیکویڈیٹی رسک انڈیکسز کا مارکیٹ اینڈ لیکویڈیٹی رسک کمیٹی اور ALCO کی جانب سے ماہانہ بنیادوں پر جائزہ لیا جاتا ہے۔ یہ یقینی بنانے کے لیے کہ بینک مارکیٹ کے خطرے کے لیے اپنی برداشت کے اندر رہے، ایک جامع ڈھانچہ موجود ہے۔

آپریشنل رسک مینجمنٹ کے طریقوں کی نگرانی اور مستقل انداز میں تنظیم کے لیے پالیسیاں اور طریقہ کار موجود ہیں۔ انتظامی خطرے کے واقعات کے امکانات اور شدت کا اندازہ لگانے کے لیے کلیدی ٹولز جیسے رسک اینڈ کنٹرول سیلف اسیسمنٹ (RCSA)، کی رسک انڈیکسز اور آپریشنل لاس ڈیٹا مینجمنٹ کا استعمال کیا جاتا ہے۔ بینک کے آپریشنل رسک پر وفا کی اور دھوکے دہی کے خطرے کا تجزیہ باقاعدگی سے سینئر مینجمنٹ اور BRMC کے ساتھ شیئر کیا جاتا ہے۔

انٹرنل انڈیکس مینجمنٹ (ERM) فنکشن مینجمنٹ کی توجہ کا مرکز تھا اور سال کے دوران اسے مضبوط بنایا جاتا رہا۔ ERM تمام فنکشنز پر لاگو ہوتا ہے، جو ادارے کی تمام سطحوں پر خطرے کے انتظام کے لیے ایک مضبوط اور مستقل طریقہ کار کو یقینی بناتا ہے۔ بینک کا ERM فریم ورک، جسے بورڈ نے منظور کیا ہے، بینک بھر میں مختلف فنکشنز کے معیارات، مقاصد اور کلیدی ذمہ داروں کا تعین کرتے ہوئے اعلیٰ سطحی رسک مینجمنٹ کے اصولوں کا خاکہ پیش کرتا ہے۔

2022ء کے دوران ERM ٹیم نے بینک بھر میں انٹیگریٹڈ رسک اینڈ کنٹرول ریپوزیٹری (IRCR) تشکیل دی۔ اس ریپوزیٹری کا مقصد پورے ادارے میں تمام خطرات اور مسائل کی نشاندہی، انتظام، نگرانی اور تخفیف ہے۔ IRCR کے نفاذ کے ایک حصے کے طور پر، پہلی دفاعی صف کے ذریعے اپنی جانچ کو ادارے بھر میں مربوط کیا جا رہا ہے۔ ERM فنکشن میں ایک ماڈل رسک مینجمنٹ بھی شامل ہے جس کا مقصد بینک میں استعمال ہونے والے تمام ماڈلز کا آزادانہ جائزہ اور توثیق ہے۔

میں آمدنی پر رعایت (زیادہ تر بالواسطہ) اور فلوئنگ ایکٹیو ریٹ سے واپسی شامل ہے۔ ایک حل مشکل سماجی اور سیاسی حالات کے ساتھ ہونے کا امکان ہے، اگرچہ سرمایہ کاروں کی برداشت بتدریج واپس آنی چاہیے، جس کے نتیجے میں اگلے 18-12 مہینوں میں حالات تقریباً معمول پر آجائیں گے۔ پالیسی سازوں کو اب بامقصد ساختی اصلاحات اور موجودہ بحران سے نکلنے کا راستہ اختیار کرنے کے لیے سوچ سمجھ کر قدم اٹھانا ہو گا۔

HBL نے سال کے دوران درپیش مشکلات کی بھرمار پر کامیابی سے قابو پایا ہے۔ لگاتار ریکارڈ سہ ماہیوں کے نتیجے میں ایک اور ریکارڈ سال گزر رہا ہے جس میں ہماری انتظامیہ کے زیادہ تر شعبوں میں قیادت کے عہدوں کو مزید مضبوط کیا گیا ہے۔ ہماری مضبوط ڈیویژنل فریڈم کو ہمارے بین الاقوامی کاروبار نے بھی فروغ دیا ہے جو کہ اب منافع فراہم کر رہا ہے۔ مسلسل دوسرے سال ہماری کامیابیوں کا اعتراف IBP بینکنگ ایوارڈز میں پاکستان کا سب سے باوقار ایوارڈ 'دی بیسٹ بینک ان پاکستان' سے نواز کر کیا گیا۔ ہمارے ٹرانزیکشن بینکنگ بزنس نے متعدد اعزازات جیتے ہیں۔ حقیقت یہ ہے کہ یہ کلائنٹ کے تاثرات پر مبنی ہیں جو ان ایوارڈز کو اور بھی بامعنی بناتے ہیں۔ ہم ان نتائج کو اپنے صارفین سے منسوب کرتے ہیں، جن میں سے بہت سے نسلوں سے ہمارے ساتھ بینکنگ کرتے ہیں اور ہم جو کچھ کرتے ہیں وہ اس کا مرکز ہیں۔

HBL کی کئی سالوں سے ٹیکنالوجی میں سرمایہ کاری رنگ لارہی ہے۔ زیادہ ورچوئل طرز زندگی، جو بنیادی طور پر وبائی امراض کی وجہ سے دنیائے مجبوراً اپنایا، اب صارفین کی طرف سے رسائی اور سہولت کے ذریعہ کے طور پر دیکھا جاتا ہے۔ ہمارے کاروباروں کی ڈیجیٹلائزیشن میں اضافہ HBL کے لیے زندگی کا ایک طریقہ بن گیا ہے، چاہے وہ پیپر لیس کنزرویوٹرن فنانشنگ ہو، ریویو ڈیجیٹل اکاؤنٹ کھولنا ہو یا گیمیفائیڈ ہائرننگ اور ٹریننگ ہو۔ اس سال ہم نے ایک بار پھر متعدد جدید مصنوعات متعارف کروائی ہیں جنہوں نے ڈیجیٹل بینکاری کے شعبے میں انقلاب برپا کیا ہے۔ واٹس ایپ بینکنگ، نوکنائزیشن، موبائل POS کی سہولت اور پاکستان کی پہلی اسلامی برانچ لیس بینکاری کی پیشکش ان میں شامل ہیں۔ HBL موبائل سے لے کر Konnect، ای کامرس سے لے کر QR ادائیگیوں تک، HBL صارفین کے استعمال میں اعلیٰ معیارات قائم کرنے کا سلسلہ جاری رکھتے ہوئے، بینکنگ لائسنس کے ساتھ ایک ٹیکنالوجی کمپنی کے طور پر اپنی پوزیشن مستحکم کر رہا ہے۔ جو ملک میں ڈیجیٹل منظر نامہ تشکیل دے رہی ہے۔ HBL ملک کے تانے بانے کا ایک لازمی حصہ ہے۔ پاکستان کے اہم مالیاتی ادارے کی حیثیت سے، HBL ملک کی معاونت کے لیے ہر شعبے میں پیش قدمی کرتا ہے۔ ہم پبلک پرائیویٹ پارٹنرشپ ماڈل کے تحت حکومت کے ساتھ مل کر کام کرتے ہوئے معیشت کے تمام شعبوں میں بھرپور فکری قیادت فراہم کر رہے ہیں۔ زراعت کے شعبے میں ہماری قائدانہ حیثیت نے کسانوں کی زندگیوں پر ڈرامائی اثر ڈالا ہے اور آگے چل کر ہم اسے مزید تیزی سے بڑھائیں گے۔ پاکستان کو FATF کی گری لسٹ سے نکالنے میں ہمارا کردار عوامی سطح پر تسلیم کیا گیا اور سراہا گیا ہے اور ہم آفات سے نمٹنے کے لیے ملک میں جانا مانا ادارہ ہیں۔ 2022ء میں ہم نے HBLPSL کا تعاون ایک بانی کے طور پر ایک پوری دہائی تک بڑھایا۔ ایک ایسا ایونٹ جس نے پاکستان کو عالمی کرکٹ کے نقشے پر واپس لانے میں مدد کی اور لاکھوں پاکستانیوں کو ناقابل بیان خوشیاں دی ہیں۔ HBL فنون لطیفہ اور فنکاروں کی سرپرستی جاری رکھے ہوئے ہے، فن کو عوامی سطح پر لاکر زندگی کے تمام شعبوں سے تعلق رکھنے والے افراد کو فن سے لطف اندوز ہونے اور سرائے کے مواقع فراہم کرتا ہے۔

HBL دنیا کے سب سے اہم مسئلے۔ ماحولیاتی تغیر سے نمٹنے کے لیے کاروبار کی پرواہ کیے بغیر اپنے معیارات بلند کر کے جرات مندانہ اقدامات جاری رکھے ہوئے ہے۔ 2030ء تک نیٹ زیرو حاصل کرنے کا مقصد ماحول دوستی کے عزم کی پیروی ہمارا حصہ ہے۔ ہم HBL نساء کے ذریعے خواتین کی شمولیت اور صنفی تنوع کے اہداف سمیت تمام پہلوؤں میں مالی شمولیت پر مسلسل توجہ مرکوز رکھے ہوئے ہیں۔ اپنے مضبوط Konnect اور مائیکرو فنانس کاروبار کے ذریعے پسماندہ افراد کی شمولیت، اور ڈیجیٹل بینکاری کے ذریعے نوجوانوں کی شمولیت تاکہ پاکستان اور پاکستانیوں کا روشن مستقبل یقینی بنایا جاسکے۔ ان میں سب سے خوش کن اعتراف پاکستان کے سب سے زیادہ شمولیت والے ادارے کا اعزاز تھا۔

منافع منقسمہ

بورڈ نے سال مختتمہ 31 دسمبر 2022ء کے لیے 1.50 روپے فی حصص (شیر) کے حتمی نقد منافع منقسمہ کی تجویز دی، جس سے سال کا مجموعی نقد منافع منقسمہ 6.75 روپے فی حصص (شیر) تک پہنچ گیا۔ اس سے قبل بورڈ مجموعی طور پر 5.25 روپے فی حصص کے عبوری منافع منقسمہ کا اعلان اور ادائیگی کر چکا تھا۔

بورڈ کے اجلاس

بورڈ اجلاس		
حاضری	دوران مدت منعقدہ اجلاس	
9	9	محترم سلطان علی اللہ
9	9	محترم خلیل احمد
9	9	محترم شفیق دھر مشی
9	9	محترم معیز احمد جمال
9	9	محترمہ صبا کمال
9	9	محترم سلیم رضا
9	9	ڈاکٹر نجیب سمیع
9	9	محترم محمد اورنگزیب

2022ء میں HBL نے براہ راست 133 ملین روپے کا عطیہ دیا، جس کا بڑا حصہ سندھ اور بلوچستان میں سیلاب کی بحالی کی کوششوں پر تھا۔ اس کے فوری رد عمل میں بینک نے جوہلی لائف انشورنس اور جوہلی جزل انشورنس کے اشتراک سے دونوں صوبوں میں 10 سے زائد کمیونٹیز میں 180 ملین روپے مالیت کا امدادی سامان تقسیم کیا۔ ان میں 15 ہزار راشن بیگز شامل تھے، جن میں 80 لاکھ تک (افراد کے لیے) کھانا فراہم کیا گیا، 4 ہزار مچھر داناں اور 3100 فیملی سائز واٹر پروف خیمے شامل تھے۔ سیلاب نے پینے کے صاف پانی تک رسائی کا مسئلہ مزید بڑھا دیا جس کے لیے HBL نے 2500 واٹر فلٹریشن کٹس کی تقسیم کے لیے ایک کروڑ روپے فراہم کیے۔ HBL نے حکومت پاکستان اور نیشنل ڈیزاسٹر مینجمنٹ اتھارٹی کے ساتھ شراکت کی ہے تاکہ BISP کے تحت 10 لاکھ سیلاب متاثرین میں ہنگامی امدادی فنڈز تقسیم کیے جاسکیں۔ HBL اور اس کے عملے نے اس انسانی بحران کا سامنا کرتے ہوئے نقل و حرکت اور رسائی کے چیلنجوں سے قطع نظر، متاثرہ آبادی کی ہر ممکن مدد یقینی بنائی۔ HBL نے لاڑکانہ کے علاقے کے دو گاؤں میں سے ہر ایک میں 100 تیار شدہ مکانات کی تعمیر کے لیے بھی 128 ملین روپے کا عطیہ دیا۔

2022ء میں HBL فاؤنڈیشن نے پاکستان بھر میں صحت کی دیکھ بھال، تعلیم، کمیونٹی ڈویلپمنٹ، فن اور ثقافت کے شعبوں میں کام کرنے والی 31 تنظیموں کو 34.9 کروڑ روپے کا عطیہ دیا۔ صحت کی دیکھ بھال کے شعبے میں زندگی بچانے والے طبی آلات، بچوں کے لیے بڑھتی ہوئی ہیلتھ کیئر اور آنکھوں اور سر جیکل کمیونٹی کے لیے 25.2 کروڑ روپے کا عطیہ دیا گیا۔ اس موقع پر سندس فاؤنڈیشن کے آئرن چیئلمین تھراپی پروگرام سے سالانہ 200 ہیلیسیسیا کے مریض مستفید ہوں گے، پنجاب کے دور دراز علاقوں میں ہر ہفتے 500 افراد کو فائدہ پہنچانے والا موبائل ہسپتال اور پمز اسلام آباد میں بچوں میں بیماریوں کی روک تھام، ہنگامی اور پرائمری کیئر کے لیے پیڈیاٹرک سینٹر بھی فراہم کیا گیا۔

فاؤنڈیشن نے پاکستان بھر میں طلباء کو تعلیم، تکنیکی اور پیشہ ورانہ پروگراموں کی فراہمی کے لیے 7.6 کروڑ روپے کا عطیہ دیا۔ 2022ء میں HBL نے پسماندہ علاقوں سے تعلق رکھنے والی لڑکیوں کے لیے سائنس، ٹیکنالوجی، انجینئرنگ، آرٹس اینڈ ڈیزائن (STEAM) اسکالرشپس کا بھی اجراء کیا۔ نیشنل یونیورسٹی آف سائنسز اینڈ ٹیکنالوجی اور لاہور یونیورسٹی آف مینجمنٹ سائنسز میں سے ہر ایک کو 5 اسکالرشپس دی گئیں۔

HBL فاؤنڈیشن فن، موسیقی اور ثقافت کی بھی حوصلہ افزائی کرتی ہے۔ کراچی میں قائم ایک غیر منافع بخش ادارے آل پاکستان میوزک کانفرنس کو 'لیونگ ماسٹرز' کے نام سے آرکائیونگ پروجیکٹ کے لیے عطیہ فراہم کیا گیا جس کا مقصد انٹرویوز اور ماسٹر کلاسز کے ذریعے پاکستان کے لیجنڈری موسیقاروں کے فن، سفر اور تعلقات کو دستاویزی شکل دینا ہے۔

مختلف برادریوں کی شمولیت یقینی بنانے کے لیے 1000 عیسائی، ہندو، ماہی گیر اور خواجہ سرا خاندانوں کو راشن کی خریداری اور تقسیم کے لیے 55 لاکھ روپے دیئے گئے۔ یہ تقسیم جینڈر انٹرایکٹیو سائنس اور تحریک نسوان کی مدد سے کی گئی اور ان خاندانوں کو ایک ماہ کے لیے مناسب خوراک فراہم کی گئی۔

HBL ایک مربوط پروگرام کے ذریعے اپنے ملازمین میں رضا کارانہ جذبے کی حوصلہ افزائی کرتا ہے جو باقاعدگی سے خدمت کے مواقع کی نشاندہی کرتا ہے۔ سال کے دوران، ہمارے عملے نے شجر کاری، صفائی مہم، بلڈ کیپ اور پسماندہ افراد میں کتابیں اور کھلونے عطیہ کرنے سمیت مختلف سرگرمیوں کی معاونت کی۔

کریڈٹ ریٹنگ

جون 2022ء میں، بینک کی کریڈٹ ریٹنگ کی دوبارہ تصدیق VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ذریعے بالترتیب طویل المیعاد اور قلیل المیعاد کے لیے AAA/A-1 + ہوئی۔ ستمبر 2019ء میں اضافی Tier 1 سرمائے کے طور پر جاری کردہ TFCs کی ریٹنگ کی بھی AA+ کے طور پر دوبارہ تصدیق کی گئی۔ حال ہی میں اضافی Tier 1 سرمائے کے طور پر جاری کردہ TFCs کی ریٹنگ کی بھی AA+ کے طور پر دوبارہ تصدیق کی گئی۔ تمام ریٹنگ میں منظر نامہ مستحکم ہے۔ یہ ریٹنگ ملک کے سب سے بڑے کمرشل بینک کی حیثیت سے HBL کے مقام کی توثیق کرتی ہے اور اس کی مستحکم فنانشل پروفائل اور انتظامی اہمیت کی عکاس ہے۔ VIS نے اس بات کی نشاندہی بھی کی کہ HBL اپنے ڈھیل اقدامات میں اضافے کی حکمت عملی بینک کے لیے ایک مسابقتی فائدے کی حیثیت رکھتی ہے۔ Moody's نے اکتوبر میں حکومتی ریٹنگ منفی منظر نامے کے ساتھ کم کر کے B3 سے caa1 کی ہے۔ جو HBL سمیت ملک کے تمام بڑے بینکوں کے لیے اس اقدام کی عکاسی کرتا ہے۔

مستقبل کی صورت حال

2023ء کے آغاز سے ہی پاکستان کو اپنی تاریخ کے سب سے مشکل معاشی حالات کا سامنا ہے۔ گوکہ ملک کو گزشتہ ادوار میں سنگین بحران کا سامنا کرنا پڑا ہے، لیکن موجودہ صورتحال مالیاتی اور مالی چیلنجز کی شدت کی وجہ سے پیچیدہ ہے۔ کئی دہائیوں سے پیدا ہونے والی ساختی خامیاں بالآخر سامنے آگئی ہیں، جس کے نتیجے میں درآمدات پر منحصر معیشت وجود میں آئی ہے جس سے بیرونی اکاؤنٹس پر مسلسل دباؤ بڑھ رہا ہے، نتیجتاً پاکستان کی خود مختار ریٹنگ زوال پذیر ہوئی ہے۔

ان عوامل کے اثرات COVID-19 وباء اور یوکرین پر روسی حملے کے بعد مزید بڑھ گئے ہیں۔ ان دونوں واقعات کی وجہ سے عالمی سپلائی چینز میں ہلچل مچ گئی ہے اور دنیا بھر میں افراط زر کے دباؤ میں مسلسل اضافہ ہوا ہے۔ پاکستان جیسی سرحدی مارکیٹوں میں خطرے کی برداشت میں بڑے پیمانے پر کمی؛ اور جغرافیائی سیاسی ترجیحات کی ترتیب نہ ہونے سے۔ زرمبادلہ کے ذخائر کی کم سطح کی وجہ سے معیشت میں راشن اور رسد میں رکاوٹیں پیدا ہوئی ہیں جس سے اب درآمدات بھی متاثر ہوئی ہیں۔ کمپنیاں پیداوار میں کوتاہی اور برطرفیوں کا اعلان کر رہی ہیں، جس سے طلب میں مزید کمی آئے گی اور زندگیوں اور معاش پر برا اثر پڑے گا، یہ سب اس سطح پر افراط زر کے سبب ہے جو تقریباً نصف صدی سے نہیں دیکھا گیا تھا۔

یہ بالکل واضح ہے کہ اس صورتحال سے نکلنے کا واحد راستہ EFF کے نوں جائزے کی تیزی سے تکمیل اور IMF پروگرام جاری رکھنا ہے۔ فنڈ کے ساتھ اسٹاف لیول ایگریمنٹ اب ایک بقائی ضرورت ہے، اور مکمل توجہ سے اس طرف پیش قدمی کرنی چاہئے۔ حکومت نے فنڈ کی جانب سے درکار بہت سی اہم شرائط پر دیر سے رضامندی ظاہر کی ہے، جن

کارپوریٹ اور مالیاتی رپورٹنگ پر بیان

بورڈ اس بات کے لیے پُر عزم ہے کہ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مرتب کردہ کارپوریٹ گورننس کی ضروریات کو پورا کیا جائے اور ڈائریکٹریہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں کہ:

- بینک کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے، بینک کے معاملات کی صورت حال، انتظامی نتائج، کیش فلوز اور ایکویٹی میں تبدیلی صحیح اور منصفانہ انداز میں پیش کیے گئے ہیں۔
- بینک کے اکاؤنٹس کی بکس باقاعدہ طور پر برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ پالیسیوں کا یکساں اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے مناسب اور محتاط اندازے پر مبنی ہیں۔
- بینک نے مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (جو پاکستان میں بینکوں پر لاگو ہیں) کی پیروی کی ہے اور کہیں بھی مذکورہ معیارات کی خلاف ورزی نہیں کی گئی۔
- ایک مستقل عمل کے طور پر انٹرنل کنٹرول سسٹم پر موثر انداز میں عمل درآمد کرنے کی کوششیں کی جا رہی ہیں۔ HBL، اسٹیٹ بینک آف پاکستان کی انٹرنل کنٹرول کی ہدایات سمیت انٹرنل کنٹرولز اور فنانشل رپورٹنگ (ICFR) کی ہدایات اور روڈ میپ پر عمل کرتا ہے۔ بینک نے ICFR کی مینجمنٹ کے لیے فریم ورک تیار کیا ہے۔
- بینک کے اپنے امور کو جاری رکھنے کی صلاحیت پر کسی قسم کے شکوک و شبہات نہیں ہیں۔
- لسٹڈ کمپنی (کوڈ آف کارپوریٹ گورننس) ریگولیشنز (کوڈ) میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کسی قسم کا بنیادی انحراف نہیں کیا گیا ہے۔
- مالیاتی گوشواروں کے سیکشن ”گروتھ 2017ء تا 2022ء“ مجموعی ”میں گزشتہ 6 سالوں کے اہم عملیاتی اور مالیاتی گوشوارے پیش کیے گئے ہیں۔
- ڈائریکٹرز، سی ای او، سی ایف او اور کمپنی سیکریٹری نے تصدیق کی ہے کہ وہ اور ان کے ازواج کسی طرح کے بھی اسٹاک بروکرینج کے کاروبار میں شامل نہیں ہیں۔
- بورڈ کی طرف سے قائم کردہ آڈٹ، ہیومن ریسورس اور ریویژن، رسک مینجمنٹ، IT، کمپلائنس اور کنڈکٹ، ڈویلپمنٹ فنانس، بورڈ اور سائٹ فار انٹرنیشنل گورننس، اور نائینٹیشن اینڈ ریویژن کمیٹیاں اپنے اختیارات کے مطابق موثر انداز میں کام کر رہی ہیں۔ ستمبر 2022ء میں، بورڈ اور سائٹ کمیٹی برائے انٹرنیشنل گورننس کی جگہ بورڈ اسٹریٹجی اینڈ اینڈ مانیٹرنگ کمیٹی قائم کی گئی، جسے ذیل میں مزید تفصیل سے بیان کیا گیا ہے۔ بورڈ باقاعدگی سے اس سال کے دوران 9 اجلاس کر چکا ہے، جن میں ہر سہ ماہی میں کم از کم ایک اجلاس شامل ہے۔

بورڈ انٹرنل کنٹرولز سے متعلق انتظامیہ کی جانب سے دیے گئے بیان کی توثیق کرتے ہوئے خوشی محسوس کر رہا ہے۔ انٹرنل کنٹرول کا گوشوارہ، ضابطے پر عمل درآمد کا گوشوارہ برائے جائزہ رپورٹ، آڈیٹر کی رپورٹس، مالیاتی گوشوارے کے ساتھ منسلک ہیں۔

ایمپلائئی ریٹائرمنٹ بینیفٹ فنڈز میں سرمایہ کاریوں کی رقم

31 دسمبر 2022ء کے مطابق بینک کی جانب سے برقرار پروویڈنٹ، پنشن، گریجویٹی اور بینولنٹ فنڈز میں سرمایہ کاریوں کی رقم، آڈٹ شدہ مالیاتی گوشواروں کی بنیاد پر درج ذیل جدول میں ظاہر کی گئی ہے:

ملین روپے	
3,718	ایمپلائز پروویڈنٹ فنڈ
3,175	ایمپلائز پنشن فنڈ
2,609	ایمپلائز گریجویٹی فنڈ
1,874	ایمپلائز بینولنٹ فنڈز - ایگزیکٹوز اور افسران
579	ایمپلائز بینولنٹ فنڈز - کلریکل اور نان کلریکل

پیٹرن آف شیئر ہولڈنگ

31 دسمبر 2022ء کو پیٹرن آف شیئر ہولڈنگ اور ایگزیکٹوز کی جانب سے بینک کے حصص میں کاروبار، جس کی بورڈ آف ڈائریکٹرز نے ضابطے کے تحت وضاحت کی ہے، ضابطے پر عمل درآمد کرتے ہوئے سالانہ رپورٹ میں دی گئی ہے۔

پیئرٹ کمپنی

جیسا کہ مالیاتی گوشوارے کے نوٹ 1.1 میں بیان کیا گیا ہے، آغا خان فنڈ فار اکنامک ڈویلپمنٹ (AKFED) S.A، بینک کی پیئرٹ کمپنی ہے اور اس کا رجسٹرڈ دفتر جنیوا، سویٹزر لینڈ میں ہے۔

بورڈ کمیٹیوں کے اجلاس

بورڈ آڈٹ کمیٹی		بورڈ ریسورس اینڈ ریموزیشن کمیٹی		بورڈ ریسورس اینڈ ریموزیشن کمیٹی		بورڈ آڈٹ کمیٹی		
حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	
N/A	N/A	6	6	N/A	N/A	N/A	N/A	محترم سلطان علی الانہ
8	8	6	6	N/A	N/A	8	8	محترم خلیل احمد
8	8	6	6	6	6	N/A	N/A	محترم شفیق دھر مشی
8	8	N/A	N/A	N/A	N/A	8	8	محترم معیز احمد جمال
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	محترمہ صبا کمال
N/A	N/A	N/A	N/A	6	6	N/A	N/A	محترم سلیم رضا
N/A	N/A	6	6	N/A	N/A	8	8	ڈاکٹر نجیب سمیع
N/A	N/A	N/A	N/A	6	6	N/A	N/A	محترم محمد اورنگزیب

بورڈ آڈٹ کمیٹی		بورڈ آڈٹ کمیٹی		بورڈ آڈٹ کمیٹی		بورڈ آڈٹ کمیٹی		
حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	حاضر	دوران مدت منعقدہ اجلاس	
2	2	N/A	N/A	N/A	N/A	N/A	N/A	محترم سلطان علی الانہ
N/A	N/A	N/A	N/A	N/A	N/A	4	4	محترم خلیل احمد
N/A	N/A	N/A	N/A	4	4	N/A	N/A	محترم شفیق دھر مشی
N/A	N/A	4	4	4	4	N/A	N/A	محترم معیز احمد جمال
N/A	N/A	4	4	N/A	N/A	4	4	محترمہ صبا کمال
N/A	N/A	4	4	4	4	4	4	محترم سلیم رضا
2	2	N/A	N/A	4	4	N/A	N/A	ڈاکٹر نجیب سمیع
2	2	N/A	N/A	N/A	N/A	4	4	محترم محمد اورنگزیب

* بورڈ آف ڈائریکٹرز نے 22 ستمبر 2022ء کو منعقدہ اپنے 243 ویں اجلاس میں بورڈ آف ڈائریکٹرز اور بورڈ آف سائٹ کمیٹی برائے انٹرنیشنل گورننس (BOC-IG) تحلیل کر دی، اور بورڈ آف سائٹ کمیٹی-انٹرنیشنل گورننس* (BSIMC) کے نام سے نئی کمیٹی تشکیل دی جس کا مقصد بینک کی حکمت عملی کی تشکیل، نگرانی اور نفاذ کے حوالے سے بورڈ کو اپنی ذمہ داریاں انجام دینے میں معاونت فراہم کرنا ہے۔ 2022ء میں BSIMC کی کوئی میٹنگ نہیں ہوئی۔

شریعیہ بورڈ کے اجلاس

شریعیہ بورڈ اجلاس	
حاضر	دوران مدت منعقدہ اجلاس
4	4
4	4
4	4

ڈاکٹر محمد زبیر عثمانی (چیئرمین)

ڈاکٹر اعجاز احمد صدیقی (رکن)

مفتی محمد یحییٰ عاصم (ریزیڈنٹ شریعیہ بورڈ رکن)

آڈیٹرز

موجودہ آڈیٹرز، میسرز KPMG تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور دوبارہ تقرری کے اہل ہونے کے ناطے انھوں نے سالانہ اجلاس عام کے موقع پر اپنی دوبارہ تقرری کی پیشکش کی ہے۔ چنانچہ بورڈ آف ڈائریکٹرز نے، بورڈ آڈٹ کمیٹی کی تجویز پر، میسرز کے پی ایم جی تاثیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس کے 41.899 ملین روپے کی فیس پر مالی سال 2023ء کے لیے بینک کے آڈیٹرز کے طور پر انتخاب کی سفارش کی ہے، جبکہ دیگر اخراجات اور ٹیکس حقیقی بنیاد پر ادا کیے جائیں گے۔

بورڈ ڈیولپمنٹ فنانس کمیٹی (BDFC): یہ کمیٹی پاکستان کے معاشی، آبادیاتی اور سماجی حقائق کا نقطہ نظر ملحوظ رکھتے ہوئے HBL کو "BankwithaSoul" میں تبدیل کرنے کے نصب العین کے ساتھ تشکیل دی گئی تھی۔ اس کا مقصد خصوصاً مالی طور پر غیر وابستہ، پسماندہ اور محروم طبقات میں دستیاب مواقع مد نظر رکھتے ہوئے HBL کو اپنی حقیقی صلاحیت بروئے کار لانے میں مدد کرنا ہے۔ اس کمیٹی کے ذریعے بینک پائیداری، ترقی اور گرین بینکنگ کے ایجنڈے کو آگے بڑھاتا ہے۔ BDFC، خاص طور پر دستیاب ٹیکنالوجی کے استعمال، مالی خدمات تک رسائی، اور ترقیاتی شعبوں اور معاشرے میں آگاہی پیدا کرتے ہوئے، مالی شمولیت کو بہتر بنانے کے اقدامات پر اسٹریٹجک ان پٹ فراہم کرتی ہے۔

بورڈ IT کمیٹی (BITC): بورڈ کی IT کمیٹی کمپنی کے اہم ٹیکنالوجی سرمایہ کاری منصوبوں اور حکمت عملیوں سے متعلق بورڈ کی سفارشات کا جائزہ لیتی ہے، جانچتی ہے اور سفارشات پیش کرتی ہے۔ کمیٹی ٹیکنالوجی کی مد میں خرچ کے فوائد اور منافع کا جائزہ بھی لیتی ہے۔ BITC ڈیجیٹل پیش رفت پر توجہ مرکوز رکھتی ہے تاکہ کسٹمر کی مرکزیت، لاگت میں کمی اور محصولات میں اضافہ کیا جاسکے اور کلاؤڈ سروس اور فن ٹیک کے استعمال کے لیے ہدایات بھی فراہم کرتی ہے۔ اس کے علاوہ، کمیٹی یہ بھی یقینی بناتی ہے کہ بینک کے اندر انفارمیشن سیورٹی فنکشن کو موثر نگرانی فراہم کی جائے اور انفارمیشن سیورٹی کی ساخت رسک کی سکت سے ہم آہنگ ہو۔

بورڈ نامنیشن اینڈ ریویژن کمیٹی (BNRC): یہ کمیٹی HBL کی پائیدار ترقی کے لیے موزوں ڈھانچے، حجم اور مہارتوں کے توازن کی شناخت میں بورڈ کی معاونت کرتی ہے جو بورڈ کے لیے لازمی تصور کیے جاتے ہیں۔ BNRC ریگولیٹری فریم ورک کے مطابق ڈائریکٹرز کی ریویژن کے انتظامات کے لیے ہدایات بھی فراہم کرتی ہے۔

بورڈ اور سائٹ کمیٹی: بین الاقوامی گورننس (BOC-IG): کمیٹی کی ذمہ داریوں میں SBP کے گورننس فریم ورک برائے بینک اور سیز آپریشنز کے مطابق بینک کے ماتحت اداروں سمیت بیرون ملک کاروباری آپریشنز کی گورننس کی نگرانی فراہم کرنا شامل تھا۔ اس کمیٹی کو بورڈ نے ستمبر 2022ء میں تشکیل کر دیا تھا، اور اس کی جگہ بورڈ اسٹریٹجی ان پٹ اینڈ مانیٹرنگ کمیٹی نے لی ہے جس کی وضاحت ذیل میں کی گئی ہے۔

بورڈ اسٹریٹجی ان پٹ اینڈ مانیٹرنگ کمیٹی (BSIMC): یہ کمیٹی بینک کی حکمت عملی کی نگرانی اور اس کے نفاذ کی نگرانی کے لیے تشکیل دی گئی ہے۔ یہ بینک کی کاروباری، مالی اور آپریشنل کارکردگی کا منظم اور جامع جائزہ لینے میں بورڈ کی مدد کرے گی۔ یہ ابھرتے ہوئے رجحانات، مسابقت اور مارکیٹ کی پیش رفت مد نظر رکھتے ہوئے بدلتے ہوئے آپریٹنگ منظر نامے پر اسٹریٹجک مشورے اور صورت حال کا مرموبط جائزہ فراہم کرے گی تاکہ بینک موجودہ اور مستقبل میں ابھرنے والے مواقع سے فائدہ اٹھانے کے لیے مناسب پوزیشن میں ہو۔ کمیٹی اپنے اسٹریٹجک منصوبے کے تحت بینک کی پیش رفت اور دیگر اقدامات کی بھی نگرانی کرے گی جو HBL کو اس کے اسٹریٹجک طور پر اہم مقامات پر علاقائی مطابقت حاصل کرنے کے قابل بناتے ہیں۔

شریعیہ بورڈ کی تقرری اور تشکیل

شریعیہ اسکالر کی تقرری کے لیے، مینجمنٹ پہلے SBP فٹ اینڈ پراپر کرائٹریا (FAPC) کے مطابق مجوزہ شریعیہ بورڈ رکن کی اسکریننگ کرتی ہے۔ بعد ازاں، اسے منظوری کے لیے HBL بورڈ آف ڈائریکٹرز کے پاس بھیجا جاتا ہے جس کے بعد اسے پُر FAPC فارم اور بورڈ کی منظوری نیز معاون دستاویزات کے ساتھ SBP میں جمع کروایا جاتا ہے۔ SBP کی جانب سے کلیئر نٹس ملنے کے بعد، مینجمنٹ شریعیہ بورڈ کے رکن سے رابطہ کرتی ہے، معاہدہ کرتی ہے اور SBP کو اطلاع دیتی ہے۔

HBL کا شریعیہ بورڈ تین اراکین پر مشتمل ہے:

ڈاکٹر محمد زبیر عثمانی، شریعیہ بورڈ کے سب سے تجربہ کار رکن ہیں اور شریعیہ بورڈ کے چیئرمین ہیں۔ انھوں نے اپنا تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ جامعہ دارالعلوم، کراچی سے مکمل کیا۔ آپ جامعہ کراچی سے اسلامک فنانس میں پی ایچ ڈی اور بین الاقوامی تعلقات میں ماسٹرز کی ڈگری بھی رکھتے ہیں۔ آپ 1999ء سے بینکاری اور مالی خدمات کے شعبے سے وابستہ ہیں اور مقامی اور بین الاقوامی سطح پر متعدد مالیاتی اداروں کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ آپ نے انسٹیٹ بینک آف پاکستان کے شریعیہ بورڈ کے رکن کی حیثیت سے اور یونائیٹڈ بینک لمیٹڈ اور حبیب میٹروپولیٹن بینک لمیٹڈ کے شریعیہ بورڈز میں چیئرمین کی حیثیت سے بھی خدمات انجام دی ہیں۔

ڈاکٹر اعجاز احمد صدیقی ممتاز شریعیہ اسکالر ہیں۔ آپ نے تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ کی اسلامی تعلیم جامعہ دارالعلوم، کراچی سے حاصل کی۔ آپ جامعہ کراچی سے اسلامک اسٹڈیز اور غر (علم یقین) پر پی ایچ ڈی ہیں، بہاؤ الدین زکریا یونیورسٹی سے اسلامک اسٹڈیز میں ماسٹرز اور سندھ مسلم گورنمنٹ کالج سے LLB کی اسناد بھی رکھتے ہیں۔ آپ 2004ء سے بینکاری اور مالیاتی خدمات کے شعبے سے وابستہ ہیں اور متعدد مقامی اور عالمی مالیاتی اداروں کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ HBL اسلامک کے علاوہ، آپ مالڈیپ اسلامک بینک کے شریعیہ بورڈ میں چیئرمین اور MCB-عارف حبیبی الحمر اسلامک فنڈ کے شریعیہ سپروائزر اور بورڈ میں رکن کی حیثیت سے بھی خدمات انجام دے رہے ہیں۔ آپ یونائیٹڈ بینک لمیٹڈ اور بینک آف پنجاب کے شریعیہ بورڈ میں رکن، جبکہ الفلاح GHP اسلامک فنڈ کے شریعیہ ایڈوائزر بھی رہ چکے ہیں۔

مفتی محمد یحییٰ عاصم نے تخصص فی الفقہ (اسلامی فقہ) اور شہادۃ العالمیہ کی دینی تعلیم جامعہ دارالعلوم، کراچی سے حاصل کی۔ آپ بین الاقوامی تعلقات، عربی اور اسلامک اسٹڈیز میں ماسٹرز کی ڈگری بھی رکھتے ہیں۔ آپ اس وقت جامعہ کراچی سے پی ایچ ڈی کر رہے ہیں۔ آپ اسلامی بینکاری اور مالیاتی خدمات کے شعبے سے 2004ء سے وابستہ ہیں اور HBL، حبیب میٹروپولیٹن بینک، اٹلس ایسیٹ مینجمنٹ، HBL ایسیٹ مینجمنٹ، TPL وینڈو کافل کو شرعی مشاورت کی خدمات فراہم کر چکے ہیں۔ آپ 2008ء سے HBL سے وابستہ ہیں اور فی الحال HBL شریعیہ بورڈ کے ریزیڈنٹ شریعیہ بورڈ رکن کے طور پر کام کر رہے ہیں۔

شریعیہ بورڈ (SB) کے حوالے کی شرائط SBP کے جاری کردہ شریعیہ گورننس فریم ورک کے مطابق ہیں۔ ان میں، دیگر امور کے ساتھ ساتھ، درج ذیل شامل ہیں:

ترقیاتی پروگراموں میں ڈائریکٹرز کی شرکت

ریگولیشنز کے مطابق، تمام ڈائریکٹرز SECP کے منظور شدہ ڈائریکٹرز کے ترقیاتی پروگرام سے مطلوبہ سند حاصل کر چکے ہیں اور/یا انھیں ایسے ترقیاتی پروگرام سے استثناء حاصل ہے۔

2022ء میں بورڈ نے تین ترقیاتی سیشن میں شرکت کی: اخلاقیات اور دیانت داری (Ethics & Integrity)؛ اسلاک فنانس کا مقامی و عالمی منظر نامہ؛ اور عالمی صورت حال میں مالیاتی دیانت داری کے تحفظ پر مبنی تازہ ترین AML/CFT رجحانات۔ یہ سیشن معروف بیرونی ماہرین کی جانب سے منعقد کیے گئے۔

بورڈ کی کارکردگی کا جائزہ

HBL کے بورڈ نے اپنے بورڈ اور اس کی کمیٹیوں کے لیے سالانہ جائزے کا انتخاب کیا جو پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) نے 2022ء میں سرانجام دیا۔ جائزے میں بورڈ اور انفرادی دونوں حیثیتوں کے مد نظر کارکردگی کا تجزیہ کیا گیا اور بورڈ کے مشمولات، لائحہ عمل اور منصوبہ بندی، بورڈ اور سی ای او کی اثر انگیزی، بورڈ کی معلومات، بورڈ کمیٹیوں، بورڈ کا طرز کار اور ضابطوں کی صورت حال کا احاطہ کیا گیا۔

بورڈ کے اراکین کی تقرری اور نامزدگی کا طریقہ کار

بینک کے شیئر ہولڈرز 3 سال کی مدت کے لیے ڈائریکٹرز کا انتخاب کرتے ہیں۔ اگر اتفاق طور پر کوئی جگہ خالی ہو تو بینک کے آرٹیکل آف ایسوسی ایشن اور نافذ العمل قوانین و ضوابط کی روشنی میں بورڈ آف ڈائریکٹرز اس جگہ کو پُر کرتے ہیں۔ بورڈ نامہ مینیشن اینڈ ریویژن کمیٹی (BNRC) کی جانب سے بورڈ اراکین کے لیے نامزدگی کی جاتی ہے۔ کوئی عہدہ اتفاقی طور پر خالی ہونے کی وجہ سے یا ریگولیشنز کی جانب سے مخصوص شرائط متعارف کروائے جانے کی صورت میں ایسی صورت حال درپیش ہو سکتی ہے۔ ممکنہ امیدوار کی شناخت کے بعد، کمیٹی اپنی ڈیوٹی انجام دیتے ہوئے بورڈ کی منظوری کے لیے سفارش بھیجتی ہے۔ تمام ڈائریکٹرز SBP کے فٹ اینڈ پروپریٹس (FPT) معیار پر SBP کی جانب سے منظور کیے جاتے ہیں؛ نیز، SBP کے کارپوریٹ گورننس ریگولیشنز فریم ورک کے مطابق آزاد ڈائریکٹرز غیر جانب داری کی اضافی شرط پر بھی پورا اترتے ہیں۔

بورڈ اور کمیٹیوں کی تشکیل

بورڈ کی تشکیل اور بورڈ کمیٹیوں کی تفصیلات کارپوریٹ گورننس کے ضابطے کے ساتھ اسٹیٹمنٹ آف کمپلائنس میں دی گئیں ہیں۔

بورڈ کے پاس حکمت عملی کی سمت اور بہتر نگرانی میں معاونت کے لیے درج ذیل کمیٹیاں موجود ہیں۔ بورڈ کمیٹی، بورڈ کی جانب سے منظور شدہ متعلقہ حوالہ کی شرائط (TORs) کے مطابق کام کرتی ہیں۔ ہر ذیلی کمیٹی کے فرائض کی ایک مختصر وضاحت درج ذیل ہے۔

بورڈ آڈٹ کمیٹی (BAC): بینک کے داخلی کنٹرولز کے مضبوط اور موثر نظام کے لیے اعلیٰ سطح پر طرز کار کا تعین کرتی ہے۔ کمیٹی آپریشنل کنٹرول سمیت بینک کے داخلی کنٹرولز کے ماحول، بشمول مالیاتی اور آپریشنل ضابطوں، اکاؤنٹنگ کے نظاموں، اور رپورٹنگ کے اسٹریکچر کی اہلیت اور افادیت کا جائزہ لیتی ہے۔ کمیٹی بینک کے داخلی آڈٹ فنکشن کی نگرانی اور رسک پر مبنی سالانہ آڈٹ کے منصوبے کی نگرانی کرتی ہے؛ رسک پر مبنی سالانہ آڈٹ پلان کی پیش رفت کی منظوری اور نگرانی کا عمل انجام دیتی ہے؛ اور یقینی بناتی ہے کہ انٹرنل آڈٹ کا شعبہ مناسب وسائل رکھتا ہو اور اپنی آزادانہ حالت برقرار رکھنے کے لیے ادارے کے اسٹریکچر میں موزوں مقام رکھتا ہو۔ BAC بورڈ کو منظوری کی درخواست سے پہلے بینک کے مالی بیانات اور اس سے وابستہ امور کا جائزہ بھی لیتی ہے۔ اس عمل کے ایک حصے کے طور پر، کمیٹی بینک کے بیرونی آڈیٹرز سے بھی بات چیت کرتی ہے اور اسٹیٹسٹوری آڈیٹرز کے ساتھ بیرون ملک آڈیٹرز کی تقرری کے لیے بھی سفارشات پیش کرتی ہے۔ BAC نئے اکاؤنٹنگ کے معیارات کے اطلاق کی نگرانی کی بھی ذمہ دار ہے، بالخصوص HBL میں IFRS 9 کے اطلاق کے لیے بورڈ نے BAC کو ذمہ داری سونپی ہے۔ اس کے دائرہ کار میں شعبوں کے لیے BAC بورڈ کو منظوری کے لیے پالیسیز پیش کرتی ہے۔

بورڈ رسک مینجمنٹ کمیٹی (BRMC): یہ کمیٹی رسک سے متعلق معاملات کی نگرانی اور تجاویز کی ذمہ دار ہے، جس میں بینک کی رسک کی سکت اور انٹرنل کنٹرول سسٹمز کا انتظام شامل ہیں۔ BRMC بینک کی رسک پروفائل کی مناسبت سے اندرونی رسک فریم ورک کی تشکیل اور تکمیل کو یقینی بناتی ہے، سسٹم اور کنٹرولز تشکیل دیتی ہے، اور ایک آزاد، مددگار اور فعال رسک مینجمنٹ کلچر کی ترویج اور بحالی کی ذمہ دار ہے۔ کمیٹی روز افزوں بڑھتے ہوئے خطرات کی شناخت اور تدارک یقینی بنانے کے لیے دور رس نظریہ اختیار کرتی ہے۔

بورڈ ہیومن ریسورس اور ریویژن کمیٹی (BHRR): کمیٹی اہم ہیومن ریسورس اور معاوضہ پالیسیاں تجویز کرتی ہے جس میں بینک میں ملازمت کی اہم شرائط اور فوائد کے ساتھ تمام عملے اور اہم افسران کے لیے پرفارمنس مینجمنٹ اور معاوضے کے منصوبے شامل ہیں۔ اس میں متعلقہ ریگولیشنز، تقاضوں اور بہترین طریقوں کی روشنی میں عملے سے متعلق حکمت عملی، عملے کی تربیت، پیشہ ورانہ ترقی، ٹیلنٹ مینجمنٹ اور جانشینی کی منصوبہ بندی سے متعلق پالیسیوں کا جائزہ لیا اور تجاویز دی جاتی ہیں۔

بورڈ کمپلائنس اور کنڈکٹ کمیٹی (BCNCC): BCNCC کمپلائنس اور ضابطے کی ثقافت کے نفاذ کا جائزہ لینے میں بورڈ کی مدد کرتی ہے اور بینک بھر میں کمپلائنس پروگرام کے نفاذ سے متعلق گورننس فراہم کرتی ہے۔ یہ کمپلائنس کے شعبے کے منشور کی نگرانی بھی کرتی ہے اور بینک کے کمپلائنس رسک کے موثر انتظام کے لیے اس کی استعداد یقینی بناتی ہے۔ یہ کمیٹی مقامی اور بین الاقوامی ریگولیشنز کی انسپکشن رپورٹس کا جائزہ لیتی ہے جن میں نشاندہی کردہ مسائل کو حل کرنے کے لیے مقررہ وقت میں انتظامی ایکشن پلان بھی شامل ہیں۔ جمعی طرز عمل کے ماحول کو بہتر بنانے کے لیے، BCNCC اخلاقیات اور طرز عمل سے متعلق امور کی بھی نگرانی کرتی ہے۔

- شریعہ بورڈ کو HBL کے شریعہ سے متعلق تمام معاملات پر غور، فیصلے اور نگرانی کا اختیار دیا گیا ہے۔ بینک، شریعہ بورڈ کی تمام آراء، فیصلے اور فتاویٰ کا پابند ہو گا جبکہ شریعہ بورڈ شریعہ سے متعلق اپنے تمام فیصلوں کا ذمہ دار اور جواب دہ ہو گا۔
- شریعہ بورڈ HBL اسلامک بینکنگ کے آپریشنز کے تمام شعبوں کے لیے جامع شریعہ کمپلائنس فریم ورک کی تیاری یقینی بنائے گا۔ HBL اسلامک بینکنگ کی پیش کردہ تمام مصنوعات یا خدمات کے لیے شریعہ بورڈ کی پیشگی منظوری درکار ہو گی۔
- شریعہ بورڈ تمام پروسیجر منیول، پروڈکٹ پروگرامز / اسٹریکچرز، پروسیس فلوز، متعلقہ معاہدے، مارکیٹنگ ایڈورٹائزمنٹ، سیلز اسٹریٹیشن اور بروشرز کی منظوری دے گا تاکہ یہ شرعی اصولوں کے مطابق ہوں۔

ڈائریکٹرز کا معاوضہ

30 مارچ 2020ء کو ہونے والے سالانہ اجلاس میں بینک کے حصص یافتگان نے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کو ادا کی جانے والی فیس کے طور پر 600,000 روپے کی منظوری دی تھی۔ پالیسی میں نان ایگزیکٹو ڈائریکٹرز کے دفتری سفر کے لیے سفری اخراجات اور روزانہ الاؤنسز بھی بیان کیے گئے ہیں۔ ڈائریکٹرز کو مجموعی ادائندہ فیس اور CEO کو ادا کردہ معاوضے کی تفصیلات غیر مجموعی مالیاتی رپورٹ کے نوٹ 38.1 اور 38.2 میں ظاہر کی گئی ہیں۔

شریعی بورڈ کے اراکین کا معاوضہ

ہیڈ، اسلامک بینکنگ شریعہ بورڈ کے اراکین کا معاوضہ انڈسٹری پریکٹس کی بنیاد پر صدر کو تجویز کرتا ہے۔ صدر کی منظوری کے بعد، اسے ہیڈ HR کو بھیجا جاتا ہے تاکہ وہ بورڈ ہیومن ریسورس اور ریویژن کمیٹی کو سفارش کر سکے۔ کمیٹی شریعہ بورڈ کے اراکین کے معاوضے کا جائزہ لیتی ہے اور اسے منظوری کے لیے بورڈ آف ڈائریکٹرز کے پاس بھیجتی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے منظوری کے مطابق، شریعہ بورڈ اراکین کا موجودہ ماہانہ معاوضہ بالترتیب چیئرمین شریعہ بورڈ، ممبر شریعہ بورڈ اور ریویژنٹ شریعہ بورڈ کے لیے 950,000 روپے، 900,000 روپے اور 800,000 روپے ہے۔ ریویژنٹ شریعہ بورڈ ممبر کار الاؤنس کے بھی اہل ہوں گے۔

اپنی ملازمت کے معاہدے کی رو سے شریعہ بورڈ ممبر بینک کی ٹریول پالیسی کے مطابق ٹریول الاؤنس اور روزانہ الاؤنس کے اہل ہوں گے۔

شریعی بورڈ کے اراکین کو ادا کردہ فیس کی تفصیلات غیر مجموعی مالیاتی رپورٹ کے نوٹ 38.3 میں ظاہر کی گئی ہیں۔

اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے ہم اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان، وزارت مالیات اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی کاوشوں کا اعتراف کرتے ہیں۔ اس غیر معمولی وقت میں، انہوں نے ایسی پالیسیاں بنائیں اور اقدامات کیے جو مصلحت اندیش اور متوازن ہیں، معیشت، کسٹمرز اور پاکستان کے عوام کی حفاظت کرتے ہیں، اور بینکنگ اور فنانشل سروسز انڈسٹری کی سالمیت اور بہتری کا تحفظ بھی کرتے ہیں۔

ہم اپنے صارفین کے احسان مند ہیں جن میں سے کئی نسلوں سے ہمارے ساتھ منسلک ہیں اور اپنے کاروبار اور اعتماد کے ذریعے اپنا بھر و سماجاری رکھے ہوئے ہیں۔ ہمارے حصص یافتگان نے ثابت قدمی سے ہمارا ساتھ دیا اور اس کے ساتھ ہم تمام اسٹیک ہولڈرز کے انتہائی شکر گزار ہیں۔ بورڈ اور انتظامیہ گورننس کے اعلیٰ ترین معیارات برقرار رکھنے کے لیے پرعزم ہے اور ہم اپنے اسٹیک ہولڈرز کو یقین دلاتے ہیں کہ اس خطے میں ہم اپنی کاروباری صنعت میں عروج پر ہوں گے۔

آخر میں، ہم اپنے تمام ملازمین اور اُن کے اہل خانہ، بالخصوص کسٹمر کا سامنا کرنے والے یونٹس اور برانچوں میں موجود عملے کے تہ دل سے شکر گزار ہیں، جو ہمارے کسٹمرز کی ضروریات کی تکمیل یقینی بنانے کے لیے اپنے اخراجات پر بھی اضافی کام کرنے سے گریز نہیں کرتے۔ یہ ہمارے بہر اور بہر و ن ہیں اور ہم اُن کے عزم اور انتھک محنت کے لیے انہیں خراجِ تحسین پیش کرتے ہیں۔

مخانب بورڈ

معین احمد جمال
ڈائریکٹر

محمد اورنگزیب
صدر اور چیف ایگزیکٹو آفیسر

24 فروری، 2023ء

INDEPENDENT AUDITOR'S REPORT

To the members of Habib Bank Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Habib Bank Limited** (the Bank), which comprise the unconsolidated statement of financial position as at December 31, 2022, and the unconsolidated profit and loss account, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated cash flow statement for the year then ended, along with unaudited certified returns received from the branches except for 94 branches which have been audited by us and notes to the unconsolidated financial statements, including a summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated profit and loss account, the unconsolidated statement of comprehensive income, unconsolidated statement of changes in equity and unconsolidated cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan, and, give the information required by the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Bank's affairs as at December 31, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	<p>Provision against advances</p> <p>Refer notes 4.4 and 9.5 to the unconsolidated financial statements for accounting policy and particulars of provision against advances.</p> <p>The Bank's advances to customers represent 37% of its total assets. These are stated net of provision against advances of Rs. 86.81 billion as at December 31, 2022.</p> <p>The provision against advances was identified as a key focus area in our audit as it involves a considerable degree of management judgment and estimation uncertainty along with compliance with the regulatory requirements.</p>	<p>Our audit procedures for domestic advances included:</p> <ul style="list-style-type: none"> • Assessed the design and tested the operating effectiveness of manual and automated controls over classification and grading of customers, including: <ul style="list-style-type: none"> - The accuracy of data input into the system used for credit grading; - The ongoing monitoring and identification of advances displaying indicators of impairment and whether they are migrating on a timely basis to early alert or to higher risk grade; - Identification of past due customers. • For a sample of advances, where the management has not identified as displaying indicators of impairment, challenged the management's assessment by comparing the historical performance, financial ratios and reports on security maintained and formed our own view whether any impairment indicators are present. • Where management has identified as displaying indicators of impairment, assessed the number of days overdue and factors used for calculation of provision in accordance with the Prudential Regulations. • For consumer advances, analysed the days past due report and factors used for calculation of specific provision required in accordance with Prudential Regulations. • For consumer advances, where the management has not identified as displaying any indicators of impairment, compared the general provision calculated with provision required in accordance with Prudential Regulations. <p>We issued instructions to the auditors of those overseas branches which were selected for audit, highlighting 'Impairment of loans and advances' as a significant risk. The auditors of those overseas branches performed audit procedures to respond to the significant risk and reported the results thereof to us. We, as auditors of the Bank, also evaluated the work performed by the component auditors through their files review and discussions with them.</p>

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

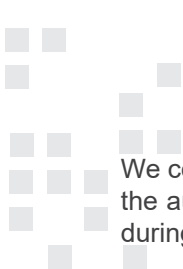
The Board of directors is responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Based on our audit, we further report that in our opinion:
 - a) proper books of account have been kept by the Bank as required by the Companies Act, 2017 (XIX of 2017) and the returns referred above from the branches have been found adequate for the purpose of our audit;
 - b) the unconsolidated statement of financial position, the unconsolidated profit and loss account, the unconsolidated statement of comprehensive income, unconsolidated statement of changes in equity and unconsolidated cash flow statement together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
 - c) investments made, expenditure incurred and guarantees extended during the year were in accordance with the objects and powers of the Bank and the transactions of the Bank which have come to our notice have been within the powers of the Bank; and
 - d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.
2. We confirm that for the purpose of our audit we have covered more than sixty per cent of the total loans and advances of the Bank.

The engagement partner on the audit resulting in this independent auditor's report is Amyn Pirani.

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

Dated: March 06, 2023

UDIN: AR202210201P53fCL8Ee

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

2022 (US \$ in '000)	2021 (US \$ in '000)		Note	2022 (Rupees in '000)	2021 (Rupees in '000)
ASSETS					
1,136,630	1,808,626	Cash and balances with treasury banks	5	257,368,084	409,528,880
138,317	142,102	Balances with other banks	6	31,319,141	32,176,188
1,124,375	414,000	Lendings to financial institutions	7	254,593,287	93,742,432
8,311,919	8,413,996	Investments	8	1,882,075,268	1,905,188,657
7,166,016	6,114,667	Advances	9	1,622,607,447	1,384,549,476
482,824	415,837	Fixed assets	10	109,326,287	94,158,252
52,291	29,207	Intangible assets	11	11,840,205	6,613,409
74,812	16,539	Deferred tax assets	12	16,939,758	3,744,933
746,486	639,868	Other assets	13	169,027,440	144,885,979
19,233,670	17,994,842			4,355,096,917	4,074,588,206
LIABILITIES					
228,225	193,676	Bills payable	14	51,676,520	43,853,860
2,557,093	1,909,022	Borrowings	15	579,004,938	432,261,654
14,283,282	14,062,837	Deposits and other accounts	16	3,234,176,418	3,184,260,887
-	-	Liabilities against assets subject to finance lease		-	-
83,354	54,648	Subordinated debt	17	18,874,000	12,374,000
-	-	Deferred tax liabilities	12	-	-
960,953	635,553	Other liabilities	18	217,589,525	143,908,895
18,112,907	16,855,736			4,101,321,401	3,816,659,296
1,120,763	1,139,106	NET ASSETS		253,775,516	257,928,910
REPRESENTED BY					
Shareholders' equity					
64,781	64,781	Share capital	19	14,668,525	14,668,525
316,811	307,726	Reserves		71,735,697	69,678,669
8,765	111,245	Surplus on revaluation of assets - net of tax	20	1,984,774	25,189,245
730,406	655,354	Unappropriated profit		165,386,520	148,392,471
1,120,763	1,139,106			253,775,516	257,928,910
CONTINGENCIES AND COMMITMENTS					
			21		

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

UNCONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021 (US \$ in '000)		Note	2022 (Rupees in '000)	2021 (Rupees in '000)	
1,806,172	1,083,121	Mark-up / return / profit / interest earned	23	408,973,236	245,252,121	
1,134,281	548,975	Mark-up / return / profit / interest expensed	24	256,836,274	124,304,851	
671,891	534,146	Net mark-up / return / profit / interest income		152,136,962	120,947,270	
Non mark-up / interest income						
122,125	98,237	Fee and commission income	25	27,652,913	22,243,819	
9,712	6,665	Dividend income		2,199,176	1,509,089	
10,802	12,955	Foreign exchange income - domestic		2,445,908	2,933,400	
9,641	3,029	Foreign exchange income - international		2,183,063	685,876	
21,431	4,322	Foreign exchange income - unrealized gain related to derivatives		4,852,666	978,570	
(11,562)	(804)	Loss from derivatives		(2,618,084)	(182,098)	
4,547	6,368	Gain on securities - net	26	1,029,524	1,441,844	
2,258	4,919	Other income	27	511,232	1,113,933	
168,954	135,691	Total non mark-up / interest income		38,256,398	30,724,433	
840,845	669,837	Total income		190,393,360	151,671,703	
Non mark-up / interest expenses						
487,898	373,658	Operating expenses	28	110,475,260	84,607,713	
6,320	5,209	Workers' Welfare Fund	29	1,431,056	1,179,500	
2,105	2,461	Other charges	30	476,587	557,178	
496,323	381,328	Total non mark-up / interest expenses		112,382,903	86,344,391	
344,522	288,509	Profit before provisions and taxation		78,010,457	65,327,312	
28,511	28,056	Provisions and write offs - net	31	6,455,867	6,352,849	
316,011	260,453	Profit before taxation		71,554,590	58,974,463	
179,691	109,097	Taxation	32	40,687,587	24,702,969	
136,320	151,356	Profit after taxation		30,867,003	34,271,494	
(Rupees)						
Basic and diluted earnings per share						
				33	21.04	23.36

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

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Salim Raza
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Khaleel Ahmed
Director

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021		2022 (Rupees in '000)	2021 (Rupees in '000)
136,320	151,356	Profit after taxation for the year	30,867,003	34,271,494
		Other comprehensive income / (loss)		
		<i>Items that may be reclassified to the profit and loss account in subsequent periods:</i>		
(4,547)	15,269	Effect of translation of net investment in foreign branches - net of tax	(1,029,672)	3,457,371
(101,469)	(46,440)	Movement in surplus / deficit on revaluation of investments - net of tax	(22,975,780)	(10,515,404)
		<i>Items that are not to be reclassified to the profit and loss account in subsequent periods:</i>		
692	910	Remeasurement gain on defined benefit obligations - net of tax	156,861	206,025
(889)	-	Movement in surplus / deficit on revaluation of fixed assets - net of tax	(201,262)	-
352	-	Transferred from surplus on revaluation of non-banking assets - net of tax	79,789	-
(537)	-		(121,473)	-
136	585	Movement in surplus on revaluation of non-banking assets - net of tax	30,850	132,680
(352)	-	Transferred to surplus on revaluation of fixed assets - net of tax	(79,789)	-
(216)	585		(48,939)	132,680
30,243	121,680	Total comprehensive income	6,848,000	27,552,166

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Director

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

Share capital	Reserves			Surplus / (deficit) on revaluation of		Unappropriated profit	Total
	Statutory (note 19.5)	Capital		Investments	Fixed / Non-Banking Assets		
		Exchange translation (note 19.6)	Non-distributable				

(Rupees in '000)

Balance as at December 31, 2020 14,668,525 36,616,227 25,877,296 547,115 8,470,042 27,282,814 129,262,746 242,724,765

Comprehensive income for the year

Profit after taxation for the year ended December 31, 2021

-	-	-	-	-	-	34,271,494	34,271,494
-	-	3,457,371	-	-	-	-	3,457,371
-	-	-	-	-	-	206,025	206,025
-	-	-	-	(10,515,404)	132,680	-	(10,382,724)

Transferred to statutory reserves

Transferred from surplus on revaluation of assets - net of tax

Exchange gain realised on partial repatriation of branch capital - net of tax

-	3,427,149	-	-	-	-	(3,427,149)	-
-	-	-	-	-	(180,887)	180,887	-
-	-	(246,489)	-	-	-	-	(246,489)

Transactions with owners, recorded directly in equity

Final cash dividend - Rs 3 per share declared subsequent to the year ended December 31, 2020

1st interim cash dividend - Rs 1.75 per share

2nd interim cash dividend - Rs 1.75 per share

3rd interim cash dividend - Rs 1.75 per share

-	-	-	-	-	-	(4,400,556)	(4,400,556)
-	-	-	-	-	-	(2,566,992)	(2,566,992)
-	-	-	-	-	-	(2,566,992)	(2,566,992)
-	-	-	-	-	-	(2,566,992)	(2,566,992)
-	-	-	-	-	-	(12,101,532)	(12,101,532)

Balance as at December 31, 2021

14,668,525 40,043,376 29,088,178 547,115 (2,045,362) 27,234,607 148,392,471 257,928,910

Comprehensive income for the year

Profit after taxation for the year ended December 31, 2022

Other comprehensive income / (loss)

- Effect of translation of net investment in foreign branches - net of tax

- Remeasurement gain on defined benefit obligations - net of tax

- Movement in surplus / deficit on revaluation of assets - net of tax

-	-	-	-	-	-	30,867,003	30,867,003
-	-	(1,029,672)	-	-	-	-	(1,029,672)
-	-	-	-	-	-	156,861	156,861
-	-	-	-	(22,975,780)	(170,412)	-	(23,146,192)
-	-	(1,029,672)	-	(22,975,780)	(170,412)	31,023,864	6,848,000

Transferred to statutory reserves

Transferred from surplus on revaluation of assets - net of tax

-	3,086,700	-	-	-	-	(3,086,700)	-
-	-	-	-	-	(58,279)	58,279	-

Transactions with owners, recorded directly in equity

Final cash dividend - Rs 2.25 per share declared subsequent to the year ended December 31, 2021

1st interim cash dividend - Rs 2.25 per share

2nd interim cash dividend - Rs 1.50 per share

3rd interim cash dividend - Rs 1.50 per share

-	-	-	-	-	-	(3,300,418)	(3,300,418)
-	-	-	-	-	-	(3,300,418)	(3,300,418)
-	-	-	-	-	-	(2,200,279)	(2,200,279)
-	-	-	-	-	-	(2,200,279)	(2,200,279)
-	-	-	-	-	-	(11,001,394)	(11,001,394)

Balance as at December 31, 2022

14,668,525 43,130,076 28,058,506 547,115 (25,021,142) 27,005,916 165,386,520 253,775,516

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

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Salim Raza
Director

Khaleel Ahmed
Director

UNCONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

2022 (US \$ in '000)	2021		Note	2022 (Rupees in '000)	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
316,011	260,453	Profit before taxation		71,554,590	58,974,463
(9,712)	(6,665)	Dividend income		(2,199,176)	(1,509,089)
8,355	5,472	Mark-up expensed on subordinated debt		1,891,880	1,239,075
314,654	259,260			71,247,294	58,704,449
Adjustments:					
31,561	28,330	Depreciation		7,146,419	6,414,731
7,686	4,346	Amortisation		1,740,448	983,969
14,604	12,288	Depreciation on right-of-use assets		3,306,791	2,782,450
12,976	13,439	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets		2,938,166	3,043,048
17,011	(5,436)	Provision for / (reversal of) diminution in value of investments		3,851,708	(1,230,989)
17,546	25,628	Provision against loans and advances		3,973,049	5,802,879
2,757	840	Provision against other assets		624,244	190,136
(5,881)	6,803	(Reversal of) / provision against off-balance sheet obligations		(1,331,585)	1,540,508
373	(297)	Unrealised loss / (gain) on held-for-trading securities		84,391	(67,261)
-	(1,089)	Exchange gain realised on partial repatriation of branch capital - net of tax		-	(246,489)
-	(59)	Exchange gain realised on liquidation of subsidiary		-	(13,354)
(166)	(326)	Gain on sale of fixed assets - net		(37,541)	(73,824)
-	(71)	Gain on sale of non-banking assets		-	(16,000)
6,320	5,209	Workers' Welfare Fund		1,431,056	1,179,500
104,787	89,605			23,727,146	20,289,304
419,441	348,865			94,974,440	78,993,753
(Increase) / decrease in operating assets					
(710,375)	(280,828)	Lendings to financial institutions		(160,850,855)	(63,588,239)
630,418	(323,756)	Held-for-trading securities		142,746,115	(73,308,334)
(1,068,896)	(1,205,804)	Advances		(242,031,020)	(273,031,395)
(153,051)	(158,553)	Other assets (excluding advance taxation)		(34,655,571)	(35,901,214)
(1,301,904)	(1,968,941)			(294,791,331)	(445,829,182)
Increase / (decrease) in operating liabilities					
34,548	(10,018)	Bills payable		7,822,660	(2,268,484)
648,071	(476,232)	Borrowings from financial institutions		146,743,284	(107,833,599)
220,445	2,273,410	Deposits and other accounts		49,915,531	514,770,171
324,217	69,857	Other liabilities		73,412,609	15,817,822
1,227,281	1,857,017			277,894,084	420,485,910
344,818	236,941			78,077,193	53,650,481
(136,534)	(110,895)	Income tax paid		(30,915,464)	(25,110,163)
208,284	126,046			47,161,729	28,540,318
Net cash flows generated from operating activities					
CASH FLOWS FROM INVESTING ACTIVITIES					
(515,819)	607,327	Net investment in available-for-sale securities		(116,797,488)	137,517,545
(190,239)	(310,550)	Net investment in held-to-maturity securities		(43,076,096)	(70,318,201)
(28,345)	(11,043)	Net investment in subsidiaries		(6,418,265)	(2,500,374)
9,625	(1,345)	Net investment in associates		2,179,336	(304,652)
10,513	5,913	Dividend received		2,380,506	1,338,902
(99,377)	(57,666)	Investment in fixed assets		(22,501,943)	(13,057,294)
(30,770)	(13,084)	Investment in intangible assets		(6,967,244)	(2,962,517)
-	161	Proceeds realised on liquidation of subsidiary		-	36,590
241	471	Proceeds from sale of fixed assets		54,618	106,525
-	954	Proceeds from sale of non-banking assets		-	216,000
(4,547)	15,269	Effect of translation of net investment in foreign branches - net of tax		(1,029,672)	3,457,371
(848,718)	236,407			(192,176,248)	53,529,895
Net cash flows (used in) / generated from investing activities					
CASH FLOWS FROM FINANCING ACTIVITIES					
28,705	-	Proceeds from issuance of subordinated debt		6,500,000	-
-	(44,084)	Repayment of subordinated debt		-	(9,982,000)
(8,160)	(6,702)	Payment of mark-up on subordinated debt		(1,847,577)	(1,517,481)
(18,276)	(19,529)	Payment of lease liability against right-of-use assets		(4,138,266)	(4,421,977)
(37,616)	(47,940)	Dividend paid		(8,517,481)	(10,855,155)
(35,347)	(118,255)			(8,003,324)	(26,776,613)
(675,781)	244,198			(153,017,843)	55,293,600
(Decrease) / increase in cash and cash equivalents during the year					
1,869,459	1,678,811	Cash and cash equivalents at the beginning of the year		423,303,270	380,135,020
81,269	27,719	Effect of exchange rate changes on cash and cash equivalents		18,401,798	6,276,448
1,950,728	1,706,530			441,705,068	386,411,468
1,274,947	1,950,728	Cash and cash equivalents at the end of the year	34	288,687,225	441,705,068

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1 STATUS AND NATURE OF BUSINESS

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,714 (2021: 1,648) branches inside Pakistan including 294 (2021: 259) Islamic Banking Branches and 32 (2021: 37) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank, and its registered office is in Geneva, Switzerland.

- 1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.
- 1.2 The Bank has decided to exit its operations in Mauritius and is considering various options regarding the same.
- 1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.
- 1.4 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank has commenced an orderly and phase wise exit.
- 1.5 During the year, the Bank has purchased the remaining shareholding of 9.50% in Habib Allied Holding Limited (HAHL) from the minority shareholder. HAHL is now a wholly owned subsidiary of the Bank. During the year, the Bank has also subscribed to 3 million shares issued, as Rights by Habib Allied Holding Limited.
- 1.6 During the year, the Bank has subscribed to 140 million shares issued as Rights by HBL Asset Management Limited (HBL AMC).
- 1.7 During the year, the Bank has subscribed to 100 million shares issued, as Rights by HBL Microfinance Bank Limited (HBL MfB). Consequently, the Bank's shareholding in HBL MfB has increased from 71.43% to 76.42%.

2 BASIS OF PRESENTATION

- 2.1 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

Key financial figures of the Islamic banking branches are disclosed in Annexure I to the consolidated financial statements.

The US Dollar amounts shown in these unconsolidated financial statements are stated solely for information. The statement of financial position, profit and loss account, statement of comprehensive income and cash flow statement as at and for the years ended December 31, 2022 and 2021 have all been converted using an exchange rate of Rupees 266.4309 per US Dollar.

2.2 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

The SECP has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' with effect from January 1, 2014. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions.

IFRS 10, Consolidated Financial Statements, was notified by the SECP as applicable for accounting periods beginning from January 1, 2015. However, the SECP, through SRO 56(I)/2016 dated January 28, 2016, has directed that the requirement of consolidation under this standard and under Section 228 of the Companies Act, 2017, is not applicable in the case of investments by a bank in mutual funds managed by its own asset management company and established under the trust structure. Therefore, investments by the Bank in mutual funds managed by HBL AMC are not consolidated as would otherwise be required under the definition of control specified in IFRS 10.

These unconsolidated financial statements of the Bank are prepared using generally consistent accounting policies. However, Overseas branches comply with the local regulations enforced within their respective jurisdictions.

2.3 Amendments to existing accounting and reporting standards that have become effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2022. These are considered either to not be relevant or to not have any significant impact on these unconsolidated financial statements.

2.4 Standards and amendments to existing accounting and reporting standards that are not yet effective

As directed by SBP via BPRD Circular no 3 of 2022, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2023. The Bank has elected for the modified retrospective approach for restatement.

Except for the implementation of IFRS 9 in Pakistan, as discussed in note 2.4.1, the Bank expects that adoption of new standards and amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

2.4.1 IFRS 9 Financial Instruments

The management of the Bank has performed an impact assessment of the application of IFRS 9, taking into account the SBP's application instructions. The assessment is based on currently available information and may be subject to change at the time of recognizing the impact of the initial adoption of IFRS 9. In addition, there will be changes in the classification of certain financial instruments. These changes and impacts are discussed below:

Governance, ownership and responsibilities

The Bank has adopted a governance framework under which the Board Audit Committee (BAC) is tasked with overseeing the implementation of IFRS 9. A Steering Committee for the implementation of IFRS 9, chaired by the CFO, is in place including representation from Risk, all front-line businesses, Operations and IT.

Risk Management has developed models / methodologies for calculating the Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and Credit Conversion Factors (CCF) for off-balance sheet exposures. These models shall be validated annually including:

- Expected credit loss (ECL) model design, data quality and benchmarking with external best practices.
- Calibration testing which ensures the accuracy of the observed PDs.

Finance identifies, prepares and extracts the data required for the modelling of risk parameters and the ECL calculations. The Bank has also implemented an automated system for the calculation of ECL as prescribed under IFRS 9 guidelines issued by the SBP.

Classification and measurement

The classification and measurement of financial assets depends on their contractual cash flow characteristics and the entity's business model. Financial assets are measured at amortized cost, Fair Value Through Profit & Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVOCI). Financial assets that do not meet the Solely Payment of Principal and Interest (SPPI) criteria are measured at FVTPL regardless of the business model in which they are held. The Bank has reviewed the impact of the initial adoption of IFRS 9 on its financial assets as follows:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Equity Securities

Listed equity securities currently classified as held-for-trading will be classified as FVTPL.

For certain listed equity securities currently classified as available-for-sale (AFS) with gains and losses recorded in OCI, the Bank will apply the option to classify them as FVOCI. Therefore, the application of IFRS 9 will not have an impact on initial adoption. However, in accordance with the requirements of the standard, gains and losses recognized in OCI will not be recycled through the profit and loss account on derecognition of these securities.

The remaining listed equity securities will be measured at FVTPL. The AFS reserve related to those securities is currently part of Surplus on Revaluation of Assets and will be reclassified to retained earnings hence, there will be no impact on overall equity.

Unquoted equity securities are required to be measured at fair value under IFRS 9. However, the SBP has allowed banks to carry these investments under the current Prudential Regulations, i.e. at the lower of cost and break-up value, till accounting periods beginning on or after January 1, 2024.

Debt securities and Loans and advances

Certain debt securities currently classified as AFS and that pass the SPPI test, are expected to be measured at FVOCI as the Bank's business model is to hold the assets to collect contractual cash flows and also to sell those investments. The remaining debt securities that pass the SPPI test are expected to be measured at amortized cost as the Bank's business model is to hold the assets to collect contractual cashflows.

Debt securities currently classified as held-to-maturity (HTM) and that pass the SPPI test are expected to be measured at amortized cost.

Debt securities currently classified as HFT and certain debt instruments currently classified as AFS and which are not expected to pass the SPPI test, will be measured at FVTPL.

Impairment

The impairment requirements apply to financial assets measured at amortized cost and FVOCI (other than equity instruments), and certain loan commitments and financial guarantee contracts. At initial recognition, an impairment allowance (or provision in the case of commitments and guarantees) is required for expected credit losses resulting from potential default events.

Based on the SBP's IFRS 9 application instructions, the Bank has performed an ECL assessment taking into account the following key elements:

- PD: The probability that a counterparty will default over the next 12 months from the reporting date (12-month ECL, Stage 1) or over the lifetime of the product (lifetime ECL, Stage 2).
- EAD: The expected balance sheet exposure at the time of default, incorporating expectations on drawdowns, amortization, pre-payments and forward-looking information where relevant.
- LGD: An estimate of the loss incurred on a facility upon default by a customer. LGD is calculated as the difference between contractual cash flows due and those that the Bank expects to receive, including from the liquidation of any form of collateral. It is expressed as a percentage of the exposure outstanding on the date of classification of an obligor.

For the purpose of ECL calculation, the Bank has used 5 years' data till December 31, 2022. Going forward, data for one additional year shall be included until the Bank has at least 10-year data. For calculating ECL, the Bank shall classify its financial assets under the following three categories:

- Stage 1: Performing Assets: For financial assets where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition, the Bank shall recognize an allowance based on the 12-month ECL.
- Stage 2: Under-Performing Assets: For financial assets where there has been a SICR since initial recognition, but which are not credit impaired, the Bank shall recognize an allowance based on lifetime ECL.
- Stage 3: Non-Performing Assets: For financial assets which have objective evidence of impairment at the reporting date, the Bank shall recognize ECL using the higher of the lifetime ECL computed under IFRS 9 and the provision required as per the Prudential Regulations.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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Under the SBP's instructions, Government Securities and credit exposure in local currency guaranteed by the Government are exempted from the application of the ECL framework.

Significant increase in credit risk (SICR)

A SICR is assessed in the context of an increase in the risk of a default occurring over the life of the financial instrument compared to that expected at the time of initial recognition. It is not assessed in the context of an increase in the ECL. The Bank uses a number of qualitative and quantitative measures in assessing SICR. Quantitative measures relate to deterioration of Obligor Risk Ratings (ORR) or where principal and / or interest payments are past due:

- by 365 days or more for agriculture lending
- by 60 days or more for all other segments

Qualitative factors include, inter alia, unavailability of financial information and pending litigation.

At every reporting date, the Bank shall assess whether there has been a SICR since the initial recognition of the asset, in which case, the asset must be assigned to the appropriate stage of credit impairment (Stage 2 or 3).

Presentation and disclosure

IFRS 9 also introduces expanded disclosure requirements and changes in presentation which will be incorporated as per the SBP's revised format.

Impact of adoption of IFRS 9

The Bank has performed a preliminary assessment of the potential impact of the adoption of IFRS 9. This is an estimate and the actual impact on the Bank's financial statements for the year 2023 will depend on the financial instruments that the Bank holds during that period and the economic conditions at that time, as well as accounting elections and judgements that it will make in future.

Classification and measurement

The classification of the Banks investments is expected to change as follows:

- Debt instruments amounting to Rs 228.910 billion will be reclassified from AFS to Amortised Cost.
- Equity securities amounting to Rs 1.784 billion will be reclassified from AFS to FVTPL.

Financial impact

The total estimated impact (net of tax) of the adoption of IFRS 9 on the opening balance of the Bank's equity as at January 1, 2023 is an increase of approximately Rs 6.072 billion, representing:

- A decrease of Rs 8.265 billion in equity due to an increase in ECL.
- An increase of Rs 14.337 billion in equity resulting from reclassification of investments as mentioned above.

Impact on regulatory capital

In order to mitigate the impact of ECL on capital, the SBP has permitted banks to adopt a transitional approach to phase in the impact over a period of five years. The transitional arrangement applies only to ECL for stage 1 and 2 financial assets.

2.5 Critical accounting estimates

The preparation of unconsolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Bank's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Bank's financial statements or where judgement was exercised in the application of accounting policies are as follows:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

- i) Classification of investments (note 4.3)
- ii) Valuation and impairment of subsidiaries, associates, joint venture, and investments (note 4.3)
- iii) Provision against advances (note 4.4)
- iv) Valuation and depreciation of fixed assets (note 4.5)
- v) Valuation and depreciation of right-of-use assets and their related lease liability (note 4.6)
- vi) Valuation and amortization of intangible assets (note 4.7)
- vii) Valuation of non-banking assets acquired in satisfaction of claims (note 4.8)
- viii) Valuation of defined benefit plans (note 4.12)
- ix) Taxation (note 4.15)
- x) Fair value of derivatives (note 4.21)

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

During the year, the Bank has reviewed its estimate of the useful life of Point of Sale (POS) terminals in its domestic operations and the useful life of intangibles in its China branches, which has resulted in a change in the Bank's estimate of their useful lives. These revisions have been accounted for as a change in accounting estimate as per the requirements of IAS 8 and accordingly, have been recognised prospectively in the unconsolidated profit and loss account from the current year.

The impact of these changes is disclosed in note 10.2.1 and 11.3 respectively.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention except for:

- Certain classes of fixed assets and non-banking assets acquired in satisfaction of claims, which are stated at revalued amounts less accumulated depreciation.
- Investments classified as held-for-trading and available-for-sale, which are measured at fair value.
- Derivative financial instruments, including forward foreign exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liability, which are measured at their present values.
- Net obligations in respect of defined benefit schemes, which are measured at their present values.

3.2 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani rupees, which is the Bank's functional currency. Amounts are rounded to the nearest thousand Rupees.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial year.

4.1 Cash and cash equivalents

Cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

4.2 Lending / borrowing transactions with financial institutions

The Bank enters into transactions of reverse repos and repos at contracted rates for a specified period of time. These are recorded as under:

4.2.1 Purchases under resale agreements (reverse repo)

Securities purchased under resale agreements are not recognised as investments in the financial statements and the amount extended to the counterparty is included in lendings to financial institutions. The difference between the purchase price and the contracted resale price is accrued on a time proportion basis over the period of the contract and recorded as markup income.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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4.2.2 Sales under repurchase agreements (repo)

Securities sold under repurchase agreements continue to be recognised as investments in the financial statements and the liability to the counterparty is included in borrowings. The difference between the sale price and the contracted repurchase price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest expense.

4.2.3 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuks on a deferred payment basis and are shown in lendings to financial institutions except for transactions undertaken directly with the Government of Pakistan which are disclosed as investments. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the life of the transaction.

4.3 Investments

The Bank classifies its investments, other than its investments in subsidiaries, associates and joint ventures, into the following categories:

Held-for-trading

These are securities included in a portfolio in which a pattern of short-term trading exists, or which are acquired for generating a profit from short-term fluctuations in market prices or interest rate movements. Under normal circumstances these securities are required to be sold within 90 days from the date of their purchase.

Held-to-maturity

These are securities with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold till maturity.

Available-for-sale

These are investments, other than investments in subsidiaries, associates and joint ventures, that do not fall under the held-for-trading or held-to-maturity categories.

4.3.1 Initial measurement

All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. The trade date is the date on which the Bank commits to purchase or sell the investment.

In the case of investments classified as held-for-trading, transaction costs are expensed through the profit and loss account. Transaction costs associated with investments other than those classified as held-for-trading are included in the cost of the investments.

4.3.2 Subsequent measurement

Held-for-trading

Investments classified as held-for-trading are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is taken to the profit and loss account.

Held-to-maturity

Investments classified as held-to-maturity are subsequently measured at amortised cost using the effective interest rate method, less any impairment recognised to reflect irrecoverable amounts.

Available-for-sale

Listed securities classified as available-for-sale are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is recorded in the surplus / deficit on revaluation of securities account (shown as part of equity in the statement of financial position) and is taken to the profit and loss account either when realised upon disposal or when the investment is considered to be impaired.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Unlisted equity securities are carried at the lower of cost and break-up value. The break-up value is calculated with reference to the net assets of the investee company as per its latest available audited financial statements. The Bank may also use unaudited or management accounts to determine if any additional impairment needs to be charged beyond amounts already charged based on audited financial statements. Other unlisted securities are valued at cost less impairment, if any.

4.3.3 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are recorded at cost less impairment, if any.

4.3.4 Impairment

The Bank determines that available-for-sale listed equity investments are impaired when there has been a significant or prolonged decline in the fair value of these investments below their cost. The determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial condition of the investee, industry and sector performance and changes in technology. A subsequent increase in the fair value of a previously impaired listed equity security is recorded in the statement of financial position in the surplus / deficit on revaluation of securities account and only recorded through the profit and loss account when realised on disposal.

A decline in the carrying value of unlisted equity securities is charged to the profit and loss account. A subsequent increase in the carrying value, up to the cost of the investment, is credited to the profit and loss account.

Provision for diminution in the value of debt securities held in Pakistan is made as per the Prudential Regulations issued by the SBP. Provision against investments by the Bank's overseas branches is made as per the requirements of their respective regulatory regimes.

When a debt security, classified as available-for-sale, is considered to be impaired, the balance in the surplus / deficit on revaluation of securities account is transferred to the profit and loss account as an impairment charge. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the profit and loss account.

When a debt security, classified as held-to-maturity, is considered to be impaired, the impairment is directly charged to the profit and loss account as held-to-maturity securities are carried at amortized cost. Any subsequent reversal of an impairment loss, up to the cost of the investment in the debt security, is credited to the profit and loss account.

Provision for diminution in the value of other securities is made after considering objective evidence of impairment.

The Bank considers that a decline in the recoverable value of its investments in subsidiaries, associates and joint ventures below their carrying value may be evidence of impairment. Recoverable value is calculated as the higher of fair value less costs to sell and value in use. An impairment loss is recognised when the recoverable value falls below the carrying value and is charged to the profit and loss account. Any subsequent reversal of an impairment loss, up to the carrying value of the investment in subsidiaries, associates and joint ventures, is credited to the profit and loss account.

4.4 Advances

Advances are stated net of specific and general provisions. Provision against advances by the Bank's operations in Pakistan is made in accordance with the requirements of the Prudential Regulations. Provision against advances by the Bank's overseas branches is made as per the requirements of the respective regulatory regimes. Advances are written off in line with the Bank's policy when there are no realistic prospects of recovery.

Since 2020, several borrowers have been severely impacted, initially by the COVID-19 pandemic, and since then, by the stressed economic conditions. The potential impact of the economic stress is difficult to predict, as many such borrowers have also availed the SBP enabled deferment / restructuring & rescheduling relief. Hence, management feels that it is appropriate to maintain an additional general provision on the domestic, funded performing credit portfolio excluding:

- Government guaranteed exposure
- Consumer and staff lending
- Exposure secured by cash / near cash collateral

This additional provision as at any statement of financial position date, is based on management's best estimate and can be upto and maximum of 1% of above mentioned portfolio. And on account of the devastating floods in 2022 which have impacted customers in its area of operations.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

4.4.1 Finance lease receivables

Leases where the Bank transfers a substantial portion of the risks and rewards incidental to the ownership of an asset to the lessee are classified as finance leases. A receivable is recognised at an amount equal to the present value of the future lease payments including any guaranteed residual value. The net investment in finance lease is included in advances.

4.4.2 Islamic financing and related assets

Murabaha financing is a cost plus profit transaction. Funds disbursed for the purchase of goods are recorded as an advance against Murabaha. Once the goods are sold to the customers, the transaction is recorded as financing. Goods purchased by the Bank but remaining unsold are recorded as inventories.

The financing is recorded at the deferred sale price. Profit earned on financing is recognised as unearned income and amortised into the profit and loss account over the term of the Murabaha financing. It is possible for Bank to buy the inventory on a customer's behalf and sell it to the customers on spot basis. In this case, the entire profit is recognised immediately in the profit and loss account.

Under Ijarah financing, the Bank transfers the rights to use an asset to the customer for an agreed period for an agreed consideration. Assets given under Ijarah are stated at cost less accumulated depreciation, residual value and impairment losses, if any. The depreciation is calculated on a straight-line basis over the term of the Ijarah after taking into account the estimated residual value. Impairment of Ijarah assets is recognised in line with the Prudential Regulations or upon the occurrence of an impairment event which indicates that the carrying value of the Ijarah asset may exceed its recoverable amount. The Ijarah rental received / receivable is recognised as income on an accrual basis.

Gains or losses on disposal of Ijarah assets are taken to the profit and loss account in the period in which they arise.

For Running Musharakah the Bank and the customer enter a Musharakah (transaction or business partnership arrangement) where the Bank agrees to finance the operating activities of the customer's business and share the profit or loss at a pre-agreed ratio. Profit is provisionally recognised on an accrual basis and is adjusted once the customer declares the final profit after issuance of audited financial statements.

Under Diminishing Musharakah financing, the Bank and the customer create joint beneficial ownerships over tangible assets to fulfill the customer's capital expenditure / project requirements. The Bank receives periodic payments, partly for renting its portion of the assets to the customer and partly for the gradual transfer / sale of its share of ownership to the customer. The rental payment is recognised as profit while the asset transfer / sale payments are applied towards reducing the outstanding principal.

Under Istisna financing, the Bank gives an advance to customers for manufacturing goods and may allow their sale immediately after the goods are manufactured or allow a pre-agreed time to sell the goods on deferred payment basis as the Bank's agent to a third party. Profit is recognised at the time when the goods are sold to the third party. In case of a deferred sale, the profit is recognised on an accrual basis over the term of financing.

Under Tijarah financing, the Bank purchases finished goods from the customer against payment, takes possession and appoints the customer as an agent to sell these goods to the ultimate buyer, generally on a deferred payment basis. Goods purchased by the Bank and sold by the customer on a deferred payment basis are recognised as financing while goods purchased by the Bank but remaining unsold by the customer are recorded as inventories. Profit on the financing is recognised on an accrual basis over the period of transaction.

Wakalah is an agency contract in which the Bank provides funds to a customer to invest in a Shariah compliant manner. This is recorded as financing and profit is recognised on an accrual basis and is adjusted once the customer declares Wakalah business performance.

Salam is a sale whereby the Bank undertakes to supply some specific commodity (ies) / asset(s) to the customer at a future date in exchange for an advance price fully paid on spot.

Currency Salam is exchange / sale of a currency with another currency at a future date, at conversion rate within the spot range on the day of such contract execution.

Under Musawamah financing, the Bank purchases the goods and, after taking possession, sells them to the customer at an agreed price without disclosing the cost incurred by the Bank. Goods purchased by the Bank can either be sold to the customer as a spot transaction or on a deferred payment basis. Goods purchased by the Bank but remaining unsold are recorded as inventories.

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4.5 Fixed Assets

Fixed assets are stated at cost, except for land and buildings which are carried at revalued amounts, less any applicable accumulated depreciation and accumulated impairment losses.

Land, capital work-in-progress and works of art are not depreciated. Other items included in fixed assets are depreciated over their expected useful lives using the straight-line method. Depreciation is calculated to write down the assets to their residual values over their expected useful lives at the rates specified in note 10.2 to these unconsolidated financial statements. Depreciation on additions is charged from the month in which the assets are available for use. No depreciation is charged in the month in which the assets are disposed off. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Land and buildings are revalued by independent professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. If an asset's carrying value increases as a result of revaluation, such increase or surplus arising on revaluation is credited to the surplus on revaluation of fixed assets account. However, if the increase reverses a deficit on the same asset previously recognised in the profit and loss account, such increase is also recognised in the profit and loss account to the extent of the previous deficit and thereafter in the surplus on the revaluation of fixed assets account. Any accumulated depreciation at the date of revaluation is eliminated against any additional surplus on revaluation and the net carrying value is restated at the revalued amount of the asset.

Surplus on revaluation of fixed assets (net of associated deferred tax) is transferred to unappropriated profit to the extent of the incremental depreciation charged on the related assets.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred. Major repairs and renovations that increase the useful life of an asset are capitalised.

Gains or losses arising on the disposal of fixed assets are included in the profit and loss account. Surplus on revaluation (net of deferred tax) realised on disposal of fixed assets is transferred directly to unappropriated profit.

4.6 Right-of-use assets and their related lease liability

4.6.1 Right-of-use assets

On initial recognition, right-of-use assets (ROU) are measured at an amount equal to the initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to restore the underlying asset or the site on which it is located to its original condition.

ROU assets are subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. Such remeasurement only occurs in cases where the terms of the lease are changed during the lease tenor.

ROU assets are depreciated using the straight-line method over a period starting from the commencement date of the lease contract to the end of the estimated useful life of the ROU asset or the end of the lease term, whichever is earlier. The estimated useful lives of ROU assets are determined on the same basis as that for owned assets. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

4.6.2 Lease liability against ROU assets

Lease liabilities against ROU assets are initially measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then at the applicable incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate method.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as markup expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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4.7 Intangible assets

Intangible assets other than goodwill

Intangible assets having a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised over their estimated useful lives using the straight-line method. Amortisation is calculated to write down the assets to their residual values over their expected useful lives at the rates stated in note 11.1 to these unconsolidated financial statements. Amortisation on additions is charged from the month in which the assets are available for use. No amortisation is charged in the month in which the assets are disposed off. The residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Intangible assets which arise from contractual or other legal rights on the acquisition of another entity and are deemed separable are considered as part of the net identifiable assets acquired. These are initially measured at fair value. Intangible assets with a finite useful life are amortized over their expected useful lives and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets having an indefinite useful life are stated at cost less impairment, if any. Such intangible assets are tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of intangible assets is recognised through the profit and loss account. Any subsequent reversal of an impairment loss, up to the extent of the impairment, is credited to the profit and loss account.

4.8 Non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims are initially recorded at cost and are carried at revalued amounts less accumulated depreciation and impairment, if any. These assets are revalued with sufficient regularity by professionally qualified valuers to ensure that their net carrying value does not differ materially from their fair value. An increase in the market value over the acquisition cost is recorded as a surplus on revaluation. A decline in the market value is adjusted against the surplus of that asset or, if no surplus exists, is charged to the profit and loss account as an impairment. A subsequent increase in the market value of an impaired asset is reversed through the profit and loss account up to the extent of the impairment and thereafter credited to the surplus on revaluation of that asset. All direct costs of acquiring title to the asset are charged immediately to the profit and loss account.

Depreciation on assets acquired in satisfaction of claims is charged to the profit and loss account on the same basis as depreciation charged on the Bank's owned fixed assets.

If the recognition of such assets results in a reduction in non-performing loans, such reductions and the corresponding reductions in provisions held against non-performing loans are disclosed separately.

These assets are revalue generally intended for sale. Gains and losses realized on the sale of such assets are disclosed separately from gains and losses realized on the sale of fixed assets. Surplus on revaluation (net of deferred tax) realized on disposal of these assets is transferred directly to unappropriated profit.

However, if such an asset, subsequent to initial recording, is used by the Bank for its own operations, the asset, along with any related surplus, is transferred to fixed assets.

4.9 Borrowings / deposits

Borrowings / deposits are recorded at the amount of proceeds received. The cost of borrowings / deposits is recognised as an expense on an accrual basis in the period in which it is incurred.

4.10 Subordinated debt

Subordinated debt is recorded at the amount of proceeds received. Mark-up accrued on subordinated debt is charged to the profit and loss account.

4.11 Acceptances

Acceptances comprise undertakings by the Bank to pay bills of exchange drawn on customers. Acceptances are recognised as a financial liability in the statement of financial position with the contractual right of reimbursement from the customer recognised as a financial asset.

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4.12 Employee benefits

The Bank operates a number of post-retirement benefit plans, which include both defined contribution plans and defined benefit plans.

For defined contribution plans, the Bank pays contributions to the fund on a periodic basis, and such amounts are charged to the profit and loss account when the payment obligation is established. The Bank has no further payment obligations once the contributions have been paid.

For funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations less the fair value of plan assets as at the statement of financial position date. Contributions to the fund are made by the Bank on a periodic basis.

For non-funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations as at the statement of financial position date.

The liability in respect of all obligations under defined benefit schemes is calculated annually by an independent actuary using the Projected Unit Credit Method.

Actuarial gains and losses

Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income with no subsequent recycling through the profit and loss account. Gains and losses on remeasurement of the liability for compensated absences are recognised in the profit and loss account.

Past Service Cost

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment and is recognised through the profit and loss account when the plan is amended.

Current Service Cost

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period, and is recognised through the profit and loss account.

4.13 Foreign currency

4.13.1 Foreign currency transactions

Transactions in foreign currencies are translated into rupees at the foreign exchange rates prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into rupees at the rates of exchange prevailing on the date of the statement of financial position. Forward transactions in foreign currencies and foreign bills purchased are translated at forward foreign exchange rates applicable to their respective maturities.

4.13.2 Foreign operations

The assets and liabilities of foreign operations are translated to Pakistani rupees at exchange rates prevailing at the date of the statement of financial position. The income and expenses of foreign operations are translated to Pakistani Rupees at average rates of exchange prevailing during the year.

4.13.3 Translation gains and losses

Gains and losses arising from foreign currency translations are taken to the profit and loss account, except those arising from the translation of the net investment in foreign branches, associates, joint ventures and subsidiaries, which are recognized through the statement of other comprehensive income as an Exchange Translation Reserve (ETR). Balances in the ETR are only taken to the profit and loss account on disposal of the investment.

4.13.4 Contingencies and Commitments

Commitments for outstanding forward foreign exchange contracts are disclosed in the financial statements at contracted rates. Contingent liabilities / commitments denominated in foreign currencies are expressed in rupee terms at the rates of exchange prevailing on the date of the statement of financial position.

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4.14 Income recognition

Revenue is recognised to the extent that the economic benefits associated with a transaction will flow to the Bank and the revenue can be reliably measured.

4.14.1 Advances and investments

Income on performing advances and debt securities is recognised on a time proportion basis as per the terms of the contract. Where debt securities are purchased at a premium or discount, such premium / discount is amortised through the profit and loss account over the remaining maturity of the debt security using the effective yield method.

Income recoverable on classified advances and investments is recognised on a receipt basis. Income on rescheduled / restructured advances and investments is recognised as permitted by SBP regulations or by the regulatory authorities of the countries in which the Bank operates.

4.14.2 Lease financing

Income from lease financing is accounted for using the financing method. Under this method, the unearned lease income (defined as the sum of total lease rentals and estimated residual value less the cost of the leased assets) is taken to income over the term of the lease so as to produce a constant periodic rate of return on the outstanding net investment in the lease. Gains and losses on termination of lease contracts are recognised through the profit and loss account when these are realised. For classified leases, unrealised lease income and other fees are recognised on a receipt basis.

4.14.3 Fee, Commission and Brokerage Income

Fee, commission and brokerage income is recognised on an accrual basis.

4.14.4 Dividend income

Dividend income is recognised when the right to receive the dividend is established.

4.15 Taxation

Income tax expense comprises of the charge for current and prior years and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity.

4.15.1 Current

The charge for current taxation is calculated on taxable income earned during the year from local as well as foreign operations using tax rates enacted as at the date of the statement of financial position.

4.15.2 Prior years

The charge for prior years represents adjustments to the tax charge for prior years, arising from assessments, changes in estimates, and retrospectively applied changes to law, made during the current year.

4.15.3 Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deductible temporary differences (deferred tax assets) are temporary differences that are deductible from the taxable income of future periods when the carrying amount of the underlying asset or liability is recovered or settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Taxable temporary differences (deferred tax liabilities) are temporary differences that will result in a tax liability in future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax is calculated at the tax rates that are expected to be applicable to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted as at the date of the statement of financial position.

The Bank also records a deferred tax asset / liability on items recognised directly in the statement of comprehensive income such as surplus / deficit on revaluation of assets and actuarial gains / losses. These items are disclosed net of the related deferred tax asset / liability.

Deferred tax assets are reviewed annually for impairment. Where objective evidence exists that the carrying value of a deferred tax asset may not be recoverable, the deferred tax asset is reduced to its recoverable value. The difference between the carrying value and the recoverable value is recognised through the profit and loss account as a deferred tax expense.

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FOR THE YEAR ENDED DECEMBER 31, 2022

4.16 Impairment of non-financial assets

The carrying value of non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable value of the asset is estimated. An impairment loss is recognised through the profit and loss account whenever the recoverable value of an asset is lower than its carrying value.

A subsequent increase in the recoverable value of the asset results in a reversal of the impairment loss through the profit and loss account, up to the original carrying value of the asset, if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

4.17 Provisions

Provisions are recognised when the Bank has present legal or constructive obligations as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision for off balance sheet obligations is recognised when the Bank becomes aware of the obligation and reasonable certainty exists that the Bank will settle the obligation. The charge to the profit and loss account is stated net of expected recoveries and the obligation is recognised in other liabilities.

Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

4.18 Contingent Liabilities

Contingent liabilities are not recognised in the statement of financial position as they are possible obligations where it has yet to be confirmed whether a liability, which will ultimately result in an outflow of economic resources to settle the obligation, will arise. In cases where the probability of an outflow of economic resources is considered remote, it is not disclosed as a contingent liability.

4.19 Off setting

Financial assets and financial liabilities are set-off and the net amount is reported in the unconsolidated financial statements when there is a legally enforceable right to set-off and the Bank intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

4.20 Financial Assets and Liabilities

Financial assets and liabilities carried on the statement of financial position include cash and bank balances, lending to financial institutions, investments, advances, certain other receivables, bills payable, borrowings, deposits, subordinated debt, lease liabilities against ROU assets and certain payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the relevant policy notes.

4.21 Derivative Financial Instruments

Derivative financial assets and liabilities are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair values using appropriate valuation techniques. Derivative financial instruments are carried as an asset when the fair value is positive and as a liability when the fair value is negative. Any change in the fair value of derivative financial instruments is taken directly to the profit and loss account.

4.22 Dividends and appropriation to reserves

Dividends and appropriations to reserves, which are approved subsequent to the date of the statement of financial position are except where required by law recognised in the year in which these are approved and disclosed as a non-adjusting event after the balance sheet date.

4.23 Earnings per share

The Bank presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing profit after tax for the year attributable to equity holders of the Bank by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is not calculated separately, as the Bank does not have any convertible instruments in issue.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

4.24 Segment reporting

A segment is a distinguishable component of the Bank that is engaged in providing unique products or services (business segment), or in providing products or services within a particular geographic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4.24.1 Business segments

The Bank is managed along the following business lines for monitoring and reporting purposes:

i) *Branch banking*

This segment pertains to the branch distribution network, its related deposit and other products and general banking services.

ii) *Consumer, SME and agriculture lending*

This segment pertains to loan products offered to the Consumer, SME and Agriculture segments.

iii) *Islamic banking*

This segment pertains to all business lines of the Islamic banking network and includes all Islamic products offered by the bank.

iv) *Corporate, commercial and investment banking*

This segment provides a wide variety of financial products and services to large and medium sized clients, across the entire spectrum of industrial sectors.

v) *International and correspondent banking*

This segment includes all international branches, the financial institutions business and global remittances.

vi) *Treasury*

This segment is responsible for asset/liability management and includes all treasury related products such as fixed income, money market, FX and derivatives.

vii) *Head Office / Others*

This segment includes numbers related to HBL Konnect, Head Office functions.

4.24.2 Geographical segments

The Bank is managed along the following geographic lines for monitoring and reporting purposes:

i) *Pakistan (including KEPZ)*

This includes the domestic operations and HBL's KEPZ branch.

ii) *Middle East and Africa*

This includes UAE, Bahrain, Oman, Lebanon and Mauritius.

iii) *Asia*

This includes Afghanistan, Bangladesh, China, Maldives, Singapore and Sri Lanka.

iv) *Europe*

This includes Belgium and Turkey.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

5	CASH AND BALANCES WITH TREASURY BANKS	Note	2022	2021
		(Rupees in '000)		
	In hand			
	Local currency		71,656,001	46,849,289
	Foreign currencies		<u>7,193,966</u>	<u>5,167,639</u>
			78,849,967	52,016,928
	With State Bank of Pakistan in			
	Local currency current accounts	5.1	<u>107,551,161</u>	<u>143,740,748</u>
	Local currency special deposit account		-	2,531,227
	Foreign currency current accounts	5.2	<u>292,436</u>	<u>8,637,953</u>
	Foreign currency deposit accounts	5.3	<u>655,439</u>	<u>18,104,962</u>
			108,499,036	173,014,890
	With other Central Banks in			
	Foreign currency current accounts	5.4	<u>32,490,538</u>	<u>34,242,436</u>
	Foreign currency deposit accounts	5.5	<u>35,609,011</u>	<u>12,755,756</u>
			68,099,549	46,998,192
	With National Bank of Pakistan in local currency current accounts		1,757,957	137,197,419
	National Prize Bonds		<u>161,575</u>	<u>301,451</u>
			257,368,084	409,528,880

- 5.1 These represent local currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.2 These represent foreign currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.3 This represent a foreign currency deposit account maintained under the Special Cash Reserve Requirement (SCRR) of the SBP which carries mark-up at a rate of 3.14% per annum (2021: 0.00% per annum) and a foreign currency settlement account maintained with the SBP which carries mark-up at a rate of 0.00% per annum (2021: 0.00% per annum).
- 5.4 These represent balances held with the central banks of the countries in which the Bank operates, in accordance with local statutory / regulatory requirements. These include balances in remunerative current accounts amounting to Rs 528.828 million (2021: Rs 368.751 million), which carry mark-up at rates ranging from 1.04% to 2.04% per annum (2021: 0.08% to 0.32% per annum).
- 5.5 These represent balances held with the central banks of the countries in which the Bank operates, in accordance with local regulatory requirements. These carry mark-up at rates ranging from 0.00% to 14.50% per annum (2021: 0.00% to 9.50% per annum).

6	BALANCES WITH OTHER BANKS	Note	2022	2021
		(Rupees in '000)		
	In Pakistan			
	In current accounts		81,588	65
	Outside Pakistan			
	In current accounts	6.1	<u>16,458,763</u>	<u>25,295,629</u>
	In deposit accounts	6.2	<u>14,778,790</u>	<u>6,880,494</u>
			<u>31,237,553</u>	<u>32,176,123</u>
			31,319,141	32,176,188

- 6.1 This includes an amount of Rs 5,564.242 million (2021: Rs 1,937.318 million) in remunerative current accounts which carry mark-up at rates ranging from 0.01% to 1.00% per annum (2021: 0.01% to 1.20% per annum).
- 6.2 These carry mark-up at rates ranging from 0.01% to 30.50% per annum (2021: 0.00% to 18.50% per annum).

7	LENDINGS TO FINANCIAL INSTITUTIONS	Note	2022	2021
		(Rupees in '000)		
	Call money lendings		-	24,600,000
	Repurchase agreement lendings (reverse repo)	7.2	<u>254,593,287</u>	<u>64,970,746</u>
	Bai Muajjal receivable from financial institutions		-	4,171,686
			<u>254,593,287</u>	<u>93,742,432</u>

- 7.1 Lendings to financial institutions are all in local currency.
- 7.2 Repurchase agreement lendings carry mark-up at rates ranging from 15.95% to 16.60% per annum (2021: 9.5% to 10.65% per annum) and are due to mature latest by January 06, 2023.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

7.2.1 Securities held as collateral against lendings to financial institutions

	2022			2021		
	Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total
	(Rupees in '000)					
Market Treasury Bills	92,318,287	-	92,318,287	17,766,592	-	17,766,592
Pakistan Investment Bonds	162,275,000	-	162,275,000	47,204,154	-	47,204,154
	<u>254,593,287</u>	<u>-</u>	<u>254,593,287</u>	<u>64,970,746</u>	<u>-</u>	<u>64,970,746</u>

7.2.2 The market value of securities held as collateral against repurchase agreement lendings amounted to Rs 254,221.016 million (2021: Rs 64,982.010 million).

8 INVESTMENTS

8	INVESTMENTS	Note	2022				2021				
			Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	
8.1	Investments by type		(Rupees in '000)								
	Held-for-trading (HFT) securities										
	Federal Government securities										
	- Market Treasury Bills	8.3	5,885,581	-	(7,865)	5,877,716	111,463,172	-	(31,502)	-	111,431,670
	- Pakistan Investment Bonds		52,471,296	-	(85,104)	52,386,192	92,201,740	-	110,414	-	92,312,154
	Shares										
	- Listed companies		132	-	(42)	90	332,860	-	(24,270)	-	308,590
	Foreign securities										
	- Government debt securities		3,278,776	-	8,620	3,287,396	316,867	-	12,619	-	329,486
			<u>61,635,785</u>	<u>-</u>	<u>(84,391)</u>	<u>61,551,394</u>	<u>204,314,639</u>	<u>-</u>	<u>67,261</u>	<u>-</u>	<u>204,381,900</u>
	Available-for-sale (AFS) securities										
	Federal Government securities										
	- Market Treasury Bills	8.3 & 8.5	206,248,292	-	(363,332)	205,884,960	274,430,197	-	121,938	-	274,552,135
	- Pakistan Investment Bonds	8.3	925,726,908	-	(29,334,463)	896,392,445	801,894,166	-	(4,790,129)	-	797,104,037
	- Ijarah Sukuks		125,360,260	-	(2,772,531)	122,587,729	119,617,967	-	(537,141)	-	119,080,826
	- Government of Pakistan US Dollar Bonds		18,895,230	(2,213,447)	(8,221,230)	8,460,553	15,473,165	(347,350)	458,144	-	15,583,959
	- Other Federal Government securities		4,686,060	-	-	4,686,060	1,016,120	-	-	-	1,016,120
	Shares										
	- Listed companies		6,329,024	(2,097,873)	(242,961)	3,988,190	8,170,830	(1,962,154)	427,255	-	6,635,931
	- Unlisted companies		5,372,623	(119,718)	-	5,252,905	5,372,623	(91,009)	-	-	5,281,614
	Non-Government debt securities										
	- Listed		52,253,137	(602,689)	(2,566,098)	49,084,350	51,499,951	(78,236)	638,300	-	52,060,015
	- Unlisted		2,664,233	(413,232)	16,321	2,267,322	1,648,381	(247,381)	24,000	-	1,425,000
	Foreign securities										
	- Government debt securities		107,850,716	(1,672,462)	(582,189)	105,596,065	59,484,291	(264,754)	30,466	-	59,250,003
	- Non -Government debt securities - Listed		4,541,314	(59,375)	(42,714)	4,439,225	5,497,986	(61,056)	152,480	-	5,589,410
	- Equity securities - Unlisted		7,762	(197)	-	7,565	6,318	(156)	-	-	6,162
	National Investment Unit Trust units		11,113	-	27,057	38,170	11,113	-	35,335	-	46,448
	Real Estate Investment Trust units										
	- Listed		55,000	-	13,200	68,200	55,000	-	5,800	-	60,800
	- Unlisted		1,575,000	-	-	1,575,000	-	-	-	-	-
	Preference shares										
	- Listed		744,400	-	172,200	916,600	744,400	-	80,500	-	824,900
	- Unlisted		354,985	(285,793)	-	69,192	176,985	(150,075)	-	-	26,910
			<u>1,462,676,057</u>	<u>(7,464,786)</u>	<u>(43,896,740)</u>	<u>1,411,314,531</u>	<u>1,345,099,493</u>	<u>(3,202,171)</u>	<u>(3,353,052)</u>	<u>-</u>	<u>1,338,544,270</u>
	Held-to-maturity (HTM) securities	8.7									
	Federal Government securities										
	- Market Treasury Bills		108,085,213	-	-	108,085,213	-	-	-	-	-
	- Pakistan Investment Bonds	8.3, 8.4 & 8.5	229,410,921	-	-	229,410,921	285,512,630	-	-	-	285,512,630
	- Government of Pakistan US Dollar Bonds		4,307,651	(379,077)	-	3,928,574	-	-	-	-	-
	- Other Federal Government securities		-	-	-	-	10,794,000	-	-	-	10,794,000
	Non-Government debt securities										
	- Listed		1,733,442	-	-	1,733,442	2,365,422	-	-	-	2,365,422
	- Unlisted		17,300,182	-	-	17,300,182	18,348,917	-	-	-	18,348,917
	Foreign securities										
	- Government debt securities		14,365,073	-	-	14,365,073	14,672,889	-	-	-	14,672,889
	- Non-Government debt securities										
	- Listed		161,426	(15,712)	-	145,714	285,954	(25,061)	-	-	260,893
	- Unlisted		308,100	-	-	308,100	616,100	(1,559)	-	-	614,541
			<u>375,672,008</u>	<u>(394,789)</u>	<u>-</u>	<u>375,277,219</u>	<u>332,595,912</u>	<u>(26,620)</u>	<u>-</u>	<u>-</u>	<u>332,569,292</u>
	Investment in associates and joint venture	8.7	7,422,095	-	-	7,422,095	9,601,431	-	-	-	9,601,431
	Investment in subsidiary companies	8.8	26,510,029	-	-	26,510,029	20,091,764	-	-	-	20,091,764
	Total Investments		<u>1,933,915,974</u>	<u>(7,859,575)</u>	<u>(43,981,131)</u>	<u>1,882,075,268</u>	<u>1,911,703,239</u>	<u>(3,228,791)</u>	<u>(3,285,791)</u>	<u>-</u>	<u>1,905,188,657</u>

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Note	2022				2021			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- (Rupees in '000) -----								
8.2 Investments by segment								
Federal Government securities								
Market Treasury Bills	320,219,086	-	(371,197)	319,847,889	385,893,369	-	90,436	385,983,805
Pakistan Investment Bonds	1,207,609,125	-	(29,419,567)	1,178,189,558	1,179,608,536	-	(4,679,715)	1,174,928,821
Ijarah Sukuks	125,360,260	-	(2,772,531)	122,587,729	119,617,967	-	(537,141)	119,080,826
Government of Pakistan US Dollar Bonds	23,202,881	(2,592,524)	(8,221,230)	12,389,127	15,473,165	(347,350)	458,144	15,583,959
Other Federal Government securities	4,686,060	-	-	4,686,060	11,810,120	-	-	11,810,120
	1,681,077,412	(2,592,524)	(40,784,525)	1,637,700,363	1,712,403,157	(347,350)	(4,668,276)	1,707,387,531
Shares								
- Listed companies	6,329,156	(2,097,873)	(243,003)	3,988,280	8,503,690	(1,962,154)	402,985	6,944,521
- Unlisted companies	5,372,623	(119,718)	-	5,252,905	5,372,623	(91,009)	-	5,281,614
	11,701,779	(2,217,591)	(243,003)	9,241,185	13,876,313	(2,053,163)	402,985	12,226,135
Non-Government debt securities								
- Listed	53,986,579	(602,689)	(2,566,098)	50,817,792	53,865,373	(78,236)	638,300	54,425,437
- Unlisted	19,964,415	(413,232)	16,321	19,567,504	19,997,298	(247,381)	24,000	19,773,917
	73,950,994	(1,015,921)	(2,549,777)	70,385,296	73,862,671	(325,617)	662,300	74,199,354
Foreign securities								
Government debt securities	125,494,565	(1,672,462)	(573,569)	123,248,534	74,474,047	(264,754)	43,085	74,252,378
Non-Government debt securities								
- Listed	4,702,740	(75,087)	(42,714)	4,584,939	5,783,940	(86,117)	152,480	5,850,303
- Unlisted	308,100	-	-	308,100	616,100	(1,559)	-	614,541
Equity securities-Unlisted	7,762	(197)	-	7,565	6,318	(156)	-	6,162
	130,513,167	(1,747,746)	(616,283)	128,149,138	80,880,405	(352,586)	195,565	80,723,384
National Investment Unit Trust units	11,113	-	27,057	38,170	11,113	-	35,335	46,448
Real Estate Investment Trust units - Listed								
- Listed	55,000	-	13,200	68,200	55,000	-	5,800	60,800
- Unlisted	1,575,000	-	-	1,575,000	-	-	-	-
	1,630,000	-	13,200	1,643,200	55,000	-	5,800	60,800
Preference shares								
- Listed	744,400	-	172,200	916,600	744,400	-	80,500	824,900
- Unlisted	354,985	(285,793)	-	69,192	176,985	(150,075)	-	26,910
	1,099,385	(285,793)	172,200	985,792	921,385	(150,075)	80,500	851,810
Investment in associates and joint venture								
Diamond Trust Bank Kenya, Limited	3,999,244	-	-	3,999,244	3,999,244	-	-	3,999,244
Himalayan Bank Limited, Nepal	135,665	-	-	135,665	135,665	-	-	135,665
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	256,231	-	-	256,231	256,231	-	-	256,231
Jubilee General Insurance Company Limited	2,006,142	-	-	2,006,142	2,006,142	-	-	2,006,142
Jubilee Life Insurance Company Limited	677,739	-	-	677,739	677,739	-	-	677,739
HBL Energy Fund	-	-	-	-	279,125	-	-	279,125
HBL Equity Fund	-	-	-	-	650,000	-	-	650,000
HBL Income Fund	-	-	-	-	143,753	-	-	143,753
HBL Investment Fund Class A	302,886	-	-	302,886	302,886	-	-	302,886
HBL Investment Fund Class B	-	-	-	-	334,501	-	-	334,501
HBL Islamic Asset Allocation Fund	-	-	-	-	136,223	-	-	136,223
HBL Islamic Pension Fund- Equity Sub Fund	-	-	-	-	12,833	-	-	12,833
HBL Islamic Stock Fund	-	-	-	-	121,179	-	-	121,179
HBL Money Market Fund	-	-	-	-	386,436	-	-	386,436
HBL Multi Asset Fund	-	-	-	-	32,366	-	-	32,366
HBL Pension Fund- Equity Sub Fund	-	-	-	-	20,308	-	-	20,308
HBL Stock Fund	-	-	-	-	106,800	-	-	106,800
HBL Total Treasury Exchange Trading Fund	44,188	-	-	44,188	-	-	-	-
	7,422,095	-	-	7,422,095	9,601,431	-	-	9,601,431
Investment in subsidiary companies								
Habib Allied Holding Limited	19,077,529	-	-	19,077,529	15,059,264	-	-	15,059,264
Habib Bank Financial Services (Private) Limited	32,500	-	-	32,500	32,500	-	-	32,500
HBL Currency Exchange (Private) Limited	400,000	-	-	400,000	400,000	-	-	400,000
HBL Asset Management Limited	2,000,000	-	-	2,000,000	600,000	-	-	600,000
HBL Microfinance Bank Limited	5,000,000	-	-	5,000,000	4,000,000	-	-	4,000,000
	26,510,029	-	-	26,510,029	20,091,764	-	-	20,091,764
Total Investments	1,933,915,974	(7,859,575)	(43,981,131)	1,882,075,268	1,911,703,239	(3,228,791)	(3,285,791)	1,905,188,657

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8.2.1 Investments given as collateral

2022
(Rupees in '000)

2021

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities

- Market Treasury Bills	76,758,133	980,924
- Pakistan Investment Bonds	165,214,633	139,564,697
- Sukuks	25,479,600	-

Foreign securities

- Government debt securities	15,216,156	-
	<u>282,668,522</u>	<u>140,545,621</u>

8.3 Investments include securities amounting to Rs 437,016.293 million (2021: Rs 447,617.323 million) which are held to comply with the SBP's statutory liquidity requirements as set out under section 29 of the Banking Companies Ordinance, 1962.

8.4 Investments include Rs 227.500 million (2021: Rs 227.500 million) pledged with the SBP against TT/DD discounting facilities and demand loan facilities.

8.5 Investments include Rs 10.000 million (2021: Rs 10.000 million) pledged with the Controller of Military Accounts against Regimental Fund accounts being maintained at various branches of the Bank.

8.6 Investments include Rs 300.000 million (2021:Rs 200.000 million) pledged with National Clearing Company of Pakistan against trading margin.

8.7 The market value of investments classified as held-to-maturity and investment in listed associates and joint venture is as follows:

	2022		2021	
	Book value	Market value	Book value	Market value
	(Rupees in '000)			
- Investments classified as held-to-maturity	375,277,219	343,498,835	332,569,292	317,744,030
- Investment in listed associates and joint venture	7,165,864	23,324,728	9,345,200	27,584,028

8.8 This includes investment in the Variable Rate Subordinated Loan Notes issued by HBL Bank UK, a subsidiary company, amounting to Rs 3.849 billion equivalent to US\$ 17 million (2021: Rs 3.001 billion equivalent US \$ 17 million). These notes are perpetual and are repayable at the option of the subsidiary after five years have passed from the date of issuance. Interest is payable on a six monthly basis at 6 month LIBOR+4% (2021: 6 month LIBOR+4%).

The Bank also has an investment in Additional Tier 1 instrument of the subsidiary amounting to Rs 2.944 billion equivalent US \$ 13 million (2021: Rs 2.294 billion equivalent US \$ 13 million). These notes are perpetual and are repayable at option of the subsidiary after five years have passed from the date of issuance. The Prudential Authority (PRA) approval is required prior to repayment. Interest is payable on a six monthly basis at 6 months LIBOR+4.75% (2021: 6 months LIBOR+4.75%).

The Additional Tier 1 interest is required to be paid from distributable reserve of the subsidiary, however if on any date when a payment of interest would otherwise be due and the subsidiary has insufficient profits, payment of such interest shall be delayed until such time the subsidiary has sufficient profits.

8.9 Particulars of provision held against diminution in the value of investments

2022
(Rupees in '000)

2021

Opening balance	3,228,791	4,385,056
Exchange adjustments	604,306	74,724
Charge / (reversal)		
Charge for the year	4,565,152	512,131
Reversal for the year	(24,044)	(424,963)
Reversal on disposal during the year	(689,400)	(1,318,157)
Net charge / (reversal)	3,851,708	(1,230,989)
Transferred in	67,880	-
Other movement	106,890	-
Closing balance	<u>7,859,575</u>	<u>3,228,791</u>

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FOR THE YEAR ENDED DECEMBER 31, 2022

8.9.1 Particulars of provision against debt securities

Category of classification	2022		2021	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
	(Rupees in '000)			
Domestic				
Loss	413,232	413,232	247,381	247,381
Overseas				
Overdue by:				
91 to 180 days	452,912	452,912	-	-
181 to 365 days	679,188	500,742	-	-
	1,132,100	953,654	-	-
	1,545,332	1,366,886	247,381	247,381

8.9.1.1 In addition to the above, overseas branches hold a provision of Rs 3,989.107 million (2021: Rs 778.017 million) against investments in accordance with the ECL requirements of IFRS 9.

8.10 Quality of available-for-sale securities

Details regarding the quality of AFS securities are as follows:

	2022	2021
	Cost / amortised cost	
	(Rupees in '000)	
Federal Government securities - Government guaranteed		
Market Treasury Bills	206,248,292	274,430,197
Pakistan Investment Bonds	925,726,908	801,894,166
Ijarah Sukuks	125,360,260	119,617,967
Government of Pakistan US Dollar Bonds	18,895,230	15,473,165
Other Federal Government securities - Islamic Naya Pakistan Certificates	4,686,060	1,016,120
	1,280,916,750	1,212,431,615

Shares

Listed companies

	2022	2021
	Cost	
	(Rupees in '000)	
Automobile Assembler	93,569	394,154
Automobile Parts and Accessories	85,167	85,167
Cement	659,875	516,871
Chemicals	224,084	264,588
Commercial Banks	949,350	1,498,440
Engineering	197,207	225,164
Fertilizer	811,050	1,259,527
Food and Personal Care Products	-	45,306
Insurance	69,484	88,601
Investment Banks / Investment Companies / Securities Companies	1,122,067	1,122,315
Oil and Gas Exploration Companies	513,230	864,273
Oil and Gas Marketing Companies	210,443	279,329
Pharmaceuticals	196,431	158,935
Power Generation and Distribution	551,141	741,212
Technology and Communication	48,836	46,026
Textile Composite	526,897	420,279
Transport	-	38,127
Miscellaneous	70,193	122,516
	6,329,024	8,170,830

Unlisted companies

	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Central Depository Company of Pakistan Limited	256,347	782,093	256,347	774,341
Engro Powergen Thar (Private) Limited	2,086,591	7,326,213	2,086,591	5,880,911
Sindh Engro Coal Mining Company Limited	2,267,346	5,536,372	2,267,346	4,553,223
Pakistan Mortgage Refinance Company Limited	500,000	1,015,616	500,000	879,382
First Women Bank Limited	63,300	203,928	63,300	203,928
SME Bank Limited	13,474	(43,229)	13,474	(31,898)
National Institutional Facilitation Technologies (Private) Limited	1,527	64,687	1,527	61,903
National Investment Trust Limited	100	910,231	100	1,003,283
Pak Agriculture Storage and Services Corporation Limited	5,500	3,551,928	5,500	3,448,615
Society for Worldwide Interbank Financial Telecommunication (S.W.I.F.T)	3,152	52,804	3,152	34,534
Naymat Collateral Management Company Limited	29,286	13,824	29,286	21,021
1 LINK (Private) Limited	50,000	537,279	50,000	312,706
Pakistan Credit Restructuring Company Limited	96,000	68,519	96,000	90,048
	5,372,623	20,020,265	5,372,623	17,231,997

8.10.1 The breakup value of unlisted companies is calculated using latest the available financial statements as described in note 4.3.2.

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Non-Government debt securities

	Note	2022 Cost / amortised cost (Rupees in '000)	2021 Cost / amortised cost (Rupees in '000)
Listed			
AA+, AA, AA-		46,200,000	46,450,000
A+, A, A-		493,545	493,545
B+, B, B-		4,559,592	3,556,406
Unrated		1,000,000	1,000,000
	8.10.2	52,253,137	51,499,951
Unlisted			
AAA		351,000	351,000
AA+, AA, AA-		1,900,000	1,050,000
Unrated		413,233	247,381
		2,664,233	1,648,381
		54,917,370	53,148,332

8.10.2 This includes listed Non - Government debt securities amounting to Rs 41 billion (2021: Rs 41 billion) guaranteed by the Government.

Foreign securities

	2022		2021	
	Cost / amortised cost (Rupees in '000)	Rating	Cost / amortised cost (Rupees in '000)	Rating
Government debt securities				
Bahrain	11,242,403	B2, CCC+ and below	8,068,483	B2
Maldives	26,497,708	CCC+ and below	19,491,121	B+ , CCC+ and below
Mauritius	4,450,149	Baa3	4,070,087	Baa1
Oman	3,207,091	Ba3, BB-	6,178,091	Ba3 , BB-
Singapore	11,751,254	AAA	3,135,166	AAA
Srilanka	3,693,301	CCC+ and below	6,026,660	CCC+ and below
Kenya	2,326,687	B2	1,844,430	B2
South Africa	731,411	Ba2	584,325	Ba2
Egypt	3,103,659	B, B2	3,415,770	B+ , B2
United Arab Emirates	40,847,053	Aa2, Baa3	6,670,158	Aa2 , B2
	107,850,716		59,484,291	

Non-Government debt securities

	2022 Cost / amortised cost (Rupees in '000)	2021 Cost / amortised cost (Rupees in '000)
Listed		
BB+, BB, BB-	1,090,959	2,777,708
B+, B, B-	3,450,355	2,720,278
	4,541,314	5,497,986

Equity securities - Unlisted

	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
The Benefit Company, Bahrain	4,804	34,287	3,746	26,447
Credit Information Bureau, Sri Lanka	49	10,452	70	14,687
LankaClear (Private) Limited, Sri Lanka	308	7,182	437	8,860
SME Equity Fund Limited, Mauritius	2,601	2,404	2,065	1,909
	7,762	54,325	6,318	51,903

National Investment Unit Trust units - Listed

	2022 Cost (Rupees in '000)	2021 Cost (Rupees in '000)
	11,113	11,113

Real Estate Investment Trust units - Listed

	2022 Cost (Rupees in '000)	2021 Cost (Rupees in '000)
	55,000	55,000

Real Estate Investment Trust units - Unlisted

	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
TPL REIT Management Company Limited	1,575,000	2,262,423	-	-

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	2022		2021	
	Cost			
	(Rupees in '000)			
Preference shares - Listed				
Chemicals			700,000	700,000
Textile Composite			44,400	44,400
			<u>744,400</u>	<u>744,400</u>

	2022		2021	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Preference shares - Unlisted				
Finja Inc	176,985	30,712	176,985	26,910
Healthwire Pvt Ltd	178,000	38,480	-	-
	<u>354,985</u>	<u>69,192</u>	<u>176,985</u>	<u>26,910</u>

8.11 Particulars of held-to-maturity securities are as follows:

	2022		2021	
	Cost / amortised cost			
	(Rupees in '000)			
Federal Government securities - Government guaranteed				
Pakistan Investment Bonds			229,410,921	285,512,630
Market Treasury Bills			108,085,213	-
GOP US Dollar Bond			4,307,651	-
Other Federal Government securities - Bai Muajjal with Government of Pakistan			-	10,794,000
			<u>341,803,785</u>	<u>296,306,630</u>

Non-Government debt securities

Listed

AAA			-	1,000,000
AA+, AA, AA-			1,249,850	881,636
A+, A, A-			483,592	483,786
			<u>1,733,442</u>	<u>2,365,422</u>

Unlisted

AAA			14,856,052	14,367,227
AA+, AA, AA-			149,730	149,790
A+, A, A-			1,050,000	1,075,000
Unrated			1,244,400	2,756,900
			<u>17,300,182</u>	<u>18,348,917</u>

Foreign securities

	2022		2021	
	Cost / amortised cost	Rating	Cost / amortised cost	Rating
	(Rupees in '000)			
Government debt securities				
Bahrain	1,204,012	CCC+ and below	942,978	B2
Bangladesh	9,659,351	Ba3	9,201,113	Ba3
Oman	1,931,607	BB-	2,464,286	BB-
Sri Lanka	1,570,103	CCC+ and below	2,064,512	CCC+ and below
	<u>14,365,073</u>		<u>14,672,889</u>	

Non-Government debt securities

	2022		2021	
	Cost / amortised cost			
	(Rupees in '000)			
Listed				
Unrated			161,426	285,954
Unlisted				
A+, A, A-			308,100	616,100

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8.12 Summary of financial information of associates, joint venture and subsidiaries

		2022						
	Based on the annual / interim financial statements as on	Country of Incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)
				(Rupees in '000)				
Diamond Trust Bank Kenya, Limited	September 30, 2022	Kenya	16.15%	931,967,221	788,726,664	79,991,004	8,367,192	10,931,684
Himalayan Bank Limited	October 17, 2022	Nepal	20.00%	364,889,717	323,548,766	35,126,532	4,266,090	4,234,752
Kyrgyz Investment and Credit Bank	December 31, 2022	Kyrgyzstan	18.00%	125,991,587	104,107,720	11,125,792	2,345,277	2,155,369
Jubilee General Insurance Company Limited	September 30, 2022	Pakistan	19.80%	32,639,326	22,420,262	7,495,243	1,388,016	1,345,936
Jubilee Life Insurance Company Limited	September 30, 2022	Pakistan	18.52%	187,908,746	174,500,925	103,512,855	2,068,559	2,160,966
HBL Investment Fund Class A	December 31, 2022	Pakistan	17.13%	1,837,058	4,588	146,036	96,136	96,136
HBL Total Treasury Exchange Traded Fund	December 31, 2022	Pakistan	8.58%	523,730	1,271	24,213	22,459	22,459
Habib Allied Holding Limited	December 31, 2022	United Kingdom	100.00%	146,585,103	133,226,332	5,751,656	828,024	(31,754)
Habib Bank Financial Services (Private) Limited	December 31, 2022	Pakistan	100.00%	45,748	451	5,205	(2,249)	(2,249)
HBL Currency Exchange (Private) Limited	December 31, 2022	Pakistan	100.00%	3,179,239	244,000	1,770,627	844,596	844,596
HBL Asset Management Limited	December 31, 2022	Pakistan	100.00%	3,385,983	3,224,849	759,226	161,133	161,133
HBL Microfinance Bank Limited	December 31, 2022	Pakistan	76.42%	141,764,423	128,538,065	25,980,291	1,225,009	1,225,009

		2021						
	Based on the annual / interim financial statements as on	Country of Incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)
				(Rupees in '000)				
Diamond Trust Bank Kenya, Limited	September 30, 2021	Kenya	16.15%	678,549,291	562,179,237	57,206,890	6,017,880	7,526,089
Himalayan Bank Limited	October 17, 2021	Nepal	20.00%	283,389,638	251,046,954	17,475,451	4,427,888	4,481,822
Kyrgyz Investment and Credit Bank	December 31, 2021	Kyrgyzstan	18.00%	78,046,080	65,156,266	5,286,272	577,934	577,934
Jubilee General Insurance Company Limited	September 30, 2021	Pakistan	19.80%	26,220,342	17,095,863	7,232,221	1,690,914	1,314,157
Jubilee Life Insurance Company Limited	September 30, 2021	Pakistan	18.52%	189,325,733	176,813,548	91,328,256	2,134,247	2,035,682
HBL Energy Fund	December 31, 2021	Pakistan	33.74%	629,815	24,173	(44,284)	(72,031)	(72,031)
HBL Equity Fund	December 31, 2021	Pakistan	34.73%	1,692,510	119,341	(282,179)	(357,896)	(357,896)
HBL Income Fund	December 31, 2021	Pakistan	6.09%	3,868,048	39,870	301,615	263,243	263,243
HBL Investment Fund Class A	December 31, 2021	Pakistan	17.13%	2,119,110	5,105	174,306	113,028	276,157
HBL Investment Fund Class B	December 31, 2021	Pakistan	36.81%	1,307,720	152,089	(55,577)	(88,749)	(88,749)
HBL Islamic Asset Allocation Fund	December 31, 2021	Pakistan	41.09%	373,545	3,134	19,737	12,564	12,564
HBL Islamic Pension Fund - Equity Sub Fund	December 31, 2021	Pakistan	30.26%	180,706	1,459	(5,294)	(9,974)	(9,974)
HBL Islamic Stock Fund	December 31, 2021	Pakistan	42.55%	659,403	19,134	(38,985)	(66,014)	(66,014)
HBL Money Market Fund	December 31, 2021	Pakistan	2.54%	21,794,347	4,427,380	1,035,022	1,005,047	1,005,047
HBL Multi Asset Fund	December 31, 2021	Pakistan	44.34%	206,605	7,768	3,640	756	756
HBL Pension Fund - Equity Sub Fund	December 31, 2021	Pakistan	39.28%	197,817	1,180	(8,009)	(13,415)	(13,415)
HBL Stock Fund	December 31, 2021	Pakistan	46.23%	575,694	51,369	(12,722)	(38,655)	(38,655)
Habib Allied Holding Limited	December 31, 2021	United Kingdom	90.50%	134,319,126	123,939,981	3,669,483	(1,523,950)	(1,628,592)
Habib Bank Financial Services (Private) Limited	December 31, 2021	Pakistan	100.00%	48,069	52,106	2,834	(4,037)	(4,037)
HBL Currency Exchange (Private) Limited	December 31, 2021	Pakistan	100.00%	2,255,739	170,270	222,543	364,215	364,215
HBL Asset Management Limited	December 31, 2021	Pakistan	100.00%	2,955,692	3,047,104	569,809	(91,412)	(91,412)
HBL Microfinance Bank Limited	December 31, 2021	Pakistan	71.43%	110,020,563	99,937,227	16,626,066	1,556,248	1,414,609

8.12.1 The Bank has significant influence in Diamond Trust Bank Kenya Limited, Kyrgyz Investment and Credit Bank, Jubilee General Insurance Company Limited and Jubilee Life Insurance Company Limited because of Parent's holding in these entities.

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9 ADVANCES	Note	Performing		Non - performing		Total	
		2022	2021	2022	2021	2022	2021
(Rupees in '000)							
Loans, cash credits, running finances, etc.	9.1	1,314,811,542	1,125,717,507	72,548,664	68,226,061	1,387,360,206	1,193,943,568
Islamic financing and related assets	9.2	222,982,477	166,754,863	3,465,365	337,317	226,447,842	167,092,180
Bills discounted and purchased		86,852,316	96,563,328	8,760,951	5,606,279	95,613,267	102,169,607
Advances - gross		1,624,646,335	1,389,035,698	84,774,980	74,169,657	1,709,421,315	1,463,205,355
Provision against advances							
- Specific	9.5	-	-	(74,638,423)	(69,086,372)	(74,638,423)	(69,086,372)
- General		(12,175,445)	(9,569,507)	-	-	(12,175,445)	(9,569,507)
		(12,175,445)	(9,569,507)	(74,638,423)	(69,086,372)	(86,813,868)	(78,655,879)
Advances - net of provision		1,612,470,890	1,379,466,191	10,136,557	5,083,285	1,622,607,447	1,384,549,476

9.1 This includes net investment in finance lease as disclosed below:

	2022				2021			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
(Rupees in '000)								
Total minimum lease payments	2,384,911	33,158,972	17,424,154	52,968,037	1,836,268	26,623,340	24,570,974	53,030,582
Financial charges for future periods	(242,212)	(5,941,536)	(4,891,260)	(11,075,008)	(286,458)	(4,363,882)	(6,435,784)	(11,086,124)
Net investment in finance lease	2,142,699	27,217,436	12,532,894	41,893,029	1,549,810	22,259,458	18,135,190	41,944,458

9.2 Information related to Islamic financing and related assets is given in note 3 of Annexure I to the consolidated financial statements and is an integral part of these unconsolidated financial statements.

9.3 Particulars of advances (gross)	2022	2021
	(Rupees in '000)	
In local currency	1,402,884,074	1,164,857,784
In foreign currencies	306,537,241	298,347,571
	1,709,421,315	1,463,205,355

9.4 Advances include Rs 84,774.980 million (2021: Rs 74,169.657 million) which have been placed under non-performing status as detailed below:

Category of Classification	2022		2021	
	Non - performing advances	Provision	Non - performing advances	Provision
(Rupees in '000)				
Domestic				
Other assets especially mentioned	470,336	-	338,312	-
Substandard	6,753,937	1,713,269	2,613,643	633,285
Doubtful	2,487,879	1,172,491	1,204,317	602,158
Loss	41,681,202	40,992,247	43,080,525	42,092,554
	51,393,354	43,878,007	47,236,797	43,327,997
Overseas				
Not past due but impaired	114,816	65,731	33,958	8,490
Overdue by:				
Up to 90 days	46,595	12,056	29,965	-
91 to 180 days	1,180,167	295,610	17,181	14,815
181 to 365 days	30,805	13,555	1,995,683	1,929,459
> 365 days	32,009,243	30,373,464	24,856,073	23,805,611
	33,381,626	30,760,416	26,932,860	25,758,375
Total	84,774,980	74,638,423	74,169,657	69,086,372

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9.5 Particulars of provision against advances

Note	2022			2021		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	69,086,372	9,569,507	78,655,879	67,067,637	9,498,565	76,566,202
Exchange adjustment	6,837,158	669,003	7,506,161	2,397,887	209,339	2,607,226
Charge for the year	6,803,855	2,844,306	9,648,161	9,396,546	1,284,701	10,681,247
Reversal for the year	(4,767,741)	(907,371)	(5,675,112)	(3,455,270)	(1,423,098)	(4,878,368)
Net charge / (reversal) against advances	2,036,114	1,936,935	3,973,049	5,941,276	(138,397)	5,802,879
Charged off during the year - agriculture financing	9.8 (582,438)	-	(582,438)	(532,280)	-	(532,280)
Written off during the year	9.9 (2,670,903)	-	(2,670,903)	(5,788,148)	-	(5,788,148)
Transfer Out	(67,880)	-	(67,880)	-	-	-
Closing balance	<u>74,638,423</u>	<u>12,175,445</u>	<u>86,813,868</u>	<u>69,086,372</u>	<u>9,569,507</u>	<u>78,655,879</u>

9.5.1 Particulars of provision against advances

In local currency	42,167,914	8,635,508	50,803,422	42,332,649	7,051,549	49,384,198
In foreign currencies	32,470,509	3,539,937	36,010,446	26,753,723	2,517,958	29,271,681
	<u>74,638,423</u>	<u>12,175,445</u>	<u>86,813,868</u>	<u>69,086,372</u>	<u>9,569,507</u>	<u>78,655,879</u>

9.6 General provision includes provision amounting to Rs 3,307.203 million (2021: Rs 2,753.209 million) against consumer finance portfolio. General provision also includes Rs 3,539.937 million (2021: Rs 2,517.958 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the Bank operates. General provision also includes Rs 5,328.305 million (2021: 4,298.340 million) carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

9.7 Exposure amounting to Rs 2,958.414 million relating to Power Holding (Pvt.) Limited, is government guaranteed and therefore, has not been classified as non-performing, pursuant to a relaxation given by SBP under circular letter no BPRD/BRD (FD)/2023/135.

9.8 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held, in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

9.9 Particulars of write offs

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
9.9.1 Against provisions	9.5	<u>2,670,903</u>	5,788,148
Directly charged to the profit and loss account	31	-	81,069
		<u>2,670,903</u>	5,869,217
Against charge off		-	442
	9.9.2	<u>2,670,903</u>	<u>5,869,659</u>
9.9.2 Analysis of write offs			
Write offs of amounts of Rs 500,000 and above			
- Domestic	9.10.1	<u>1,346,223</u>	2,315,683
- Overseas	9.10.2	<u>940,779</u>	3,180,654
		<u>2,287,002</u>	5,496,337
Write offs of amounts below Rs 500,000		<u>383,901</u>	373,322
		<u>2,670,903</u>	<u>5,869,659</u>

9.10 Details of written off advances of Rs 500,000 and above

9.10.1 The statement required under sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962 in respect of written off advances or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2022 is given in Annexure II to the consolidated financial statements and is an integral part of these unconsolidated financial statements.

9.10.2 These include write offs or financial relief allowed to borrowers in those countries where there are disclosure restrictions.

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
10 FIXED ASSETS			
Capital work-in-progress	10.1	<u>7,264,167</u>	7,487,106
Property and equipment	10.2	<u>102,062,120</u>	86,671,146
		<u>109,326,287</u>	<u>94,158,252</u>
10.1 Capital work-in-progress			
Civil works		<u>2,478,945</u>	4,367,583
Equipment		<u>1,211,929</u>	310,830
Advances to suppliers and contractors		<u>3,573,293</u>	2,808,693
		<u>7,264,167</u>	<u>7,487,106</u>

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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10.4 Had there been no periodic revaluation, the carrying amounts of revalued assets would have been as follows:

	2022 (Rupees in '000)	2021
Freehold land	628,299	474,594
Leasehold land	13,338,443	10,417,668
Building on freehold land	118,911	93,739
Building on leasehold land	15,440,320	13,180,731
	<u>29,525,973</u>	<u>24,166,732</u>

10.5 Details of disposal of fixed assets

The information relating to disposal of fixed assets to related parties is given in Annexure III of these unconsolidated financial statements.

10.6 The carrying amount of fixed assets held for disposal amounted to Rs 4.490 million (2021: Rs 4.652 million).

10.7 The cost of fully depreciated fixed assets that are still in the Bank's use is as follows:

	Note	2022 (Rupees in '000)	2021
Leasehold improvements		3,952,470	3,634,316
Furniture and fixtures		955,234	840,234
Electrical, office and computer equipment		11,396,024	8,271,530
Vehicles		229,874	220,197
Machinery		282,831	-
		<u>16,816,433</u>	<u>12,966,277</u>

11 INTANGIBLE ASSETS

Capital work-in-progress - computer software		5,183,359	2,034,059
Intangible assets	11.1	<u>6,656,846</u>	<u>4,579,350</u>
		<u>11,840,205</u>	<u>6,613,409</u>

11.1 Intangible assets

Computer software

At January 1,

Cost		9,703,329	7,163,490
Accumulated amortisation		<u>(5,123,979)</u>	<u>(4,119,722)</u>
Net book value		4,579,350	3,043,768
Purchased during the year		3,873,823	2,481,497
Amortisation charge		(1,740,448)	(983,969)
Exchange rate adjustments		64,660	36,964
Transfers		(121,170)	-
Other adjustments		631	1,090
Closing net book value		<u>6,656,846</u>	<u>4,579,350</u>

At December 31,

Cost		13,584,242	9,703,329
Accumulated amortisation		<u>(6,927,396)</u>	<u>(5,123,979)</u>
Net book value		<u>6,656,846</u>	<u>4,579,350</u>
Rate of amortisation (%)		<u>10-33.33</u>	<u>10-33.33</u>
Useful life (years)		<u>3-10</u>	<u>3-10</u>

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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11.2 The cost of fully amortised intangible assets that are still in the Bank's use amounted to Rs 3,005.641 million (2021: Rs 2,736.878 million).

11.3 With effect from January 2022, the estimated useful life of certain intangibles in the Bank's China branches has been revised from 3 years to 10 years. The effect of this change on amortisation expense in the current year and the next year is as follows:

		2023 (Rupees in '000)	2022 (Rupees in '000)
Decrease in computer software expenses - amortisation		23,250	23,250
12 DEFERRED TAX ASSETS / (LIABILITIES)	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
Deductible temporary differences on			
- Provision against investments		879,614	744,857
- Provision against doubtful debts and off-balance sheet obligations		3,164,090	3,033,816
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,717,261	2,583,250
- Surplus on revaluation of investments	20	18,875,598	1,307,690
- Provision against other assets		5,855	15,342
- Ijarah financing		187,389	156,250
		25,829,807	7,841,205
Taxable temporary differences on			
- Accelerated tax depreciation		(2,354,489)	(1,675,533)
- Surplus on revaluation of fixed assets	20	(1,905,686)	(1,748,389)
- Exchange translation reserve		(4,629,874)	(672,350)
		(8,890,049)	(4,096,272)
Net deferred tax assets / (liabilities)		16,939,758	3,744,933

12.1 Movement in temporary differences during the year

	Balance as at January 1, 2021	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2021	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2022
	(Rupees in '000)						
Deductible temporary differences on							
- Provision against investments	1,143,042	(398,185)	-	744,857	134,757	-	879,614
- Provision against doubtful debts and off-balance sheet obligations	3,591,810	(557,994)	-	3,033,816	130,274	-	3,164,090
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001	1,938,319	644,931	-	2,583,250	134,011	-	2,717,261
- Surplus / deficit on revaluation of investments	(5,415,272)	-	6,722,962	1,307,690	-	17,567,908	18,875,598
- Provision against other assets	45,062	(29,720)	-	15,342	(9,487)	-	5,855
- Deficit on revaluation of fixed assets	72,832	(72,832)	-	-	-	-	-
- Ijarah financing	199,225	(42,975)	-	156,250	31,139	-	187,389
Taxable temporary differences on							
- Accelerated tax depreciation	(1,851,784)	176,251	-	(1,675,533)	(678,956)	-	(2,354,489)
- Surplus on revaluation of fixed assets	(1,788,461)	40,072	-	(1,748,389)	43,965	(201,262)	(1,905,686)
- Exchange translation reserve	(903,630)	-	231,280	(672,350)	-	(3,957,524)	(4,629,874)
Net deferred tax (liabilities) / assets	(2,968,857)	(240,452)	6,954,242	3,744,933	(214,297)	13,409,122	16,939,758

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13 OTHER ASSETS	Note	2022 (Rupees in '000)	2021
Mark-up / return / profit / interest accrued in local currency - net of provision		78,399,836	48,301,309
Mark-up / return / profit / interest accrued in foreign currency - net of provision		6,236,421	3,558,922
Advances, deposits, advance rent and other prepayments		4,447,288	3,564,250
Advance taxation		11,990,565	21,699,101
Advances against subscription of securities		1,228,514	178,000
Stationery and stamps on hand		133,214	134,835
Accrued fees and commissions		459,300	542,228
Due from Government of Pakistan / SBP		3,654,276	2,048,993
Mark to market gain on forward foreign exchange contracts		3,067,881	8,470,307
Mark to market gain on derivative instruments	22.2	546	251,603
Non-banking assets acquired in satisfaction of claims		232,109	459,389
Receivable from defined benefit plan	36.4	-	759,354
Branch adjustment account		-	897,554
Acceptances		54,403,050	35,740,017
Clearing and settlement accounts		4,352,389	17,436,987
Dividend receivable		3,883	185,213
Claims receivable against fraud and forgeries		694,460	541,337
Others		1,340,474	1,136,161
		<u>170,644,206</u>	<u>145,905,560</u>
Provision held against other assets	13.2	<u>(1,791,891)</u>	<u>(1,243,645)</u>
Other assets - net of provision		<u>168,852,315</u>	<u>144,661,915</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20.2	<u>175,125</u>	<u>224,064</u>
Other assets - total		<u>169,027,440</u>	<u>144,885,979</u>

13.1 Details of revaluation of non-banking assets acquired in satisfaction of claims

Market value of non-banking assets acquired in satisfaction of claims	<u>407,234</u>	<u>680,986</u>
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13.1.1 Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuers as at December 31, 2022. The revaluation was carried out by M/s Tristar International Consultant (Pvt) Ltd on the basis of an assessment of present market values and resulted in an increase in the surplus by Rs 30.85 million. The total surplus arising against revaluation of non-banking assets acquired in satisfaction of claims as at December 31, 2022 amounts to Rs 175.125 million (2021: Rs 224.064 million).

13.1.2 Non-banking assets acquired in satisfaction of claims	Note	2022 (Rupees in '000)	2021
Opening balance		680,986	639,379
Exchange adjustment		8,898	2,804
Additions during the year		-	189,876
Disposal during the year		-	(200,000)
Revaluation during the year	20.2	30,850	132,680
Transferred to fixed assets		(313,500)	(83,672)
Depreciation		(35)	(766)
Reversal of impairment		35	685
Closing balance		<u>407,234</u>	<u>680,986</u>

13.2 Provision held against other assets

Non-banking assets acquired in satisfaction of claims	-	2,467
Claims receivable against fraud and forgeries	694,460	541,337
Suit filed cases	4,979	4,800
Others	1,092,452	695,041
	<u>1,791,891</u>	<u>1,243,645</u>

13.2.1 Movement in provision against other assets

Opening balance	1,243,645	1,127,909
Exchange adjustment	(7,806)	(17,808)
Charge for the year	661,462	741,684
Reversal for the year	(37,218)	(551,548)
Net charge	624,244	190,136
Written off during the period year	(67,820)	(56,592)
Other movement	(372)	-
Closing balance	<u>1,791,891</u>	<u>1,243,645</u>

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FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
14	BILLS PAYABLE		
	In Pakistan	50,109,748	42,654,426
	Outside Pakistan	1,566,772	1,199,434
		<u>51,676,520</u>	<u>43,853,860</u>
15	BORROWINGS		
	Secured		
	Borrowings from the SBP under		
	- Export refinance scheme	15.2 69,820,144	69,782,711
	- Export refinance scheme for bill discounting	15.3 8,867,548	-
	- Long term financing facility	15.4 42,068,296	32,529,493
	- Financing facility for renewable energy power plants	15.5 7,168,301	6,805,470
	- Refinance facility for modernization of Small and Medium Enterprises (SMEs)	15.6 312,545	241,788
	- Refinance and credit guarantee scheme for women entrepreneurs	15.7 69,658	155,370
	- Financing facility for storage of agricultural produce	15.8 601,918	333,349
	- Refinance scheme for payment of wages and salaries	15.9 1,227,812	15,476,761
	- Refinance facility for combating COVID-19	15.10 1,793,800	1,055,725
	- Temporary economic refinance facility	15.11 34,998,333	26,010,138
	- Refinance facility for SME Asaan Finance (SAAF)	15.12 2,272,423	-
		169,200,778	152,390,805
	Repurchase agreement borrowings	15.14 284,971,485	140,193,364
		<u>454,172,263</u>	<u>292,584,169</u>
	Unsecured		
	- Call money borrowings	15.15 19,000,000	1,000,000
	- Overdrawn nostro accounts	348,674	618,796
	- Borrowings of overseas branches	15.16 39,653,052	81,220,283
	- Other long-term borrowings	15.17 65,830,949	56,838,406
		124,832,675	139,677,485
		<u>579,004,938</u>	<u>432,261,654</u>
15.1	Particulars of borrowings with respect to currencies		
	In local currency	458,123,126	293,766,153
	In foreign currencies	120,881,812	138,495,501
		<u>579,004,938</u>	<u>432,261,654</u>
15.2	These borrowings have been obtained from the SBP for extending export finance to customers. These carry mark-up at rates ranging from 11.00% to 12.00% per annum (2021: 1.00% to 2.00% per annum) and are due to mature latest by June 30, 2023.		
15.3	These borrowings have been obtained from the SBP for providing of export bill discounting to customers. These carry mark-up at rates ranging from 0.00% to 2.00% and are due to mature latest by June 30, 2023.		
15.4	These borrowings have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry mark-up at rates ranging from 11.00% to 12.00% per annum (2021: 2.00% to 8.60% per annum) and are due to mature latest by June 30, 2032.		
15.5	These borrowings have been obtained from the SBP under a scheme for financing renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2.00% to 3.00% per annum (2021: 2.00% to 3.00% per annum) and are due to mature latest by June 3, 2034.		
15.6	These borrowings have been obtained from the SBP under a scheme to finance the modernization of Small and Medium Enterprises. These carry mark-up at a rate of 2.00% per annum (2021: 2.00% per annum) and are due to mature latest by July 1, 2030.		
15.7	These borrowings have been obtained from the SBP under a scheme to finance women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry mark-up at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by December 31, 2025.		

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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- 15.8 These borrowings have been obtained from the SBP under a scheme for financing the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at rates ranging from 2.00% to 3.25% per annum (2021: 2.00% to 3.50% per annum) and are due to mature latest by June 30, 2027.
- 15.9 These borrowings have been obtained from the SBP under a scheme to help businesses pay wages and salaries to their employees during the pandemic and thereby support continued employment. These carry mark-up at rates ranging from 0.00% to 1.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by May 12, 2023.
- 15.10 These borrowings have been obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing under the facility is Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry mark-up at a rate of 0.00% per annum (2021: 0.00% to 2.00% per annum) and are due to mature latest by October 1, 2026.
- 15.11 These borrowings have been obtained from the SBP under a scheme to provide concessionary refinance for setting up new industrial units in the backdrop of challenges faced by industries during the COVID-19 pandemic. The maximum financing granted under this facility is Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry mark-up at a rate of 1.00% per annum (2021: 1.00% per annum) and are due to mature latest by June 30, 2032.
- 15.12 These borrowings have been obtained from the SBP under a scheme to simplify and enhance lending to SMEs and to fulfil their financing requirements. These carry mark-up at a rate of 1.00% per annum and are due to mature latest by October 7, 2034.
- 15.13 For all SBP borrowings, the SBP has the right to recover the outstanding amounts from the Bank at the date of maturity of the finances by directly debiting the Bank's current account maintained with the SBP.
- 15.14 Repurchase agreement borrowings carry mark-up at rates ranging from 7.60% to 16.15% per annum (2021: 9.70% to 10.25% per annum) and are due to mature latest by December 20, 2023. The market value of securities given as collateral against these borrowings is given in note 8.2.1.
- 15.15 Call money borrowings carry mark-up at rates ranging from 13.50% to 16.10% per annum (2021: 10.05% per annum) and are due to mature latest by February 3, 2023.
- 15.16 Borrowings by overseas branches and subsidiaries carry mark-up at rates ranging from 0.90% to 11.53% per annum (2021: 0.01% to 5.25% per annum) and are due to mature latest by April 13, 2023.
- 15.17 This includes the following:
- 15.17.1 A loan from the International Finance Corporation amounting to US\$ 99.990 million (2021: US\$ 150 million). The principal amount is payable in six semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% per annum (2021: LIBOR + 5.00% per annum) is payable semi-annually.
- 15.17.2 A long-term financing facility arrangement of US\$ 300 million from China Development Bank, utilized for on-lending to projects of the Bank's customers. Under this facility, US\$ 190 million (2021: US\$ 170.975 million) has been utilized by the Bank, with the initial drawdown having occurred on January 31, 2019. Drawn amounts are payable in semi-annual installments from January 31, 2023 to January 31, 2033. Interest is being charged at a fixed spread over LIBOR and is payable semi-annually.
- 15.17.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 168.252 million (2021: Rs 181.985 million) for on-lending to customers. The principal amount is payable in semi-annual installments from August 2020 to February 2023. Profit at 11.21% per annum (2021: 11.21% per annum) is payable semi-annually.

16 DEPOSITS AND OTHER ACCOUNTS

Note	2022			2021		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
(Rupees in '000)						
Customers						
Current deposits	1,133,774,070	162,565,484	1,296,339,554	946,973,718	130,629,895	1,077,603,613
Savings deposits	1,160,962,009	139,379,848	1,300,341,857	1,083,204,383	93,067,228	1,176,271,611
Term deposits	347,383,594	209,952,695	557,336,289	437,652,740	158,727,090	596,379,830
	2,642,119,673	511,898,027	3,154,017,700	2,467,830,841	382,424,213	2,850,255,054
Financial institutions						
Current deposits	8,499,505	3,163,648	11,663,153	5,635,457	1,406,584	7,042,041
Savings deposits	57,909,192	2,181,262	60,090,454	294,001,584	451,389	294,452,973
Term deposits	3,328,171	5,076,940	8,405,111	26,495,962	6,014,857	32,510,819
	69,736,868	10,421,850	80,158,718	326,133,003	7,872,830	334,005,833
16.2	2,711,856,541	522,319,877	3,234,176,418	2,793,963,844	390,297,043	3,184,260,887

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		2022	2021
		(Rupees in '000)	
16.1	Composition of deposits		
	- Individuals	2,068,688,488	1,766,241,516
	- Government (Federal and Provincial)	187,796,209	184,253,553
	- Banking Companies	23,623,395	16,594,114
	- Non-Banking Financial Institutions	56,535,323	317,411,719
	- Other public sector entities	212,938,838	220,164,472
	- Other private sector entities	684,594,165	679,595,513
		<u>3,234,176,418</u>	<u>3,184,260,887</u>

16.2 This includes deposits amounting to Rs 1,943,375.180 million (2021: Rs 1,689,010.499 million) which are eligible for coverage under insurance arrangements.

		Note	2022	2021
			(Rupees in '000)	
17	SUBORDINATED DEBT			
	Additional Tier I Term Finance Certificates	17.1	12,374,000	12,374,000
	Additional Tier I Term Finance Certificates	17.2	6,500,000	-
			<u>18,874,000</u>	<u>12,374,000</u>

17.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [December 31, 2021: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the Investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

17.2 During the year, the Bank has issued fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus)
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the Investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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18	OTHER LIABILITIES	Note	2022 (Rupees in '000)	2021
	Mark-up / return / profit / interest payable in local currency		16,143,221	8,660,189
	Mark-up / return / profit / interest payable in foreign currency		5,733,644	2,499,116
	Security deposits		1,567,333	909,334
	Accrued expenses		22,174,107	19,564,176
	Mark to market loss on forward foreign exchange contracts		2,218,389	6,895,147
	Mark to market loss on derivative instruments	22.2	6,882,438	2,624,952
	Unclaimed dividends		751,907	727,940
	Dividends payable		3,811,676	1,327,763
	Provision for post retirement medical benefits	36.4.5	3,522,518	4,557,833
	Provision for employees' compensated absences	36.4.5	762,192	2,177,565
	Provision for staff retirement benefits		1,563,256	1,251,289
	Payable to defined benefit plans	36.4.5 & 36.1.6	607,424	433,201
	Provision against off-balance sheet obligations	18.1	1,633,326	2,687,054
	Acceptances		54,403,050	35,740,017
	Branch adjustment account		1,662,185	-
	Provision for Workers' Welfare Fund	29	8,934,881	7,503,825
	Unearned income		4,780,489	4,452,650
	Qarz-e-Hasna Fund		338,409	338,409
	Levies and taxes payable		13,191,257	7,527,698
	Insurance payable		1,030,409	1,221,867
	Provision for rewards program expenses		2,384,689	1,748,370
	Liability against trading of securities		22,768,986	3,701,035
	Clearing and settlement accounts		12,068,102	4,214,923
	Payable to HBL Foundation		515,961	405,576
	Contingent consideration payable		500,000	500,000
	Charity fund		25,121	44,724
	Lease liability against right-of-use assets		24,293,255	19,528,712
	Unclaimed deposits		528,656	348,609
	Others		2,792,644	2,316,921
			217,589,525	143,908,895
18.1	Provision against off-balance sheet obligations			
	Opening balance		2,687,054	1,138,648
	Exchange adjustment		277,857	(38,031)
	Charge for the year		150,910	1,616,293
	Reversal for the year		(1,482,495)	(75,785)
	Net (reversal) / charge		(1,331,585)	1,540,508
	Written off during the year		-	(1,653)
	Transferred in		-	47,582
	Closing balance		1,633,326	2,687,054
19	SHARE CAPITAL			
19.1	Authorised capital			
	2022	2021		
	Number of shares in '000			
	<u>2,900,000</u>	<u>2,900,000</u>	Ordinary shares of Rs 10 each	
			29,000,000	29,000,000

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

19.2 Issued, subscribed and paid-up capital

2022		2021		2022		2021	
Number of shares in '000		Number of shares in '000		(Rupees in '000)		(Rupees in '000)	
690,000	690,000	Ordinary shares of Rs 10 each		6,900,000	6,900,000	Fully paid in cash	
776,852	776,852	Issued as bonus shares		7,768,525	7,768,525		
<u>1,466,852</u>	<u>1,466,852</u>			<u>14,668,525</u>	<u>14,668,525</u>		

19.3 Major shareholders

(holding more than 5% of total paid-up capital)

Name of shareholder	2022		2021	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Aga Khan Fund for Economic Development	<u>748,094,778</u>	<u>51.00%</u>	<u>748,094,778</u>	<u>51.00%</u>

19.4 Shares of the Bank held by associated companies

	2022	2021
	(Number of shares)	(Number of shares)
Jubilee General Insurance Company Limited	4,270,000	4,270,000
Jubilee Life Insurance Company Limited	33,246,975	33,246,975
HBL Equity Fund	-	1,067,000
HBL Investment Fund Class B	-	692,395
HBL Multi Asset Fund	-	143,271
HBL Stock Fund	-	364,004
HBL Income Fund	-	522,069
HBL Pension Fund - Equity Sub Fund	-	131,500

19.5 Statutory reserve

Every banking company incorporated in Pakistan is required to transfer 20% of its profit after tax to a statutory reserve until the amount of the reserve equals the paid-up share capital. Thereafter, 10% of the profit after tax of the Bank is required to be transferred to this reserve. Accordingly, the Bank transfers 10% of its profit after tax every year to the statutory reserve.

19.6 Exchange translation reserve

This comprises of all foreign currency differences arising from the translation of the net investment in foreign branches.

20	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX	Note	2022	2021
			(Rupees in '000)	(Rupees in '000)
	Surplus / (deficit) arising on revaluation of:			
	- Fixed assets	20.1	28,736,477	28,758,932
	- Available-for-sale securities	8.1	(43,896,740)	(3,353,052)
	- Non-banking assets acquired in satisfaction of claims	20.2	175,125	224,064
			(14,985,138)	25,629,944
	Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:			
	- Fixed assets	20.1	1,905,686	1,748,389
	- Available-for-sale securities	12.1	(18,875,598)	(1,307,690)
	- Non-banking assets acquired in satisfaction of claims		-	-
			(16,969,912)	440,699
	Surplus / (deficit) on revaluation of assets - net of tax		<u>1,984,774</u>	<u>25,189,245</u>

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
20.1 Surplus on revaluation of fixed assets			
Surplus on revaluation of fixed assets as at January 1		28,758,932	28,861,681
Transferred from non-banking assets during the year		79,789	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax		(58,279)	(62,677)
Related deferred tax liability on incremental depreciation charged during the year		(43,965)	(40,072)
Surplus on revaluation of fixed assets as at December 31		28,736,477	28,758,932
Less: related deferred tax liability on			
- Revaluation as at January 1		1,748,389	1,788,461
- Effect of change in tax rate		201,262	-
- Incremental depreciation charged during the year		(43,965)	(40,072)
		1,905,686	1,748,389
		26,830,791	27,010,543
20.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims			
Surplus on revaluation as at January 1		224,064	209,594
Recognised during the year		30,850	132,680
Realised on disposal during the year		-	(118,210)
Transferred to fixed asset during the year		(79,789)	-
Surplus on revaluation as at December 31		175,125	224,064
Less: related deferred tax liability on			
- Revaluation as at January 01		-	-
- Revaluation recognised during the year		-	-
- Incremental depreciation charged during the year		-	-
		-	-
		175,125	224,064
21 CONTINGENCIES AND COMMITMENTS			
- Guarantees	21.1	262,131,266	259,969,505
- Commitments	21.2	910,126,139	1,073,509,689
- Other contingent liabilities	21.3	22,813,357	25,699,064
		1,195,070,762	1,359,178,258
21.1 Guarantees:			
Financial guarantees		53,825,190	86,368,473
Performance guarantees		201,579,599	165,461,222
Other guarantees		6,726,477	8,139,810
		262,131,266	259,969,505

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	2022 (Rupees in '000)	2021
21.2 Commitments:			
Trade-related contingent liabilities		279,449,231	336,984,624
Commitments in respect of:			
- forward foreign exchange contracts	21.2.1	403,789,013	560,033,923
- forward Government securities transactions	21.2.2	132,295,940	93,562,463
- derivatives	21.2.3	57,305,018	42,049,128
- forward lending	21.2.4	21,379,153	28,792,146
		614,769,124	724,437,660
Commitments for acquisition of:			
- fixed assets		10,436,315	10,202,010
- intangible assets		5,471,469	1,885,395
		15,907,784	12,087,405
		910,126,139	1,073,509,689
21.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		268,910,504	320,185,675
Sale		134,878,509	239,848,248
		403,789,013	560,033,923
21.2.2 Commitments in respect of forward Government Securities transactions			
Purchase		117,020,407	27,830,190
Sale		15,275,533	65,732,273
		132,295,940	93,562,463
21.2.3 Commitments in respect of derivatives			
Cross currency swaps			
Purchase		23,863,687	17,058,770
Sale		30,407,998	19,308,883
		54,271,685	36,367,653
Interest rate swaps			
Purchase		-	-
Sale		3,033,333	5,681,475
		3,033,333	5,681,475
21.2.4 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to extend credit		21,379,153	28,792,146
These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
		2022	2021
		(Rupees in '000)	
21.3 Other contingent liabilities			
21.3.1 Claims against the Bank not acknowledged as debts		22,813,357	25,699,064

These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these unconsolidated financial statements.

21.3.2 There were no tax related contingencies as at the year end.

22 DERIVATIVE INSTRUMENTS

A derivative is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or a similar variable, sometimes called the underlying. Derivatives include forwards, futures, swaps, options and structured financial products that have one or more of the characteristics of forwards, futures, swaps and options.

The Bank, as an Authorized Derivative Dealer (ADD), is an active participant in the Pakistan derivatives market. The ADD license covers only transactions permitted under the Financial Derivatives Business Regulations issued by the SBP, which are:

- Foreign Currency Options
- Forward Rate Agreements
- Interest Rate Swaps
- Cross Currency Swaps

However, the Bank also offers other derivative products to satisfy customer requirements, specific approval of which is sought from the SBP on a transaction by transaction basis.

These transactions cover the aspects of both market making and hedging. The risk management processes and policies related to derivatives are disclosed in note 44.5 to these unconsolidated financial statements.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

22.1 Product Analysis

Counterparties	2022			
	Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss
(Rupees in '000)				
With Banks for				
Hedging	-	-	-	-
Market Making	573,571	(106,423)	-	-
With FIs other than banks for				
Hedging	-	-	-	-
Market Making	4,161,383	(458,056)	625,000	(58,909)
With other entities for				
Hedging	-	-	-	-
Market Making	49,536,731	(6,070,726)	2,408,333	(187,778)
Total				
Hedging	-	-	-	-
Market Making	54,271,685	(6,635,205)	3,033,333	(246,687)
2021				
Counterparties	Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	(Rupees in '000)			
With Banks for				
Hedging	-	-	-	-
Market Making	796,114	(61,263)	-	-
With FIs other than banks for				
Hedging	-	-	-	-
Market Making	1,388,034	(42,353)	875,000	(43,325)
With other entities for				
Hedging	-	-	-	-
Market Making	34,183,505	(2,086,104)	4,806,475	(140,304)
Total				
Hedging	-	-	-	-
Market Making	36,367,653	(2,189,720)	5,681,475	(183,629)

22.2 Maturity Analysis

Remaining Maturity	2022				
	No. of contracts	Notional principal	Mark to market		
			Loss	Gain	Net
(Rupees in '000)					
Up to 1 Month	2	6,065,619	(503,076)	-	(503,076)
1 to 3 Months	2	969,895	(145,332)	-	(145,332)
3 Months to 6 Months	-	-	-	-	-
6 Months to 1 Year	1	1,388,718	(227,939)	-	(227,939)
1 to 2 Years	18	6,660,462	(988,176)	-	(988,176)
2 to 3 Years	4	1,961,624	(167,650)	546	(167,104)
3 to 5 Years	10	15,065,641	(3,403,263)	-	(3,403,263)
5 to 10 Years	2	17,086,041	(556,358)	-	(556,358)
Over 10 years	2	8,107,018	(890,644)	-	(890,644)
	41	57,305,018	(6,882,438)	546	(6,881,892)
2021					
Remaining Maturity	No. of contracts	Notional principal	Mark to market		
			Loss	Gain	Net
(Rupees in '000)					
Up to 1 Month	-	-	-	-	-
1 to 3 Months	2	695,996	(19,167)	-	(19,167)
3 Months to 6 Months	1	166,232	(10,699)	-	(10,699)
6 Months to 1 Year	1	662,777	(44,794)	-	(44,794)
1 to 2 Years	4	5,530,524	(313,312)	8,720	(304,592)
2 to 3 Years	18	7,611,233	(300,853)	-	(300,853)
3 to 5 Years	13	18,431,979	(1,865,403)	-	(1,865,403)
5 to 10 Years	1	1,849,431	(70,724)	-	(70,724)
Over 10 years	2	7,100,956	-	242,883	242,883
	42	42,049,128	(2,624,952)	251,603	(2,373,349)

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
	(Rupees in '000)	
23 MARK-UP / RETURN / PROFIT / INTEREST EARNED		
On:		
Loans and advances	170,680,803	96,844,599
Investments	223,260,844	141,690,683
Lendings to financial institutions	13,739,200	6,341,627
Balances with banks	1,292,389	375,212
	<u>408,973,236</u>	<u>245,252,121</u>
24 MARK-UP / RETURN / PROFIT / INTEREST EXPENSED		
On:		
Deposits	183,552,414	92,365,535
Securities sold under repurchase agreement borrowings	50,773,021	16,759,493
Borrowings	11,251,699	5,606,505
Subordinated debt	1,891,880	1,239,075
Cost of foreign currency swaps against foreign currency deposits / borrowings	6,429,094	5,291,195
Lease liability against right-of-use assets	2,938,166	3,043,048
	<u>256,836,274</u>	<u>124,304,851</u>
25 FEE AND COMMISSION INCOME		
Branch banking customer fees	3,670,745	3,763,945
Branchless banking customer fees	925,975	400,256
Consumer finance related fees	2,267,096	1,892,823
Card related fees (debit and credit cards)	8,686,409	6,899,423
Credit related fees	979,900	842,071
Investment banking fees	1,168,462	1,433,819
Commission on trade related products and guarantees	4,974,222	3,829,362
Commission on cash management	1,136,932	933,601
Commission on remittances (including home remittances)	698,203	533,652
Commission on bancassurance	767,109	918,994
Commission on Government to Person (G2P) Payments	770,803	323,595
Merchant discount and interchange fees	5,453,015	3,658,025
Wealth Management Fee	22,891	-
Others	173,758	190,704
	<u>31,695,520</u>	<u>25,620,270</u>
Less: Sales tax / Federal Excise Duty on fee and commission income	<u>(4,042,607)</u>	<u>(3,376,451)</u>
	<u>27,652,913</u>	<u>22,243,819</u>
26 GAIN / (LOSS) ON SECURITIES - NET		
Realised	26.1	1,113,915
Unrealised - held-for-trading	8.1	(84,391)
		<u>1,029,524</u>
26.1 Gain / (Loss) on securities - realised		
On:		
Federal Government securities		
- Market Treasury Bills	(287,479)	67,919
- Pakistan Investment Bonds	1,483,441	1,613,120
- Ijarah Sukuks	81,974	(34,707)
Shares	(377,550)	(600,139)
Non-Government debt securities	75,927	(108,854)
Foreign securities	(27,668)	(46,217)
Associates	165,270	483,461
	<u>1,113,915</u>	<u>1,374,583</u>
27 OTHER INCOME		
Incidental charges	407,425	503,799
Exchange gain realised on partial repatriation of branch capital	-	404,080
Exchange gain realised on liquidation of subsidiary	-	13,354
Gain on sale of fixed assets - net	37,541	73,824
Gain on sale of non-banking assets	-	16,000
Rent on properties	66,266	67,744
Liabilities no longer required written back	-	35,132
	<u>511,232</u>	<u>1,113,933</u>

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

		2022 (Rupees in '000)	2021
28	OPERATING EXPENSES		
	Total compensation expense	28.1	41,532,374
	Property expense		
	Rent and taxes		1,221,058
	Insurance		135,289
	Utilities cost		3,872,904
	Security (including guards)		2,222,257
	Repairs and maintenance (including janitorial charges)		3,676,041
	Depreciation on owned fixed assets	10.2	3,888,398
	Depreciation on right-of-use assets	10.2	3,306,791
			18,322,738
	Information technology expenses		
	Software maintenance		5,828,860
	Hardware maintenance		1,293,105
	Depreciation	10.2	2,518,379
	Amortisation	11.1	1,740,448
	Network charges		1,431,681
	Consultancy charges		694,169
			13,506,642
	Other operating expenses		
	Legal and professional charges		1,512,004
	Outsourced services costs		2,478,270
	Travelling and conveyance		1,389,771
	Insurance		714,199
	Remittance charges		516,310
	Security charges		2,515,749
	Repairs and maintenance		1,706,565
	Depreciation	10.2	739,642
	Training and development		432,927
	Postage and courier charges		760,737
	Communication		1,434,377
	Stationery and printing		2,403,149
	Marketing, advertisement and publicity		3,335,666
	Donations	28.3	648,761
	Auditors' remuneration	28.4	241,502
	Brokerage and commission		867,970
	Subscription		274,223
	Documentation and processing charges		5,555,728
	Entertainment		531,229
	Consultancy charges		1,264,042
	Deposits insurance premium expense		2,702,417
	Product feature cost		4,012,368
	Others		1,075,900
			37,113,506
			26,967,388
			110,475,260
			84,607,713

28.1	Total compensation expense		
	Non-Executive Directors' fees	38.2	94,800
	Shariah Board's fees and allowances	38.3	34,079
	Managerial Remuneration		
	i) Fixed		20,137,281
	ii) Variable		4,575,419
	Charge for defined benefit plan		473,361
	Contribution to defined contribution plan		1,375,306
	Rent and house maintenance		5,324,780
	Utilities		1,223,232
	Medical		2,401,852
	Conveyance		3,067,246
	General group staff Insurance		19,737
	Sub-total		38,727,093
	Sign-on bonus		69,637
	Severance payments		2,735,644
	Grand Total		41,532,374
			33,598,282
			21,043
			77,676
			33,697,001
			27
			49

28.2 The total cost for the year included in other operating expenses relating to outsourced activities is as follows:

	2022 (Rupees in '000)	2021
- In Pakistan	2,671,201	1,934,840
- Outside Pakistan	312,905	282,020
	2,984,106	2,216,860

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The material outsourcing arrangements along with the nature of services provided by them are as follows:

Name of company	Nature of service	2022 (Rupees in '000)	2021
A.S.C. First Solutions (Pvt) Limited	Document archival and storage for Pakistan	142,472	122,005
Euronet Pakistan (Private) Limited	Host environment configuration, POS terminal and card outsourcing services	96,220	51,155
First Solutions - HBL UAE	Document archival and storage for UAE	16,447	13,941
Iron Mountain Information Management LLC	Document archival and storage for New York	615	2,866
Interactive Printer Solutions W.L.L	Printing of chequebooks and banker's cheques for HBL Bahrain	1,362	1,324
Recall Bangladesh Limited - HBL Bangladesh	Document archival and storage for Bangladesh	2,119	1,045
Virtual World (Private) Limited	Call Centre & Customer Support Services	5,513	-
Infort Private Limited Bahrain - HBL Bahrain	Document archival and storage for Bahrain	3,954	-
Spectrum Engineering Consortium Limited - HBL Bangladesh	Software Maintenance i.e. RTGS software (including DMS)	2,746	-
		271,448	192,336

28.3 Details of donations

Donations individually exceeding Rs 100,000

HBL Foundation	515,961	405,576
EPS Solutions Pakistan (Pvt) Ltd - Prefabricated houses for flood affectees	128,000	-
Al-Shifa Trust	1,200	-
Peoples University of Medical and Health Sciences For Women	1,000	-
National Institute of Child Health Trust	300	250
Hope Uplift Foundation	500	-
Depilex Smileagain Foundation	500	-
Pakistan Agricultural Coalition	700	-
Developments in Literacy Foundation	600	-
The Aga Khan Hospital & Medical College Foundation	-	77,230
International Parliamentarians' Congress	-	25,000
	648,761	508,056

Mr. Muhammad Aurangzeb, President and Chief Executive Officer, Mr. Sagheer Mufti, Chief Operating Officer, Mr. Raymond Kotwal, Chief Financial Officer and Mr. Jamal Nasir, Chief Human Resources Officer are Trustees of the HBL Foundation.

28.4 Auditors' remuneration

	2022			2021		
	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)					
Audit and audit related fees						
Audit fee of the Bank	34,086	132,546	166,632	27,901	101,947	129,848
Fees for other statutory and related certifications	25,075	12,655	37,730	21,995	7,073	29,068
Out of pocket expenses on audit fees	9,033	1,976	11,009	6,939	2,467	9,406
Sales tax on audit fees	3,450	10,234	13,684	2,787	6,390	9,177
	71,644	157,411	229,055	59,622	117,877	177,499
Other services						
Special certifications and sundry advisory services	9,480	935	10,415	9,461	1,097	10,558
Tax services	-	533	533	-	-	-
Out of pocket expenses	497	45	542	357	152	509
Sales tax on other services	799	158	957	987	119	1,106
	10,776	1,671	12,447	10,805	1,368	12,173
	82,420	159,082	241,502	70,427	119,245	189,672

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

29 WORKERS' WELFARE FUND

The Bank has made a provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

	Note	2022	2021
		(Rupees in '000)	
30 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		454,259	549,685
Penalties imposed by other regulatory bodies		22,328	7,493
		<u>476,587</u>	<u>557,178</u>

31 PROVISIONS / (REVERSALS) AND WRITE OFFS - NET

Provision for / (reversal of) diminution in value of investments	8.9	3,851,708	(1,230,989)
Provision against loans and advances	9.5	3,973,049	5,802,879
Provision against other assets	13.2.1	624,244	190,136
(Reversal of) / provision against off-balance sheet obligations	18.1	(1,331,585)	1,540,508
Recoveries against written off / charged off bad debts		(717,447)	(762,611)
Recoveries against other assets written off		(1,809)	(10,724)
Write off of Fixed assets		-	133,851
Other write offs and operating losses		57,707	608,730
Bad debts written off directly	9.9.1	-	81,069
		<u>6,455,867</u>	<u>6,352,849</u>

32 TAXATION

- Current			
- For the year		34,877,374	24,025,762
- Prior years		5,595,916	436,755
- Deferred			
- For the year	12.1	556,424	(128,517)
- Prior years		(342,127)	368,969
		<u>40,687,587</u>	<u>24,702,969</u>

32.1 Relationship between tax expense and accounting profit

Accounting profit for the current year		<u>71,554,590</u>	58,974,463
Tax on income @ 49% (2021: 39%)		35,061,749	23,000,041
Permanent differences			
Impact of:			
- Disallowance of penalties imposed by the SBP and other regulatory bodies		233,528	217,299
- Disallowance of 50% of contribution to gratuity and pension funds		297,596	-
- Deferred tax booked at tax rates applicable to future years (@ 43%)		(62,229)	-
- Additional tax @ 2.5% on additional income from Federal Government Securities		-	727,129
- Others		(96,846)	(47,223)
		372,049	897,205
Prior years - charge		5,253,789	805,723
Tax charge for the current year		<u>40,687,587</u>	<u>24,702,969</u>

32.2 The income tax returns of the Bank have been submitted up to and including for the accounting year 2021. The tax returns submitted are deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The Income Tax Department has amended the assessments of the Bank for prior years, upto and including the tax year 2021 except tax years 2019 and 2020 for which notices for audit and amendment of assessment have been served. The amendments mainly relate to gain on translation of net investment in foreign branches, taxable income subject to enhanced rate, retirement benefits, provisions against loans and advances, investments and other assets. These matters are at various stages of appeal with the appellate authorities. The management of the Bank, in consultation with its tax advisors, is confident that the decisions in respect of these appeals would be in the Bank's favor.

The income tax returns of the Bank's Azad Kashmir, Gilgit-Baltistan and overseas branches have been submitted up to and including the accounting year 2021. The tax returns submitted in Azad Kashmir and Gilgit Baltistan are considered as deemed assessments under section 120 of the Income Tax Ordinance, 2001.

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33	BASIC AND DILUTED EARNINGS PER SHARE	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
	Profit for the year		<u>30,867,003</u>	<u>34,271,494</u>
			(Number)	
	Weighted average number of ordinary shares		<u>1,466,852,508</u>	<u>1,466,852,508</u>
			(Rupees)	
	Basic and diluted earnings per share		<u>21.04</u>	<u>23.36</u>
33.1	Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.			

34	CASH AND CASH EQUIVALENTS	Note	2022 (Rupees in '000)	2021 (Rupees in '000)
	Cash and balances with treasury banks	5	<u>257,368,084</u>	<u>409,528,880</u>
	Balances with other banks	6	<u>31,319,141</u>	<u>32,176,188</u>
			<u>288,687,225</u>	<u>441,705,068</u>

34.1 Reconciliation of movement in liabilities to cash flows arising from financing activities

	2022			
	Liabilities		Equity	
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit
	(Rupees in '000)			
Balance as at January 1, 2022	<u>12,374,000</u>	<u>143,908,895</u>	<u>69,678,669</u>	<u>148,392,471</u>
Changes from financing cash flows				
Proceeds from subordinated debt	6,500,000	-	-	-
Payment of lease liability against right-of-use assets	-	(4,138,266)	-	-
Payment of mark-up on subordinated debt	-	(1,847,577)	-	-
Dividend paid	-	-	-	(8,517,481)
	<u>6,500,000</u>	<u>(5,985,843)</u>	<u>-</u>	<u>(8,517,481)</u>
Other changes:				
Liability-related				
Changes in other liabilities				
- Cash based	-	73,412,609	-	-
- Dividend payable	-	2,483,913	-	(2,483,913)
- Non-cash based	-	3,769,950	-	-
Transfer of profit to statutory reserve	-	-	3,086,700	(3,086,700)
Total liability related other changes	-	<u>79,666,472</u>	<u>3,086,700</u>	<u>(5,570,613)</u>
Equity related	-	-	<u>(1,029,672)</u>	<u>31,082,143</u>
Balance as at December 31, 2022	<u>18,874,000</u>	<u>217,589,524</u>	<u>71,735,697</u>	<u>165,386,520</u>
	2021			
	Liabilities		Equity	
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit
	(Rupees in '000)			
Balance as at January 1, 2021	<u>22,356,000</u>	<u>119,953,785</u>	<u>63,040,638</u>	<u>129,262,746</u>
Changes from financing cash flows				
Repayment of subordinated debt	(9,982,000)	-	-	-
Payment of lease liability against right-of-use assets	-	(4,421,977)	-	-
Payment of mark-up on subordinated debt	-	(1,517,481)	-	-
Dividend paid	-	-	-	(10,855,155)
	<u>(9,982,000)</u>	<u>(5,939,458)</u>	<u>-</u>	<u>(10,855,155)</u>
Other changes:				
Liability-related				
Changes in other liabilities				
- Cash based	-	15,817,822	-	-
- Dividend payable	-	1,246,377	-	(1,246,377)
- Non-cash based	-	12,830,369	-	-
Transfer of profit to statutory reserve	-	-	3,427,149	(3,427,149)
Total liability related other changes	-	<u>29,894,568</u>	<u>3,427,149</u>	<u>(4,673,526)</u>
Equity related	-	-	<u>3,210,882</u>	<u>34,658,406</u>
Balance as at December 31, 2021	<u>12,374,000</u>	<u>143,908,895</u>	<u>69,678,669</u>	<u>148,392,471</u>

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35	STAFF STRENGTH	2022	2021
		(Number)	
	Permanent	17,501	17,541
	On contract	101	50
	Total staff strength	<u>17,602</u>	<u>17,591</u>

35.1 In addition to the above, 3,974 employees (2021: 3,082 employees) of outsourcing services companies were assigned to the Bank as at the end of the year to perform services other than janitorial services and as guards.

35.2	Staff strength bifurcation	2022	2021
		(Number)	
	Domestic	17,047	17,011
	Overseas	555	580
		<u>17,602</u>	<u>17,591</u>

36 DEFINED BENEFIT PLANS AND OTHER BENEFITS

36.1 General Information

The Bank operates the following schemes:

36.1.1 Pension Fund (defined benefit scheme)

The Bank operates an approved funded pension scheme which is applicable to:

- All clerical employees who opted for this scheme when it was introduced in 1974 and those who joined after this date.
- Executives and officers who opted for this scheme when it was introduced with effect from May 1, 1977 and those who joined the Bank during the period from May 1, 1977 till December 31, 2001.

For clerical employees, the benefit is based on their actual years of service as of the statement of financial position date and their last drawn salary. For executives and officers, the benefit is based on their basic salary as at March 31, 2014 and their years of service up to March 31, 2005. For service subsequent to this date (i.e. from April 1, 2005), they are entitled to the Bank's contributory provident fund (refer note 37.1) and the Bank's contributory gratuity fund (refer note 37.2). Eligible employees are entitled to a minimum pension as per applicable rules.

36.1.2 Benevolent Fund (defined benefit scheme)

The Bank operates an approved funded benevolent fund scheme for all employees who joined on or before December 31, 2018 and who retire from or expire during service. Under this scheme, a fixed monthly subscription is made by employees by way of a salary deduction and a matching monthly contribution is made by the Bank. All eligible employees are entitled to receive a fixed monthly amount or a one-time lump sum payment in lieu of a fixed monthly amount, as per the rules of the Fund. Clerical employees are additionally entitled to marriage and funeral grants during the period of their service as specified in the rules of the Fund.

36.1.3 Post-Retirement Medical Benefits (defined benefit scheme)

The Bank operates a non-funded scheme for post-retirement medical benefits for all employees.

All clerical employees who retired before May 24, 2022 receive reimbursements when incurred, against this benefit. Those who retired on or after May 24, 2022 also have the option to receive a one-time lump sum payment in lieu of reimbursements. Executives and officers who retired prior to January 1, 2006 receive these benefits as reimbursements when incurred. Executives and officers who retire after January 1, 2006 receive a one-time lump sum payment. However, those who are given a post-retirement contract up to the age of 65 years with effect from September 1, 2022, will receive this one-time lump sum payment at the time of expiry of the employment contract.

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36.1.4 Compensated Absences (defined benefit scheme)

The Bank operates a non-funded scheme for compensated absences. This is applicable to those employees who were in the service of the Bank as at December 31, 2008 and who had accumulated leave balances. Employees are entitled to proceed on Leave Prior to Retirement (LPR) to the extent of their accrued leave or 365 days whichever is lower, while continuing to receive their gross salary. This benefit vests on retirement or, in the case of premature retirement, on the completion of 30 years of service. However, in the case of death in service, the benefit is encashed up to 50% of accrued leave or 180 days, whichever is lower.

Employees may be required by the Bank to continue working during the whole or a part of their LPR period. Such employees are entitled to salary and certain benefits during the period they are required to work and, additionally, to leave encashment up to 50% of their accrued leave balance, up to a maximum of 180 days.

Clerical employees have the option of not proceeding on LPR and instead encashing 50% of their accumulated leave balance up to a maximum of 180 days.

36.1.5 Other Post-Retirement Benefits (defined benefit scheme)

The Bank offers a non-funded scheme for executives. Under this scheme, a lump sum amount equal to six months of house rent, utilities, car and conveyance allowances is paid to the executive on retirement. However, in the case of death in service, the lump sum amount includes an additional six months of house rent allowance.

36.1.6 Pension and Life Assurance Scheme (defined benefit scheme)

The Bank operates a pension and life assurance scheme for those employees who joined its UK operations prior to December 26, 2001. The scheme was established with effect from May 1, 1978 under a Trust Deed of that date and is governed by that Trust Deed together with various supplemental and amending deeds executed over the lifetime of the scheme.

The triennial actuarial valuation as at May 1, 2019 revealed a deficit of £1.7 million under the Statement of Funding Principles. In order to address this deficit, the Bank will pay the amount after receiving regulatory approval.

36.2 Principal actuarial assumptions

The latest actuarial valuation was carried out as at December 31, 2022 using the Projected Unit Credit Method. The following significant assumptions were used for the valuation:

	2022	2021
	(Per annum)	
Valuation discount rate	14.50%	11.75%
Expected rate of increase in salary	13.50%	10.75%
Expected rate of increase in minimum pension	5.00%	5.00%
Expected rate of increase in medical benefit	12.50%	9.75%
Expected rate of return on funds invested	14.50%	11.75%

36.3 Number of beneficiaries under the scheme

	2022	2021
	(Number)	
Pension fund	5,344	6,636
Benevolent fund	11,440	14,631
Post-retirement medical benefit scheme	19,793	19,460
Compensated absences	2,118	3,405
Other Post-Retirement Benefits	2,757	2,494

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36.4 Pension, gratuity, benevolent fund schemes and other benefits

36.4.1 The fair value of plan assets and the present value of defined benefit obligations of these schemes as at December 31, 2022 are as follows:

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Fair value of plan assets	3,414,936	2,648,950	6,917,325	2,754,021
Present value of defined benefit obligations	(3,525,906)	(804,430)	(6,157,971)	(1,103,573)
Receivable / (Payable)	(110,970)	1,844,520	759,354	1,650,448

36.4.2 The present value of defined benefit obligations of non-funded schemes as at December 31, 2022 are as follows:

	2022			2021		
	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)					
Present value of defined benefit obligations	(3,522,518)	(762,192)	(824,150)	(4,557,833)	(2,177,565)	(667,894)

36.4.3 Movement in the present value of defined benefit obligations

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Obligations at the beginning of the year	6,157,971	1,103,573	4,557,833	2,177,565	667,894
Current service cost	67,090	26,529	179,927	57,563	124,802
Interest cost	709,267	122,940	535,401	242,452	82,080
Benefits paid by the Bank	(3,680,262)	(451,894)	(649,055)	(676,702)	(45,603)
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Remeasurement gains	(789,728)	(208,576)	(128,614)	(296,245)	(5,023)
Obligations at the end of the year	3,525,906	804,430	3,522,518	762,192	824,150

	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Obligations at the beginning of the year	7,003,540	1,079,752	3,763,654	2,492,992	585,038
Current service cost	78,909	33,695	156,356	63,683	106,377
Interest cost	673,653	102,679	366,095	227,677	59,070
Benefits paid by the Bank	(508,879)	(139,919)	(318,328)	(418,729)	(69,657)
Remeasurement (gains) / losses	(1,089,252)	27,366	590,056	(188,058)	(12,934)
Obligations at the end of the year	6,157,971	1,103,573	4,557,833	2,177,565	667,894

36.4.4 Movement in fair value of plan assets

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Fair value at the beginning of the year	6,917,325	2,754,021	6,218,050	2,583,853
Expected return on plan assets	793,667	278,438	597,047	242,664
Contribution by the Bank	-	25,507	785,490	33,420
Contributions by employees	-	25,507	-	33,420
Benefits paid by the Bank	(3,680,262)	(451,894)	(508,879)	(139,919)
Remeasurement (losses) / gains	(615,794)	17,371	(174,383)	583
Fair value at the end of the year	3,414,936	2,648,950	6,917,325	2,754,021

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36.4.5 Movement in amounts payable / (receivable)

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Opening balance	(759,354)	(1,650,448)	4,557,833	2,177,565	667,894
Charge / (reversal) for the year	1,044,258	57,382	(257,646)	(738,671)	206,882
Contribution by the Bank - net	-	(25,507)	-	-	-
Remeasurement (gains) / losses recognised in OCI during the year	(173,934)	(225,947)	(128,614)	-	(5,023)
Benefits paid by the Bank	-	-	(649,055)	(676,702)	(45,603)
Closing balance	110,970	(1,844,520)	3,522,518	762,192	824,150

	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Opening balance	785,490	(1,504,101)	3,763,654	2,492,992	585,038
Charge / (reversal) for the year	155,515	(139,710)	522,451	103,302	165,447
Contribution by the Bank - net	(785,490)	(33,420)	-	-	-
Remeasurement losses / (gains) recognised in OCI during the year	(914,869)	26,783	590,056	(418,729)	(12,934)
Benefits paid by the Bank	-	-	(318,328)	-	(69,657)
Closing balance	(759,354)	(1,650,448)	4,557,833	2,177,565	667,894

36.4.6 Charge for defined benefit plans

36.4.6.1 Cost recognised in profit and loss

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Current service cost	67,090	26,529	179,927	57,563	124,802
Net interest (receivable) / payable on defined benefit asset / liability	(84,400)	(155,498)	535,401	242,452	82,080
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Actuarial gains recognised	-	-	-	(296,245)	-
Contributions by the employees	-	(25,507)	-	-	-
	1,044,258	57,382	(257,646)	(738,671)	206,882

	2021				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Current service cost	78,909	33,695	156,356	63,683	106,377
Net interest on defined benefit asset / liability	76,606	(139,985)	366,095	227,677	59,070
Actuarial losses recognised	-	-	-	(188,058)	-
Contributions by the employees	-	(33,420)	-	-	-
	155,515	(139,710)	522,451	103,302	165,447

36.4.6.2 Remeasurements recognised in OCI during the year

	2022			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	(Rupees in '000)			
(Gains) / losses on obligation				
- Financial assumptions	(604,453)	(37,522)	27,560	11,577
- Experience adjustment	(185,275)	(171,054)	(156,174)	(16,600)
	(789,728)	(208,576)	(128,614)	(5,023)
Losses / (gains) on plan assets	615,794	(17,371)	-	-
Total remeasurement (gains) / losses recognised in OCI	(173,934)	(225,947)	(128,614)	(5,023)

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	2021			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	(Rupees in '000)			
(Gains) / losses on obligation	(864,893)	(74,841)	40,631	7,000
- Financial assumptions	(224,359)	102,207	549,425	(19,934)
- Experience adjustment	(1,089,252)	27,366	590,056	(12,934)
Losses / (gains) on plan assets	174,383	(583)	-	-
Total remeasurement losses / (gains) recognised in OCI	<u>(914,869)</u>	<u>26,783</u>	<u>590,056</u>	<u>(12,934)</u>

36.4.7 Components of fair value of plan assets

	2022		2021	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Cash and cash equivalents - net	153,842	128,216	635,488	11,473
Government securities	2,725,011	2,451,235	5,431,704	2,675,335
Shares	536,083	-	850,133	-
Non-Government debt securities	-	69,500	-	67,214
	<u>3,414,936</u>	<u>2,648,951</u>	<u>6,917,325</u>	<u>2,754,022</u>

The funds primarily invest in Government securities (Market Treasury Bills, Pakistan Investment Bonds and Special Savings Certificates) which do not carry any credit risk but are subject to interest rate risk based on market movements. Equity securities are subject to price risk whereas non-Government debt securities are subject to both credit risk and interest rate risk. These risks are regularly monitored by the Trustees of the employee funds.

36.4.8 Sensitivity analysis of defined benefit obligations

A sensitivity analysis has been performed by varying one assumption while keeping all other assumptions constant and calculating the impact on the present value of defined benefit obligations under the various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of changes in each assumption is summarized below:

	2022				
	Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
1% increase in discount rate	(191,347)	(22,202)	(318,979)	(26,631)	(58,816)
1% decrease in discount rate	214,720	24,127	379,316	28,579	66,717
1% increase in expected rate of salary increase	21,661	-	-	32,055	70,633
1% decrease in expected rate of salary increase	(20,643)	-	-	(30,333)	(63,172)
1% increase in expected rate of increase in minimum pension	197,916	-	-	-	-
1% decrease in expected rate of increase in minimum pension	(167,245)	-	-	-	-
1% increase in expected rate of increase in medical benefit	-	-	116,632	-	-
1% decrease in expected rate of increase in medical benefit	-	-	(98,048)	-	-

36.4.9 Expected contributions to the schemes in the next financial year

The Bank contributes to the pension fund according to the actuary's advice. Contribution to the benevolent fund is made by the Bank as per the rates set out in the benevolent fund scheme.

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Expected charge / (reversal) for the year	39,240	(320,229)	615,489	124,366	274,256

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36.4.10 Maturity profile

The weighted average duration of the obligation (in years)

2022				
Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post-Retirement Benefits
5.50	2.87	12.92	3.62	7.59

36.4.11 Funding Policy

The Bank endeavors to ensure that liabilities under the various employee benefit schemes are covered by the assets of the Fund on any valuation date, based on actuarial assumptions.

36.4.12 The significant risks associated with the defined benefit schemes are as follows:

Mortality risks

The risk that the actual mortality experience is different. The impact depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk that the investments of the Funds will underperform and not be sufficient to meet the liabilities.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated based on the final salary, the benefit amount increases similarly.

Withdrawal risks

The risk of higher or lower withdrawal experience than assumed. The impact depends on the beneficiaries' service / age distribution and the benefit.

37 DEFINED CONTRIBUTION PLANS

37.1 Provident Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded provident fund under which the employees make monthly contributions as follows:

For executives and officers	7% of basic salary
For clerical staff	12% of basic salary

For executives and officers, the Bank also contributes 7% of the basic salary to the fund.

Executives and officers hired upto December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for the Bank's contributory provident fund benefits effective April 1, 2005.

This scheme covers 14,634 employees (2021: 14,991 employees)

Payments are made to employees on retirement, death, resignation and discharge as specified in the rules of the Fund.

37.2 Contributory Gratuity Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded Bank contributory gratuity scheme. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for gratuity fund benefits effective April 1, 2005.

The Bank contributes an amount equal to half of the employees' monthly basic salary for each completed year of service and, on a pro-rata basis for partially completed years of service. Payments are made to the employees on retirement, death, resignation after completion of at least 10 years of continuous service, and discharge as specified in the rules of the Fund.

This scheme covers 16,859 employees (2021: 15,873 employees).

37.3 Other schemes

Employee benefit schemes offered by the Bank's overseas branches are governed by the laws of the respective countries in which the branches operate.

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38 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

38.1 Total Compensation Expense

Items	2022						
	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	Chairman	Executive (other than CEO)	Non-Executive				
	(Rupees in '000)						
Fees and Allowances etc.	10,200	-	84,600	34,079	-	-	-
Managerial Remuneration							
i) Fixed	-	-	-	-	151,107	776,940	1,422,639
ii) Total Variable							
- Bonus paid in cash	-	-	-	-	98,000	472,626	369,572
- Bonus paid in shares	-	-	-	-	23,819	104,063	60,237
- Guaranteed Bonus	-	-	-	-	-	-	6,759
Charge for defined benefit plan	-	-	-	-	-	-	5,638
Contribution to defined contribution plan	-	-	-	-	-	40,536	86,008
Rent & house maintenance	-	-	-	-	17,023	227,922	395,351
Utilities	-	-	-	-	1,987	49,369	83,778
Medical	-	-	-	-	8,400	62,873	78,856
Conveyance	-	-	-	-	6,903	89,857	314,788
Sub-Total	10,200	-	84,600	34,079	307,239	1,824,186	2,823,626
Sign-on bonus	-	-	-	-	-	14,000	4,950
Grand Total	10,200	-	84,600	34,079	307,239	1,838,186	2,828,576
Total Number of persons	1	-	5	3	1	28	154
Sign-on bonus - Number of Persons	-	-	-	-	-	2	3
Guaranteed bonus - Number of Persons	-	-	-	-	-	-	3
	2021						
Items	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	Chairman	Executive (other than CEO)	Non-Executive				
		(Rupees in '000)					
Fees and Allowances etc.	12,000	-	74,400	27,982	-	-	-
Managerial Remuneration							
i) Fixed	-	-	-	-	142,877	722,715	966,516
ii) Total Variable							
- Bonus paid in cash	-	-	-	-	84,000	386,969	274,272
- Bonus paid in shares	-	-	-	-	10,916	54,397	22,716
- Guaranteed Bonus	-	-	-	-	-	-	4,264
Charge for defined benefit plan	-	-	-	-	-	-	1,055
Contribution to defined contribution plan	-	-	-	-	-	34,758	61,272
Rent & house maintenance	-	-	-	-	16,625	210,105	307,365
Utilities	-	-	-	-	1,425	44,168	64,918
Medical	-	-	-	-	6,291	48,035	61,729
Conveyance	-	-	-	-	3,529	80,874	236,562
Sub-Total	12,000	-	74,400	27,982	265,663	1,582,021	2,000,669
Sign-on bonus	-	-	-	-	-	-	12,000
Severance Payments	-	-	-	-	-	-	-
Grand Total	12,000	-	74,400	27,982	265,663	1,582,021	2,012,669
Total Number of Persons	1	-	7	3	1	28	131
Sign-on bonus - Number of Persons	-	-	-	-	-	-	1
Guaranteed bonus - Number of Persons	-	-	-	-	-	-	2

38.1.1 The total movement of deferred bonus during the year December 31, 2022 for the President / Chief Executive Officer (CEO), Key Management Personnel and Other Material Risk Takers (MRTs) / Material Risk Controllers (MRCs) is as follows:

	2022 (Rupees in '000)	2021 (Rupees in '000)
Opening balance	479,598	256,626
Add: deferred during the year	428,449	316,229
Less: paid / vested during the year	(177,296)	(82,496)
Less: reversed during the year	(16,144)	(10,761)
Closing balance	714,607	479,598

The CEO and certain Executives are provided with free club memberships. The CEO and the Chief Operating Officer (COO) are also provided with free use of Bank maintained cars in accordance with their entitlements.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

38.2 Remuneration paid to Directors for participation in Board and Committee Meetings

2022											
Sr. No.	Name of Director	Meeting Fees and Allowances Paid									Total Amount Paid
		For Board Meetings	For Board Committees								
			Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)**	Board Oversight Committee - International Governance (BOC IG)	
(Rupees in '000)											
1	Mr. Sultan Ali Allana	5,400	-	-	-	3,600	-	-	-	1,200	10,200
2	Mr. Moez Ahamed Jamal	5,400	4,800	-	4,800	-	2,400	-	2,400	-	19,800
3	Mr. Salim Raza	5,400	-	3,600	-	-	2,400	2,400	2,400	-	16,200
4	Dr. Najeeb Samie	5,400	4,800	-	-	3,600	-	-	2,400	1,200	17,400
5	Mr. Khaleel Ahmed	5,400	4,800	-	4,800	3,600	-	2,400	-	-	21,000
6	Ms. Saba Kamal	5,400	-	-	-	-	2,400	2,400	-	-	10,200
7	Mr. Shaffiq Dharamshi*	-	-	-	-	-	-	-	-	-	-
Total Amount Paid		32,400	14,400	3,600	9,600	10,800	7,200	7,200	7,200	2,400	94,800

*Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor Shareholder) and is not paid meeting fees or any other allowances by HBL

In addition to the above, where applicable as per the Bank's policy, Rs 3.375 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

Note: The Board of Directors in its 243rd Meeting held on September 22, 2022, had dissolved the Board Oversight Committee for International Governance (BOC-IG), and formed a Board Strategy Input & Monitoring Committee (BSIMC) to assist the Board providing oversight with respect to the development, monitoring and implementation of the Bank's strategy. No meeting of the BSIMC was held in 2022.

2021											
Sr. No.	Name of Director	Meeting Fees and Allowances Paid									Total Amount Paid
		For Board Meetings	For Board Committees								
			Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)	Board Oversight Committee - International Governance (BOC IG)	
(Rupees in '000)											
1	Mr. Sultan Ali Allana	5,400	-	-	-	3,000	-	1,200	-	2,400	12,000
2	Mr. Khaleel Ahmed**	3,000	3,000	-	3,000	1,800	-	600	-	-	11,400
3	Mr. Salim Chinoy*	600	600	-	600	-	-	-	-	-	1,800
4	Mr. Shaffiq Dharamshi***	-	-	-	-	-	-	-	-	-	-
5	Mr. Moez Ahamed Jamal	5,400	4,800	-	4,800	-	1,800	-	1,800	-	18,600
6	Ms. Saba Kamal**	3,000	-	-	-	-	1,800	1,800	-	-	6,600
7	Ms. Diane Elizabeth Moore*	600	-	-	600	-	600	-	-	-	1,800
8	Mr. Salim Raza	5,400	1,200	3,600	-	600	2,400	1,800	1,800	-	16,800
9	Dr. Najeeb Samie	5,400	4,800	-	-	3,000	-	-	1,800	2,400	17,400
Total Amount Paid		28,800	14,400	3,600	9,000	8,400	6,600	5,400	5,400	4,800	86,400

In addition to the above, as per the Bank's policy, Rs 0.925 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

* Ms. Diane Elizabeth Moore and Mr. Salim Chinoy retired from the Board on March 26, 2021 at the conclusion of their terms.

** Ms. Saba Kamal and Mr. Khaleel Ahmed assumed charge as Directors on April 29, 2021

*** Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor Shareholder) and is not paid meeting fees or any other allowances.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

38.3 Remuneration paid to Shariah Board Members

Items	2022				2021			
	Chairman	Resident Member	Non-Resident Member	Total	Chairman	Resident Member	Non-Resident Member	Total
	(Rupees in '000)							
Fixed Remuneration	11,400	10,440	10,800	32,640	9,600	9,062	9,000	27,662
Allowances	613	680	146	1,439	119	115	86	320
Total Amount	<u>12,013</u>	<u>11,120</u>	<u>10,946</u>	<u>34,079</u>	<u>9,719</u>	<u>9,177</u>	<u>9,086</u>	<u>27,982</u>
Total Number of Persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

39 FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these unconsolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Fair value measurements using inputs, other than quoted prices included within Level 1, that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices taken from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Investments in non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg / Reuters.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Bank enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated financial statements.

39.1 Fair value of financial assets

The following table provides the fair values of those of the Bank's financial assets that are recognised or disclosed at fair value in these unconsolidated financial statements:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

- Federal Government securities
- Shares - listed companies
- Non-Government debt securities
 - Listed
 - Unlisted
- Foreign securities
 - Government debt securities
 - Non-Government debt securities- listed
- National Investment Unit Trust units
- Real Estate Investment Trust units
- Preference Shares - Listed

Carrying value	As at December 31, 2022			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
1,291,589,595	-	1,291,589,595	-	1,291,589,595
3,988,280	3,988,281	-	-	3,988,281
49,084,350	40,000,000	9,084,350	-	49,084,350
616,321	-	616,321	-	616,321
108,883,461	-	108,883,461	-	108,883,461
4,439,225	-	4,439,225	-	4,439,225
38,170	-	38,170	-	38,170
68,200	68,200	-	-	68,200
872,200	872,200	-	-	872,200
1,459,579,802	44,928,681	1,414,651,122	-	1,459,579,803

Financial assets - disclosed but not measured at fair value

Investments

- Federal Government securities
- Non-Government debt securities
 - Listed
 - Unlisted
- Foreign securities
 - Government debt securities
 - Non-Government debt securities
 - Listed
 - Unlisted
- Associates and Joint venture

Notional Value	As at December 31, 2022			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
341,424,708	-	309,895,574	-	309,895,574
1,733,442	-	1,739,778	-	1,739,778
17,300,182	-	17,300,182	-	17,300,182
14,365,073	-	14,109,487	-	14,109,487
145,714	-	145,714	-	145,714
308,100	-	308,100	-	308,100
7,165,864	23,324,728	-	-	23,324,728
382,443,083	23,324,728	343,498,835	-	366,823,563
1,842,022,885	68,253,409	1,758,149,957	-	1,826,403,366

Off-balance sheet financial instruments - measured at fair value

Commitments

- Forward foreign exchange contracts
- Forward Government securities transactions
- Derivative instruments

Notional Value	As at December 31, 2022			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
403,789,013	-	849,492	-	849,492
132,295,940	-	(38,938)	-	(38,938)
57,305,018	-	(6,881,892)	-	(6,881,892)

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

- Federal Government securities
- Shares - listed companies
- Non-Government debt securities
 - Listed
 - Unlisted
- Foreign securities
 - Government debt securities
 - Non-Government debt securities- listed
- National Investment Unit Trust units
- Real Estate Investment Trust units
- Preference shares - Listed

Carrying value	As at December 31, 2021			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
1,410,064,781	-	1,410,064,781	-	1,410,064,781
6,944,521	6,944,521	-	-	6,944,521
52,060,015	40,600,000	11,460,015	-	52,060,015
624,000	-	624,000	-	624,000
59,579,489	-	59,579,489	-	59,579,489
5,589,410	-	5,589,410	-	5,589,410
46,448	-	46,448	-	46,448
60,800	60,800	-	-	60,800
780,500	780,500	-	-	780,500
1,535,749,964	48,385,821	1,487,364,143	-	1,535,749,964

Financial assets - disclosed but not measured at fair value

Investments

- Federal Government securities
- Non-Government debt securities
 - Listed
 - Unlisted
- Foreign securities
 - Government debt securities
 - Non-Government debt securities
 - Listed
 - Unlisted
- Associates and Joint venture

Notional Value	As at December 31, 2021			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
296,306,630	-	281,187,106	-	281,187,106
2,365,422	-	2,376,486	-	2,376,486
18,348,917	-	18,428,015	-	18,428,015
14,672,889	-	14,823,285	-	14,823,285
260,893	-	316,157	-	316,157
614,541	-	612,981	-	612,981
9,345,200	24,846,843	2,737,185	-	27,584,028
341,914,492	24,846,843	320,481,215	-	345,328,058
1,877,664,456	73,232,664	1,807,845,358	-	1,881,078,022

Off-balance sheet financial instruments - measured at fair value

Commitments

- Forward foreign exchange contracts
- Forward Government securities transactions
- Derivative instruments

Notional Value	As at December 31, 2021			Total
	Level 1	Level 2	Level 3	
(Rupees in '000)				
560,033,923	-	1,575,160	-	1,575,160
93,562,463	-	200,063	-	200,063
42,049,128	-	(2,373,349)	-	(2,373,349)

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

39.2 Fair value of non-financial assets

	As at December 31, 2022				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and Building	58,262,450	-	-	58,262,450	58,262,450
Non-banking assets acquired in satisfaction of claims	407,234	-	-	407,234	407,234
	<u>58,669,684</u>	<u>-</u>	<u>-</u>	<u>58,669,684</u>	<u>58,669,684</u>
	As at December 31, 2021				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and Building	52,925,664	-	-	52,925,664	52,925,664
Non-banking assets acquired in satisfaction of claims	680,986	-	-	680,986	680,986
	<u>53,606,650</u>	<u>-</u>	<u>-</u>	<u>53,606,650</u>	<u>53,606,650</u>

40 SEGMENT INFORMATION

40.1 Segment details with respect to business activities

	For the year ended December 31, 2022							
	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
	(Rupees in million)							
Profit and loss account								
Net mark-up / return / profit / interest income	(123,407)	38,987	18,351	62,295	152,735	6,391	(3,215)	152,137
Inter segment revenue / (expense) - net	201,010	(22,101)	-	(34,259)	(149,605)	3,591	1,364	-
Non mark-up / interest income	3,604	12,418	1,508	4,739	14,482	5,976	(4,471)	38,256
Total income	<u>81,207</u>	<u>29,304</u>	<u>19,859</u>	<u>32,775</u>	<u>17,612</u>	<u>15,958</u>	<u>(6,322)</u>	<u>190,393</u>
Segment direct expenses	27,046	14,629	5,984	3,625	1,190	14,164	45,746	112,384
Inter segment expense allocation	19,790	7,713	1,205	10,539	1,446	1,459	(42,152)	-
Total expenses	<u>46,836</u>	<u>22,342</u>	<u>7,189</u>	<u>14,164</u>	<u>2,636</u>	<u>15,623</u>	<u>3,594</u>	<u>112,384</u>
Provisions - charge / (reversal)	-	1,705	1,434	(1,480)	263	3,479	1,054	6,455
Profit / (loss) before tax	<u>34,371</u>	<u>5,257</u>	<u>11,236</u>	<u>20,091</u>	<u>14,713</u>	<u>(3,144)</u>	<u>(10,970)</u>	<u>71,554</u>
	As at December 31, 2022							
	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
	(Rupees in million)							
Statement of financial position								
Cash and bank balances	72,736	-	17,948	1,678	99,301	97,024	-	288,687
Loanings to financial institutions	-	-	-	-	254,593	-	-	254,593
Inter segment lending	1,950,230	-	257	-	-	3,587	201,897	2,155,971
Investments	-	-	183,655	9,460	1,496,496	162,025	30,439	1,882,075
Advances - performing	-	231,909	221,885	875,294	-	252,225	31,158	1,612,471
Advances - non-performing	-	1,993	2,089	3,433	-	2,621	-	10,136
Others	4,725	7,948	16,341	70,783	59,889	21,696	125,753	307,135
Total assets	<u>2,027,691</u>	<u>241,850</u>	<u>442,175</u>	<u>960,648</u>	<u>1,910,279</u>	<u>539,178</u>	<u>389,247</u>	<u>6,511,068</u>
Borrowings	-	5,841	74,694	132,506	245,413	120,550	-	579,004
Subordinated debt	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	1,999,352	691	319,884	508,589	-	344,969	60,691	3,234,176
Inter segment borrowing	-	218,253	-	264,154	1,648,566	24,998	-	2,155,971
Others	28,339	17,065	15,714	55,399	34,606	20,358	97,786	269,267
Total liabilities	<u>2,027,691</u>	<u>241,850</u>	<u>410,292</u>	<u>960,648</u>	<u>1,928,585</u>	<u>510,875</u>	<u>177,351</u>	<u>6,257,292</u>
Equity	-	-	31,883	-	(18,306)	28,303	211,896	253,776
Total equity and liabilities	<u>2,027,691</u>	<u>241,850</u>	<u>442,175</u>	<u>960,648</u>	<u>1,910,279</u>	<u>539,178</u>	<u>389,247</u>	<u>6,511,068</u>
Contingencies and commitments	<u>73,089</u>	<u>-</u>	<u>34,569</u>	<u>404,198</u>	<u>449,835</u>	<u>195,265</u>	<u>38,115</u>	<u>1,195,071</u>

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FOR THE YEAR ENDED DECEMBER 31, 2022

For the year ended December 31, 2021

	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
(Rupees in million)								
Profit and loss account								
Net mark-up / return / profit / interest income	(59,926)	28,226	11,748	32,171	107,291	3,263	(1,826)	120,947
Inter segment revenue / (expense) - net	102,773	(13,743)	-	(15,728)	(85,928)	4,009	8,617	-
Non mark-up / interest income	4,151	10,483	653	4,021	6,734	3,333	1,349	30,724
Total income	46,998	24,966	12,401	20,464	28,097	10,605	8,140	151,671
Segment direct expenses	22,000	9,866	3,382	2,548	1,228	11,104	36,216	86,344
Inter segment expense allocation	13,793	5,900	939	9,141	984	1,256	(32,013)	-
Total expenses	35,793	15,766	4,321	11,689	2,212	12,360	4,203	86,344
Provisions - charge / (reversal)	296	1,797	(22)	1,441	(1,021)	2,694	1,168	6,353
Profit / (loss) before tax	10,909	7,403	8,102	7,334	26,906	(4,449)	2,769	58,974

As at December 31, 2021

	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
(Rupees in million)								
Statement of financial position								
Cash and bank balances	181,994	-	29,178	364	151,013	79,156	-	441,705
Lendings to financial institutions	-	-	28,672	-	65,070	-	-	93,742
Inter segment lending	1,594,867	-	-	-	-	266,460	144,415	2,005,742
Investments	-	-	191,865	8,822	1,566,568	115,350	22,584	1,905,189
Advances - performing	-	199,979	166,056	746,323	-	242,992	24,116	1,379,466
Advances - non-performing	-	1,503	3	2,403	-	1,174	-	5,083
Others	18,762	2,838	17,592	41,047	44,735	15,078	109,351	249,403
Total assets	1,795,623	204,320	433,366	798,959	1,827,386	720,210	300,466	6,080,330
Borrowings	-	2,830	31,568	119,175	140,787	137,902	-	432,262
Subordinated debt	-	-	-	-	-	-	12,374	12,374
Deposits and other accounts	1,777,354	374	346,895	519,884	122	528,259	11,373	3,184,261
Inter segment borrowing	-	194,287	11,440	124,508	1,675,507	-	-	2,005,742
Others	18,269	6,829	15,654	35,392	14,139	22,881	74,599	187,763
Total liabilities	1,795,623	204,320	405,557	798,959	1,830,555	689,042	98,346	5,822,402
Equity	-	-	27,809	-	(3,169)	31,168	202,120	257,928
Total equity and liabilities	1,795,623	204,320	433,366	798,959	1,827,386	720,210	300,466	6,080,330
Contingencies and commitments	60,144	-	56,741	463,954	601,350	138,579	38,410	1,359,178

40.2 Segment details with respect to geographical locations

For the year ended December 31, 2022

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total		
(Rupees in million)							
Profit and loss account							
Net mark-up / return / profit / interest income	141,079	6,309	4,233	516	152,137		
Non mark-up / interest income	33,515	1,674	2,768	299	38,256		
Total income	174,594	7,983	7,001	815	190,393		
Segment direct expenses			98,850	7,682	5,141	710	112,383
Provisions			3,015	2,409	1,017	15	6,456
Profit / (loss) before tax	174,594	7,983	7,001	815	190,393		
	72,729	(2,108)	843	90	71,554		

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FOR THE YEAR ENDED DECEMBER 31, 2022

As at December 31, 2022

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Statement of financial position					
Cash and bank balances	192,341	62,374	27,886	6,086	288,687
Lendings to financial institutions	254,594	-	-	-	254,594
Investments	1,733,386	90,909	57,780	-	1,882,075
Advances - performing	1,413,195	126,831	65,112	7,333	1,612,471
Advances - non-performing	7,516	2,032	567	22	10,137
Others	288,613	8,289	8,587	1,645	307,134
Total assets	3,889,645	290,435	159,932	15,086	4,355,098
Borrowings	458,472	107,859	5,299	7,375	579,005
Subordinated debt	18,874	-	-	-	18,874
Deposits and other accounts	2,928,070	199,329	101,826	4,951	3,234,176
Others	298,159	(43,432)	14,734	(194)	269,267
Total liabilities	3,703,575	263,756	121,859	12,132	4,101,322
Equity	186,070	26,679	38,073	2,954	253,776
Total equity and liabilities	3,889,645	290,435	159,932	15,086	4,355,098
Contingencies and commitments	1,000,757	126,159	50,960	17,195	1,195,071

For the year ended December 31, 2021

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Profit and loss account					
Net mark-up / return / profit / interest income	113,794	4,028	2,675	450	120,947
Non mark-up / interest income	28,358	1,181	1,023	162	30,724
Total income	142,152	5,209	3,698	612	151,671
Segment direct expenses	75,675	6,182	3,910	577	86,344
Provisions	3,669	2,136	471	77	6,353
Profit / (loss) before tax	62,808	(3,109)	(683)	(42)	58,974

As at December 31, 2021

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
----- (Rupees in million) -----					
Statement of financial position					
Cash and bank balances	363,075	53,525	19,355	5,750	441,705
Lendings to financial institutions	93,743	-	-	-	93,743
Investments	1,800,149	62,582	42,458	-	1,905,189
Advances - performing	1,175,296	139,482	56,687	8,001	1,379,466
Advances - non-performing	3,909	879	273	22	5,083
Others	198,186	47,116	1,785	2,316	249,403
Total assets	3,634,358	303,584	120,558	16,089	4,074,589
Borrowings	294,360	107,173	21,555	9,174	432,262
Subordinated debt	12,374	-	-	-	12,374
Deposits and other accounts	2,965,878	159,295	55,593	3,495	3,184,261
Others	247,801	(78,739)	21,110	(2,409)	187,763
Total liabilities	3,520,413	187,729	98,258	10,260	3,816,660
Equity	113,945	115,855	22,300	5,829	257,929
Total equity and liabilities	3,634,358	303,584	120,558	16,089	4,074,589
Contingencies and commitments	1,221,341	74,199	33,697	29,941	1,359,178

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

41 TRUST ACTIVITIES

The Bank undertakes Trustee and other fiduciary activities that result in the holding or placing of assets on behalf of individuals and other organisations. These are not assets of the Bank and, therefore, are not included as such in the unconsolidated financial statements. Assets held under trust are shown in the table below:

As at December 31, 2022

Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
(Rupees in '000)						
Asset Management companies	1	-	-	21,000	-	21,000
Charitable institutions	2	128,545	-	-	-	128,545
Companies	91	101,822,645	96,018,500	-	-	197,841,145
Employee funds	65	29,770,140	63,581,235	797,500	-	94,148,875
Individuals	4,781	13,188,413	2,923,193	95,861	36,159,009	52,366,476
Insurance companies	4	152,292,140	406,140,300	15,147,050	-	573,579,490
Others	10	9,110,495	631,500	-	-	9,741,995
Total	4,954	306,312,378	569,294,728	16,061,411	36,159,009	927,827,526

As at December 31, 2021

Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
(Rupees in '000)						
Asset Management companies	-	-	-	-	-	-
Charitable institutions	2	67,535	170,000	-	-	237,535
Companies	78	62,335,205	25,473,600	44,100	-	87,852,905
Employee funds	65	14,788,950	27,368,480	-	-	42,157,430
Individuals	3694	6,624,450	2,650,238	4,900	31,519,388	40,798,976
Insurance companies	4	36,331,625	404,400,900	9,035,100	-	449,767,625
Others	16	4,220,625	1,523,100	-	-	5,743,725
Total	3,859	124,368,390	461,586,318	9,084,100	31,519,388	626,558,196

42 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, subsidiaries, associated companies, joint venture and employee benefit schemes of the Bank.

Transactions with related parties, other than those under terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Details of transactions and balances with related parties as at the year end are as follows:

	As at December 31, 2022						
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----							
Statement of financial position							
Balances with other banks							
In current accounts	-	-	1,592	1,602,967	-	-	-
Investments							
Opening balance	-	-	-	20,091,764	9,465,766	135,665	7,713,055
Investment made during the year	-	-	-	4,920,743	44,188	-	2,000,000
Investment redeemed / disposed off during the year	-	-	-	-	(2,223,524)	-	-
Provision for diminution in the value of investments	-	-	-	-	-	-	(28,709)
Transfer in - net	-	-	-	-	-	-	29,287
Revaluation of investment during the year	-	-	-	1,497,522	-	-	-
Closing balance	-	-	-	26,510,029	7,286,430	135,665	9,713,633
Provision for diminution in the value of investments	-	-	-	-	-	-	28,709
Advances							
Opening balance	527	447,007	4,001,392	2,092,521	1,845,811	-	11,132,886
Addition during the year	30,557	421,195	23,281,985	1,716,370	-	-	14,020,793
Repaid during the year	(29,672)	(378,950)	(23,534,128)	(613,375)	(1,375,527)	-	(13,438,741)
Transfer in - net	-	30,988	-	-	-	-	-
Exchange adjustment	-	-	798,460	161,924	154,716	-	-
Closing balance	1,412	520,240	4,547,709	3,357,440	625,000	-	11,714,938
Other Assets							
Interest / mark-up accrued	-	778	44,798	491,130	19,286	-	266,034
Other receivables	-	2,475	-	-	-	-	-
Advance subscription of shares	-	-	-	1,000,000	-	-	-
	-	3,253	44,798	1,491,130	19,286	-	266,034
Borrowings							
Opening balance	-	-	3,177,871	475,527	3,969,060	-	181,985
Borrowings during the year	-	-	7,519,611	2,116,002	22,569,599	11,050,690	-
Settled during the year	-	-	(6,953,154)	(620,884)	(16,014,977)	(8,594,981)	(13,733)
Exchange adjustment	-	-	237,952	293,664	2,427,212	261,462	-
Closing balance	-	-	3,982,280	2,264,309	12,950,894	2,717,171	168,252
Deposits and other accounts							
Opening balance	42,382	545,067	10,820,031	6,314,465	50,605,027	-	2,960,354
Received during the year	585,700	4,083,660	349,370,849	734,132,907	938,266,443	13,607	70,881,784
Withdrawn during the year	(500,475)	(4,162,730)	(344,428,637)	(738,191,795)	(986,066,571)	(15,287)	(72,088,268)
Transfer out - net	-	(30,270)	-	-	-	-	-
Exchange adjustment	7,663	68,578	279,070	206,235	12,892	5,884	45,891
Closing balance	135,270	504,305	16,041,313	2,461,812	2,817,791	4,204	1,799,761
Other liabilities							
Interest / mark-up payable	434	1,340	116,735	7,570	42,367	28,530	4,022
Payable to defined benefit plan	-	-	-	-	-	-	607,424
Other payables	-	-	33,884	22,716	71,748	-	515,961
	434	1,340	150,619	30,286	114,115	28,530	1,127,407
Contingencies and Commitments							
Letters of credit	-	-	693,802	-	-	-	440,141
Guarantees	-	-	159,480	64,435	-	-	3,535,727
Forward purchase of Government securities	-	-	-	-	-	-	2,452,570
Forward purchase of foreign exchange contracts	-	-	-	183,409	1,500	-	-
Interest rate swaps	-	-	-	-	625,000	-	-
	-	-	853,282	247,844	626,500	-	6,428,438
Others							
Securities held as custodian	2,500	94,830	24,812,555	-	134,281,000	-	18,455,830

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

For the year ended December 31, 2022

	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----							
Profit and loss account							
Income							
Mark-up / return / profit / interest earned	84	25,701	260,043	988,407	112,004	-	1,798,616
Fee and commission income	1,032	5,577	255,255	63,063	774,913	-	8,171
Dividend income	-	-	-	-	714,419	-	795,007
Foreign exchange gain	-	-	-	1,221,099	-	-	-
Unrealised Loss from derivatives	-	-	-	-	(58,909)	-	-
Loss on disposal	-	-	-	-	-	-	(313)
Gain on sale of securities - net	-	-	-	-	137,600	-	-
Rent on properties	-	-	-	46,808	-	-	-
Other income	-	-	-	38,909	-	-	-
Expense							
Mark-up / return / profit / interest expensed	5,544	23,795	469,165	161,806	1,502,501	33,170	291,030
Operating expenses							
Total compensation expense	-	2,145,424	-	-	-	-	2,091,697
Non-Executive Directors' fees	94,800	-	-	-	-	-	-
Insurance premium expense	-	-	-	-	1,779,128	-	-
Product feature cost	-	-	156,473	-	-	-	-
Travelling	-	-	8,286	-	-	-	-
Subscription	-	-	-	-	-	-	10,555
Donation	-	-	-	-	-	-	515,961
Brokerage and commission	-	-	-	-	-	-	233,146
Other expenses	-	-	44,243	104,994	60,066	-	88,132
Provision for diminution in the value of investments	-	-	-	-	-	-	28,709
Others							
Purchase of Government securities	-	15,411	192,562,933	130,501,818	68,269,517	-	28,286,144
Sale of Government securities	-	90,168	225,852,074	143,975,753	119,912,273	-	32,414,714
Purchase of foreign currencies	-	-	2,786,947	7,594,649	116,676	-	209,945
Sale of foreign currencies	-	-	2,179,139	9,009,588	-	-	9,192,949
Insurance claims settled	-	-	-	-	279,936	-	-

As at December 31, 2021

	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----							
Statement of financial position							
Balances with other banks							
In current accounts	-	-	374	435,225	-	-	-
Investments							
Opening balance	-	-	-	17,614,626	9,161,114	135,665	4,744,343
Investment made during the year	-	-	-	2,000,000	650,000	-	2,969,103
Investment redeemed / disposed off during the year	-	-	-	(23,236)	(345,348)	-	-
Revaluation of investment during the year	-	-	-	500,374	-	-	(391)
Closing balance	-	-	-	20,091,764	9,465,766	135,665	7,713,055
Advances							
Opening balance	249	305,836	4,504,528	2,073,885	1,125,000	-	7,748,994
Addition during the year	19,023	372,347	2,013,784	1,720,019	895,993	-	5,567,065
Repaid during the year	(19,021)	(264,932)	(2,782,029)	(1,688,225)	(250,000)	-	(2,365,348)
Transfer in - net	276	34,006	-	-	-	-	182,500
Exchange adjustment	-	(250)	265,109	(13,158)	74,818	-	(325)
Closing balance	527	447,007	4,001,392	2,092,521	1,845,811	-	11,132,886
Other Assets							
Interest / mark-up accrued	-	552	68,780	179,118	16,130	-	123,587
Receivable from defined benefit plan	-	-	-	-	-	-	759,354
	-	552	68,780	179,118	16,130	-	882,941
Borrowings							
Opening balance	-	-	1,877,006	468,382	2,282,856	1,598,344	494,309
Borrowings during the year	-	-	4,216,030	2,327,678	7,564,980	6,516,419	-
Settled during the year	-	-	(3,258,210)	(2,366,193)	(6,027,688)	(8,145,524)	(312,324)
Exchange adjustment	-	-	343,045	45,660	148,912	30,761	-
Closing balance	-	-	3,177,871	475,527	3,969,060	-	181,985

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

As at December 31, 2021						
Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
(Rupees in '000)						
Deposits and other accounts						
Opening balance	20,794	524,446	7,288,452	1,087,262	36,293,203	1,684,143
Received during the year	260,411	2,277,862	445,766,161	412,224,268	1,001,182,265	86,731,344
Withdrawn during the year	(242,044)	(2,000,383)	(442,983,490)	(406,949,534)	(986,870,955)	(85,600,878)
Transfer in / (out) - net	3,118	(267,073)	-	-	-	114,741
Exchange adjustment	103	10,215	748,908	(47,531)	514	31,004
Closing balance	42,382	545,067	10,820,031	6,314,465	50,605,027	2,960,354
Other liabilities						
Interest / mark-up payable	-	724	6,255	908	40,182	8,233
Payable to defined benefit plan	-	-	-	-	-	433,201
Other payables	-	-	4,150	18,784	43,601	405,576
	-	724	10,405	19,692	83,783	847,010
Contingencies and Commitments						
Letters of credit	-	-	910,308	-	-	673,614
Guarantees	-	-	167,204	55,672	-	3,538,494
Forward purchase of Government securities	-	-	630,652	-	-	1,859,052
Commitment in respect of Forward Foreign Currency	-	-	-	282,422	-	-
Commitment in respect of Forward lending	-	-	-	-	-	1,698,202
Interest rate swaps	-	-	564,808	-	875,000	-
	-	-	2,272,972	338,094	875,000	7,769,362
Others						
Securities held as custodian	-	12,920	5,326,720	-	77,701,130	9,860,745
For the year ended December 31, 2021						
Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
(Rupees in '000)						
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	13	21,270	193,987	417,751	102,272	804,186
Fee and commission income	785	3,420	180,591	32,820	897,191	21,706
Dividend income	-	-	-	-	448,878	155,337
Foreign exchange gain	-	-	-	308,305	-	-
Loss from derivatives	-	-	(3,306)	-	(43,326)	-
Gain on sale of securities - net	-	-	-	-	438,220	-
Rent on properties	-	-	-	42,699	-	-
Other income	-	-	-	33,707	-	-
Expense						
Mark-up / return / profit / interest expensed	291	12,209	107,381	29,015	1,298,782	242,910
Operating expenses						
Total compensation expense	-	1,847,684	-	-	-	1,084,888
Non-Executive Directors' fees	86,400	-	-	-	-	-
Insurance premium expense	-	-	-	-	1,539,625	-
Product feature cost	-	-	194,372	-	-	-
Travelling	-	-	6,656	-	-	-
Subscription	-	-	-	-	-	77,584
Donation	-	-	77,230	-	-	405,576
Brokerage and commission	-	-	-	-	-	212,274
Other expenses	-	-	-	347,726	-	25,572
Others						
Purchase of Government securities	-	-	337,325,673	1,995,995	54,769,108	16,885,974
Sale of Government securities	-	56,883	346,902,828	26,439,135	32,529,676	27,793,467
Purchase of foreign currencies	-	-	3,004,944	1,359,398	3,018	2,857,263
Sale of foreign currencies	-	-	3,280,543	9,275,090	222,000	5,732,637
Insurance claims settled	-	-	-	-	81,504	-

42.1 Balances and transactions with group entities include deposits of Rs 0.590 million (2021: Rs 0.554 million) from the parent and Rs 2.000 thousand (2021: Rs 1.814 thousand) as mark-up expense thereon.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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43 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2022	2021
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>14,668,525</u>	<u>14,668,525</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>203,364,899</u>	<u>193,371,438</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>15,901,419</u>	<u>10,428,514</u>
Total Eligible Tier 1 Capital	<u>219,266,318</u>	<u>203,799,952</u>
Eligible Tier 2 Capital	<u>37,987,540</u>	<u>58,372,958</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>257,253,858</u>	<u>262,172,910</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>1,387,509,228</u>	<u>1,217,657,907</u>
Market Risk	<u>75,860,638</u>	<u>92,254,538</u>
Operational Risk	<u>252,065,484</u>	<u>212,268,669</u>
Total	<u>1,715,435,350</u>	<u>1,522,181,114</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>11.86%</u>	<u>12.70%</u>
Tier 1 Capital Adequacy Ratio	<u>12.78%</u>	<u>13.39%</u>
Total Capital Adequacy Ratio	<u>15.00%</u>	<u>17.22%</u>
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		
of which: capital conservation buffer requirement	9.00%	9.50%
of which: countercyclical buffer requirement	1.50%	1.50%
of which: D-SIB buffer requirement	1.50%	2.00%
CET1 available to meet buffers (as a percentage of risk weighted assets)	5.86%	6.70%
Other information:		
Minimum capital requirements prescribed by the SBP		
CET1 ratio (%)	9.00%	9.50%
Tier 1 ratio (%)	10.50%	11.00%
Total capital ratio (%)	13.00%	13.50%
	2022	2021
	(Rupees in '000)	
Leverage Ratio (LR)		
Eligible Tier-1 Capital	219,266,318	203,799,952
Total Exposure	5,014,549,104	4,470,420,642
Leverage Ratio (%)	<u>4.37%</u>	<u>4.56%</u>
Minimum Requirement (%)	<u>3.00%</u>	<u>3.00%</u>
	2022	2021
	Total Adjusted Value (Rupees in '000)	
Liquidity Coverage Ratio (LCR)		
Average High Quality Liquid Assets	1,609,446,790	1,477,650,149
Average Net Cash Outflow	632,560,916	638,366,023
Liquidity Coverage Ratio (%)	<u>254.43%</u>	<u>231.47%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>
	2022	2021
	Total Weighted Value (Rupees in '000)	
Net Stable Funding Ratio (NSFR)		
Total Available Stable Funding	3,225,111,950	3,046,911,457
Total Required Stable Funding	2,171,559,048	1,964,571,726
Net Stable Funding Ratio (%)	<u>148.52%</u>	<u>155.09%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

43.1 Capital management

The Bank's policy is to maintain a strong capital base so as to maintain investor, depositor, creditor and market confidence and to sustain future development of the business, while providing adequate returns to shareholders.

The Bank's lead regulator, the SBP, sets and monitors capital requirements for the Bank as a whole. The Bank's branches outside Pakistan are also required to follow capital requirements applicable in their respective jurisdictions.

The SBP, through BSD Circular No. 07 dated April 15, 2009 has required that Banks should maintain a minimum paid-up capital of Rs. 10 billion (net of accumulated losses). The paid-up capital of the Bank as at December 31, 2022 stood at Rs 14.669 billion (2021: Rs. 14.669 billion) and is in compliance with SBP requirements.

The Bank and its individually regulated operations have complied with all capital requirements.

The Bank's regulatory capital is classified as follows:

- Tier 1 capital comprises of Common Equity Tier 1 (CET 1) and Additional Tier 1 (AT 1) capital.
- CET1 capital includes fully paid-up capital, balance in share premium account, reserves (excluding exchange translation reserves) and unappropriated profit meeting the eligibility criteria.
- AT 1 capital includes perpetual TFCs meeting the prescribed SBP criteria.
- Tier 2 capital includes general provisions for loan losses, surplus / (deficit) on revaluation of fixed assets and investments, exchange translation reserves.

Banking operations are categorised 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 on and off-balance sheet

- On and off-balance sheet exposures in the banking book are segregated into various asset classes for the calculation of credit risk. Ratings reflecting the credit worthiness of counterparties are applied using various External Credit Assessment Institutions (ECAIs) and are aligned with appropriate risk buckets. Collateral, if any, is used as an outflow adjustment. Eligible collateral used includes Government of Pakistan (GoP) guarantees, GoP issued securities, bank guarantees, lien on deposits and margin accounts. Risk weights notified by the SBP are applied to net exposures to arrive at risk weighted assets.
- The Bank calculates capital requirements for market risk in its trading book based on the methodology provided by the SBP, which takes into account interest rate risk using the maturity method, equity position risk and foreign exchange risk.

43.2 The full disclosures on the Capital Adequacy Ratio, Leverage Ratio & Liquidity Requirements calculated as per SBP instructions issued from time to time have been placed on the Bank's website. The link to the full disclosure is available at <https://www.hbl.com/capitalandliquidity>.

44 RISK MANAGEMENT FRAMEWORK

HBL has a well-developed and robust risk management framework, appropriate for its size, regional and target market diversification and the high complexity of its operations. The Bank's risk management framework includes a clearly documented risk appetite, well-articulated policies and procedures and a multi-tier management supervision, supported by strong Board oversight.

The Board of Directors provides the strategic direction for effective risk management and ensures that a robust risk management framework is in place, covering all aspects of the Bank's operations, including the required human resources, policies, procedures, and systems, and is updated regularly to safeguard the Bank against emerging risks. It is supported in this task by the Board Risk Management Committee (BRMC) as well as by various management committees.

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For effective implementation of the risk management framework, the Risk Management function, headed by the Chief Risk Officer (CRO), operates independently of the business units within the Bank. Risk Management is responsible for the development and implementation of risk policies and for monitoring the risks associated with various activities of the Bank. The CRO reports to the President, with a functional reporting line to the BRMC.

The Risk Management function comprises of the following areas:

- Credit Approvals
- Credit Administration
- Program Based Lending Risk
- Market Risk & Financial Risk Modeling
- Enterprise Risk Management
- Risk Corporate Governance

44.1 Credit risk management

Credit risk is defined as the risk of financial loss stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. While loans are the largest and most obvious source of credit risk, it also stems from both on and off-balance sheet activities. The credit process at the Bank is governed by well-defined and documented credit policies and procedures including separate policies for consumer loans, agriculture banking and SME financing. Certain types of exposures / facilities are managed under product programs that contain their own detailed credit criteria, compliance and documentation requirements.

The Bank's credit risk appetite is defined through a Global Risk Appetite Statement that is approved by the Board. It also covers the concentration risks the Bank is willing to take with reference to risk ratings, sectors and large exposures.

The core pillars of credit risk management at the Bank are:

- Approval rules based on a three-initial system and joint Business / Risk sign-offs.
- An independent Internal Audit function which includes a Business Risk Review (BRR) unit.

Credit approval authorities are delegated to individuals based on their qualifications and experience. Disbursement authorization, collateral and security management, documentation and monitoring are managed by the Credit Administration Department. Proactive monitoring is ensured for assets under stress. This enables the Bank to put in place viable solutions to prevent further deterioration in credit quality. An independent Structured Credits and Remedial Assets function handles stressed assets and ensures a focused remedial strategy.

Credit risk management software to automate loan origination has been implemented domestically for Corporate, Commercial and Retail (non-program based) lending and is being rolled out to overseas locations. The software is designed to improve approval efficiency; enable capture, storage and retrieval of approval data; and generate MIS for decision making.

Stress testing on the credit portfolio is performed in line with SBP guidelines. In addition to the mandatory stress tests defined by the regulator, the Bank has also developed advanced stress tests for credit risk including macroeconomic stress tests, and reverse stress tests to test the adequacy of the Bank's capital under various stress conditions. The Bank also regularly conducts rapid portfolio reviews in line with emerging risks.

The Bank has undertaken a number of initiatives including the establishment of a Financial Risk Modelling and Stress Testing unit to strengthen its credit risk management framework including in-house development, back testing, validation of credit risk scorecards, internal risk ratings (obligor risk rating and facility risk rating) and probability of default models for the portfolio. The performance of the risk rating models over the years is continuously monitored.

BRR performs an independent review of the credit portfolio. It provides an independent assessment of portfolio quality by reviewing the efficacy of the relevant processes, ensuring regulatory / policy compliance, and assessing the appropriateness of classification and risk ratings.

44.1.1 Credit risk - general disclosures

The Bank follows the Standardized Approach for its credit risk exposures, which sets out fixed risk weights corresponding to external credit ratings or type of exposure, whichever is applicable.

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Under the Standardized Approach, the capital requirement is based on the credit rating assigned to counterparties by External Credit Assessment Institutions (ECAIs) duly recognized by the SBP. The Bank selects different ECAIs for each type of exposure. The Bank utilizes credit ratings assigned by Pakistan Credit Rating Agency (PACRA), Vital Information Services (VIS), Fitch, Moody's and Standard & Poor's (S&P). The Bank also utilizes rating scores of Export Credit Agencies (ECAs).

Types of exposure and ECAIs used

	FITCH	Moody's	S&P	PACRA	VIS	ECA scores
Corporates	✓	✓	✓	✓	✓	-
Banks	✓	✓	✓	✓	✓	-
Sovereigns	-	✓	-	-	-	✓
Public sector enterprises	✓	-	-	✓	✓	-

Mapping to SBP rating grades

For all exposures, the selected ratings are translated to the standard rating grades given by the SBP. The mapping tables used for converting ECAI ratings to the SBP rating grades are given below:

Long - Term rating grades mapping

SBP rating grade	FITCH	Moody's	S&P	PACRA	VIS	ECA Scores
1	AAA	Aaa	AAA	AAA	AAA	0
	AA+	Aa1	AA+	AA+	AA+	1
	AA	Aa2	AA	AA	AA	
	AA-	Aa3	AA-	AA-	AA-	
2	A+	A1	A+	A+	A+	2
	A	A2	A	A	A	
	A-	A3	A-	A-	A-	
3	BBB+	Baa1	BBB+	BBB+	BBB+	3
	BBB	Baa2	BBB	BBB	BBB	
	BBB-	Baa3	BBB-	BBB-	BBB-	
4	BB+	Ba1	BB+	BB+	BB+	4
	BB	Ba2	BB	BB	BB	
	BB-	Ba3	BB-	BB-	BB-	
5	B+	B1	B+	B+	B+	5
	B	B2	B	B	B	6
	B-	B3	B-	B-	B-	
6	CCC+ and below	Caa1 and below	CCC+ and below	CCC+ and below	CCC+ and below	7

Short -Term Rating Grades mapping

SBP rating grade	FITCH	Moody's	S&P	PACRA	VIS
S1	F1	P-1	A-1+	A-1+	A-1+
S1	F1	P-1	A-1	A-1	A-1
S2	F2	P-2	A-2	A-2	A-2
S3	F3	P-3	A-3	A-3	A-3
S4	Others	Others	Others	Others	Others

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44.1.2 Credit Risk Mitigation for under the Standardized Approach

The Bank has adopted the Simple Approach for Credit Risk Mitigation in the banking book. Under this approach, cash, deposits under lien, Government securities and eligible guarantees etc. are considered as eligible collateral. The Bank has detailed guidelines regarding the valuation and management of each of these types of collateral. Where the Bank's exposure on an obligor is wholly or partially guaranteed by an eligible guarantee, the risk weight / credit rating of the guarantor is substituted for the risk weight of the obligor.

No credit risk mitigation benefit is taken in the trading book.

For each asset class, the risk weights as specified by the SBP or corresponding to the SBP rating grades are applied to the net exposure for the calculation of Risk Weighted Assets.

44.1.3 Country Risk

The Bank has in place a comprehensive Country Risk Policy. Limits are established for Cross Border Transfer Risk (CBTR) based on the ratings assigned by international rating agencies. CBTR arises from exposure to counterparties in countries other than the jurisdiction of the lender. Transfer risk arises where an otherwise solvent and willing debtor is unable to meet its obligations due to the imposition of governmental or regulatory controls restricting its ability to meet its foreign liabilities. The limit utilization is controlled at Head Office level and country risk exposures are reported to the BRMC at defined frequencies.

44.1.4 Lendings to financial institutions

Credit risk by public / private sector

	Gross lendings	Non-performing lendings	Provision held	Gross lendings	Non-performing lendings	Provision held
	2022			2021		
	(Rupees in '000)					
Public / Government	176,265,131	-	-	24,615,867	-	-
Private	78,328,156	-	-	69,126,565	-	-
	254,593,287	-	-	93,742,432	-	-

44.1.5 Investment in debt securities

Credit risk by industry sector

	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2022			2021		
	(Rupees in '000)					
Textile	261,318	261,318	261,318	86,548	86,548	86,548
Automobile and transportation equipment	-	-	-	-	-	-
Financial	1,782,209,797	1,132,100	953,654	1,797,688,410	-	-
Oil and gas	161,426	-	-	1,798,454	-	-
Power and energy	57,143,771	-	-	61,695,259	-	-
Telecommunication	151,914	151,914	151,914	160,833	160,833	160,833
Wholesale and Retail Price	-	-	-	-	-	-
Metal and allied	675,000	-	-	900,000	-	-
Others	980,000	-	-	1,000,000	-	-
	1,841,583,226	1,545,332	1,366,886	1,863,329,504	247,381	247,381

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Credit risk by public / private sector

	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2022			2021		
	(Rupees in '000)					
Public / Government	1,823,043,384	1,132,100	953,654	1,845,716,450	-	-
Private	18,539,842	413,232	413,232	17,613,054	247,381	247,381
	1,841,583,226	1,545,332	1,366,886	1,863,329,504	247,381	247,381

44.1.6 Advances

Credit risk by industry sector

	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2022			2021		
	(Rupees in '000)					
Chemical and pharmaceuticals	60,357,354	2,815,684	2,809,796	44,855,008	2,528,011	2,516,898
Agribusiness	177,234,761	3,050,534	1,701,714	125,113,981	1,996,199	1,015,923
Textile	220,903,763	13,509,135	13,359,927	173,300,515	15,520,215	15,406,200
Cement	37,904,091	1,967,010	1,083,273	28,401,108	588,694	588,694
Sugar	13,489,105	1,230,342	1,230,342	8,903,630	1,230,342	1,295,262
Shoes and leather garments	6,927,199	1,075,523	1,061,566	4,647,283	949,725	943,425
Automobile and transportation equipment	35,997,366	4,304,713	4,148,166	25,497,800	3,598,823	3,475,364
Financial	113,911,900	42,632	42,632	130,338,458	39,414	39,414
Hotel and tourism	4,542,602	741,813	622,677	5,596,292	809,736	712,089
Insurance	1,810,043	-	-	2,506,715	-	-
Electronics and electrical appliances	12,206,287	1,806,788	1,806,788	10,099,650	2,595,651	2,595,651
Oil and gas	88,838,490	7,044,242	7,044,242	88,003,142	5,652,384	5,655,182
Power and energy	208,489,782	2,670,231	697,041	194,625,126	13,336	13,336
Education and medical	7,987,021	182,896	180,538	7,452,699	196,080	194,057
Telecommunication	41,499,857	972,759	972,759	28,315,442	1,082,730	1,082,730
Printing and publishing	7,774,152	350,887	350,887	7,807,906	356,435	349,484
Construction	44,550,867	249,091	224,388	42,080,070	193,570	180,730
Mining and quarrying	7,610,041	116,398	59,258	5,952,217	155,578	78,848
Food, tobacco and beverages	92,785,003	4,104,209	3,111,242	78,869,282	3,299,248	2,758,065
Wholesale and retail trade	75,150,524	14,497,129	12,885,451	67,558,211	12,090,001	11,197,535
Metal and allied	29,711,375	3,881,615	2,389,675	31,895,522	4,040,865	2,412,884
Individuals	169,305,228	3,252,693	2,483,864	138,626,234	2,231,153	1,933,347
Farming, cattle and dairy	1,000,232	257,254	270,019	3,180,273	809,395	769,442
Trust funds and non profit organisations	2,863,815	2,991	2,991	1,596,881	2,991	2,991
Others	246,570,457	16,648,411	16,099,187	207,981,910	14,189,081	13,868,821
	1,709,421,315	84,774,980	74,638,423	1,463,205,355	74,169,657	69,086,372

Credit risk by public / private sector

	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2022			2021		
	(Rupees in '000)					
Public / Government	333,507,255	942,162	1,350	317,402,932	1,071,091	5,400
Private	1,375,914,060	83,832,818	74,637,073	1,145,802,423	73,098,566	69,080,972
	1,709,421,315	84,774,980	74,638,423	1,463,205,355	74,169,657	69,086,372

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44.1.7 Contingencies and Commitments

Credit risk by industry sector	2022	2021
	(Rupees in '000)	
Chemical and pharmaceuticals	27,718,235	37,497,701
Agribusiness	4,139,021	4,872,111
Textile	72,035,592	93,954,916
Cement	21,590,809	51,399,786
Defence	429,676	14,055,764
Sugar	3,431,617	3,119,186
Shoes and leather garments	3,023,150	1,608,350
Automobile and transportation equipment	41,234,364	30,633,616
Financial	541,926,838	646,177,212
Hotel and tourism	1,597,392	1,083,342
Insurance	992,398	7,222,886
Electronics and electrical appliances	18,449,164	16,754,561
Oil and gas	54,104,406	68,651,454
Power and energy	134,893,365	105,841,274
Education and medical	1,220,519	2,974,595
Telecommunication	20,429,418	27,697,852
Printing and publishing	1,861,738	2,469,700
Construction	31,520,324	32,181,379
Mining and quarrying	725,931	2,749,857
Food, tobacco and beverages	46,742,487	26,589,405
Wholesale and retail trade	21,658,312	10,533,979
Metal and allied	12,799,000	15,508,860
Individuals	17,938,405	24,602,637
Farming, cattle and dairy	2,270,796	1,549,317
Ports and shipping	5,473,533	1,367,301
Trust funds and non profit organisations	35,550,221	41,572,444
Others	71,314,050	86,508,773
	1,195,070,761	1,359,178,258
Credit risk by public / private sector		
Public / Government	246,037,765	226,782,960
Private	949,032,996	1,132,395,298
	1,195,070,761	1,359,178,258

44.1.8 Concentration of Advances

The Bank's top 10 exposures on the basis of total (funded and non-funded) exposures aggregated to Rs 484,034.142 million (2021: Rs 439,861.951 million).

	2022	2021
	(Rupees in '000)	
Funded	349,449,339	254,870,742
Non-funded	134,584,803	184,991,209
Total exposure	484,034,142	439,861,951

The sanctioned limits against these top 10 exposures aggregated to Rs 705,733.152 million (2021: Rs 628,617.948 million).

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44.2.2 Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank manages this risk by setting and monitoring currency-wise exposure limits. The Bank's assets in a particular currency are typically funded in the same currency to minimize foreign currency exposure. However, the Bank maintains a net open position in various currencies resulting from its transactions. Foreign exchange risk is controlled and monitored through limits approved by ALCO, within the overall limit advised by the SBP.

	2022				2021			
	Assets	Liabilities	Off-balance sheet items	Net currency exposure	Assets	Liabilities	Off-balance sheet items	Net currency exposure
	(Rupees in '000)							
United States Dollars	345,830,002	477,170,537	103,751,065	(27,589,470)	311,737,477	339,408,550	32,115,435	4,444,362
Great Britain Pounds	2,109,503	15,874,884	13,868,416	103,035	2,446,269	14,841,521	11,768,610	(626,643)
UAE Dirhams	89,553,909	70,879,577	(21,492)	18,652,840	42,008,146	62,451,185	32,917,837	12,474,798
Japanese Yen	83,825	-	(65,974)	17,851	81,410	63	(38,325)	43,023
Euros	19,194,954	18,310,142	1,813,255	2,698,067	19,782,196	13,918,765	(3,665,153)	2,198,278
Chinese Yuan	16,992,989	31,087,593	331,995	(13,762,609)	9,723,361	19,961,476	463,784	(9,774,331)
Other Currencies	127,412,024	82,082,654	(15,857,646)	29,471,724	121,311,875	72,417,691	(12,574,766)	36,319,418
	601,177,206	695,405,387	103,819,619	9,591,438	507,090,734	522,999,251	60,987,422	45,078,905

	2022		2021	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 1% increase in foreign exchange rates on				
- Profit and loss account	-	95,914	-	450,789
- Other comprehensive income	573,201	-	615,877	-

44.2.3 Equity Position Risk

Equity position risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in the prices of individual stocks or the levels of equity indices.

The Bank takes exposures to a range of equity instruments, and is exposed to losses arising from movements in equity prices. The Bank holds equity investments in both the AFS and HFT portfolios. The realization of short term capital gains is the principal objective of the HFT portfolio while the AFS portfolio takes a medium-term market view with the objective of earning both capital gains and dividend income. The portfolios are managed by the Bank within the structure encapsulated in the Equity Investment Policy approved by the Board, which defines position limits, portfolio limits and loss triggers for the equity desk. The Bank also applies stress tests on the equity portfolio which is part of the Bank's overall market risk exposure limit on the trading book.

	2022		2021	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 5% change in equity prices on				
- Profit and loss account	-	5	-	15,430
- Other comprehensive income	248,338	-	376,184	-

44.2.4 Interest Rate Risk

Interest rate risk arises due to changes in interest rates, including changes in the shape of the yield curve. The Bank is exposed to interest rate risk in both the Trading and Banking Books. Interest rate sensitivity analysis is conducted at both Banking Book and Trading Book levels, at least on a monthly basis or more frequently, if required. The analysis helps in estimating and managing the impact of interest rate volatility on the Bank's earnings and on the economic value of equity within defined tolerance limits. Limits are also in place for fixed income investments of the treasury portfolio at dealer, transaction, portfolio and Trading / Banking Book levels. Regulatory stress testing is conducted on a quarterly basis. Metrics to assess Interest Rate Risk include Interest Rate Gap Reports, Earnings at Risk (EAR) and Economic Value of Equity (EVE). These metrics are assessed based on different stress scenarios.

To further strengthen interest rate risk management, the Bank has developed a standardized framework to for computing the Interest Rate Risk in the Banking Book (IRRBB) under the updated guidelines issued by the Basel Committee on Banking Supervision Standards.

	2022		2021	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 1% change in interest rates on				
- Profit and loss account	5,165,824	(1,221,300)	(1,176,891)	(818,473)
- Other comprehensive income	7,348,444	-	(3,605,044)	-

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44.2.4.1 Mismatch of interest rate sensitive assets and liabilities

Interest rate sensitivity gaps for assets and liabilities which have contractual maturities have been reported based on the earlier of the re-pricing date or maturity date. Assets and liabilities which do not have any contractual maturities have been bucketed on the basis of a behavioural study conducted by Market Risk Management and approved by ALCO.

Effective yield / interest rate	Total	2022										Not exposed to yield / interest risk	
		Exposed to yield / interest risk											
		Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years			
On-balance sheet assets													
Financial Assets													
Cash and balances with treasury banks	257,368,084	36,714,920	76,365	-	-	-	-	-	-	-	-	-	220,574,799
Balances with other banks	31,319,141	17,691,989	2,083,508	567,535	-	-	-	-	-	-	-	-	10,976,109
Lending to financial institutions	254,593,287	254,593,287	-	-	-	-	-	-	-	-	-	-	-
Investments	1,882,075,268	477,987,527	325,239,200	75,582,050	493,984,963	113,777,941	136,623,274	113,777,941	39,540,011	125,268,160	48,224,107	256,804	45,848,035
Advances	1,622,607,447	506,220,285	759,970,517	188,156,432	188,156,432	20,890,595	26,388,535	45,256,618	28,990,315	-	-	-	8,528,835
Other assets	152,049,139	-	-	-	-	-	-	-	-	-	-	-	152,049,139
	4,200,012,366	1,293,208,008	1,087,371,590	682,141,395	114,098,096	157,513,869	140,166,476	84,796,629	154,258,475	48,480,911	-	-	437,976,917
Financial Liabilities													
Bills payable	51,676,520	-	-	-	-	-	-	-	-	-	-	-	51,676,520
Borrowings	579,004,938	55,070,996	317,583,438	16,682,827	34,998,781	23,588,587	3,869,837	5,081,682	13,269,544	68,249,120	45,691,808	-	-
Deposits and other accounts	3,234,176,418	271,297,675	1,483,559,841	80,627,556	94,566,914	10,639,144	-	-	18,167,433	7,987,650	1,006,254	-	1,261,242,269
Subordinated debt	18,874,000	-	18,874,000	-	-	-	-	-	-	-	-	-	-
Other liabilities	24,293,254	196,165	392,333	588,499	-	2,353,998	-	-	4,707,995	12,523,267	-	-	-
Lease Liability against right-of-use assets	171,170,133	-	-	-	-	-	-	-	-	-	-	-	-
Others	4,079,195,263	326,564,836	1,820,409,612	97,898,882	130,742,694	36,581,729	11,305,517	36,144,972	88,760,037	46,698,062	-	-	171,170,133
	120,817,103	966,643,172	(733,038,022)	584,242,513	(16,644,598)	120,932,140	128,860,959	48,651,657	65,498,438	1,782,849	-	-	1,484,088,922
On-balance sheet gap	132,958,413	-	-	-	-	-	-	-	-	-	-	-	-
Net non - financial assets	253,775,516	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet financial instruments													
Foreign exchange contracts - forward purchases	268,910,504	113,872,568	75,506,005	73,975,086	5,556,844	-	-	-	-	-	-	-	-
Foreign exchange contracts - forward sales	(134,878,509)	(82,486,646)	(27,960,540)	(19,245,422)	(5,016,085)	-	-	-	-	-	-	-	-
Government Securities transactions - forward purchases	117,020,407	115,303,606	1,331,036	385,765	-	-	-	-	-	-	-	-	-
Government Securities transactions - forward sales	(15,275,533)	(15,275,533)	-	-	-	-	-	-	-	-	-	-	-
Cross Currency Swaps - purchases	23,863,687	2,746,513	308,700	709,425	2,394,210	166,808	5,947,340	8,012,291	3,578,400	-	-	-	-
Cross Currency Swaps - sales	(30,407,998)	(3,319,106)	(452,862)	(679,293)	(3,266,252)	(169,816)	(8,918,301)	(9,073,750)	(4,528,618)	-	-	-	-
Interest rate swaps - sales	(3,033,333)	-	(208,333)	-	-	(1,000,000)	(1,625,000)	(200,000)	-	-	-	-	-
	226,199,225	130,841,402	48,524,006	55,115,429	570,891	(1,872,042)	(1,787,824)	(3,170,961)	(950,218)	-	-	-	-
Off-balance sheet gap	1,097,484,574	(684,514,016)	639,357,942	(16,073,707)	119,060,098	127,063,135	45,480,696	64,436,979	832,631	(1,046,112,005)	-	-	-
Total yield / interest risk sensitivity gap	1,097,484,574	412,970,558	1,052,328,500	1,036,254,793	1,155,314,891	1,282,378,026	1,327,858,722	1,392,295,701	1,393,128,332	347,016,327	-	-	-

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FOR THE YEAR ENDED DECEMBER 31, 2022

2021

Effective yield / interest rate	Total	Exposed to yield / interest risk										Net exposed to yield / interest risk	
		Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years			
On-balance sheet assets													
Financial Assets													
	409,528,880	12,895,269	-	-	229,238	-	-	-	-	-	-	-	396,404,373
Cash and balances with treasury banks	32,176,188	8,417,084	160,291	240,437	-	-	-	-	-	-	-	-	23,358,376
Balances with other banks	93,742,432	72,380,632	21,361,800	-	-	-	-	-	-	-	-	-	-
Lendings to financial institutions	1,905,188,657	383,920,827	351,540,025	166,178,295	55,043,262	110,953,570	98,004,866	100,211,912	51,226,889	42,884,548			
Investments	1,384,549,476	338,939,077	638,518,809	177,080,638	76,316,327	22,444,870	59,306,914	34,767,647	255,996	3,908,800			
Advances	118,806,807	-	-	-	-	-	-	-	-	-	-	-	118,806,807
Other assets	3,943,992,440	816,552,889	1,011,580,925	722,545,538	242,723,860	77,488,132	143,963,968	157,311,780	134,979,559	51,482,885			585,362,904
Financial Liabilities													
	43,853,860	-	-	-	-	-	-	-	-	-	-	-	43,853,860
Bills payable	432,261,654	56,535,735	168,761,946	43,181,498	49,448,611	11,007,311	13,779,480	16,561,509	64,962,422	8,023,142			
Borrowings	3,184,260,887	258,266,717	1,605,810,022	92,615,303	109,126,915	5,866,992	16,377,133	3,034,634	8,353,952	306,871			1,084,502,348
Deposits and other accounts	12,374,000	-	12,374,000	-	-	-	-	-	-	-			
Subordinated debt	19,528,712	157,693	315,386	473,079	946,159	1,892,317	1,892,317	3,784,634	10,067,127	-			
Other liabilities	109,348,660	-	-	-	-	-	-	-	-	-			109,348,660
Lease Liability against right-of-use assets	3,801,627,773	314,960,145	1,787,261,354	136,269,880	159,521,685	18,766,620	32,048,930	23,380,777	83,383,501	8,330,013			1,237,704,868
Others	142,364,667	501,592,744	(775,680,429)	586,275,658	83,202,175	58,721,512	111,915,038	133,931,003	51,596,058	43,152,872			(652,341,964)
On-balance sheet gap	115,564,243	257,928,910											
Off-balance sheet financial instruments													
	320,185,675	91,911,293	144,333,664	64,255,279	19,685,439	-	-	-	-	-			
Foreign exchange contracts - forward purchases	(239,848,248)	(85,954,995)	(88,456,093)	(49,772,845)	(15,664,315)	-	-	-	-	-			
Foreign exchange contracts - forward sales	27,830,190	26,993,330	836,860	-	-	-	-	-	-	-			
Government Securities transactions - forward purchases	(65,732,273)	(65,732,273)	-	-	-	-	-	-	-	-			
Government Securities transactions - forward sales	17,058,770	-	57,639	77,975	309,755	2,105,925	2,712,010	7,346,164	878,616	3,570,686			
Cross Currency Swaps - purchases	(19,308,883)	-	(73,549)	(88,257)	(353,022)	(2,382,932)	(2,899,223)	(9,010,815)	(970,815)	(3,530,270)			
Cross Currency Swaps - sales	(5,681,475)	-	(564,808)	-	-	(1,041,667)	(2,000,000)	(2,075,000)	-	-			
Interest rate swaps - sales	34,503,756	(32,782,845)	56,133,713	14,472,152	3,977,857	(1,318,674)	(2,187,213)	(3,739,651)	(92,199)	40,416			
Off-balance sheet gap	468,810,099	(250,736,617)	350,011,193	437,191,225	494,594,063	604,321,888	734,513,240	829,210,387	176,868,423				
Total yield / interest risk sensitivity gap	468,810,099	(250,736,617)	350,011,193	437,191,225	494,594,063	604,321,888	734,513,240	829,210,387	176,868,423				

Cumulative yield / interest rate risk sensitivity gap

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44.3 Enterprise Risk Management

The Enterprise Risk Management (ERM) function was set up in 2020, and is applicable to all functions within the Bank, thus ensuring a robust and consistent approach to risk management across the organization.

The Bank's Enterprise Risk Management Framework, approved by the Board, outlines the essential ERM components, principles and concepts, and suggests the use of a common ERM language, while providing a clear direction and guidance for integrated risk management within the Bank. Day-to-day responsibility for risk management is distributed through the delegation of accountability to individuals, with reporting and escalation facilitated through a governance structure. Standards, policies, and limits are well defined to ensure tasks and processes are consistently controlled.

During the year, a Bank-wide Risk and Control Repository has been created with the objective of identifying all risks and issues in a holistic manner across the entire organization and ensuring that they are adequately monitored and mitigated.

The ERM function also includes a Model Risk Management unit that provides independent review and validation of all models being used in the Bank.

44.3.1 Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

A comprehensive ORM Framework is in place which address all significant aspects of ORM. The Bank uses loss data management, Risk and Control Self Assessments and tracking of Key Risk Indicators (KRIs) to gauge the likelihood and severity of operational risk. The SAS software is used to facilitate this process. Operational Risk coordinators have been assigned from all departments of the Bank and are responsible for implementation of the Framework in coordination with the ORM department. An Operational Risk Management Committee (ORMC) monitors and oversees operational risk issues.

The Bank uses stress testing to proactively assess impact on the Bank. RCSA exercises are conducted at regular intervals across the Bank. Operational risk reports are regularly submitted to the senior management and the BRMC.

44.3.2 Business Continuity Planning (BCP)

It is the policy of the Bank to maintain a well-defined business continuity plan with clearly defined roles, responsibilities and ownership for crisis management, to ensure business continuity and IT disaster recovery. The Bank's Business Continuity Steering Committee, includes representation from the senior management of the Bank and is the governing body for BCP. It meets on a periodic basis to review key initiatives, testing results and action plans for strengthening the Bank's ability to manage crisis situations. The Bank's business continuity program complies with the regulatory framework and the leading Business Continuity Management standard, ISO 22301. The business continuity program is subject to regular internal, external and regulatory reviews and audits.

44.3.3 IT related controls

During the year, the Bank's IT controls were further strengthened, with special focus on controls around testing and quality assurance of all the products or solutions taken into production. Enhanced focus and visibility was given to IT Audit and Compliance, and several control / monitoring and technology hygiene initiatives were launched in close coordination with the Internal Audit and Global Compliance. A formal procedure for IT Risk Management was introduced to identify and mitigate potential risks in a centralized manner. This has been further aligned with the Enterprise Technology Governance and Risk Management (ETGRM) framework. IT Risk Coordinators, aligned with the enterprise-wide Risk Coordinators have been introduced to ensure that risks are reported and coordinated regularly. An IT Risk Register has been developed to track and monitor IT risks; the process will be automated in 2023 aligned with other areas of the Bank.

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FOR THE YEAR ENDED DECEMBER 31, 2022

Controls around 'Cloud Computing' were put in place as per the directives and framework provided by the SBP. IT introduced better visibility of its services management function by revamping existing processes and introducing new processes for effective controls and visibility across the Bank. The IT Steering Committee discipline was established at all international locations to bring efficiency and effectiveness in technology governance and operations.

44.3.4 Information Security Risk

It is vitally important for the Bank to protect its customers and their data from cyberattacks and to provide secure banking services. Information Security plays a pivotal role in protecting the Bank's data assets from both internal and external threats through effective cyber security risk management, supported by preventive and detective controls capable of responding to emerging external threats.

Targeted and frequent information security awareness initiatives for customers and employees were launched using multiple delivery channels, to elevate their level of awareness and better equip them to counter security challenges. Significant progress has also been made in raising information security standards at international locations to a level consistent with the policies, standards, and controls implemented for the domestic business.

Moving forward, the Bank plans to strengthen its cyber-defenses through the use of automation and modern technologies, in particular, AI and machine learning. Furthermore, the Bank will work towards further alignment of its information security operations center with international best practices.

Customers are an important component of the security process and continuous customer education about cyber risks will remain an important component of our defense strategy. These security measures will allow the Bank to continue offering innovative digital solutions to its clients while ensuring them protection and peace of mind.

44.4 Liquidity Risk Management

Liquidity risk is the risk that the Bank may be unable to meet its cash obligations as they become due, or to fund assets, at a reasonable cost, because of the inability to liquidate assets, or to obtain adequate funding.

The Bank follows a comprehensive liquidity risk management policy duly approved by the Board. The policy provides guidelines for establishing a robust liquidity risk management framework which helps in identifying the key liquidity and funding risks to which the bank is exposed, describes how these risks are identified, measured, monitored and reported, and prescribes the techniques and resources used to manage and mitigate these risks. The policy stipulates maintenance of various ratios, funding preferences, and evaluation of the Bank's liquidity under normal and crisis situations (stress testing). The Bank also has a Contingency Funding Plan in place to address liquidity issues in times of crisis. This plan identifies early warning indicators to preempt unforeseen liquidity crises. Triggers are used to ascertain potential stress scenarios.

The Bank's ALCO is responsible for the formulation of overall strategy and oversight of asset and liability management. Liquidity Risk is monitored using a range of metrics, including Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR); liquidity gaps and various liquidity ratios are regularly monitored by Market Risk Management. Liquidity risk is reviewed by ALCO on a monthly basis and an update is provided to the BRMC on a quarterly basis.

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FOR THE YEAR ENDED DECEMBER 31, 2022

44.4.1 Maturities of Assets and Liabilities - based on contractual maturity of the assets and liabilities of the Bank

		2022													
		Total	Upto 1 day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 month	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 to 9 months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
----- (Rupees in '000) -----															
Assets															
Cash and balances with treasury banks	257,368,084	256,289,743	999,976	-	78,365	-	-	-	-	-	-	-	-	-	-
Balances with other banks	31,319,141	16,540,351	-	-	12,127,747	-	2,083,508	-	-	-	-	-	-	-	-
Lendings to financial institutions	254,593,287	-	254,593,287	-	-	-	-	-	-	-	-	-	-	-	-
Investments	1,882,075,268	-	-	-	125,747,706	-	235,284,800	84,050,205	249,569,755	207,872,101	324,793,532	111,986,622	434,675,047	108,095,500	
Advances	1,622,607,447	257,479,213	99,585,149	18,549,526	18,915,499	35,756,783	26,788,771	59,302,036	78,559,746	96,478,225	207,272,291	182,647,435	220,030,191	321,242,582	
Fixed assets	109,326,287	7,287,444	139,864	162,942	395,716	708,021	708,021	2,124,062	2,124,062	2,124,062	8,496,246	8,496,244	9,123,881	67,435,922	
Intangible assets	11,840,205	5,187,628	25,611	29,880	72,565	129,835	129,835	389,505	389,505	389,505	1,558,022	1,558,024	1,980,290	-	
Deferred tax assets	16,939,758	5,498	32,991	38,489	93,474	1,059,329	1,059,329	1,407,100	749,562	749,562	53,607	1,897,521	4,057,179	5,736,117	
Other assets	169,027,440	957,390	57,366,525	6,692,612	15,312,835	23,663,363	21,650,798	54,958,141	13,858,291	13,856,291	11,913,452	175,125	-	230,617	
	4,355,096,917	543,747,267	361,113,203	25,473,449	172,743,907	61,337,331	287,705,062	202,231,049	345,250,921	322,039,281	554,087,150	306,760,971	669,866,588	502,740,738	
Liabilities															
Bills payable	51,676,520	51,676,520	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	579,004,938	348,674	22,624,531	36,114,622	172,380	131,873,741	44,024,208	185,372,153	19,846,991	51,895,548	949,508	690,690	15,771,055	69,320,837	
Deposits and other accounts	3,234,176,418	2,684,008,937	38,605,900	25,892,005	43,348,314	41,124,471	70,093,657	153,988,139	47,318,912	88,168,502	18,653,854	9,018,016	6,931,134	7,024,577	
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-	-	-	18,874,000	
Other liabilities															
Lease Liability against right-of-use asset	24,293,254	6,448	38,696	45,145	109,638	196,166	196,166	588,499	588,499	588,499	2,353,998	2,353,998	4,707,997	12,519,505	
Others	193,296,271	6,139,848	36,839,089	42,978,937	101,270,833	6,067,564	6,067,564	-	-	-	-	-	-	-	
	4,101,321,401	2,742,180,427	98,108,216	105,030,709	144,901,165	173,194,378	120,381,595	339,948,791	67,754,402	140,652,549	21,957,360	12,062,704	27,410,186	107,738,919	
Net assets	253,775,516	(2,198,433,160)	263,004,987	(79,557,260)	27,842,742	(11,857,047)	167,323,467	(137,717,742)	277,496,519	181,386,732	532,129,790	294,698,267	642,456,402	395,001,819	
Share capital	14,668,525														
Reserves	71,735,697														
Surplus on revaluation of assets	1,984,774														
- net of tax	165,386,520														
Unappropriated profit	253,775,516														

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FOR THE YEAR ENDED DECEMBER 31, 2022

2021

Total	Upto 1 day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 month	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 to 9 months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
Assets													
Cash and balances with treasury banks	394,974,665	9,687,044	702,262	1,404,524	-	-	-	-	2,760,465	-	-	-	-
Balances with other banks	32,176,188	1,756,464	1,387,594	2,158,380	174,780	264,890	-	-	19,893	-	-	-	-
Lendings to financial institutions	93,742,432	-	19,591,484	9,836,081	1,700,000	19,661,800	-	-	-	-	-	-	-
Investments	1,905,188,657	-	5,207,468	8,727,431	42,920,793	185,702,605	153,894,542	128,654,920	38,788,000	347,161,076	147,723,407	313,942,475	526,943,484
Advances	1,384,549,476	320,952,766	66,865,284	9,468,319	18,781,666	38,969,292	32,086,566	65,944,906	69,876,287	143,784,983	122,527,250	158,988,980	251,205,913
Fixed assets	94,158,252	7,504,254	102,890	120,038	291,521	521,594	1,564,781	1,564,781	1,564,781	6,259,126	6,259,126	7,135,962	60,747,804
Intangible assets	6,613,409	2,036,995	17,618	20,555	49,919	89,316	267,947	267,947	267,947	1,071,788	1,071,788	1,362,273	-
Deferred tax assets	3,744,933	441	3,088	7,499	115,999	144,361	68,749	68,749	68,749	914,047	699,026	1,443,676	160,652
Other assets	144,885,979	1,215,137	7,290,822	8,505,959	18,897,948	14,973,455	37,530,003	9,716,624	9,496,788	21,603,331	280,134	-	402,323
	4,074,588,206	753,098,365	134,001,292	45,006,767	60,154,969	253,396,225	278,715,898	206,217,927	122,842,910	520,794,351	278,560,731	482,873,366	839,460,176

Liabilities													
Bills payable	43,853,860	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	432,261,654	618,796	46,479,498	4,812,910	131,854,096	36,907,850	43,181,498	4,552,558	44,896,053	11,007,311	13,779,480	16,561,509	72,985,564
Deposits and other accounts	3,184,260,887	2,564,013,824	60,505,024	146,940,772	79,596,903	79,596,903	67,924,829	48,625,557	48,625,557	6,985,441	17,952,006	2,997,806	8,634,816
Subordinated debt	12,374,000	-	-	-	-	-	-	-	-	-	-	-	12,374,000
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Liability against right-of-use asset	19,528,712	5,184	36,291	88,135	157,693	157,693	473,079	473,079	473,079	1,892,317	1,892,317	3,794,634	10,064,104
Others	124,380,183	3,890,088	27,230,618	62,302,833	1,224,253	1,224,253	1,359,012	629,152	629,152	313,312	300,853	1,865,403	70,724
	3,816,659,296	2,612,381,752	79,857,617	134,251,431	214,144,650	117,886,699	112,838,418	54,280,346	94,623,841	20,196,381	33,924,656	25,209,352	104,129,208
Net assets	257,928,910	(1,859,283,387)	(89,244,664)	(153,989,881)	(113,367,716)	(135,509,526)	(165,777,460)	(151,937,581)	(28,219,069)	500,595,970	244,636,075	457,664,014	735,330,968

Share capital	14,668,525
Reserves	69,678,669
Surplus on revaluation of assets	-
- net of tax	25,189,245
Unappropriated profit	148,392,471
	257,928,910

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44.4.2 Maturities of assets and liabilities - based on expected maturities of the assets and liabilities of the Bank

Assets and liabilities which have contractual maturities have been reported as per their remaining maturities. Assets and liabilities which do not have any contractual maturities have been reported as per their expected maturities calculated on the basis of a behavioral study approved by ALCO.

	2022									
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
Assets										
Cash and balances with treasury banks	257,368,084	171,749,079	4,828,207	9,287,517	12,764,975	10,032,402	6,963,382	9,341,767	16,665,452	15,735,303
Balances with other banks	31,319,141	30,751,606	-	-	567,535	-	-	-	-	-
Lendings to financial institutions	254,593,287	254,593,287	-	-	-	-	-	-	-	-
Investments	1,882,075,268	125,747,707	235,284,801	84,050,205	249,569,755	207,872,101	324,793,532	111,986,621	434,675,046	108,095,500
Advances	1,622,607,447	230,632,596	108,932,586	61,126,791	167,078,826	256,692,413	200,534,646	251,000,941	273,966,637	72,642,011
Fixed assets	109,326,287	7,972,187	1,416,041	2,124,062	4,248,123	8,496,246	8,496,246	9,133,139	13,180,737	54,259,506
Intangible assets	11,840,205	5,313,194	259,670	389,505	779,011	1,558,022	1,558,022	1,982,781	-	-
Deferred tax assets	16,939,758	1,307,177	2,444,201	843,969	2,543,210	(1,030,533)	3,910,531	2,265,361	7,463,704	(2,807,862)
Other assets	169,027,440	26,559,040	46,946,801	55,922,276	27,201,525	12,321,999	-	75,799	-	-
	4,355,096,917	854,625,873	400,112,307	213,744,325	464,752,960	495,942,650	546,256,359	385,786,409	745,951,576	247,924,458
Liabilities										
Bills payable	51,676,520	20,107,377	-	31,569,143	-	-	-	-	-	-
Borrowings	579,004,938	325,962,732	57,362,510	52,353,543	8,561,852	16,495,756	6,892,747	20,084,490	91,101,987	189,301
Deposits and other accounts	3,234,176,418	775,306,145	190,508,075	302,434,603	390,326,221	275,530,836	190,033,031	250,688,768	444,835,869	414,512,870
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	18,874,000
Other liabilities										
Lease Liability against right-of-use asset	24,293,255	196,166	392,333	588,499	1,176,999	2,353,998	2,353,998	4,707,995	12,523,267	-
Others	193,296,270	71,154,869	37,932,790	14,062,252	4,153,895	9,263,623	7,700,367	15,400,734	33,491,579	136,161
	4,101,321,401	1,192,727,309	286,195,708	401,008,040	404,218,967	303,644,213	206,980,143	290,881,987	581,952,702	433,712,332
Net assets	253,775,516	(338,101,436)	113,916,599	(187,263,715)	60,533,993	192,298,437	339,276,216	94,904,422	163,998,874	(185,787,874)
Share capital	14,668,525									
Reserves	71,735,697									
Surplus on revaluation of assets - net of tax	1,984,774									
Unappropriated profit	165,386,520									
	253,775,516									

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2021

	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
(Rupees in '000)										
Assets										
Cash and balances with treasury banks	409,528,880	275,459,560	12,238,923	7,302,617	25,068,426	18,784,034	9,812,757	13,623,858	23,246,600	23,992,105
Balances with other banks	32,176,188	31,716,625	439,670	-	19,893	-	-	-	-	-
Lendings to financial institutions	93,742,432	72,380,632	21,361,800	-	-	-	-	-	-	-
Investments	1,905,188,657	19,457,355	228,623,398	153,894,542	167,442,921	347,161,076	147,723,407	313,942,475	428,162,687	98,780,796
Advances	1,384,549,476	144,892,520	103,583,017	111,032,907	177,829,742	198,737,778	169,421,630	228,250,977	126,583,454	124,217,451
Fixed assets	94,158,252	8,008,700	1,043,188	1,564,781	3,129,563	6,259,126	6,259,126	7,142,162	11,391,867	49,359,739
Intangible assets	6,613,409	2,123,375	178,631	267,947	535,894	1,071,788	1,071,788	1,363,986	-	-
Deferred tax assets	3,744,933	13,809	231,999	144,220	137,473	913,994	699,130	1,443,688	3,311,267	(3,150,627)
Other assets	144,885,979	35,173,250	33,837,768	35,622,399	18,111,288	21,699,101	281,044	-	161,129	-
	4,074,588,206	589,225,826	401,538,394	309,829,413	392,275,200	594,626,897	335,268,882	565,767,126	592,857,004	293,199,464
Liabilities										
Bills payable	43,853,860	8,024,142	853,089	34,976,629	-	-	-	-	-	-
Borrowings	432,261,654	56,535,735	168,761,946	43,181,498	49,448,611	11,007,311	13,779,480	16,561,509	64,962,422	8,023,142
Deposits and other accounts	3,184,260,887	799,120,660	236,515,638	177,995,881	411,896,189	329,735,505	172,222,036	239,030,828	402,786,978	414,957,172
Subordinated debt	12,374,000	-	-	-	-	-	-	-	-	12,374,000
Other liabilities										
Lease Liability against right-of-use asset	19,528,712	157,693	315,386	473,079	946,159	1,892,317	1,892,317	3,784,634	10,067,127	-
Others	124,380,183	32,678,292	36,635,603	15,482,104	20,505,533	3,650,459	963,405	1,926,810	12,394,619	143,358
	3,816,659,296	896,516,522	443,081,662	272,109,191	482,796,492	346,285,592	188,857,238	261,303,781	490,211,146	435,497,672
Net assets	257,928,910	(307,290,696)	(41,543,268)	37,720,222	(90,521,292)	248,341,305	146,411,644	304,483,345	102,645,858	(142,298,208)
Share capital	14,668,525									
Reserves	69,678,669									
Surplus on revaluation of assets - net of tax	25,189,245									
Unappropriated profit	148,392,471									
	257,928,910									

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

44.5 Derivatives Risk

The policy guidelines for derivatives exposures are approved by the Board on the recommendation of the BRMC.

The responsibility for derivatives activity lies with the Treasury and Global Markets business. Measurement and monitoring of market and credit risk limits and exposure, and their reporting to senior management and the Board is done by Market Risk Management (MRM) which, in coordination with the business, also presents limits for review and approval to ALCO and the BRMC. Treasury Operations records derivatives activity in the Bank's books, executes settlements of trades and carries out regulatory reporting to the SBP.

44.5.1 Credit Risk

Credit risk is the risk of non-performance by a counterparty which could result in an adverse impact on the Bank's profitability. The credit risk associated with derivative transactions is categorized into settlement risk and pre-settlement risk. Pre-settlement and settlement risk limits for derivative transactions are determined and monitored daily using an approved framework.

44.5.2 Market Risk

The Bank, as a policy, hedges all Options transactions back-to-back. The Bank minimizes the exchange rate risk on its Cross Currency Swaps portfolio by hedging the exposure in the interbank market on a rolling basis. The Bank also manages the interest rate risk of Interest Rate Derivatives and Cross Currency Swaps through Price Value of a Basis Point (PVBP) limits which are monitored and reported by MRM to senior management on a daily basis. These limits are approved by ALCO annually and then approved by the Board on the recommendation of the BRMC.

44.5.3 Operational Risk

The Bank has put in place a robust control framework for derivatives transactions. Front office staff dealing in derivatives have the requisite training and experience to conduct this business; responsibilities have been divided amongst the Structuring Desk (tasked with the overall ownership of derivatives and structured products), Treasury Sales (who are involved in marketing and executing transactions with the Bank's client base) and Trading (which proactively manages the risk from a business perspective).

A detailed product program, approved by the Board, governs the entire value chain for derivatives, including credit and market risk management, booking, sales and settlement. There is a clear segregation of duties whereby operational aspects are handled by Treasury Operations, whereas all risk issues are the responsibility of the Risk department. A Treasury Middle Office function, reporting into Risk, carries out daily monitoring of exposures, while, Compliance monitors any deviation from approved policies and procedures. Internal Audit also regularly reviews systems, transactional processes, accounting practices and end-user roles and responsibilities as part of their reviews of this function.

44.5.4 Liquidity Risk

The types of derivative transactions entered into by HBL are typically straightforward, or 'vanilla' transactions, whereby the Bank is exposed to a negligible amount of liquidity risk.

45 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

- 45.1 The Board of Directors, in its meeting held on February 24, 2023, has proposed a final cash dividend of Rs 1.50 per share for the year 2022. This is in addition to the Rs 5.25 already paid during the year bringing the total dividend for the year to Rs 6.75 per share (2021: Rs 7.50 per share). This appropriation is expected to be approved by the shareholders in the forthcoming Annual General Meeting. The unconsolidated financial statements for the year ended December 31, 2022 do not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending December 31, 2023.

46 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on February 24, 2023.

47 GENERAL

- 47.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

Muhammad Aurangzeb
President and
Chief Executive Officer

Rayomond Kotwal
Chief Financial Officer

Moez Ahamed Jamal
Director

Salim Raza
Director

Khaleel Ahmed
Director

**Islamic banking business - Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANNEXURE-I

Details of the Islamic banking business for the year ended December 31, 2022 is disclosed in Annexure I of the consolidated financial statements.

**Details of advances written-off - Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANNEXURE-II

Details of advances written-off for the year ended December 31, 2022 are disclosed in Annexure II of the consolidated financial statements.

**Details of disposal of fixed assets to related parties- Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANNEXURE-III

The particulars of fixed assets sold to related parties, other than through a regular auction, are given below:

Description	Original cost	Accumulated depreciation	Book Value	Sale proceeds	Mode of disposal	Particulars of buyer
------(Rupees in '000)-----						
Electrical, Office and Computer Equipment	3,933	2,961	972	1,700	Insurance Claim	Jubilee General Insurance Limited
Leasehold Improvements	9,112	4,490	4,622	2,914	Insurance Claim	Jubilee General Insurance Limited
Furniture & Fixtures	434	256	178	195	Insurance Claim	Jubilee General Insurance Limited
Vehicles	1,481	807	674	1,165	Insurance Claim	Jubilee General Insurance Limited
Total	<u>14,960</u>	<u>8,514</u>	<u>6,446</u>	<u>5,974</u>		

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2022

No. of Shareholders	Shareholding's Slab		Total Shares Held
	From	To	
23,440	1	100	647,885
61,904	101	500	13,505,547
2,635	501	1000	2,010,909
2,753	1001	5000	6,045,030
534	5001	10000	4,047,151
255	10001	15000	3,270,159
150	15001	20000	2,675,401
88	20001	25000	2,047,752
76	25001	30000	2,148,000
57	30001	35000	1,875,913
44	35001	40000	1,675,787
31	40001	45000	1,331,170
46	45001	50000	2,256,511
23	50001	55000	1,215,133
25	55001	60000	1,467,423
14	60001	65000	884,849
24	65001	70000	1,617,725
22	70001	75000	1,611,148
14	75001	80000	1,095,976
8	80001	85000	663,149
14	85001	90000	1,237,966
8	90001	95000	740,439
32	95001	100000	3,183,196
12	100001	105000	1,238,040
3	105001	110000	322,495
9	110001	115000	1,018,962
8	115001	120000	943,884
5	120001	125000	615,252
6	125001	130000	768,331
5	130001	135000	664,705
2	135001	140000	277,500
1	140001	145000	143,220
7	145001	150000	1,046,000
7	150001	155000	1,063,533
5	155001	160000	789,335
3	160001	165000	487,818
6	165001	170000	1,004,208
4	170001	175000	689,968
5	175001	180000	889,056
1	180001	185000	185,000
3	185001	190000	557,703
1	190001	195000	192,000
13	195001	200000	2,595,202
2	200001	205000	402,541
4	205001	210000	834,334
3	215001	220000	657,233
1	225001	230000	228,800
1	230001	235000	230,700
1	235001	240000	236,532
1	240001	245000	244,779
8	245001	250000	2,000,000
3	250001	255000	761,600
4	260001	265000	1,055,768
3	265001	270000	801,528
3	270001	275000	819,346
2	275001	280000	559,464
2	280001	285000	564,657

No. of Shareholders	Shareholding's Slab		Total Shares Held
	From	To	
2	285001	290000	576,768
3	290001	295000	881,506
5	295001	300000	1,497,000
1	300001	305000	302,000
2	305001	310000	619,240
3	310001	315000	942,380
1	320001	325000	325,000
2	330001	335000	661,450
2	340001	345000	686,445
2	345001	350000	695,659
1	355001	360000	359,085
1	360001	365000	363,600
3	370001	375000	1,119,560
1	375001	380000	377,500
1	380001	385000	381,017
2	385001	390000	773,113
1	390001	395000	393,673
6	395001	400000	2,393,300
2	400001	405000	802,300
1	405001	410000	409,000
2	410001	415000	822,600
1	420001	425000	421,213
1	425001	430000	425,032
1	430001	435000	432,736
2	435001	440000	872,202
2	445001	450000	895,435
1	450001	455000	454,718
1	455001	460000	455,500
3	475001	480000	1,432,548
1	485001	490000	488,881
2	490001	495000	985,803
3	495001	500000	1,500,000
1	500001	505000	504,700
1	515001	520000	516,458
1	520001	525000	520,650
1	525001	530000	528,043
1	535001	540000	537,500
1	540001	545000	542,101
2	545001	550000	1,090,163
3	570001	575000	1,719,831
1	575001	580000	580,000
1	585001	590000	586,000
1	590001	595000	592,362
2	600001	605000	1,205,312
3	610001	615000	1,838,400
1	620001	625000	621,126
1	630001	635000	631,386
1	655001	660000	657,809
2	660001	665000	1,323,464
1	665001	670000	667,821
2	670001	675000	1,342,693
1	695001	700000	700,000
1	700001	705000	701,670
1	705001	710000	709,700
1	740001	745000	744,631
2	755001	760000	1,516,153
1	790001	795000	793,044

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2022

No. of Shareholders	Shareholding's Slab		Total Shares Held
	From	To	
1	795001	800000	796,200
1	805001	810000	806,287
1	810001	815000	811,349
1	820001	825000	821,798
1	830001	835000	830,990
2	845001	850000	1,696,151
1	850001	855000	851,530
1	865001	870000	869,303
1	870001	875000	873,321
1	880001	885000	882,321
1	895001	900000	898,000
1	900001	905000	904,883
1	920001	925000	924,879
1	930001	935000	933,351
1	940001	945000	940,747
1	965001	970000	966,000
1	995001	1000000	1,000,000
1	1025001	1030000	1,028,289
1	1055001	1060000	1,055,226
1	1085001	1090000	1,089,311
1	1115001	1120000	1,115,153
1	1130001	1135000	1,134,501
1	1135001	1140000	1,136,475
1	1155001	1160000	1,158,707
1	1170001	1175000	1,172,373
1	1185001	1190000	1,185,496
1	1205001	1210000	1,206,400
1	1220001	1225000	1,225,000
1	1315001	1320000	1,319,114
1	1330001	1335000	1,334,725
1	1390001	1395000	1,391,151
1	1500001	1505000	1,500,918
1	1525001	1530000	1,525,910
2	1545001	1550000	3,097,628
1	1550001	1555000	1,551,577
1	1555001	1560000	1,558,176
1	1580001	1585000	1,583,505
1	1605001	1610000	1,607,219
1	1660001	1665000	1,661,002
2	1695001	1700000	3,398,637
1	1705001	1710000	1,710,000
1	1715001	1720000	1,719,388
1	1755001	1760000	1,756,267
4	1845001	1850000	7,391,855
2	1995001	2000000	4,000,000
1	2045001	2050000	2,050,000
1	2090001	2095000	2,095,000
1	2180001	2185000	2,183,886
1	2235001	2240000	2,237,824
1	2345001	2350000	2,347,488
1	2405001	2410000	2,408,094
1	2435001	2440000	2,436,126
1	2440001	2445000	2,441,600
1	2455001	2460000	2,458,394
1	2495001	2500000	2,497,833
1	2505001	2510000	2,507,100

No. of Shareholders	Shareholding's Slab		Total Shares Held
	From	To	
1	2575001	2580000	2,575,973
1	2595001	2600000	2,600,000
1	2605001	2610000	2,606,288
1	2635001	2640000	2,639,039
1	2740001	2745000	2,742,908
1	2905001	2910000	2,908,200
2	2995001	3000000	6,000,000
1	3170001	3175000	3,173,226
1	3195001	3200000	3,195,084
1	3315001	3320000	3,316,363
1	3525001	3530000	3,527,317
1	3710001	3715000	3,710,315
1	3720001	3725000	3,724,974
1	3805001	3810000	3,806,606
1	3945001	3950000	3,950,000
1	3955001	3960000	3,956,400
1	4095001	4100000	4,100,000
1	4265001	4270000	4,270,000
1	4520001	4525000	4,525,000
1	4530001	4535000	4,532,116
1	4600001	4605000	4,601,617
1	4790001	4795000	4,792,700
1	4995001	5000000	5,000,000
1	5180001	5185000	5,181,835
1	5275001	5280000	5,275,806
1	5470001	5475000	5,474,321
1	5730001	5735000	5,734,029
1	5790001	5795000	5,791,162
1	5795001	5800000	5,798,654
1	6295001	6300000	6,298,686
1	8345001	8350000	8,345,972
1	8450001	8455000	8,451,327
1	8995001	9000000	9,000,000
1	9730001	9735000	9,731,331
1	10690001	10695000	10,694,807
1	10810001	10815000	10,811,971
1	11335001	11340000	11,335,728
1	11475001	11480000	11,475,635
1	13945001	13950000	13,949,982
1	14695001	14700000	14,700,000
1	15010001	15015000	15,010,900
1	15385001	15390000	15,387,286
1	15925001	15930000	15,926,666
1	20930001	20935000	20,931,707
1	29620001	29625000	29,623,714
1	30535001	30540000	30,537,658
1	31295001	31300000	31,300,000
1	33245001	33250000	33,246,975
1	73340001	73345000	73,342,000
1	748090001	748095000	748,094,778
92,551			1,466,852,508

TRADING BY EXECUTIVES

SHARES TRADING (SALE/PURCHASE)

HBL – Executives and their dependents (Spouse and Minor Children)

Sr. No.	Name	Purchased	Sold
1	Mrs. Amna Daudi	1,000	-
2	Mr. Sagheer Mufti	-	283,150
3	Mr. Umer Anwar	-	5,100
4	Mr. Mian Ejaz Ahmad	-	24,500
5	Mr. Rahim Jalaluddin Furniturewala (Spouse of HBL Executive)	500	1,210
6	Mr. Irtiza Haider	-	1,898
7	Mr. Muhammad Saqib H. Choudhry	50,000	-
8	Mr. Noman Sadiq Qureshi	-	4,500
9	Mr. Usman Ahmed	-	2,156
10	Mr. Amjad Mahmood	1,500	-
11	Mr. Muhammad Faisal Malik	-	6,547
12	Mr. Salman Ali Jafri	-	5,000
13	Syed Hasan Zia	-	13,217

For the purpose of Clause 5.6.1 and 5.6.4 of the Rule Book of the Pakistan Stock Exchange (PSX), the expression “executive” means the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary by whatever name called, and other employees of the Bank whose annual basic salary equals or exceeds to **Rs. 2.0 million** for the year 2022.

HBL – Directors

Sr. No.	Name	Purchased	Sold
1	Dr. Najeeb Samie	25,500	-

CATEGORIES OF SHAREHOLDERS

AS AT DECEMBER 31, 2022

Particulars	Shareholders	Shares Held	Percentage
Shareholders holding five percent or more voting rights			
AGA KHAN FUND FOR ECONOMIC DEVELOPMENT	1	748,094,778	51.00
CDC GROUP PLC	1	73,342,000	4.99
Directors, Chief Executive officer, and their spouse and minor children			
MR. MUHAMMAD AURANGZEB	1	283,150	0.02
DR. NAJEEB SAMIE	1	50,500	0.00
MS. SABA KAMAL	2	12,410	0.00
SYED SALIM RAZA	1	600	0.00
MR. KHALEEL AHMED	1	10	0.00
Associated Companies, Undertakings and Related Parties			
JUBILEE LIFE INSURANCE COMPANY LIMITED	1	33,246,975	2.27
TRUSTEES OF HABIB BANK LTD EMPLOYEES PROVIDENT FUND	1	13,949,982	0.95
TRUSTEES OF HBL DEFERRED REMUNERATION TRUST FUND	1	5,791,162	0.39
TRUSTEE- HBL EMPLOYEES PENSION FUND TRUST	1	5,474,321	0.37
JUBILEE GENERAL INSURANCE COMPANY LIMITED	1	4,270,000	0.29
TRUSTEE HBL EMPLOYEES GRATUITY FUND TRUST	1	2,639,039	0.18
THE AGA KHAN UNIVERSITY FOUNDATION	1	1,185,496	0.08
CDC - TRUSTEE HBL FINANCIAL SECTOR INCOME FUND PLAN I - MT	1	1,028,289	0.07
CDC - TRUSTEE HBL INCOME FUND - MT	1	940,747	0.06
CDC - TRUSTEE HBL INVESTMENT FUND	1	173,998	0.01
CDC - TRUSTEE HBL - STOCK FUND	1	137,500	0.01
HBL DEFERRED REMUNERATION TRUST FUND	1	14,239	0.00
Executives	182	1,638,436	0.11
NIT and ICP	1	1,558,176	0.11
Banks, Development Financial Institutions and Non-Banking Financial Institutions	22	41,961,113	2.86
Insurance Companies	19	36,491,627	2.49
Modarabas and Mutual Funds			
CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	1	20,195	0.00
CDC - TRUSTEE ABL STOCK FUND	1	3,173,226	0.22
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	199,733	0.01
CDC - TRUSTEE AL HABIB STOCK FUND	1	10,000	0.00
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	1	281,507	0.02
CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	1	23,724	0.00
CDC - TRUSTEE ALFALAH GHP STOCK FUND	1	592,362	0.04
CDC - TRUSTEE ALFALAH GHP VALUE FUND	1	151,300	0.01
CDC - TRUSTEE ALLIED FINERGY FUND	1	127,456	0.01
CDC - TRUSTEE APF-EQUITY SUB FUND	1	255,000	0.02
CDC - TRUSTEE ATLAS INCOME FUND - MT	1	251,600	0.02
CDC - TRUSTEE ATLAS STOCK MARKET FUND	1	3,195,084	0.22
CDC - TRUSTEE AWT STOCK FUND	1	43,400	0.00
CDC - TRUSTEE FAYSAL MTS FUND - MT	1	3,527,317	0.24
CDC - TRUSTEE FAYSAL STOCK FUND	1	10,500	0.00
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	1	45,300	0.00
CDC - TRUSTEE GOLDEN ARROW STOCK FUND	1	450,000	0.03
CDC - TRUSTEE JS LARGE CAP. FUND	1	228,800	0.02
CDC - TRUSTEE JS PENSION SAVINGS FUND - EQUITY ACCOUNT	1	98,300	0.01
CDC - TRUSTEE LAKSON EQUITY FUND	1	516,458	0.04
CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	1	297,000	0.02
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	5,275,806	0.36
CDC - TRUSTEE NBP BALANCED FUND	1	313,880	0.02
CDC - TRUSTEE NBP FINANCIAL SECTOR FUND	1	600,384	0.04
CDC - TRUSTEE NBP FINANCIAL SECTOR INCOME FUND - MT	1	904,883	0.06
CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	1	631,386	0.04
CDC - TRUSTEE NBP PAKISTAN GROWTH EXCHANGE TRADED FUND	1	50,416	0.00
CDC - TRUSTEE NBP SARMAYA IZAFAT FUND	1	435,167	0.03
CDC - TRUSTEE NBP SAVINGS FUND - MT	1	528,043	0.04
CDC - TRUSTEE NBP STOCK FUND	1	11,335,728	0.77
CDC - TRUSTEE NIT ASSET ALLOCATION FUND	1	132,823	0.01

CATEGORIES OF SHAREHOLDERS

AS AT DECEMBER 31, 2022

Particulars	Shareholders	Shares Held	Percentage
CDC - TRUSTEE NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND	1	34,684	0.00
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	2,497,833	0.17
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	1	146,000	0.01
CDC - TRUSTEE UBL ASSET ALLOCATION FUND	1	50,300	0.00
CDC - TRUSTEE UBL DEDICATED EQUITY FUND	1	103,500	0.01
CDC - TRUSTEE UBL FINANCIAL SECTOR FUND	1	1,847,948	0.13
CDC - TRUSTEE UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND	1	34,695	0.00
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	1	662,669	0.05
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	1	4,532,116	0.31
CDC - TRUSTEE UNIT TRUST OF PAKISTAN	1	476,000	0.03
CDC-TRUSTEE NITPF EQUITY SUB-FUND	1	59,500	0.00
MC FSL - TRUSTEE JS GROWTH FUND	1	1,206,400	0.08
MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	1	4,343	0.00
ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	1	176,232	0.01
General Public			
a. Local	91,662	121,191,605	8.26
b. Foreign	201	783,120	0.05
Foreign Companies	64	86,474,400	5.90
Others (includes Trusts, Trading Companies / Corporations, Provident Funds, Gratuity Funds, Brokerage Houses etc.)	335	240,579,837	16.40
Total	92,551	1,466,852,508	100.00

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 81st Annual General Meeting of Habib Bank Limited will be held on Wednesday, March 29, 2023, at 10:00 a.m. at Serena Hotel, Islamabad, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Accounts (consolidated and unconsolidated) of the Bank for the year ended December 31, 2022, together with the Reports of the Directors and Auditors thereon.
2. To approve payment of a Final Cash Dividend of Rs. 1.50 per share, i.e. 15% for the year ended December 31, 2022, as recommended by the Board of Directors as at close of business on March 21, 2023. This is in addition to the Interim Cash Dividend of Rs. 5.25 per share (i.e. 52.5%) already paid.
3. To appoint Auditors of the Bank for the year ending December 31, 2023 at a fee of Rs. 41.899 million, net of applicable taxes. The retiring Auditors, M/s. KPMG Taseer Hadi & Co. Chartered Accountants, being eligible, have offered themselves for reappointment.

Any Other Business:

4. To consider any other business with the permission of the Chair.

By Order of the Board

March 8, 2023
Karachi

Uzman Naveed Chaudhary
Company Secretary

Notes:

1. The Register of Members and the Share Transfer Books will remain closed from March 22, 2023 to March 29, 2023 (both days inclusive) for the purpose of the Annual General Meeting.
2. Only those persons whose names appear in the Register of Members of the Bank as at March 21, 2023 will be entitled to attend and vote at the Annual General Meeting.
3. A Member entitled to attend and vote at the Annual General Meeting may appoint another Member as his/her proxy to attend and vote for him/her provided that a corporation may appoint as its proxy a person who is not a Member but is duly authorised by the corporation. Proxies must be received at the Registered Office of the Bank not less than 48 hours before the time of the holding of the Annual General Meeting.
4. Members are requested to notify immediately any changes in their registered address to Banks' Share Registrar, CDC Share Registrar Services Limited, CDC House 99-B, Block 'B', Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), Main Shahra-e-Faisal, Karachi - 74400.
5. CDC Account Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
6. Pursuant to Section 150 of the Income Tax Ordinance, 2001, withholding tax on dividend paid will be deducted for 'Filer' and 'Non-Filer' shareholders at 15% and 30% respectively. All shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names along with their valid CNICs/ NTN's are entered into ATL, before the date of payment of cash dividend i.e., March 29, 2023; enabling the Bank to make required tax deduction on the amount of cash dividend.

According to the FBR, withholding tax in case of joint shareholders accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal shareholder as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are requested to provide the shareholding proportions of the principal shareholder and the joint holder(s) in respect of shares held by them to Banks' Share Registrar, CDC Share Registrar Services Limited in writing. In case the required information is not provided to Banks' Registrar it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s).

A. Requirements for attending the Annual General Meeting:

- (i) In the case of individuals, the account holder or sub-account holder whose registration details are uploaded as per the Central Depository Company of Pakistan Limited Regulations, shall authenticate his/her identity by showing his/ her valid original Computerized National Identity Card (CNIC) or original passport at the time of attending the Annual General Meeting.
- (ii) In case of a corporate entity, the Board of Directors' resolution/power of attorney, with specimen signature of the nominee, shall be produced at the time of the Annual General Meeting, unless it has been provided earlier.

B. Requirements for appointing Proxies:

- (iii) In case of individuals, the account holder or sub-account holder whose registration details are uploaded as per the Central Depository Company of Pakistan Limited Regulations, shall submit the proxy form as per the above requirement.
- (iv) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (v) Attested copies of the valid CNICs or the passports of the beneficial owner(s) and the proxy shall be furnished with the proxy form.
- (vi) The proxy shall produce his/her valid original CNIC or original passport at the time of the Annual General Meeting.
- (vii) In case of a corporate entity, the Board of Directors' resolution/power of attorney, with specimen signature of the nominee, shall be submitted to the Bank along with the proxy form unless the same has been provided earlier.

C. Electronic dividend mandate:

Under the Section 242 of the Companies Act, 2017, it is mandatory for all listed companies to pay cash dividend to its shareholders through electronic mode directly in to the bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in the Shareholder Information Form for Electronic Credit of Cash Dividend available on the Bank's website and send it duly signed along with a copy of valid CNIC to the Share Registrar, CDC Share Registrar Services Limited, CDC House 99-B, Block 'B', Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), Main Shakra-e-Faisal, Karachi - 74400, in case of physical shares.

In case of shares held in CDC then Electronic Dividend Mandate Form must be directly submitted to shareholder's brokers / participant / CDC account services.

In case of non-receipt of information, the Bank will be constrained to withhold payment of dividend to shareholders.

D. Submission of valid CNIC (Mandatory):

As per SECP directives the dividend of shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Share Registrar, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), Main Shakra-e-Faisal, Karachi - 74400 without any further delay.

E. Unclaimed Dividend:

As per the provision of section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Bank which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with Securities and Exchange Commission of Pakistan for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued, and dividend declared by the Bank which have remained due for more than three years were sent to shareholders. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Bank in the given time, the Bank shall, after giving notice in the newspaper, proceed to deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

F. Circulation/Transmission of Annual Audited Financial Statements and Notice of AGM to Members in Electronic Form:

The Bank's Annual Report, under Section 223(6) of Companies Act, 2017, is being circulated to the members in Electronic Form as per Electronic Transaction Ordinance, 2002. The same is also placed on the Bank's website: <https://www.hbl.com/investor-relations/annual-accounts>. The web-link to access Bank's Annual Report is e-mailed to the members whose registered e-mail addresses are available in the members' register.

Members are requested to intimate change (if any) in their registered e-mail addresses to our Share Registrar for the above-mentioned purpose through consent form available on the Bank's website.

G. Conversion of Physical Shares into CDC Account:

The Members/Shareholders having physical shareholding are encouraged to place their physical shares into scripless form as defined in Section 72(2) of the Companies Act, 2017, i.e.; "Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act."

H. Participation in Annual General Meeting (AGM) through Electronic Means:

The Securities & Exchange Commission of Pakistan ("SECP") has vide its Circulars issued from time to time directed the listed companies to hold general meetings through video link, webinar, zooming etc. in addition to the requirements of holding physical meeting.

Accordingly, the AGM would be held at the venue and via webinar to comply with the SECP instructions. The following arrangements have been made by the Bank to further facilitate the participation of the shareholders in the AGM:

Members/shareholders interested in attending the HBL's AGM through webinar are requested to get themselves registered by sending their particulars to the Company Secretary HBL, at the designated email address (general.meetings@hbl.com), mentioning their names, folio number, email address by the close of business hours on **March 21, 2023**. The webinar link would be provided to the registered shareholders. The shareholders are also encouraged to send their comments/suggestions, related to the agenda items of the AGM on the above-mentioned email address by **March 24, 2023**.

As always, HBL intends, and undertakes, to hold the meeting in compliance with all applicable laws, and requirements, including for quorums, the keeping of minutes and voting while ensuring the safety of its shareholders, employees, directors and the public at large.

I. Postal Ballot / E-voting:

Pursuant to Companies (Postal Ballot) Regulations 2018, read with Sections 143 and 144 of the Companies Act 2017, in case of a Poll, Members will also be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

UPDATE

Under Regulations 4 and 6 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

This Statement provides information as required under Regulations 4 and 6 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 in respect of the investments authorised by the Shareholders in the previous Annual General Meetings of the Bank.

Summary / Overview

Company name	Approvals taken in Annual General Meeting	Date of Annual General Meeting	Update for 2022
HBL Microfinance Bank Limited	Capital injection of up to Rs 4 billion in HBL Microfinance Bank Ltd (HBL MfB) over a period of three (3) years through subscription of rights shares of HBL MfB.	March 26, 2021.	The Bank has made an investment of Rs 3 billion, subscribing to 300 million rights shares at par till July 04, 2022. On December 29, 2022, the Bank made further investment of Rs 1 billion and for which the shares have subsequently been received as on February 9, 2023. The investment to be made under this approval is now complete.
HBL Bank UK Limited (HBL UK)	Investment in perpetual, unsecured, subordinated, non-cumulative, contingent convertible, privately placed Additional Tier-I (AT-I) capital eligible Variable Rate Subordinated Loan Notes (Loan Notes) up to US\$ 30 million to be issued by HBL Bank UK Limited (HBL UK) over the next three (3) years. HBL seeks to invest in these Loan Notes through its Bahrain branch.	March 30, 2020	As per the capital requirements and market conditions, HBL UK did not issue any further Loan notes during 2022. HBL's cumulative investment in Additional Tier-I instrument stands at US\$ 13 million. As disclosed in Note 1.6 to the consolidated financial statements, HABL, the holding company of HBL UK, is now a fully owned subsidiary of HBL.

(i) HBL Microfinance Bank Limited:

1	Total Investment approved:	Approved by the shareholders in the Annual General Meeting held on March 26, 2021, to invest up to Rs 4 billion in HBL Microfinance Bank Limited (HBL MfB) over a period of three (3) years through subscription to rights shares subject to the approval of SBP.
2	Maximum amount of investment made	The Bank has made an investment of Rs 3 billion, subscribing to 300 million rights shares at par till July 04, 2022. On December 29, 2022, the Bank made further investment of Rs 1 billion and for which the shares have subsequently been received as on February 9, 2023. The investment to be made under this approval is now complete.
3	Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time	N/A
4	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.	The financial position of the company is given in the table below.

Rs in million

Financial Position	2020	2021
Revenue	7,579.9	10,412.2
Operating expense	5,157.5	6,269.6
Operating profit	2,422.4	4,142.6
Customer deposits	61,726.2	91,362.6
Customer loans and advances	41,628.2	56,872.4
Cash, Balances with Banks, Lending to financial institutions, and Investments	26,266.1	44,607.3
Equity	6,688.3	10,083.3

(ii) HBL Bank UK Limited (HBL UK):

1	Total Investment approved	Approved by the Shareholders in the Annual General Meeting held on March 30, 2020, to invest up to US\$ 30 million in Loan Notes issued by HBL Bank UK limited (HBL UK) over the next three (3) years.
2	Amount of investment made to date	US\$ 13 million.
3	Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time	As per the capital requirements and market conditions, HBL UK did not issue any further Loan notes during 2022. HBL's cumulative investment in Additional Tier-I instrument stands at US\$ 13 million.
4	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.	The financial position of the company is given in the table below.

GBP in millions

Financial Position	2020	2021
Revenues	13.7	15.8
Operating expense	25.7	19.9
Operating loss	12.0	4.1
Deposits	464.7	477.2
Loans and Advances to banks and customers	357.2	348.1
Cash, Balances at Central Banks, and Investments	180.3	199.5
Equity	70.6	64.4

ADMISSION SLIP

The 81st Annual General Meeting of Habib Bank Limited will be held on Wednesday, March 29, 2023 at 10:00 a.m. at the Serena Hotel, Islamabad.

For attending the Annual General Meeting, kindly bring this slip duly signed by you.

Company Secretary

Name _____

Folio/CDC Account No. _____ Signature _____

Note:

- i. The signature of a shareholder holding shares in physical form shall agree with the specimen signature as per the Bank's record.
- ii. A CDC account holder/proxy shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the Annual General Meeting.
- iii. In case of a corporate entity, the Board of Directors' resolution/power of attorney, including the specimen signature of the nominee, shall be presented at the time of the Annual General Meeting, unless it has been provided earlier.
- iv. Shareholders are requested to hand over duly completed admission slips at the counter before entering the meeting premises.

This Admission Slip is not Transferable



FORM OF PROXY

I/We _____
of _____
being member(s) of Habib Bank Limited holding _____
Ordinary shares hereby appoint _____
of _____ vide Folio/CDC Account No. _____ or failing
him/her _____ of _____ who is also member of
Habib Bank Limited vide Folio/CDC Account No. _____ as my/our proxy in my/our absence
to attend, speak and vote for me/us and on my/our behalf at the 81st Annual General Meeting of the Bank to be held on
Wednesday, March 29, 2023 at Serena Hotel, Islamabad and at any adjournment thereof.

As witness my/our hand/seal this _____ day of _____ 2023.

Signed by the said _____

In the presence of 1. _____
2. _____

Folio/CDC Account No.

Signature on
Five Rupees
Revenue Stamp

This signature should agree with the
specimen registered with the Bank.

Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Bank at 9th Floor, Habib Bank Tower, Jinnah Avenue, Blue Area, Islamabad, not less than 48 hours before the time of holding the Annual General Meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Bank except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Bank, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders/Corporate Entities:

In addition to the above, the following requirements have to be met:

- a. The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- b. Attested copies of the CNICs or the passports of the beneficial owner(s) and the proxy shall be furnished with the Proxy Form.
- c. The proxy shall present his/her original CNIC or original passport at the time of the Annual General Meeting.
- d. In case of a corporate entity, the Board of Directors' resolution/power of attorney, including the specimen signature of the nominee, shall be submitted to the Bank along with the Proxy Form unless the same has been provided earlier.

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Habib Bank Limited
Registered Office,
9th Floor, HBL Tower,
Jinnah Avenue, Blue Area,
Islamabad, Pakistan.

میں / ہم _____
 برائے _____
 حبیب بینک لمیٹڈ کے رکن / اراکین (ممبر (ز)) ہونے کے ناطے حامل
 عمومی حصص (شیرسز) بذریعہ ہذا کی تقرری
 برائے _____ وائیڈ فولیو / CDC اکاؤنٹ نمبر _____ یا ان کی ناکامی
 برائے _____ جو کہ _____
 فولیو / CDC اکاؤنٹ نمبر _____ کے تحت حبیب بینک لمیٹڈ کے رکن (ممبر) بھی ہیں، کو بدھ، 29 مارچ 2023 کو اس کے بعد (بعد از اس)
 سرینا ہوٹل، اسلام آباد میں منعقد ہونے والے بینک کے 81 واں سالانہ اجلاس عام میں میری / اپنی جانب سے میری / ہماری عدم موجودگی میں بطور پراکسی شرکت کرنے، بولنے
 اور ووٹ دینے کے لیے مقرر کرتا / کرتی ہوں۔

بطور گواہ / بدست میرے / ہمارے دستخط و مہر مثبت، بتاریخ _____، 2023،

دستخط شدہ بدست مذکورہ

پانچ روپے والے
 ریونیو اسٹیپ
 پر دستخط کریں

مقابل حاضرین: 1 _____

2 _____

یہ دستخط بینک کے پاس
 رجسٹرڈ شدہ نمونہ دستخط سے
 مماثل ہونے چاہئے

فولیو / CDC اکاؤنٹ نمبر: _____

اہم نکات:

- 1- باضابطہ طور پر پُر شدہ اور دستخط شدہ یہ پراکسی فارم بینک کے رجسٹرڈ دفتر واقع 9th فلور، حبیب بینک ٹاور، جناح ایونیو، بلیو ایریا، اسلام آباد کے رجسٹرڈ دفتر میں سالانہ اجلاس عام کے انعقاد کے وقت سے 48 گھنٹے قبل لازمی طور پر موصول ہو جائے۔
- 2- کوئی بھی ایسا شخص بطور پراکسی شریک نہیں ہوگا جو بذات خود بینک کا رکن نہ ہو، ماسوائے کارپوریشن کے جو کسی بھی غیر رکن کو اپنا پراکسی مقرر کر سکتی ہے۔
- 3- اگر کوئی رکن (ممبر) ایک سے زائد پراکسی کا تقرر کرتا ہے اور بینک کے پاس ایک رکن (ممبر) کی جانب سے ایک سے زائد پراکسی کے انسٹرمنٹس جمع کرائے جاتے ہیں تو ایسی صورت میں اس قسم کے پراکسی کے تمام انسٹرمنٹس کو غیر مؤثر قرار دے دیا جائے گا۔

برائے CDC اکاؤنٹ ہولڈرز / کارپوریٹ ادارے:

مندرجہ بالا کے علاوہ ذیل میں دیئے گئے معیارات پر پورا اترنا بھی ضروری ہے:

- a- پراکسی فارم پر دو اشخاص کی گواہی ہوگی، جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں گے۔
- b- پراکسی فارم کے ساتھ فائدہ حاصل کرنے والے مالکان کے CNIC یا پاسپورٹ کی مصدقہ نقول جمع کرائی جائیں گی۔
- c- پراکسی، سالانہ اجلاس عام کے وقت اپنا اصل CNIC یا اصل پاسپورٹ فراہم کرے گا/گی۔
- d- کارپوریٹ ادارے کی صورت میں، ادارہ بینک کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع نامزد شخص کے نمونہ دستخط فراہم کرنا ہوں گے (تا وقتیکہ وہ پہلے فراہم نہ کر دیئے ہوں)۔

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Habib Bank Limited
Registered Office,
9th Floor, HBL Tower,
Jinnah Avenue, Blue Area,
Islamabad, Pakistan.

