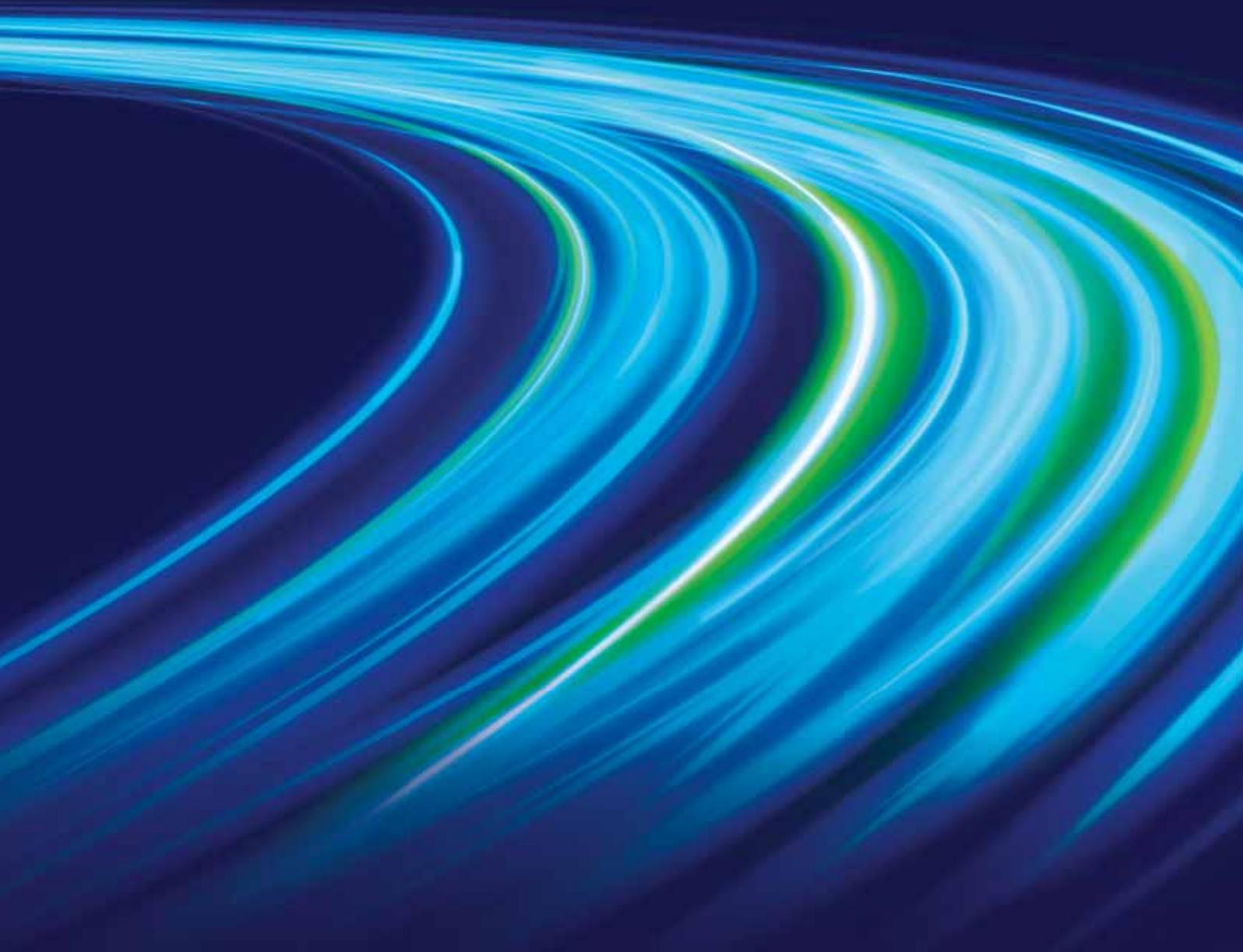




Annual Report 2025





standard
chartered

saadiq
islamic

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We partner with best-in-class product partners to bring you a full suite of Wealth Solutions to meet your investment and protection needs.

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Takaful



Shariah compliant
mutual funds



Sukuks

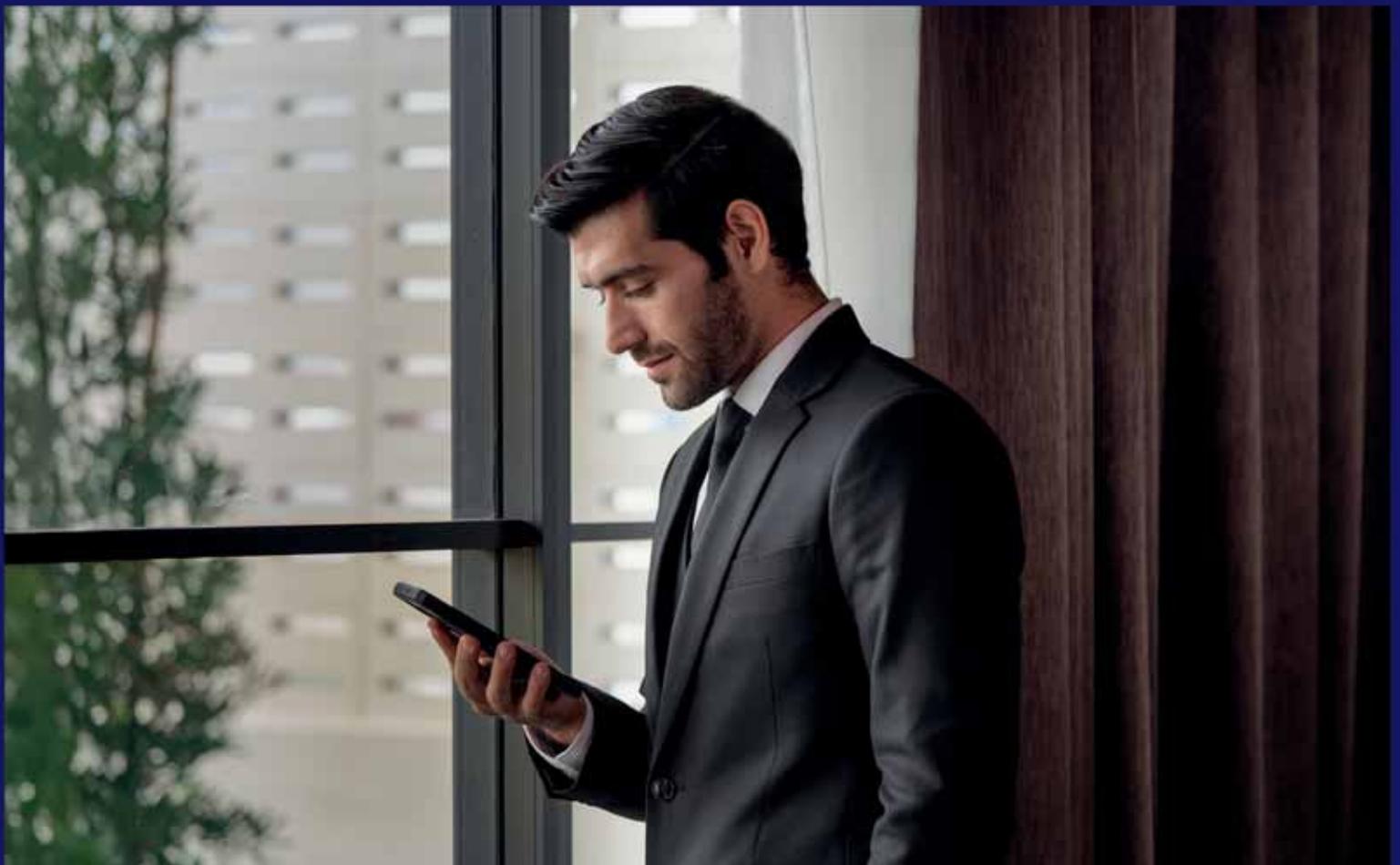


Certificate of
musharakah



Shariah compliant
voluntary pension funds

SCBPL is only a distributor of third party products. SCBPL is only a "Distributor" of Collective investment schemes / voluntary pension fund in Pakistan, as allowed by Securities & Exchange Commission of Pakistan.



Advancing Economic Inclusion Through Employability and Entrepreneurship



Ready for Inclusive Sustainable Employment and Entrepreneurship (RISE/E)

Standard Chartered Bank launched the second phase of the Futuremakers Inclusive Employability project which focuses on economic empowerment of youth with disabilities. Through this programme 960 young people with disabilities will be set on jobseeker/job creator pathways, including access to Accenture's Skills to Succeed Learning Exchange and other vocational trainings. In addition, 32 young entrepreneurs with disabilities will also be supported.

Goal Accelerator Programme

Supporting 450 young women across Karachi, Lahore and Islamabad, the programme creates structured pathways to entrepreneurship and employability. It focuses on building economic resilience through skills development, income generation, and long-term sustainability.

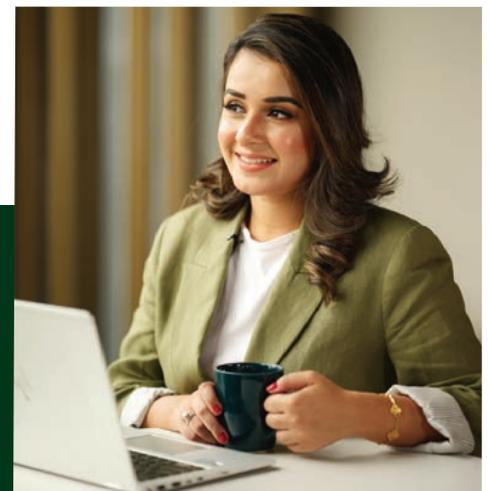


Thriving Futures

Thriving Futures supports 900 youth microenterprises (90% women-led) to build capacity and long-term sustainability. Delivered with British Asian Trust, it targets young entrepreneurs aged 18-35, including persons with disabilities.

Women in Tech

Launched in 2019 to accelerate women-led, tech-enabled enterprises. Over 170 founders have graduated and 50 have received seed funding. These founders have collectively raised USD 16 million, strengthening the female entrepreneurship ecosystem.



Through the Standard Chartered Foundation, we continue to inspire impact by equipping young people with the skills, confidence, and opportunity to thrive.



Standard Chartered is a leading international banking group

We are a leading international banking group, with a presence in 53 of the world's most dynamic markets. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, here for good.

Standard Chartered PLC is listed on the London and Hong Kong stock exchanges.

- ◆ **Standard Chartered Pakistan** is proud to be operating in the country as the **largest and oldest international Bank since 1863**.
- ◆ **Standard Chartered Pakistan** employs more than **1,800** people and has a network of **165** touch points (**38 branches, 107 ATMs and 20 CDMs**) across 10 cities.*
- ◆ **Standard Chartered Pakistan** is the first International Bank to get an Islamic Banking licence and to open the **first Islamic Banking branch in the country**.
- ◆ **Standard Chartered Pakistan** is the leading bank for the **MNCs** operating in Pakistan. The Bank is also the market leader for providing USD liquidity for **Corporates** and **Financial Institutions** in the country.
- ◆ **Standard Chartered Pakistan** plays a leading role in providing **FCY liquidity solutions** through innovative client centric structures.
- ◆ **Standard Chartered Pakistan** is a leading partner of **State Bank of Pakistan** in promoting **RMB** and increasing its use in Pakistan, which further strengthens its role as the main bank for **CPEC** led initiatives.

*One branch is a CIB Hub

AWARDS



Strong Recognition

IFC - International Finance Corporation and The Pakistan Business Council

Awards 2025

- Top 10 Employers of Choice



OICCI (3rd Pakistan Climate Conference)

Awards 2025

- Climate Green Finance & Investment Award –2nd Runner-up



Management Association of Pakistan

Awards 2024

- Best Bank in Commercial Banks Sector, Financial Category



Global Diversity, Equity, & Inclusion Benchmark

Awards 2024

- Vision, Strategy and Business Impact
- DEI Structure & Implementation Recruitment
- Advancement & Retention
- Job Design, Classification and Compensation
- Work-life Integration, Flexibility & Benefits
- DEI Learning & Development
- DEI Communications
- Services and Products Development



CFA Society Pakistan

Awards 2024/2023

- Best Bank 2024, Recognizing Gender Diversity at Work Place
- Best Bank 2023, Mid-Size Bank Category



Gender Diversity Awards 2023

Awards 2023

- Employer of Choice



Asia Money Award

Awards 2022

- Best Bank Award in the ESG category

ASIAMONEY

Euromoney Market Leaders

Awards 2022

- Pakistan – CSR (Highly Regarded)
- Pakistan – D&I (Highly Regarded)
- Pakistan – Islamic Finance (Notable)



Global Transaction Banking Innovation

Awards 2022

- Best Digital Treasury Management Initiative



Adam Smith Award

Awards 2022/2021

- Special Recognition Award
- Best Account Receivables Solution for Coca Cola Beverages Pakistan Ltd.



The Asset Triple A Awards

Awards 2022/2021

- Best Trade Finance Bank / Best Supply Chain Bank
- Best Cash Management Bank
- Best Service Provider - Cash Management (Transaction Banking)
- Best Service Provider - Supply Chain (Transaction Banking)
- Best Renminbi Bank (Transaction Banking)
- Best Supply Chain Solutions for Indus Motor Company (Transaction Banking)
- Best Supply Chain Solutions for IATA (Transaction Banking)



Standard Chartered Bank (Pakistan) Limited

Board of Directors



Mr. Christopher Parsons
Chairperson of the Board of Directors



Mr. Rehan M. Shaikh
Chief Executive Officer &
Head of Coverage
Member Board Risk
Committee and Board IT
Committee



Ms. Rola Abu Manneh
Director
Member Board HR &
Remuneration Committee



Mr. Ehsan Ali Malik
Director
Chairperson Board Audit
Committee and Member
Board Risk Committee and
Board IT Committee



Mr. Badaruddin Fatehali Vellani
Director
Chairperson Board HR &
Remuneration Committee
and Member Board Audit
Committee



Mr. Ghasuddin Khan
Director
Chairperson Board Risk
Committee and Member
Board HR & Remuneration
Committee



Mr. Sheikh Jobe
Director
Chairperson Board IT
Committee and Member
Board Audit Committee

Standard Chartered Bank (Pakistan) Limited

Country Management Team



Mr. Rehan M. Shaikh
Chief Executive Officer and
Head of Coverage



Mr. Syed Ejaz Alam
Chief Financial Officer



Ms. Saadya Riaz
Head Wealth and Retail Banking



Mr. Azhar Aslam
Head Islamic Banking



Mr. Muhammad Rehan Khalid
Country Chief Risk Officer



Mr. Yasir Usman Khwaja
Head Human Resources



Mr. Azhar Khan
Chief Technology and
Operations Officer



Mr. Ajanthan Sivathas
Chief Information Officer



Mr. Ali Jawahir Rizvi
Chief Compliance Officer
and Head CFCR Governance

Standard Chartered Bank (Pakistan) Limited Country Management Team



Mr. Saquib Meyer
Head Transaction Banking



Ms. Raeda Latif
Head Corporate Affairs and
Brand & Marketing



Mr. Jehangir Adil Qazi
Head Legal



Mr. Asif Iqbal Alam
Company Secretary



Ms. Wajiha Yousuf
Head Internal Audit



Mr. Syed Zeeshan Haider
Head, Financial Markets (Interim)

Company Information

Board of Directors

Mr. Christopher Parsons	Chairperson
Mr. Rehan Muhammad Shaikh	Chief Executive Officer
Mr. Ehsan Ali Malik	Director
Mr. Badaruddin Fatehali Vellani	Director
Ms. Rola Abu Manneh	Director
Mr. Sheikh Jobe	Director
Mr. Ghiasuddin Khan	Director

Company Secretary

Mr. Asif Iqbal Alam

Board Audit Committee

Mr. Ehsan Ali Malik	Chairperson
Mr. Badaruddin Fatehali Vellani	Member
Mr. Sheikh Jobe	Member

Board Risk Committee

Mr. Ghiasuddin Khan	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan Muhammad Shaikh	Member

Board Human Resource & Remuneration Committee

Mr. Badaruddin Fatehali Vellani	Chairperson
Mr. Ghiasuddin Khan	Member
Ms. Rola Abu Manneh	Member

Board IT Committee

Mr. Sheikh Jobe	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan Muhammad Shaikh	Member

Shariah Board

Shaikh Nizam Yaqouby	Chairperson
Mufti Muhammad Abdul Mubeen	Member
Mufti Irshad Ahmad Aijaz	Member
Mufti Hafiz Muhammad Sarfaraz Nihal	Resident Member

Auditors

M/s EY Ford Rhodes
Chartered Accountants

Legal Advisors

Haidermota & Co
Advocates

Registered/ Main Office

Standard Chartered Bank (Pakistan) Limited
P.O. Box No. 5556, I.I. Chundrigar Road,
Karachi-74000, Pakistan.
Tel: (021) 32450000
Fax: (021) 32414914

Website

www.sc.com/pk

Registrar/ Share Registration Office

M/s CDC Share Registrar Services Limited
CDC House, 99-B, Block B,
SMCHS, Main Shakra-e-Faisal,
Karachi - 74400
Toll Free: 0800 - 23275
Fax: (021) 34326053
Email: info@cdcsrsl.com

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Chairman's Review

For the year ended 31 December 2025

I am deeply honoured and privileged to present my third review as Chairman of the Board of Directors ('the Board') of Standard Chartered Bank (Pakistan) Limited ('the Bank'), in line with the requirements of Section 192 of the Companies Act, 2017.

Commitment to Corporate Governance: In line with Standard Chartered Group, the Board of the Bank places the utmost importance on maintaining high standards of corporate governance. This commitment is regarded as a fundamental pillar supporting the long-term success of companies and contributing to the broader economic health and stability of markets globally.

The Group's approach to governance is underpinned by the belief that the Bank's ongoing success is directly linked to the ability of its directors to provide clear vision and effective leadership. The Board fully recognises its responsibility to guide the Bank, ensuring not only its survival in challenging conditions but also enabling its consistent development and growth.

To this end, the Board is dedicated to upholding and continually strengthening the highest levels of corporate governance. Efforts are consistently made to enhance transparency in operations, support the robust and healthy development of the Bank, and safeguard and increase its overall corporate value. This focus ensures that the Bank remains resilient, responsive, and well-positioned for sustainable success.

Board Composition and Committees: The Board of the Bank is comprised of seven members, each bringing a diverse range of skills and experience necessary for the effective governance of the Bank. In order to facilitate specialised oversight and effective discharge of its responsibilities, the Board has established four key Committees: the Board Audit Committee, the Board Human Resource and Remuneration Committee, the Board Risk Committee, and the Board Information Technology Committee.

Each Committee operates within clearly defined terms of reference, which outline their specific scope of work and reporting procedures. The Board and its Committees diligently carry out their functions and duties in line with their respective mandates, ensuring the highest standards of governance and oversight across all areas of the Bank's operations.

Board Diversity and Governance Practices: The Board remains steadfast in its commitment to fostering diversity, recognising the significant advantages that arise from a balanced blend of gender, social and ethnic backgrounds, as well as a wide range of skills, knowledge and experience. This diversity ensures that the composition of the Board reflects the key business segments within the Bank, thereby supporting comprehensive and effective governance.

In fulfilling its statutory responsibilities and objectives, the Board prioritises the appointment of competent leadership and the establishment of an effective executive management team. This approach is vital to maintaining the Bank's standards and facilitating its ongoing development and success.

The Board also plays a central role in setting major policies, governance frameworks and the code of conduct, which underpin the Bank's operations. By delegating appropriate authorities and responsibilities throughout the organisation, the Board ensures that operations run smoothly and in alignment with its strategic vision and governance standards.

Board Meetings and Working Environment: The Board meets regularly to ensure the effective fulfilment of its responsibilities. In preparation for both Board and Committee meetings, members generally receive the agenda papers and all necessary supporting materials in advance. This enables members to thoroughly review the papers and consider the matters to be discussed, thereby facilitating informed and productive deliberations.

Within the boardroom, members have fostered an environment characterised by openness and candour. This atmosphere encourages honest dialogue and the free exchange of views, which supports collaborative decision-making and robust governance.

Board Meetings and Areas of Strategic Focus: During the year under review, the Board met six times for its scheduled meetings. At these meetings, the Board engaged in comprehensive discussions and received detailed presentations on a range of key topics, including the overarching business strategy, the corporate plan, and the Bank's financial performance. Updates on business activities were also provided, offering insight into current challenges and emerging opportunities within the Bank's operating environment.

The Board's deliberations spanned several crucial focus areas. Particular attention was given to the ongoing development and execution of the Bank's digital strategy, aiming to enhance the customer service experience. The Board also reviewed policies and assessed product performance, ensuring that all offerings remained aligned with strategic objectives.

In addition, the Board maintained a strong emphasis on cost discipline and the regular assessment of capital adequacy, reflecting the importance of financial resilience. Matters relating to information and cyber security risk were also a priority,

Chairman's Review

For the year ended 31 December 2025

alongside ensuring continued regulatory compliance and staying abreast of market updates relevant to the Bank's operations.

Throughout their participation in strategy discussions, Board members benefited from a series of briefings. These briefings provided valuable perspectives from central banking, as well as economic and political viewpoints, thereby equipping the Board with enhanced insight to better prepare for potential future developments and challenges.

Resilient Financial Performance and Board Guidance: The Bank demonstrated resilience through consistent financial performance, effective governance, and operational discipline over recent years despite challenging external environment. The Board has continued to provide robust oversight and strategic guidance, enabling the Bank to navigate uncertainty while maintaining financial strength and business continuity.

Commitment to Diversity, Inclusion, and Employee Wellbeing: The Board and the management team are firmly committed to positioning the Bank as an employer of choice. In pursuit of this objective, we strive to set the highest standards in diversity and inclusion, fostering employee wellbeing and upholding principles of fair pay. Through these efforts, the organisation aims not only to benefit its workforce but also to create lasting prosperity within the wider communities in which we operate.

Board Performance and Effectiveness: The most recent externally facilitated effectiveness review of the Board concluded that overall performance and effectiveness of the Board have remained satisfactory. This review utilised a uniquely structured questionnaire, divided into two distinct parts: "What the Board does" and "How the Board does it". This approach was designed to engage Board members more fully and to elicit deeper, more considered responses regarding the Board's operations and impact.

A few themes emerged from the review process. Notably, participants highlighted the need to further enhance succession planning for key executive positions, to deepen strategic engagement, and to utilise the expertise of independent directors more effectively. Additionally, there was a recognition of the importance of improving the quality of board papers to encourage more forward-looking analysis and ensure that strategic value is consistently added. Steps to address these recommendations included a dedicated two-day offsite Board meeting at the end of the year. This offsite included a series of strategic briefings aimed at enhancing Board effectiveness and broadening members' perspectives on key business and industry developments. It also facilitated constructive engagement with major clients and development organisations. These interactions enabled the Board to effectively leverage the expertise of the independent directors, thereby further strengthening governance and supporting the Board's continued efforts to drive organisational success.

Alongside the Board review, assessments of the four Board Committees were also conducted. These reviews indicated satisfactory outcomes overall, with some deliverables identified for each Committee. The results of the committees' surveys were presented individually at the respective committee meetings, providing an opportunity for focused discussion on the key themes and for agreeing any necessary actions. Furthermore, peer review surveys for the Chairman, Chief Executive, and Directors were also completed, with results noted as satisfactory.

Outlook and Strategic Focus: Looking ahead, the Bank remains confident in its strategy and the focus in 2026 and beyond will remain on continuing to deliver excellence for our clients, sustained value for shareholders and pursuing sustainable long-term growth while effectively managing emerging risks.

Acknowledgements: On behalf of the Board, I would like to extend our sincere thanks to all stakeholders for their ongoing trust and support. Your confidence in the Bank plays a pivotal role in our continued progress and success, and we deeply appreciate the relationships we have built with our clients, shareholders, and the broader community.

I would also like to take this opportunity to express my gratitude to my fellow Board members for their valuable contributions. Their dedication, expertise, and collaborative spirit have been instrumental in guiding the Bank through a period of both challenge and opportunity, ensuring that we remain focused on our strategic objectives and uphold the highest standards of governance and performance.



Christopher Parsons

Chairman

25 February 2026

Directors' Report

For the year ended 31 December 2025

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Standard Chartered Bank (Pakistan) Limited (SCBPL or the Bank) along with the audited financial statements and auditors' report thereon for the year ended 31st December 2025.

Economy

Economy has demonstrated clear signs of recovery and growing resilience with GDP growth of 3.09% in FY25 attributed to prudent policy management, decrease in inflation, lower policy rate and a stable exchange rate. The trajectory of stabilization and growth continued during the first half of FY26 with moderating inflation, strengthening large-scale manufacturing and contained fiscal imbalances despite the severe floods with the projected GDP growth in the range of 3.75% to 4.75% in FY26.

On the fiscal side, tax collection grew by 9.5% in H1-FY26. The encouraging revenue performance outpaced the growth in expenditure due to lower markup payments in response to policy rate cuts. The sound fiscal management delivered a first-ever fiscal surplus of 0.4% of GDP on a half-year basis during H1-FY26. Progress on structural reforms remains a key for sustainable momentum.

On the external front, the current account posted a deficit of USD 1.2bn during H1-FY26 as compared to USD 1.0bn surplus in last fiscal period. While remittances continue to support the external account position; trade deficit widened due to a substantial growth in imports and a decline in exports. Remittances and imports increased year on year by 10.6% and 12.3% respectively whereas exports decreased by 5.0% during H1-FY26.

The IMF Executive Board has approved and released USD 1.0bn under the 37-month Extended Fund Facility (EFF) and USD 0.2bn under the 28-month Resilience and Sustainability Facility (RSF) bringing total disbursements from the two arrangements to USD 3.3bn. Foreign direct investments together with IMF programme is providing support in unlocking near-term FX inflows from multilateral and bilateral sources paving way for improved macroeconomic environment.

SBP foreign exchange reserves improved from USD 14.5bn at start of FY26 to USD 16.2bn as of 30th January 2026. CPI inflation during H1-FY26 stood at 5.2% as compared to 7.2% last period supported by easing global prices, a stable exchange rate and targeted government policies. Amid easing inflationary pressures and improving macroeconomics, SBP reduced the policy rate to 10.5% in H1-FY26 to support sustainable economic growth without compromising price stability. Macroeconomic progress resulted in the improvement of Country Sovereign rating by Fitch, S&P and Moody's during the calendar year 2025. Further, SBP recently reduced the average Cash Reserve Requirement for banks from 6.0% to 5.0% signalling confidence in macro stability and to increase private sector credit.

Based on Q3-25 results, banks in Pakistan continued to be well capitalized and liquid with an industry wide CAR of 22.1% and advances to deposit ratio of 35.6% respectively. The banking industry remains profitable with a ROE (after tax) of 21.0%. Meanwhile, NPLs of the banking sector stood at 6.6% at close of Q3-25 compared to 6.3% at close of CY-24.

Purpose

At Standard Chartered, our purpose is to drive commerce and prosperity through our unique diversity. This captures the spirit of Standard Chartered by bringing together the best of what we already have – our incredible diversity of locations, cultures and expertise and ties it to what we do as a Bank – facilitating commerce in the real economy.

Our purpose signifies the way we want to do business with a human aspect as prosperity is not just about financial wealth but contributes towards creating healthier and happier communities. The purpose also embodies a more proactive and high-performance culture.

Our strategic pillars

We have continued to make good progress against the strategic priorities. As we accelerate our strategy, we have refined our focus onto four strategic priorities:

1) Network

Our global network is the key to our ability to compete profitably and remains a differentiator for our clients. We continue to leverage this strength and systematically increase network linked income through innovative solutions, product specialization and structured off-shore offerings. Our focus remains on facilitating our clients in the Belt and Road Initiative and other trade corridors as well as building momentum in Sovereign, Multinational and Local Corporates space.

Directors' Report

For the year ended 31 December 2025

2) Affluent

Our affluent business is both large and high returning, driven by clients' growing need to manage and grow their wealth. We continue to reinforce our strong credentials in the affluent segment by building loyalty and trust through offering our clients personalised wealth advice based on superior insight, leveraging digital tools to grow client engagement and wealth penetration. Our focus remains on building a robust pipeline of future affluent clients as we continue to reshape our emerging affluent business.

3) Emerging Affluent

We are investing in a range of proven digital capabilities that can substantially and economically scale up our emerging affluent retail presence. We are doing this with enhanced data analytics and a superior end-to-end digital experience, developing opportunities on our own and with partners. Our digital transaction mix, including "SC Mobile" application customers, continue to increase. We have upgraded core banking system to advanced platform and are also spending on state-of-the-art digital capabilities and solutions to drive enhanced client experience. We are strategically repositioning the Personal Banking segment to focus on growing emerging affluent clients, serving as a rich base for up-tiering to Affluent business.

4) Sustainability

Our commitment to sustainability is not only about the economic activity we drive, but also about how we run our business. We invest in our people, promote the right values, behaviours, and conduct, support the fight against financial crime and manage our environmental footprint. Our sustainability strategy seeks to strengthen relationships between our business, community, Government, and clients. We will continue to focus on differentiated sustainability offering.

These strategic priorities are supported by three key enablers:

1) People & Culture

We are investing heavily in our people, giving colleagues the skills, they need to succeed, bringing in expertise in critical areas and evolving to a more innovative and agile operating model.

2) Ways of Working

We are fundamentally changing the way we work, accelerating our time-to-market and increasing productivity.

3) Innovation & Technology

We are driving innovation to improve our clients' experience, increase our operational efficiency and tap new sources of income.

Operating Results and Business Overview

	31 December 2025 (PKR millions)	31 December 2024 (PKR millions)
Balance Sheet		
Paid-up capital	38,716	38,716
Total equity	110,462	117,722
Deposits	650,141	835,695
Advances – gross	232,029	190,374
Advances – net	214,151	171,567
Investments – net	478,413	654,340
	Year ended 31 December 2025 (PKR millions)	Year ended 31 December 2024 (PKR millions)
Profit and Loss		
Revenue	80,553	118,172
Operating expenses	22,664	20,345
Other non-mark-up expenses	1,208	2,115
Operating profit (before credit loss allowance and tax)	56,682	95,712
Credit loss allowance and write offs - net	(1,811)	(4,908)
Profit before tax	58,493	100,620
Profit after tax	28,781	46,067
Earnings per Share (EPS) – Rupees	7.43	11.90

Directors' Report

For the year ended 31 December 2025

Bank delivered a resilient financial performance with a Profit before tax of PKR 58.5bn compared to PKR 100.6bn in last year. Revenue was lower by PKR 37.6bn primarily due to sharp reduction in interest rates. The impact of margin compression on revenue was partially offset by decrease in cost of funds. Total expenses increased 6% from last year reflecting inflation, investment in our people and infrastructure. Moreover, prudent risk approach coupled with strong recoveries of bad debts led to a net release of PKR 1.8bn during the year.

On the liabilities side, the Bank's total deposits stood at PKR 650bn; down by 22% from start of the year. This was driven by deposit optimization initiative which is reflected in the improved current accounts mix comprising 59% of the deposit book as compared to 48% last year. On assets side, net advances continued positive momentum and were higher by PKR 43bn or 25% since start of the year, reflecting pick-up in economic momentum. We continue to monitor the economic landscape and will position our portfolio accordingly. The Bank is well placed to cater for the needs of its clients and will continue its strategy to build a profitable, efficient and sustainable portfolio.

During 2025, the Bank paid PKR 28.7bn (2024: PKR 59.0bn) on account of Income taxes to Government Treasury reflecting an effective tax rate of 50.8% (2024: 54.2%). The Bank also collected around PKR 21.4bn (2024: PKR 18.1bn) for the National exchequer as withholding tax agent under different provisions of Income Tax Ordinance 2001. In addition, the Bank further collected and paid PKR 2.1bn (2024: PKR 1.8bn) in respect of Federal Excise Duty and Provincial Sales Taxes.

The Bank is investing in its digital capabilities and infrastructure to enhance our clients' banking experience through the introduction of innovative solutions. We have made steady progress in further strengthening our control and compliance environment by focusing on our people, culture and systems. We are fully committed to sustained growth by consistently focusing on our clients and product suite along with a prudent approach to building the balance sheet while bringing the best-in-class services to our customers.

Outlook

While the external environment remains challenging, pace of economic recovery will be dependent on improvement in external flows, domestic and geopolitical environment and global commodity prices.

Our results demonstrate our strong business fundamentals. We recognise the challenging times ahead and are committed to support our clients and employees whilst ensuring our clients' needs are at the heart of everything we do.

Having strengthened our foundations on controls and conduct we are well equipped to manage our risks, capital, and liquidity effectively. The prudent and proactive measures that we are taking now are expected to make us leaner and fitter to take advantage of the opportunities that lie ahead.

External Annual Audit

The financial statements of SCBPL have been audited without any qualification by the auditors of the Bank, namely M/s EY Ford Rhodes, Chartered Accountants.

Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's long-term and short-term ratings of "AAA" (Triple A) and "A1+" (A One Plus) respectively in 2025. These ratings denote the lowest expectation of credit risk emanating from an exceptionally strong capacity for timely payment of financial commitments.

Community impact

As the largest International Bank in the country, Standard Chartered is an integral part of Pakistan's financial landscape. Through its sustainability and investment agenda the Bank has demonstrated its commitment to the community. Our sustainability strategy seeks to strengthen relationships between our business, community, Government and clients.

In 2019, the Bank launched its new Community Investment Strategy, Futuremakers by Standard Chartered. Futuremakers is our global youth economic empowerment initiative, tackling inequality and promoting greater economic inclusion.

Between 2024 and 2030, Standard Chartered has committed USD 120mn globally to help create and sustain 140,000 jobs. We are doing this by enabling disadvantaged young entrepreneurs and jobseekers, predominantly women, to learn, earn and grow to improve their economic skills and prospects to lift economic participation, to be more employable and to build businesses that create more jobs.

Standard Chartered Pakistan launched the Goal Accelerator programme in 2024. This programme is an evolution of the

Directors' Report

For the year ended 31 December 2025

deeply impactful Goal Programme and is a sport-powered, gender-responsive economic resilience initiative with an aim to create concrete pathways and steps for disadvantaged girls and young women to obtain decent employment and become economically resilient. Over three years, the goal is to engage globally 1,726 young women in Goal Accelerator, with the aim for 1,228 to remain in decent employment or self-employment six months after the programme ends. In Pakistan, Goal Accelerator will support 450 young women between the ages of 17-35 years who will be recruited from urban areas in Lahore, Karachi and Islamabad.

The British Asian Trust and Standard Chartered Foundation's long-standing partnership has enabled us to empower over 1,000 young men and women to boost and sustain their Agri enterprises. The programme which focused on enterprise growth, marketing, quality assurance and digital literacy training resulted in their revenues increasing by 25% on average. In continuation of this highly successful partnership, the British Asian Trust and Standard Chartered Foundation launched 'Thriving Futures,' a three-year enterprise development programme that will support high-potential youth microenterprises with advanced enterprise development training that will provide them with skills to expand and grow their enterprises. The programme aims to provide this training to 900 participants, 90% of which will be women-led enterprises.

We offer support to develop broader business skills, build financial knowledge, and provide access to finance and networks to young people. Our projects include Women in Tech, which provides technical business training, mentoring and seed funding to female entrepreneurs. Launched in 2019, this programme has provided critical funding and focused mentorship to female led businesses. To date, out of the 1900+ women led startups that showed interest to apply, more than 176 women founders have graduated, and more than 50 businesses have received seed funding. Standard Chartered's commitment to expanding women's access to entrepreneurial finance embodies the core of the Bank's Futuremakers strategy.

Sustainability and Green Banking initiatives

We continuously strive to "Do the Right Thing" to become more socially, economically, and environmentally / ecologically responsible. As part of our commitment to deliver sustainable and responsible banking, our Sustainability Aspirations continue to provide a robust set of performance targets to support sustainable outcomes aligned with UN Sustainable Development Goals (SDG). The Bank strives to reach "Net Zero" carbon emissions from its financing activity by 2050. As the Bank aims to reduce the emissions associated with financing activities to net zero, it is also exploring avenues to make greener and transition finance available. This will help clients on a path to net zero while maximising the benefits of a just transition for people and communities.

The Bank is committed to comply with relevant environmental regulations and adopt best practices for continuous reduction of its carbon footprint. In 2025, Standard Chartered Pakistan reduced its own carbon emissions (scope 1 & 2) by approximately 38% to 291 ton. This was augmented by onboarding specialized vendor for waste recycling. With a total of 17 premises equipped with solar installation, bank is regularly updating the installation capacity of solar panels to convert the maximum energy requirement of operations on renewable energy. Besides this, the Bank has continued initiatives which include environmentally friendly and biodegradable fuel additive for generators and electricity storage in batteries. The Bank's Head Office was certified as "Green Office" by WWF Pakistan for implementing environmental management system and its impact to reduce ecological footprint. As a part of sustainability initiative, the bank has also upgraded majority of its vehicle fleet to hybrid technology.

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the Code')

All mandatory regulations outlined in the applicable Code have been fully complied with, and there has been no material departure from any of the remaining regulations. The Statement of Compliance with the Code and the Auditors' review report are included as part of the Annual Report, providing transparency and assurance regarding regulatory adherence. Additionally, the Annual Report also summarizes the Board of Directors, detailing the number of directors, their gender breakdown, and the composition of both the Board and its Committees to highlight governance structure and diversity.

Statements on Internal Controls and Risk Management Framework

The management of SCBPL is responsible for establishing and maintaining a system of adequate internal controls and procedures. Management's Statements on Internal Controls and Risk Management Framework form part of the Annual Report.

The Board is pleased to endorse the management's evaluation on the effectiveness of our overall internal controls including Internal Control over Financial Reporting ('ICFR'), as detailed in the Management's Statements on Internal Controls and Risk Management Framework.

Directors' Report

For the year ended 31 December 2025

Meetings of the Board and its Committees

Details of Board and its Committees meetings held during the year along with attendance by the directors/ members are as under:

Sr. No.	Name of Director	Board Meetings		BAC Meetings		RemCo Meetings		BRC Meetings		BITC Meetings	
		Member	Attended ¹	Member	Attended ¹	Member	Attended ¹	Member	Attended ¹	Member	Attended ¹
	Meetings held during the year	6		5		6		5		3	
1	Christopher Parsons	✓	5/6	-	-	-	-	-	-	-	-
2	Rehan M. Shaikh	✓	6/6	-	-	-	-	✓	5/5	✓	2/3
3	Rola Abu Manneh	✓	4/6	-	-	✓	6/6	-	-	-	-
4	Sheikh Jobe	✓	6/6	✓	5/5	-	-	-	-	✓	3/3
5	Ehsan Ali Malik	✓	5/6	✓	5/5	-	-	✓	5/5	✓	3/3
6	Badaruddin F. Vellani	✓	6/6	✓	4/5	✓	6/6	-	-	-	-
7	Ghiasuddin Khan	✓	5/6	-	-	✓	5/6	✓	5/5	-	-

Directors' Remuneration

The Bank has a formal policy and transparent procedure for remuneration of directors ("the policy") in accordance with the directives of SBP. Key features of the policy are as under:

- Independent non-executive directors as well as non-executive directors (other than Group appointees) of the Bank are eligible to receive a meeting fee for attending the meetings of the Board, and its Committee(s) and for holding the office of Chairperson of the Board or its Committee(s).
- Travelling and lodging expenses for independent non-executive directors as well as non-executive directors (other than Group appointees) of the Bank to attend meetings of the Board, its Committee(s) and Shareholders will be borne by the Bank.
- The fee structure and the quantum of the fees will be reviewed every two years. Any revisions thereof, shall be approved by the Board as well as by the Shareholders (on pre or post facto basis) and form part of the policy.

Board's Evaluation

To improve the efficiency and effectiveness of the Board, its Committees, and individual Directors, the Board has established a robust mechanism for conducting the Board Effectiveness Review. The services of an external consultant are engaged to facilitate the annual assessment of the Board's performance. All Board members are required to complete their evaluation questionnaires online. The process is designed to guarantee full anonymity for all respondents, encouraging candid and honest feedback from every participant. Once completed, the responses are consolidated, and the overall findings of the Effectiveness Review are communicated to the Chairman. Subsequently, these results are presented to the Board for further consideration. Following a review of the outcomes and the Board's discussions during meetings, specific areas for improvement are identified. These areas are then developed into an action plan for implementation, ensuring continuous enhancement of Board practices. In addition, the results of the Committees' surveys are separately addressed during the meetings of each respective Committee. This enables focused deliberation on the key themes identified and facilitates the implementation of any necessary actions.

Pattern of Shareholding

The pattern of shareholding forms part of this Annual Report. At 31 December 2025, Standard Chartered Bank, UK (holding company) held 98.99% shares of SCBPL. The directors, chief executive officer and key executives do not hold any interest in the shares of the Bank other than that disclosed in the pattern of shareholding.

¹ Leave of absence was granted to the directors/ members who could not attend some of the meetings

Directors' Report

For the year ended 31 December 2025

Statement of investments of Provident, Gratuity and Pension Funds

The value of investments including accrued income of provident and gratuity funds as at 31st December 2025 on the basis of un-audited accounts are:

	PKR '000
Provident Fund	3,958,941
Management Staff Gratuity Fund	3,107,275
Management Staff Pension Fund	68,437
Non-Management Staff Pension Fund	82,210

Dividend

A final cash dividend of 30.0% (PKR 3.00/- per share) has been recommended by the Board of Directors for approval at the 20th Annual General Meeting of the Bank's shareholders. This is in addition to 35.0% (PKR 3.50/- per share) interim cash dividend announced / paid during the year.

External Auditors

The Board Audit Committee ('Committee' or 'BAC') has proposed the name of M/s EY Ford Rhodes, Chartered Accountants, as external auditors of the Bank for the next term. The Board of Directors, on the suggestion of the Committee recommended the name of retiring auditors M/s EY Ford Rhodes, Chartered Accountants, as external auditors for the next term. The retiring auditors, being eligible, offer themselves for re-appointment in the forthcoming Annual General Meeting.

As the audit fee is in the process of being negotiated/ finalised, the Board of Directors, on the recommendation of the BAC, has also proposed to authorise the BAC to negotiate and agree upon the audit fees for the year 2026, subject to concurrence of the Board.

Appreciation and Acknowledgment

We take this opportunity to express our gratitude to our clients and business partners for their continued support and trust. We offer sincere appreciation to the State Bank of Pakistan for their guidance and cooperation extended to the Bank. Finally, we are also thankful to our associates, staff and colleagues for their committed services provided to our valued clients.

On behalf of the Board



Rehan Muhammad Shaikh
Chief Executive Officer
Karachi: 25 February 2026



Badaruddin Vellani
Director

ڈائریکٹرز کی رپورٹ

برائے سال 31 دسمبر 2025

بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت سے اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ (SCBPL یا بینک) کی ڈائریکٹرز رپورٹ مع 31 دسمبر 2025 کو ختم ہونے والی مدت کے پڑتال شدہ کھاتہ جات اور آڈیٹرز رپورٹ پیش کر رہے ہیں۔

اکاؤمی (معیشت):

مالی سال 2025 میں مجموعی قومی پیداوار کی شرح نمو میں 3.09 فیصد کا اضافہ دیکھنے کے بعد معیشت میں بحالی اور استحکام کے واضح آثار نظر آئے ہیں۔ اس کی بنیادی وجوہات دانشمندانہ حکمت عملی، افراط زر میں کمی، کم پالیسی شرح اور مستحکم شرح مبادلہ ہیں۔ مالی سال 2026 کی پہلی ششماہی کے دوران استحکام اور ترقی کا سلسلہ برقرار رہا، جبکہ شدید سیلاب کے باوجود افراط زر میں کمی، بڑے پیمانے کی پیداوار (LSM) میں بہتری اور مالیاتی عدم توازن پر قابو پایا گیا۔ مجموعی قومی پیداوار کی شرح نمو مالی سال 2026 میں 3.75 فیصد سے 4.75 فیصد کے درمیان رہنے کی توقع ہے۔

مالی تناظر میں، مالی سال 2026 کی پہلی ششماہی میں ٹیکس وصولیوں میں 9.5 فیصد کا اضافہ ہوا۔ محصولات کی حوصلہ افزا کارکردگی نے اخراجات میں اضافے کو پیچھے چھوڑ دیا، جس کی وجہ پالیسی ریٹ میں کمی کے نتیجے میں کم مارک اپ ادائیگیاں ہیں۔ بہتر مالیاتی نظم و ضبط کے باعث مالی سال 2026 کی پہلی ششماہی میں مجموعی قومی پیداوار کے 0.4 فیصد کے برابر مالیاتی سرچسپس حاصل ہوا۔ پائیدار معاشی رفتار کے لیے ساختی اصلاحات میں پیش رفت کلیدی حیثیت رکھتی ہے۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ میں مالی سال 2026 کی پہلی ششماہی میں 1.2 ارب ڈالر کا خسارہ سامنے آیا، جو گزشتہ سال کی اسی مدت میں 1.0 ارب ڈالر سرپلس میں تھا۔ اگرچہ ترسیلات زر سے بیرونی اکاؤنٹ کی پوزیشن مستحکم ہو رہی ہے تاہم درآمدات میں نمایاں اضافے اور برآمدات میں کمی کے باعث تجارتی خسارہ بڑھا۔ سال 2026 کی پہلی ششماہی کے دوران ترسیلات زر اور درآمدات میں بالترتیب 10.6 فیصد اور 12.3 فیصد سال بہ سال اضافہ ہوا، جبکہ برآمدات میں 5.0 فیصد کمی ریکارڈ کی گئی۔

بین الاقوامی مالیاتی فنڈ کے ایگزیکٹو بورڈ نے 37 ماہ کے ایکسٹینڈڈ فنڈ فیسیٹی (EFF) کے تحت 11.0 ارب ڈالر اور 28 ماہ کی ری پبلینس اینڈ سسٹینیبلی فیسیٹی (RSF) کے تحت 10.2 ارب ڈالر کی منظوری اور اجرا کیا ہے، جس سے دونوں ارنٹمنٹس کے تحت مجموعی وصولی 3.3 ارب ڈالر ہو گئی۔ براہ راست غیر ملکی سرمایہ کاری اور IMF پروگرام کے ساتھ مل کر مستقبل قریب میں کثیر فرادہ اور دو طرفہ ذرائع سے زرمبادلہ کی آمد ہوگی جس سے معاشی معاملات میں بہتری آئے گی۔

اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر مالی سال 2026 کے آغاز میں 14.5 ارب ڈالر سے بڑھ کر 30 جنوری 2026 تک 16.2 ارب ڈالر تک ہو گئے۔ مالی سال 2026 کی پہلی ششماہی کے دوران عالمی سطح پر قیمتوں میں نرمی، مستحکم شرح مبادلہ اور ہدف شدہ حکومتی پالیسیوں کی وجہ سے اوسط افراط زر 5.2 فیصد ہو گئی جو گزشتہ مدت میں 7.2 فیصد تھی۔ افراط زر کے دباؤ میں کمی اور بہتر معاشی اشاریوں کے پیش نظر SBP نے مالی سال 2026 کی پہلی ششماہی میں پالیسی ریٹ کم کر کے 10.5 فیصد کر دیا تاکہ قیمتوں کے استحکام کے ساتھ پائیدار معاشی نمو کو فروغ دیا جاسکے۔ میکرو اکنامک حالات میں بہتری کے نتیجے میں مالی سال 2025 کے دوران Moody's S&P، Fitch اور S&P نے ملک کی سون رینٹنگ، بہتر کردی ہے۔ مزید برآں، اسٹیٹ بینک آف پاکستان نے حال ہی میں ٹینگوں کے لیے اوسط کیش ریزورویکواؤٹ منٹ 6.0 فیصد سے کم کر کے 5.0 فیصد کر دی ہے، جو معاشی استحکام پر اعتماد کا اظہار ہے اور یہ اقدام نجی شعبے کو قرضوں کی فراہمی میں اضافے کا باعث بنے گا۔

سال 2025 کی تیسری سہ ماہی کے نتائج کی بنیاد پر، پاکستانی بینکس شعبہ بینکاری کے موزوں سرمائے (CAR) کی شرح 22.1 فیصد اور ایڈوانسز ٹوڈ پاؤڈ ریٹو (ADR) کی شرح 35.6 فیصد کے ساتھ مستحکم اور لیکویڈ رہے۔ شعبہ بینکاری بعد از ٹیکس 21.0 فیصد RoE کے ساتھ منافع بخش رہا ہے۔ اسی دوران بینکنگ سیکٹر کے غیر فعال قرضے سال 2025 کی تیسری سہ ماہی کے اختتام پر 6.6 فیصد رہے جو سال 2024 کے اختتام پر 6.3 فیصد تھے۔

مقصد

Driving Commerce and Prosperity through our Unique Diversity اسٹینڈرڈ چارٹرڈ کے اساس کا احاطہ کرتی ہے، جسے ہم اپنی بہترین موجودہ صلاحیتوں ”جداگانہ مقامات پر ہماری موجودگی، تہذیب اور مہارتیں“ کو بروئے کار لاتے ہوئے بطور بینک حقیقی معیشت میں کاروبار کے فروغ کی سہولت، ہم پہنچاتے ہیں۔

ڈائریکٹرز کی رپورٹ

برائے سال 31 دسمبر 2025

یہ مقصد ہمارے طرز کار و بار کا عکاس ہے جس میں انسانی پہلو کو ایک خاص اہمیت حاصل ہے۔ ہمارے لئے ترقی کا مقصد صرف مال و دولت کا حصول نہیں بلکہ ایک صحت افزا اور خوشحال معاشرے کے قیام میں معاونت بھی ہے۔ یہ مقصد ایک زیادہ پُراثر اور فعال ماحول کو بھی تقویت دیتا ہے۔

ہماری حکمت عملی:

ہم نے اپنی حکمت عملی کی ترجیحات کی جانب مثبت پیش رفت جاری رکھی ہوئی ہے۔ ہم نے اپنی حکمت عملی کو موثر بنانے کے لئے چار ترجیحات پر توجہ مرکوز کی ہے۔

(1) نیٹ ورک

ہمارا عالمی نیٹ ورک ہماری مسابقت کی کلید ہے اور ہمارے صارفین کے لئے ایک امتیازی حیثیت رکھتا ہے۔ ہم اس طاقت کو بروئے کار لاتے ہوئے اور انویسٹمنٹ سولوشنز، پروڈکٹ اسپیشلائزیشن اور اسٹریٹجک آف شور بیزنسوں کے ذریعے نیٹ ورک سے متعلقہ آمدنی کو منظم طریقے سے بڑھاتے ہیں۔ ہماری توجہ ہیلٹ اینڈ روڈ انیٹو اور دیگر تجارتی راہداروں میں اپنے کلائنٹس کی سہولیات کے ساتھ ساتھ، سوورن، ملٹی نیشنل اور لوکل کارپوریٹ سیکٹر میں مزید فروغ پر ہے۔

(2) متمول صارفین

ہمارا متمول صارفین کا کاروبار (affluent business) وسیع بھی ہے اور زیادہ منافع بخش بھی، جس کی بنیادی وجہ صارفین کی اپنے سرمائے کے انتظام اور اس میں اضافے کی بڑھتی ہوئی ضرورت ہے۔ ہم اپنے صارفین کو اعلیٰ درجے کی بصیرت پر مبنی ذاتی نوعیت کے مشورے فراہم کر کے، ان کے ساتھ باہمی روابط کو فروغ دے کر اور سرمائے کی رسائی میں اضافے کے لیے ڈیجیٹل ٹولز سے بھرپور فائدہ اٹھا کر اپنے متمول صارفین کے کاروبار کو مستحکم کر رہے ہیں۔ ہماری توجہ مستقبل کے متمول صارفین کا ایک مستحکم سلسلہ قائم کرنے پر مرکوز ہے، کیونکہ ہم اپنے ابھرتے ہوئے متمول صارفین کے کاروبار کو ایک نئی جہت دے رہے ہیں۔

(3) ابھرتے ہوئے متمول صارفین

ہم ڈیجیٹل صلاحیتوں میں مسلسل سرمایہ کاری کر رہے ہیں جو ریٹیل مارکیٹ میں ہماری موجودگی کو نمایاں کرتی ہے۔ اس کی وجہ ہماری ڈیٹا اینالیٹکس اور بہترین ڈیجیٹل سہولیات میں مزید آسانی فراہم کرنا ہے۔ ہمارے ڈیجیٹل ٹرانزیکشن کے پورٹ فولیو، بشمول "ایس سی موبائل" اپیلیکیشن کے صارفین میں بدستور اضافہ ہو رہا ہے۔ ہم نے اپنے بینکنگ سسٹم کو ایک جدید پلیٹ فارم پر اپ گریڈ کیا ہے، اور کسٹمر کے تجربے کو بہتر بنانے کے لئے جدید ڈیجیٹل استعداد اور سولوشنز میں بھی سرمایہ کاری کر رہے ہیں۔ ہم اپنے پرسنل بینکنگ سگمنٹ کو بنیادی طور پر دوبارہ ترتیب دے رہے ہیں تاکہ بڑھتے ہوئے ایمر جنگ ایفلوینٹ کلائنٹس پر توجہ مرکوز کی جاسکے، جو کہ ایفلوینٹ کاروبار کو بڑھانے کے لئے بہتر بنیاد فراہم کرے گا۔

(4) سماجی ذمہ داری

ہمارا عزم معاشی سرگرمیوں میں معاونت کی فراہمی کے ساتھ اپنے کاروباری طرز عمل کو مدنظر رکھنا ہے۔ ہم صحیح اقدار، طرز عمل اور بہتر کردار کو فروغ دینے، مالیاتی جرائم اور ماحولیاتی اثرات سے نبرد آزما ہونے کی صلاحیت میں اضافے پر مسلسل سرمایہ کاری کر رہے ہیں۔ اس کا مقصد اپنے صارفین، کاروباری طبقے اور حکومت کے ساتھ بہترین روابط استوار کرنا ہے۔ ہم سماجی استحکام میں مزید پیشرفت کے لئے اپنی کوششیں جاری رکھیں گے۔

حکمت عملی کی ان ترجیحات کو تین کلیدی چیزوں کی معاونت حاصل ہے:

(1) لوگ اور ثقافت

ہم اپنے لوگوں میں سرمایہ کاری کرتے ہوئے اپنے ساتھیوں کو وہ مہارتیں فراہم کرتے ہیں جس سے وہ اہم شعبہ جات میں جدت پیدا کرنے کی صلاحیت اور مہارت حاصل کر سکیں۔

(2) دفتری اطوار

ہم اپنے کام کرنے کے طریقہ کار کو بنیادی طور پر تبدیل کرتے ہوئے ٹائم ٹو مارکیٹ میں تیزی کے ساتھ مزید افادیت حاصل کر رہے ہیں۔

ڈائریکٹرز کی رپورٹ

برائے سال 31 دسمبر 2025

3 جدت اور ٹیکنالوجی

ہم اپنے کسٹمرز کے تجربے کو بہتر بنانے، اپنی آپریشنل کارکردگی کو بڑھانے اور آمدنی کے نئے ذرائع کے لیے مزید جدت لارہے ہیں۔

عملی نتائج اور کاروباری جائزہ:

31 دسمبر 2025 (ملین پاکستانی روپے) 31 دسمبر 2024 (ملین پاکستانی روپے)

بیلنس شیٹ	31 دسمبر 2025 (ملین پاکستانی روپے)	31 دسمبر 2024 (ملین پاکستانی روپے)
ادا کردہ سرمایہ	38,716	38,716
کل ایکویٹی	110,462	117,722
ڈپازٹس (جمع شدہ رقوم)	650,141	835,695
قرضہ جات - مجموعی	232,029	190,374
قرضہ جات - خالص	214,151	171,567
سرمایہ کاری - خالص	478,413	654,340

31 دسمبر 2025 (ملین پاکستانی روپے) 31 دسمبر 2024 (ملین پاکستانی روپے)

نفع و نقصان	31 دسمبر 2025 (ملین پاکستانی روپے)	31 دسمبر 2024 (ملین پاکستانی روپے)
آمدنی	80,553	118,172
انتظامی اخراجات	22,664	20,345
دیگر نان مارک اپ اخراجات	1,208	2,115
کاروباری منافع قبل از ٹیکس اور (غیر فعال مالیات اور سرمایہ کاری کے عوض نقصان)	56,682	95,712
خالص وصولیاں / قرضہ جات پر ممکنہ خسارہ	(1,811)	(4,908)
قبل از ٹیکس منافع	58,493	100,620
بعد از ٹیکس منافع	28,781	46,067
فی حصص آمدنی (EPS) - روپیہ	7.43	11.90

بینک کی مستحکم مالی کارکردگی کی وجہ سے منافع قبل از ٹیکس 58.5 ارب روپے رہا جو گزشتہ سال 100.6 ارب روپے تھا۔ ریونیو میں 37.6 ارب روپے کی کمی واقع ہوئی، جس کی بنیادی وجہ شرح سود میں نمایاں کمی تھی۔ مارجن میں کمی کے آمدنی پر اثرات کو سرمائے کی لاگت (Cost of funds) میں کمی نے جزوی طور پر متوازن کیا۔ انتظامی اخراجات میں گزشتہ سال کے مقابلے میں 6 فیصد اضافہ ہوا، جو افراط زر، ہماری افرادی قوت اور انفراسٹرکچر میں سرمایہ کاری کو ظاہر کرتا ہے۔ مزید برآں محتاط طریقے اپنانے اور غیر فعال قرضہ جات کی وصولیوں کے باعث سال کے دوران 1.8 ارب روپے کی نیٹ وصولی ہوئی۔

واجبات کے پہلو سے بینک کے مجموعی کھاتے 650 ارب روپے رہے، جس میں سال کے آغاز سے 22 فیصد کمی ہوئی۔ اس کی بنیادی وجہ جمع شدہ رقوم کی مؤثر نظم کاری تھی جو بینک کے ڈپازٹس میں بہتری سے ظاہر ہے، موجودہ کرنٹ اکاؤنٹ کل کھاتہ جات کے 59 فیصد پر مشتمل ہیں، جو گزشتہ سال 48 فیصد تھے۔ اثاثہ جات کے پہلو سے خالص قرضہ جات میں سال کے آغاز سے 43 ارب روپے (25) فیصد اضافہ ہوا، جو معیشت کی رفتار میں بہتری کی عکاسی کرتا ہے۔ ہم معاشی صورتحال کا مستقل جائزہ لے رہے ہیں اور اسی کے مطابق پورٹ فولیو ترتیب دیں گے۔ بینک اپنے صارفین کی ضروریات کی تکمیل کے لیے پوری طرح آراستہ ہے اور ایک منافع بخش، معیاری اور مستحکم پورٹ فولیو کی تشکیل اور تعمیر کی حکمت عملی برقرار رکھے گا۔

سال 2025 کے دوران بینک نے انکم ٹیکس کی مد میں حکومتی خزانے میں 28.7 ارب روپے (2024: میں 59.0 ارب روپے) جمع کروائے، جو 50.8 فیصد کی مؤثر ٹیکس شرح کو ظاہر کرتا ہے (2024 میں

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یہ شرح 54.2 فیصد تھی۔ بینک نے اگم ٹیکس آرڈیننس 2001 کی مختلف دفعات کے تحت ویدولڈنگ ٹیکس ایجنٹ کے طور پر قومی خزانے کے لئے تقریباً 21.4 ارب روپے (2024 میں 18.1 ارب روپے) جمع کئے۔ اس کے علاوہ بینک نے فیڈرل ایکسائز ڈیوٹی اور صوبائی سیلز ٹیکس کی مد میں مزید 2.1 ارب روپے وصول اور جمع کروائے (2024 میں 1.8 ارب روپے)۔

بینک اپنے صارفین کو جدید ہولیات سے متعارف کروانے کے لئے اپنی ڈیجیٹل صلاحیتوں اور بنیادی ڈھانچے میں مسلسل سرمایہ کاری کر رہا ہے۔ ہم نے نظام کی بہتری کے لئے اپنے لوگوں کی تربیت، اقدار اور انضباط کی مضبوطی پر خصوصی توجہ دی ہے۔ ہم نے بیلنس شیٹ کے استحکام کے لئے دانشمندانہ حکمت عملی اپنائی ہے۔ ہم نے اپنی خصوصی توجہ صارفین کے لئے اعلیٰ معیار کی خدمات فراہم کرنے اور اپنی پروڈکٹ پورٹ فولیو کو بہتر بنانے پر مرکوز کر رکھی ہے۔

معاشی منظر نامہ:

اگرچہ بیرونی منظر نامہ دشوار ہے۔ تاہم، معیشت کی بحالی کی رفتار کا انحصار زرمبادلہ کے ذخائر، ملکی اور جغرافیائی سیاسی ماحول اور ایشیا کی عالمی قیمتوں میں بہتری پر ہوگا۔

ہمارے مالی نتائج ہمارے مضبوط کاروباری اصولوں کو ظاہر کرتے ہیں۔ ہم جانتے ہیں کہ آنے والے وقت میں چیلنجز کا سامنا رہے گا اور اپنے صارفین اور ملازمین کی مدد کے لئے پُر عزم ہیں اور ہم یقین دلاتے ہیں کہ ہمارے صارفین کی ضروریات کو مرکزیت حاصل رہے گی۔

انضباط اور کردار پر بنیادوں کو مضبوط کر کے ہم سرمائے اور قوم کی مؤثر نظم کاری کے لئے پوری طرح تیار ہیں۔ ہمیں توقع ہے کہ یہ محتاط اور فعال اقدامات، بینک کو مزید توانا کریں گے تاکہ آنے والے مواقعوں سے بھرپور فائدہ حاصل کیا جاسکے۔

سالانہ بیرونی آڈٹ

SCBPL کے کھاتہ جات کا آڈٹ بینک کے آڈیٹرز، میسرز EY فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس نے کیا اور بغیر کسی اختلاف پہ مبنی رپورٹ پیش کی۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 2025 میں بینک کی بائرتیب "AAA" (ٹرپل اے) اور "A1+" (اے ون پلس) طویل مدتی اور قلیل مدتی درجہ بندی کو برقرار رکھا ہے۔ یہ درجہ بندیوں مالیاتی وعدوں کی بروقت ادائیگی کے لئے مستحکم صلاحیت کا اظہار کرتی ہیں۔

سماجی اثرات

ملک کے سب سے بڑے بین الاقوامی بینک کی حیثیت سے اسٹینڈرڈ چارٹرڈ، پاکستان کے معاشی منظر نامے میں ایک لازمی جزو کی حیثیت رکھتا ہے۔ اپنے اسی نظریے اور معاشی امور میں سرمائے کے استعمال کے ذریعے بینک نے معاشی حوالے سے اپنے پُر خلوص عزم کا اظہار کیا ہے۔ ہم سماجی ذمہ داری کی بہتر حکمت عملی کی مدد سے اپنے بزنس، سماج، حکومت اور صارفین کے ساتھ مضبوط تعلقات استوار کرنے کے خواہاں ہیں۔

2019 میں بینک نے اپنی نئی کمیونٹی انوبیسٹمنٹ اسٹریٹیجی 'فیوچر میکرز بائے اسٹینڈرڈ چارٹرڈ' کا آغاز کیا۔ فیوچر میکرز بائے اسٹینڈرڈ چارٹرڈ، ایک عالمی اقدام ہے جس کا مقصد عدم مساوات و برابری کا ازالہ کرنا اور وسیع تر معاشی شمولیت کو فروغ دینا ہے۔

اسٹینڈرڈ چارٹرڈ نے 2024 سے 2030 کے درمیان عالمی سطح پر 120 ملین امریکی ڈالر مختص کرنے کا عزم کیا ہے، تاکہ 140,000 ملازمتیں پیدا اور برقرار رکھی جاسکیں۔ ہم یہ کام پس ماندہ نوجوان کاروباری افراد اور روزگار کے متلاشی افراد خصوصاً خواتین کو سیکھے، کمانے اور ترقی کرنے کے قابل بنا کر رہے ہیں، تاکہ وہ اپنی معاشی مہارتوں اور امکانات کو بہتر بنا سکیں، معاشی سرگرمیوں میں زیادہ حصہ لے سکیں، زیادہ قابل روزگار بنیں اور ایسے کاروبار قائم کریں جو مزید نوکریاں پیدا کریں۔

اسٹینڈرڈ چارٹرڈ پاکستان نے 2024 میں گول ایکسلییریٹرز پروگرام کا آغاز کیا۔ یہ پروگرام گول پروگرام کی ترقی یافتہ شکل ہے جو کھیل کی طاقت اور صنفی جواہرہ پر مبنی اقتصادی بحالی کا پروگرام ہے جس کا مقصد غیر مراعات یافتہ طبقات کی لڑکیوں اور نوجوان خواتین کے لیے بہتر روزگار حاصل کرنے، کمانے اور معاشی طور پر مستحکم مواقع فراہم کرنا ہے۔ اس پروگرام کے تحت تین سالہ مدت میں عالمی سطح پر 1,726 نوجوان خواتین کو شامل کرنے کا ہدف مقرر کیا گیا ہے، جن میں سے 1,228 کا ہدف یہ ہے کہ پروگرام کے اختتام کے چھ ماہ بعد وہ باعزت روزگار یا معاشی استحکام سے منسلک رہیں۔ پاکستان میں، گول ایکسلییریٹرز پروگرام 17 سے 35 سال کی عمر کی 450 نوجوان خواتین کی معاونت کرے گا، جن کا انتخاب لاہور، کراچی اور اسلام آباد کے شہری علاقوں سے کیا جائے گا۔

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برٹش ایئیر لائنز اور اسٹینڈرڈ چارٹرڈ پاکستان کے درمیان طویل المدتی شراکت داری کے نتیجے میں اب تک 1,000 سے زائد نوجوان مردوں اور خواتین کو اپنے زرعی کاروبار کو فروغ دینے اور پائیدار بنانے کے قابل بنایا گیا ہے۔ اس پروگرام جس کی توجہ کاروباری ترقی، مارکیٹنگ، معیار کی یقین دہانی اور ڈیجیٹل لٹریسی کی تربیت پر مرکوز تھی اس کی وجہ سے شہر کا کی آمدنی میں اوسطاً 25 فیصد کا اضافہ ہوا۔ اس کامیاب شراکت داری کے تسلسل میں، برٹش ایئیر لائنز اور اسٹینڈرڈ چارٹرڈ فاؤنڈیشن نے Thriving Futures کے نام سے تین سالہ انٹرنیشنل پروگرام کا آغاز کیا ہے، جو باصلاحیت نوجوان مائیکرو انٹرنیشنل معاہدے کرے گا۔ اس پروگرام کے تحت جدید کاروباری تربیت فراہم کی جائے گی تاکہ شہر کا اپنے کاروبار کو وسعت اور ترقی دے سکے۔ اس اقدام کے ذریعے 900 شہر کا کو تربیت فراہم کرنے کا ہدف ہے، جن میں سے 90 فیصد خواتین کے زیر انتظام کاروباری ادارے ہوں گے۔

ہم نوجوانوں کو وسیع کاروباری تربیت، مالیاتی علم، فنانس اور نیٹ ورکس تک رسائی حاصل کرنے میں معاونت کرتے ہیں۔ ہمارے منصوبوں میں Women in Tech شامل ہے جو کاروباری خواتین کو ٹیکنیکل سکیلنگ، مینورنگ اور کاروبار کے لئے سیڈ فنڈنگ فراہم کرتا ہے۔ Women in Tech کا مقصد پاکستان میں خواتین کو ان کے منفرد برنس آئیڈیاز کو مارکیٹ میں لا کر خواتین کی سربراہی میں کاروبار کی نشاندہی اور فروغ میں مدد فراہم کرنا ہے۔ 2019 میں اس پروگرام کے آغاز کے بعد سے اب تک خواتین کی قیادت میں چلنے والے متعدد کاروبار انتہائی ضروری فنڈنگ اور رہنمائی حاصل کر چکے ہیں۔ اب تک خواتین کی رہنمائی میں چلنے والے 1900 سے زائد اسٹارٹ اپس نے اس پروگرام میں دلچسپی ظاہر کی ہے، 176 خواتین فاؤنڈرز رگریٹر ہو چکی ہیں اور 50 کاروباری خواتین کو اپنے کاروبار کو مزید بہتر بنانے کے لئے سیڈ فنڈنگ دی گئی ہے۔

سماجی ذمہ داری اور سبز بینکنگ کے اقدامات:

ہم سماجی، اقتصادی اور ماحولیاتی حیاتیاتی تنوع پر زیادہ ذمہ دار بننے کے لئے ”صحیح کام کریں“ کی مسلسل کوشش کرتے ہیں۔ ذمہ دارانہ بینکنگ فراہم کرنے کا ہمارا عزم اور ہماری سماجی استحکام کی خواہشات مستحکم سماجی ترقیاتی اہداف پر عمل درآمد کا نمونہ پیش کرتی ہیں جو اقوام متحدہ کے سماجی ترقیاتی اہداف (SDG) کے ساتھ منسلک ہیں۔ بینک 2050 تک اپنی فنانشنگ سرگرمیوں سے ”نیٹ زیرو“ کاربن کے اخراج تک پہنچنے کی کوشش کرے گا۔ جیسا کہ بینک کا مقصد فنانشنگ سرگرمیوں سے وابستہ اخراج کو نیٹ زیرو تک کم کرنا ہے۔ بینک سبز اور ٹرانزیشن فنانشنگ کو دستیاب کرنے کے راستے بھی تلاش کر رہا ہے۔ بینک صارفین کو خالص صفر کاربن اخراج کی راہ پر گامزن کرنے میں مدد دے گا جبکہ لوگوں اور کمیونٹیز کے لئے منصفانہ منتقلی کے فوائد میں اضافے کا باعث بنے گا۔

بینک متعلقہ ماحولیاتی ضوابط کی تعمیل کرنے اور اپنے کاربن فٹ پرنٹ میں مسلسل کمی کے لئے بہترین طریقوں کو اپنانے کے لئے پُر عزم ہے۔ 2025 میں SCB اپنے کاربن کے اخراج (اسکوپ 1&2) کو 38% کم کر کے 29 تک لے آیا ہے۔ ویسٹ ری سائیکلنگ کے لئے مخصوص مہارت کے حامل ویڈر کی خدمات حاصل کر کے اس عمل کو مزید تقویت دی گئی ہے۔ اپنے 17 مقامات پر سولر پینلز کی تنصیب کے ساتھ بینک سولر پینلز کی تنصیب کی گنجائش میں مسلسل توسیع کر رہا ہے تاکہ بینک کے آپریشنز کے لئے درکار توانائی کو زیادہ سے زیادہ قابل تجدید توانائی پر منتقل کیا جاسکے۔ مزید برآں، بینک نے ایسے اقدامات جاری رکھے ہیں جن میں جزیرے کے لئے ماحول دوست اور بائیو ڈیگرڈ ایبل فیول ایڈیٹیو اور بیٹریوں میں الیکٹریسیٹی اسٹوریج شامل ہیں۔ اس کے علاوہ، بینک کے ہیڈ آفس کو WWF-Pakistan کی جانب سے ماحولیاتی انتظامیہ کو نافذ کرنے اور ماحولیاتی اثرات کو کم کرنے کے لئے ”گرین آفس“ کے طور پر سندھ دی گئی ہے۔ سماجی ذمہ داری کے اقدام کے طور پر، بینک نے اپنی گاڑیوں کی بڑی تعداد کو ہا ہیرڈ ٹیکنالوجی پر اپ گریڈ بھی کیا ہے۔

سبز بینکنگ (کوڈ آف کارپوریٹ گورننس) ریویویشن 2019 (’دی کوڈ‘) کے ساتھ مطابقت کا بیان:

قابل اطلاق ضابطہ میں بیان کردہ تمام لازمی ضابطوں کی پوری طرح تعمیل کی گئی ہے، اور باقی ماندہ ضوابط میں سے کسی سے کوئی بنیادی انحراف نہیں ہوا ہے۔ ضابطہ کی تعمیل کا بیان اور آڈیٹرز کی جائزہ رپورٹ کو سالانہ رپورٹ کے حصے کے طور پر شامل کیا گیا ہے، جو ریگولیٹری پابندی کے حوالے سے شفافیت اور یقین دہانی فراہم کرتا ہے۔ مزید برآں، سالانہ رپورٹ بورڈ آف ڈائریکٹرز کا خلاصہ بھی کرتی ہے، جس میں ڈائریکٹرز کی تعداد، ان کی صنفی تقسیم، اور بورڈ اور اس کی کمیٹیوں کی تشکیل کی تفصیل دی گئی ہے تاکہ گورننس کے ڈھانچے اور تنوع کو جاگریا جاسکے۔

اسٹینڈرڈ برائے اندرونی انضباط اور خطرات سے نمٹنے کا فریم ورک:

اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ کی انتظامیہ موزوں اندرونی نظام انضباط اور طریقہ کار کے نظام کو قائم کرنے اور برقرار رکھنے کی ذمہ دار ہے۔ انٹرنل کنٹرول اور رسک مینجمنٹ کے فریم ورک سے متعلق انتظامیہ کے بیانات سالانہ رپورٹ کا حصہ ہیں۔

بورڈ ہمارے مجموعی داخلی کنٹرول کی کارکردگی پر انتظامیہ کے جائزے کی توثیق کرتا ہے جس میں مالیاتی رپورٹنگ پر اندرونی کنٹرولز (ICFR) شامل ہے، جس کی تفصیل اندرونی کنٹرول اور رسک مینجمنٹ کے فریم ورک پر انتظامیہ کے بیانات میں ہے۔

ڈائریکٹرز کی رپورٹ

برائے سال 31 دسمبر 2025

بورڈ اور اس کی کمیٹیوں کے اجلاس

سال کے دوران بورڈ اور اس کی کمیٹیوں کے اجلاس کے انعقاد اور حاضری کی تفصیلات جس میں ڈائریکٹرز / ممبرز نے شرکت کی، درج ذیل ہیں:

نمبر شمار	ڈائریکٹر کا نام	بورڈ کے اجلاس		بی اے سی کے اجلاس		ریٹیکو کے اجلاس		بی آئی ٹی سی کے اجلاس	
		حاضر ¹	ممبر	حاضر ¹	ممبر	حاضر ¹	ممبر	حاضر ¹	ممبر
	سال کے دوران منعقد ہونے والے اجلاس	6		5		6		5	
1	کرسٹوفر پارسن	5/6	✓	-	-	-	-	-	-
2	ریجان محمد شیخ	6/6	✓	-	-	-	-	2/3	✓
3	رولا ابومسانہ	4/6	✓	-	-	6/6	✓	-	-
4	شیخ جوہے	6/6	✓	5/5	✓	-	-	3/3	✓
5	احسان علی ملک	5/6	✓	5/5	✓	-	-	3/3	✓
6	بدرالدین ویلانی	6/6	✓	4/5	✓	6/6	✓	-	-
7	غیاث الدین خان	5/6	✓	-	-	5/6	✓	5/5	✓

¹ غیر حاضری کی رخصت ان ڈائریکٹرز / ممبرز کو ی گئی جو کچھ اجلاس میں شریک نہیں ہو سکتے تھے۔

ڈائریکٹرز کی مراعات:

- بینک کے پاس اسٹیٹ بینک آف پاکستان کی ہدایات کے مطابق ڈائریکٹرز کے معاوضے ("پالیسی") کے لئے باقاعدہ نظام اور شفاف طریقہ کار ہے۔ پالیسی کی کلیدی خصوصیات یہ ہیں:
- بینک کے آزادانہ ایگزیکٹو ڈائریکٹرز کے ساتھ ساتھ نان ایگزیکٹو ڈائریکٹرز (جو گروپ کے نامزد کردہ نہیں ہیں) وہ بورڈ کے اجلاس میں حاضری کے لئے میٹنگ فیس حاصل کرنے کے اہل ہوں گے۔ اس کی کمیٹی (ز) اور شیئر ہولڈرز اور بورڈ کے چیئر پرسن کا آفس رکھنے کے لئے اور اس کی کمیٹی (ز) کے بھی اہل ہوں گے۔
- آزادانہ ایگزیکٹو ڈائریکٹرز کے ساتھ ساتھ نان ایگزیکٹو ڈائریکٹرز (جو گروپ کے نامزد کردہ نہیں ہیں) کے لئے ٹریولنگ اور لاجنگ اخراجات جو بورڈ کے اجلاس میں شریک ہوتے ہیں یا اس کی کمیٹی (ز) یا شیئر ہولڈرز کے اجلاس میں شریک ہوتے ہیں، بینک کی جانب سے برداشت کئے جائیں گے۔
- فیس اسٹریکچر اور فیس کی مقدار کا ہر دو سال بعد جائزہ لیا جائے گا۔ اس کی کوئی ترمیم، بورڈ کے ساتھ ساتھ شیئر ہولڈرز کی جانب سے بھی منظور کی جائے گی (پہلے یا بعد کی بنیاد پر) اور اس پالیسی کے جزو کی تشکیل کرے گا۔

بورڈ کی جانچ اور تجزیہ:

بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی کارکردگی اور افادیت کو بہتر بنانے کے لیے، بورڈ نے "بورڈ کی کارکردگی کے جائزے" کے انعقاد کے لیے ایک مضبوط طریقہ کار وضع کیا ہے۔ بورڈ کی سالانہ کارکردگی کے جائزے میں معاونت کے لیے ایک بیرونی کنسلٹنٹ کی خدمات حاصل کی جاتی ہیں۔ بورڈ کے تمام اراکین کے لیے لازمی ہے کہ وہ اپنے تشخیصی سوالنامے آن لائن مکمل کریں۔

اس عمل کو تمام جواب دہندگان کی مکمل رازداری کی ضمانت دینے کے لیے ڈیزائن کیا گیا ہے، تاکہ ہر شریک کی جانب سے واضح اور دیا متدار اندازہ رائے کی حوصلہ افزائی کی جاسکے۔ تکمیل کے بعد، جوابات کو یکجا کیا جاتا ہے اور جائزے کے مجموعی نتائج سے چیئر مین کو آگاہ کیا جاتا ہے۔ بعد ازاں، یہ نتائج مزید غور و خوض کے لیے بورڈ کے سامنے پیش کیے جاتے ہیں۔

نتیجے کے جائزے اور اجلاسوں کے دوران بورڈ کی بات چیت کی روشنی میں، بہتری کے لیے مخصوص پہلوؤں کی نشاندہی کی جاتی ہے۔ پھر ان پہلوؤں کی بہتری کے لیے ایک "ایکشن پلان" کی شکل دی جاتی ہے، تاکہ بورڈ کے طریقہ کار میں مسلسل بہتری کو یقینی بنایا جاسکے۔ مزید برآں، کمیٹیوں کے سروے کے نتائج پر متعلقہ کمیٹی کے اجلاسوں میں علیحدہ سے بات کی جاتی ہے۔ یہ عمل منتخب کردہ اہم موضوعات پر توجہ مرکوز کرنے میں مدد دیتا ہے اور ضروری اقدامات کے نفاذ میں سہولت فراہم کرتا ہے۔

شیئر ہولڈنگ کا انداز:

شیئر ہولڈنگ کا انداز سالانہ رپورٹ کا حصہ ہے۔ 31 دسمبر 2025ء کو اسٹیٹینڈ ریڈ چارٹرڈ بینک، UK (ہولڈنگ کمپنی) کے پاس SCBPL کے 98.99% شیئرز تھے۔ ڈائریکٹرز، چیف ایگزیکٹو آفیسر، اور دیگر اہم ایگزیکٹو بینک کے شیئرز (حصص) میں کوئی دلچسپی نہیں رکھتے، سوائے اس کے جو اس شیئر ہولڈنگ کے انداز میں ظاہر کر دیے گئے ہیں۔

ڈائریکٹرز کی رپورٹ

برائے سال 31 دسمبر 2025

پروویڈنٹ، گریجویٹ اور پنشن فنڈز کی انوسٹمنٹس کا بیان:

انوسٹمنٹس کی مالیت بشمول پروویڈنٹ اور گریجویٹ فنڈز کی جمع شدہ آمدن 31 دسمبر 2025 کے غیر آڈٹ شدہ اکاؤنٹس کی بنیاد پر درج ذیل ہیں:

000 پاکستانی روپے

3,958,941

پروویڈنٹ فنڈ

3,107,275

میجمنٹ اسٹاف گریجویٹ فنڈ

68,437

میجمنٹ اسٹاف پنشن فنڈ

82,210

نان۔ میجمنٹ اسٹاف پنشن فنڈ

ڈیویڈنڈ (منافع منقسمہ)

بورڈ آف ڈائریکٹرز نے بینک کے حصص یافتگان کے 20 ویں سالانہ اجلاس عام میں منظوری کے لئے 30 فیصد (3.0 روپے فی حصص) کے حتمی نقد منافع منقسمہ کی تجویز دی ہے۔ یہ 35.0 فیصد (3.50 روپے فی حصص) عبوری نقد منافع منقسمہ کے علاوہ ہے جو سال کے دوران اعلان ادا کیا گیا۔

بیرونی آڈیٹرز

بورڈ آڈٹ کمیٹی ("کمٹی" یا "BAC") نے میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس کا نام آئندہ مدت کے لئے بینک کے بیرونی آڈیٹرز کے طور پر تجویز کیا ہے۔ کمیٹی کی تجویز پر بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس کو اگلی مدت کے لئے بیرونی آڈیٹرز کے طور پر تجویز کیا ہے۔ ریٹائر ہونے والے آڈیٹرز اہل ہونے کے ناطے آئندہ سالانہ اجلاس عام میں دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔

جیسا کہ آڈٹ فیس کا تعین منظوری کے مراحل میں ہے، بورڈ آف ڈائریکٹرز نے کمیٹی کی سفارش پر بورڈ آڈٹ کمیٹی کو سال 2026 کے لئے آڈٹ فیس پر گفت و شنید اور اتفاق کرنے کا اختیار دینے کی تجویز پیش کی ہے جو کہ بورڈ کی منظوری سے مشروط ہوگا۔

سٹاکس اور اعتراف

ہم اس موقع پر اپنے صارفین اور کاروباری رفقاء کے کار سے ان کے مسلسل تعاون اور اعتماد کے لئے بھرپور اظہار تشکر کرتے ہیں۔ ہم بینک دولت پاکستان کو ان کی جانب سے بینک کی طرف فراہم کی گئی رہنمائی اور اعانت کے لئے اپنا پُر خلوص اعتراف پیش کرتے ہیں۔ آخر میں ہم اپنے تمام وابستگان، عملے اور ساتھیوں کے شکرگزار ہیں جنہوں نے ہمارے معزز صارفین کے لئے گراں قدر خدمات انجام دیں۔

منجانب بورڈ



بدار الدین ویلانی

ڈائریکٹر



ریحان محمد شیخ

چیف ایگزیکٹو آفیسر

کراچی: 25 فروری 2026ء

Management's Statements on Internal Controls and Risk Management Framework

For the year ended 31 December 2025

The following statements are made by the management in line with State Bank of Pakistan's ("SBP") OSED Circular No. 1 of 2014 and the Corporate Governance Regulatory Framework.

Internal Controls

1. Management of Standard Chartered Bank (Pakistan) Limited ("the Bank" or "SCBPL") is responsible for establishing and maintaining a sound system of internal controls aimed at achieving the following objectives of the Bank:
 - Efficiency and effectiveness of operations
 - Compliance with applicable laws and regulations
 - Reliability of financial reporting
2. Management has adopted different strategies to ensure effective monitoring and improvement of internal controls. These include Enterprise Risk Management Framework and Internal Audit in which assurance responsibilities are divided into three lines of defence i.e. the business function, control functions independent of the business function and Internal Audit.
3. The policies and procedures in all significant areas, and as per the directives of the regulators, have been duly approved by the Board.
4. The Board ensures that the external auditors interact with the Audit Committee and present their Management Letter to the Audit Committee and Board.
5. An organization structure has been established which supports clear lines of communication and tiered levels of authority with accountability.
6. The Bank has an effective Internal Audit function, which reports directly to the Audit Committee of the Board. The function periodically carries out detailed reviews / audits of its branches and various departments / units based on a yearly plan which is approved by the Audit Committee.
7. Internal control policies, tools and reporting structures have been enhanced to provide greater clarity over roles and responsibilities. Relevant training materials are updated on a going basis and staff members are provided training commensurate to their job roles and responsibilities.
8. Management gives due consideration to the recommendations made by the internal and external auditors for improvements in the internal control system and act to implement such improvements.
9. Management has also put in place evaluation and approval procedures for major capital expenditure and other transactions.
10. There is an annual budgeting and strategic planning process. Financial forecasts are reviewed during the year on a periodic basis to reflect significant changes in business environment. Regular reporting and monitoring of financial performance of the departments and the Bank as a whole, using operating statistics and monthly management accounts which highlight key performance indicators and variance from budgets and forecasts is in place.
11. Review and implementation of health, safety, environment and contingency management processes and other significant policies are carried out and reporting mechanism is in place.
12. SCBPL is responsible for establishing and maintaining a system of Internal Controls over Financial Reporting ("ICFR"), which is designed to provide reasonable assurance to the Bank's management and Board of Directors regarding the preparation of reliable published financial statements. The system contains self-monitoring mechanisms, and corrective actions are taken to remediate deficiencies as these are identified. The Bank has documented a comprehensive ICFR Governance Framework which has been approved by the Board of Directors.

The Framework provides a comprehensive view of Internal Control over Financial Reporting (ICFR), encompassing internal control objectives, the principles of a sound control system, the governance structure, and the submission of the ICFR Annual Assessment Report to the Board Audit Committee.

In Addition, a robust internal control system that facilitates a well-controlled environment has been established to achieve effective and efficient operations, safeguard the Bank's assets, comply with applicable laws and regulations and carry out reliable financial reporting. However, even a well-designed system of internal controls has inherent

Management's Statements on Internal Controls and Risk Management Framework

For the year ended 31 December 2025

limitations and therefore can only provide reasonable but not absolute assurance regarding the adequacy and effectiveness of controls. In order to align with the evolving environment and emerging risks, internal controls are also continuously reviewed and amended as required. The Bank increasingly relies on the use of advanced technology, including Process Automations, to improve operating efficiencies, increase scalability and further strengthen the control environment.

The Bank has completed all stages of the ICFR roadmap, issued vide SBP's BSD Circular No. 05 dated February 24, 2009.

Update and review of ICFR system for the year 2025 as per SBP Guidelines on Internal Controls has been successfully completed and the Annual Assessment Report for the year 2025 is in finalization stage. SCBPL is fully committed to making continuous efforts to improve the internal control system during 2025.

The Bank has been granted exemption from the requirement of submission of Auditor-issued long form report through SBP letter OSED/SEU-15/052(01)-14/24174/2014 dated December 10, 2014. As required by the State Bank of Pakistan, the Bank now prepares annual assessment report on efficacy of ICFR duly signed by the Chief Financial Officer (CFO), Head of Conduct Financial Crime & Compliance (CFCC), Chief Risk Officer (CRO) and Chairman of Board Audit Committee.

Enterprise Risk Management Framework

The Bank has put in place an Enterprise Risk Management Framework ("ERMF"), to implement the guidelines and regulations, related to Risk Management. The ERMF sets out the principles for risk management across the Bank which includes:

- Risk Culture: Risk culture encompasses our general awareness, attitudes, and behaviours toward risk, as well as how risk is managed at enterprise level. A healthy risk culture is one in which everyone takes personal responsibility to identify and assess, openly discuss, and take prompt action to address existing and emerging risks.
- Conduct Risk Management: When making significant strategic decisions, Conduct Risk is always taken into account to prevent potential harm to the Bank's clients, investors, shareholders, counterparties, employees, and to maintain market integrity and competition. This risk arises from the activities performed by the Group or individual behaviors and actions, including instances of willful or negligent misconduct.
- Three Lines of Defence: The Bank applies a three LoD model to its day-to-day activities for effective risk management, risk governance and the control environment.
- Principal Risk Types ("PRTs"): PRTs are those risks that are inherent in our strategy and business model. They are managed through distinct frameworks that document the overall risk management approach for the respective PRT. These include Credit, Traded, Treasury, Operational and Technology, Model, Environmental, Social and Governance and Reputational, Compliance, Information & Cyber Security and Financial Crime. These risks are embedded in the bank's strategy and business models.
- Strategic Risk Management: The approach followed by the Bank ensures that the strategy and corporate plan are aligned with the Bank's approved Risk Appetite (RA).
- Risk Appetite: The Bank reviews and sets its risk appetite annually through a structured process. Risk appetite determines the maximum amount of risk the Bank is willing to assume in pursuit of its strategy while remaining within its risk capacity.

The Country Chief Risk Officer ("CCRO") is supported by a team of experienced managers, including the Senior Credit Officer, who oversees credit risk for the Corporate and Investment Banking ("CIB") business. The Country Credit Head for Wealth and Retail Business ("WRB") manages credit risk for WRB. The Head of Stressed Asset Risk handles the review and approval of classified portfolios, while the Head of Traded and Treasury Risk manages risks related to price fluctuations, interest rates, exchange rate changes, capital adequacy and liquidity oversight. The Country Head of Operational and Technology Risk oversees operational risk from a second-line perspective, and the Head of Risk Governance is responsible for enterprise risk management and governance.

The Bank has established comprehensive policies, procedures, standards and product programs, providing the risk teams with the necessary systems and tools for effective risk identification, measurement, monitoring, control and reporting.

The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors and the

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For the year ended 31 December 2025

Board Risk Committee ("BRC"). Acting within the authority delegated by the Board, the Executive Committee ("EXCO") has appointed the Executive Risk Committee ("ERC") [Joint Country Non-Financial Risk Committee] and the Asset and Liability Committee ("ALCO"), for effective Risk Management. There are various other risk related committees and forums at the management level. These include Risk Oversight Committee ("ROC"), Conduct & Compliance Financial Crime Risk Committee ("C&CFCRC"), Credit Issue Committee ("CIC"), IT Steering Committee ("ITSC") etc.

ERC is chaired by the CCRO, through authority delegated by the Board via the Bank's EXCO. Following are the important areas of the risk management function within the Bank:

Credit Risk

Credit Risk is defined as the "potential for loss due to the failure of a counterparty to meet its agreed obligations to pay the Bank". The credit risk management process is driven by two credit risk type frameworks covering CIB and WRB credit.

The CIB Credit Risk Type Framework ("CRTF") sets out the overall risk management approach for credit risk of these business segments. The CRTF is built on a risk-based approach, meaning the risk management plans, processes, activities, and resource allocations are in accordance with the level of risk. The framework considers processes and tools that are forward-looking – which are repeatable, sustainable and anticipate future needs. The 1st LOD, that is business / functions engaged in or supporting revenue generating activities, gives due consideration to the apparent credit risk at the point of the strategic choices and/or decision making.

The BRC and ERC are responsible to oversee the implementation of the Bank's credit risk management frameworks and risk appetite mandate of the Bank. The committees ensure that the risk exposures for all types of risk across the Bank remain within the overall risk appetite and mandate.

Lending to counterparties is subject to a robust credit assessment that includes (but not limited to) evaluation of the client's credit quality including willingness, ability, and capacity to pay. Suitability and appropriateness assessment are completed for all counterparties to ensure only credit products / facilities which are appropriate to the nature and scale of the counterparty's business are provided.

For WRB Credit Risk, the approach is to support the delivery of optimum risk adjusted returns, with controlled volatility, and within overall risk appetite. A suitability and appropriateness assessment need to be completed by the 1st LOD to ensure only product / facilities which are appropriate and suitable for clients are offered. Credit exposures will be permitted only against products / facilities that are at minimum covered by an approved product program, credit approval document and credit risk management standards / campaign recommendation document.

Stressed Assets Group ("SAG") is a separate workout specialist unit within the CIB function to manage problem accounts. The Stressed Asset Risk ("SAR") unit is a second line function within CIB Risk which is responsible for the review and approval of all proposals concerning client strategy (including any restructuring, enforcement action) and for loan impairments for problem accounts.

There is a clearly articulated policy aligned with the bank's global and local policy with established procedures for taking adequate Loan Impairments, Settlements, Waivers and Write offs of portfolio when the delinquencies are identified. The account managers closely watch the downgraded portfolio and initially try to recover through cash flows. As a last resort the sale of collateral through judicial process is exercised.

Traded Risk

The Bank has adopted the Traded Risk Type Framework ("TRTF") which sets out the overall risk management approach for Traded Risk. Traded Risk is defined as: "Potential for loss resulting from activities undertaken by the Bank in financial markets". Under the TRTF, the Bank recognizes two risk subtypes:

Market Risk, as the "Potential for fair value loss due to adverse moves in financial markets". Market Risk exposures arise primarily from interest rate movements and foreign exchange related contracts. The Bank has nil exposure to equity and commodity price risk.

Counterparty Credit Risk as "Potential for loss in the event of the default of a derivative counterparty, after taking into account the value of eligible collaterals and risk mitigation techniques".

Traded Risk Management ("TRM") function performs market risk management activities for the Bank. Market risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority

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For setting market risk limits is delegated to the local risk committee i.e. ERC. Overall risk appetite is set by the Board in terms of Stress Loss Trigger.

Bank measures the risk of losses arising from future potential adverse movements in market rates, prices and volatilities using historical simulation VaR methodology. The enhanced Volatility Scaling VaR (VSV) model went live in January 2025, where risk factors return are scaled to reflect historical volatility. The VSV model is more responsive to volatility changes observed in the market. The Bank also performs daily stress testing of Market Risk exposures to highlight the potential risk that may arise from extreme market events that are deemed rare but plausible. Sensitivity measures are also used in addition to VaR and stress testing as risk management tools.

Any excess in limits results in escalation to senior management, with the level of escalation depending upon nature of excess. These limits are monitored daily as part of daily risk reporting. The BRC and the ERC provide primary oversight for Traded Risk.

Treasury Risk

Treasury Risk is, "potential for insufficient capital, liquidity or funding to support our operations, the risk of reductions in earnings or value from movements in interest rates impacting banking book items and potential for losses from shortfall in pensions plan".

Treasury Risk is sub-divided into 4 risk subtypes:

- (a) Capital Risk: Capital Risk is the potential for insufficient level, composition or distribution of capital, own funds and eligible liabilities to support our activities under normal environments and stressed conditions. Capital risk appetite is split into stress risk appetite and business-as-usual risk appetite metrics. The Bank manages its demand for capital by regular monitoring of capital requirements and asset exposures. The Bank's ALCO monitors Risk Weighted Assets ('RWA') growth and provides guidance for RWA management, capital structure and maintenance of capital adequacy ratio.
- (b) Liquidity and Funding Risk: Liquidity and Funding Risk is the risk that Bank may not have sufficient stable or diverse sources of funding or financial resources to meet our contractual obligations and contingent obligations as they fall due.
- (c) Interest Rate Risk in Banking Book (IRRBB): Interest Rate Risk is the potential for a reduction in earnings or economic value due to movements in interest rates on banking book (non-traded assets), liabilities and off-balance sheet items.
- (d) Pension Risk: Pension Risk is the potential for loss due to having to meet an actuarially assessed shortfall in the pension plans.

A range of tools are used for the management of liquidity. Tools for structural liquidity comprise of commitment and wholesale borrowing guidelines, key balance sheet ratios, and medium-term funding requirements whereas short-term liquidity tools include day to day monitoring of future cash flows and liquidity stress tests using various behavioral and rollover assumptions. The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

A range of tools are used for the monitoring of IRRBB, including Net Interest Income (NII) sensitivity Analysis, Economic Value Sensitivity (EVE) Analysis, Re-pricing or Interest Rate Gaps, Basis risk analysis, Present Value of 1 basis point (PV01), Stress Loss Trigger (SLT) and Value at Risk (VaR). Some of these ratios are monitored on daily basis, some on weekly basis and some on monthly basis.

In addition, the Bank prepares Country Recovery Plan, which is refreshed annually. It is a live document by which the Country ensures that it can recover its financial position in the event of extreme but plausible liquidity and/or solvency stress. The Bank has set Recovery Indicators ('RIs') capable of acting as early warning indicators of a liquidity and/or solvency stress which meet applicable regulations (where relevant). The RIs are designed to cover all aspects of the Country's business model and incorporate capital, liquidity, market, profitability, asset quality, macroeconomic indicators, and reputational risk.

Operational and Technology Risk

Operational Risk is defined as the "Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)".

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The diverse nature of Operational and Technology Risk requires different disciplines to effectively manage and control risk. These are categorised as risk sub-types under the Operational & Technology Risk Type Framework ("O&T RTF"). The O&T RTF is built on a risk-based approach, meaning the risk management plans, processes, activities, and resource allocations are determined in accordance with the level of risk. The framework considers processes and tools that are forward-looking which are repeatable, sustainable and anticipate future needs. The first line, when formulating business strategy and planning, consider and address Operational Risk at the point of strategic choices and / or decision making. This also includes consideration of the impact of decisions on the design and operational effectiveness of the related system of controls.

There is a consistent approach to risks and controls through the Risk and Control Self-Assessment ("RCSA") process. The RCSA process involves objective assessments of risks based on client impact and likelihood with more focus on material risks and control design. When an operational risk event occurs, there is rapid escalation and root-cause reviews, tracked to completion.

The Operational Risk policy is mapped to the O&T RTF and applies to all Principal Risk Types, and to the entire organization. It is implemented and well embedded in all business segments and functions.

The O&T RTF sets out the approach for management of operational risk as well as clear lines of management's roles and responsibilities. In accordance with the framework, business segments and functions are accountable for the day-to-day management of business activities and to manage the operational risks that arises from these activities. The independent risk management and Subject Matter Experts challenge, guide, and provide oversight over the business activities. Existing and future levels of Operational Risk must be maintained within the approved Risk Appetite of the Bank.

The Bank has an enterprise risk management system in place, namely 'M7', that is utilized for the recording of operational risk events (including financial losses and nonfinancial events), results of control sample testing and associated mitigating actions pertinent to operational risk.

The Executive Risk Committee (ERC) is the overarching committee to have oversight over operational risk related matters. The committee has a clear understanding of operational risk as distinct risk category and is aware of the key risks faced by the institution. The committee has the authority to take a view on the significance of risks and to direct appropriate actions.

Disaster recovery procedures, third-party risk management, business contingency planning and internal audits also form an integral part of the operational risk management process.

Technology policies and standards are updated annually or whenever a material change occurs, whichever comes first. This policy sets out principles to build and run Technology processes, systems and services. Adherence to this policy and connected standards will enable to maintain customer confidence, protect commercial interests and reputation, comply with legal requirements and meet regulatory expectations.

Technology policy is mapped to the Technology Risk sub-type under the Operational and Technology Risk Type Framework. All Technology Risk related processes and controls are supported by the Technology function and applies to all staff. The Policy applies to the Technology function and all the staff who are involved in partnering with Technology for technology delivery or support activities and must be read in conjunction with all the underlying Standards and Interconnected Policies.

Environmental, Social and Governance and Reputational Risk

Environmental, Social, Governance and Reputational (ESGR) Risk is defined as the risk of potential or actual adverse impact on the environment and/or society, or to the Group's financial performance, operations or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions. ESGR Risk continues to be an area of growing importance, driving a need for strategic transformation across business activities and risk management.

An environmental (such as climate), social or governance event, or change in condition, if it occurs, could result in actual or potential financial loss or non-financial detriments to the Group.

As such, Climate Risk is identified as a material risk for the Group, which manifests through the Group's businesses and operations and impacts the relevant Principal Risk Types (PRTs). The Group is exposed to Climate Risk through our clients, own operations, vendors, suppliers and from the industries and markets that we operate in. Therefore, we focus our disclosures on how climate-related risks are governed, managed and embedded in our business.

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We manage Climate Risk according to the characteristics of the relevant PRTs. Risk Framework Owners for the relevant PRTs are responsible for embedding Climate Risk requirements within their respective risk types. In 2025, we have continued to embed Climate Risk into existing risk management frameworks and processes. The Climate Risk identification and assessments across the PRTs span across short, medium, and long-term horizons to enable the right level of monitoring and to inform the decision-making process.

Climate Risk Taxonomy

Climate Risk	The potential for financial loss and non-financial detriments arising from climate change and society’s response to it. It manifests through the Group’s businesses and operations and may impact a variety of PRTs.
Physical Risk	Risks arising from increasing severity and frequency of climate and weather-related events, which can damage property and other infrastructure, disrupt supply chains, and impact food production. This could lead to declining asset valuations and challenges with insurance claims, resulting in greater financial losses. Indirect effects on the macroeconomic environment, such as lower output and productivity, may exacerbate these direct impacts.
Acute	Specific event-driven weather events, including increased severity of extreme weather events, such as cyclones, hurricanes, floods, or wildfires.
Chronic	Longer-term shifts in climate patterns, such as changing precipitation patterns, sea-level rise, and longer-term drought.
Transition Risk	Risks arising from the adjustment towards a carbon-neutral economy, which will require significant structural changes to the economy. These changes will prompt a reassessment of a wide range of asset values, a change in energy prices, and a fall in income and creditworthiness of some borrowers. In turn, this could lead to credit losses for lenders and market losses for investors.

The Board committees consider climate-related risks and opportunities when reviewing and guiding strategic decisions. Board-level oversight is exercised through the Board Risk Committee, and regular Climate Risk updates are provided to the Board and the Board Risk Committee. At an executive level, the Group Risk Committee has appointed the Group Responsibility and Reputational Risk Committee (GRRRC), consisting of senior representatives from business, risk, and other functions such as Legal, Compliance, Financial Crime and Conduct Risk (CFCR) and Corporate Affairs, Brand and Marketing (CABM), to oversee the effective management of the ESGR Risk Type Framework and ensure that the Climate Risk profile remains within Risk Appetite.

Model Risk

The Bank has adopted the Model Risk Type Framework which sets out the overall risk management approach. Model Risk is defined as the "Potential loss that may occur because of decisions or the risk of mis-estimation that could be principally based on the output of models, due to errors in the development, implementation, or use of such models".

Scope of Model Risk is defined, in part, by the approved Model Families, which formally categorise a variety of in scope model types used by the Bank, including the consequent differences in model risk manifestation and associated risk management approach.

The responsibility of oversight of effective Model Risk Management from second line perspective is with Country CRO supported by Risk Function teams.

Country Risk

Country Risk management is an integral component of ERMF. Country Risk Limits and Exposures are defined as follows:

- i. Local Currency Risk (“LCR”): Potential losses on local currency obligations arising from operating in a volatile domestic economic and political environment.
- ii. Transfer and Convertibility Risk (“TCR”): Potential losses on cross-border or foreign currency obligations arising

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from the possibility that a government is unable or unwilling to make foreign currency available for remittance out of the country.

- iii. Gross Country Risk ("GCR"): Potential for losses due to political or economic events in a country. GCR is defined as the sum of TCR and LCR exposures.

The country risk exposure monitoring is holistic, which include local currency and foreign currency credit exposures, as well as other exposures.

From first line perspective Country CEO is responsible for monitoring Country Risk exposures with second line responsibility of oversight resting with Country CRO.

Compliance Risk

Compliance Risk refers to the risk of legal or regulatory sanctions, material financial loss, or loss to reputation a Financial Institute may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards, and Codes of Conduct and Ethics applicable to its banking activities. Compliance with applicable laws and regulations and related policies and standards is the responsibility of all bank staff. Compliance Risk Type Framework ("CRF") outlines the overall Compliance risk management approach for the Group, internal and external stakeholders; and defining risk management approach with a specific focus on areas of laws and regulations for which Compliance is the Second Line of Defence. Locally, the Bank has adopted the SBP Guidelines on Compliance Risk Management to ensure adherence with the regulatory obligations. Management maintains robust governance and oversight through the Conduct, Compliance, and Financial Crime Risk Committee ('CCFCRC') on the relevant risks in line with the regulatory requirements and strategic priorities of the franchise. Further, all the material risks, issues and findings from regulator, GIA and external auditors are tracked and addressed on priority by the management and a detailed update is presented to the Board Audit, Risk Committees as well as Board of Directors, who ensured that management has taken the appropriate actions and has put in place a system to minimize repetition with an aim to build sustainable controls environment.

Conduct Risk

The Conduct Risk has been elevated to be an integral part of the ERMF, focusing on the two key components, Institutional Conduct, and Individual Behavior. Conduct Risk is viewed through the lens of whether the Group is delivering the required Conduct Outcomes through the Group's risk management framework (the ERMF and PRTs), Conduct Risk Management Standards and the Group Code of Conduct. The Conduct Risk is governed and monitored through the CCFCRC and tracked via conduct health checks and Country Conduct Plan. This Plan is developed to capture systemic issues which is extensively deliberated and discussed by Country's Management Team before capturing in the Conduct Plan. The objective is to formulate a plan that should highlight the key Conduct Risks that are inherent in business and for each of the risks identified, appropriate remediation action, enhancements to the control environment, responsible action owners and timeframes for resolution be clearly identified and agreed upon. An update on Conduct Risk is part of the agenda for Board Audit Committee and Board Risk Committee to ensure the Board has taken required actions to drive the conduct agenda in country's business.

Financial Crime Compliance Risk

The Financial Crime Risk Type Framework ("FCRTF") sets out the overall risk management approach to FCRTF as a PRT. Financial Crime Risk is defined as the "potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to Sanctions, Anti-Money Laundering and Anti-Bribery and Corruption, and Fraud. This has been designed to set minimum standards to adhere to the local and international regulatory authorities' related Guidelines. The, CCFCRC management forum maintains rigorous oversight and monitoring of related risks in the businesses. Further, all the material risks, issues and findings from regulator, internal and external auditors are tracked and addressed on priority by the management and a detailed update is presented to the Board Risk Committees to ensure that management has taken the appropriate actions and has put in place a system to minimize repetition with an aim to build sustainable controls environment.

Information and Cyber Security Risk

The Bank defines Information and Cyber Security Risk as potential for loss from a breach of confidentiality, integrity or availability of bank's information system and assets through cyber-attack, insider activity, error or control failure. The Loss may be related to Loss of Data ('LOD'), Loss of Funds ('LOF') and Loss of Services ('LOS'). The Bank seeks to avoid risk and uncertainty for its information assets and systems and has a low appetite for material incidents affecting wider operations and reputation of the Bank. Information and Cyber Security Risk is managed through a structured framework (i.e. Information

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and Cyber Security Risk Type Framework – also referred as 'ICS RFT') comprising of a risk assessment methodology and supporting policies, procedures including threat led assessment and standards which are aligned to industry and global best practice models, and roles and responsibilities for first, second and third lines of defence are defined under the framework. The ICS RFT sets out the overall risk management approach for ICS within the Bank and at the heart of the ICS RFT is the Group Information and Cyber Security Policy (ICS Policy) which defines the controls which must be embedded into all parts of the business. ICS Policy and Standards define control requirements for the management of ICS Risk by the first line and the ICS Risk Categories (risk sub types) have been defined to help articulate the impact of ICS risks to the business and control requirements for the management of ICS Risk. The Bank has also established a mechanism to monitor & report Risk Appetite and the adherence to ICS RA is monitored and reported monthly through the RA Monitoring Information ("RAMI") and Risk Information Report ("RIR"). As per Bank's Risk assessment Stress Testing, Vulnerability Scanning, and Penetration Testing of Bank's Information Assets relating to Information and Cyber Security Risk are performed. The Bank also has Information and Cyber Security Awareness program that ensures staff is aware of how to work within the policy responsibilities. The program includes the Bank's mandatory information and Cyber Security e-learning course, Information Security Champions initiatives and targeted awareness campaigns. This is monitored through governance committee / forums such as ICS Working Group, ERC, and IT Steering Committee.

By order of the Board



Rehan Muhammad Shaikh
Chief Executive Officer
25 February 2026

Report of Shari'ah Board

For the year ended 31 December 2025

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الحمد لله رب العالمين، والصلاة والسلام على سيدنا محمد وعلى آله وصحبه أجمعين، وبعد

ALL PRAISE BE TO ALLAH, THE LORD OF ALL THE WORLDS AND BLESSINGS ON OUR MASTER, PROPHET MUHAMMAD (PEACE BE UPON HIM) AND ALL HIS FAMILY AND ALL HIS COMPANIONS.

By the grace of Allah Almighty, Standard Chartered Bank Pakistan) Limited (Saadiq) has completed its twenty-two years of the successful Islamic banking operation. As per the requirement of the Shariah Governance Framework (SGF) of State Bank of Pakistan (SBP), this report is to provide opinion of the Shariah Board (SB) on the overall Shariah compliance environment of the Bank's Islamic banking business and operations.

During the year under review, the four SB meetings have been conducted and SB members have reviewed, discussed, advised and approved different Islamic products, country addendums, departmental operating instructions, transactions, process notes, Shariah compliance review and Shariah audit reports. In addition, the SB and BoD have also met twice this year in which SB has provided detailed briefing on Shariah compliance environment of the Saadiq. SB appreciate the efforts of the management of the Bank towards promoting and strengthening the environment of Shariah-compliance in the Bank. SB through this report would please to share the major achievements of the Bank towards the growth of Islamic banking during the year ended December 31, 2025:

Islamic Business Review

During the year under review, the Bank primarily used several Islamic financings modes which include Musharakah, Diminishing Musharakah, Murabaha, Commodity Murabaha, Musawammah and Istisna to meet the customers' financial need in a Shariah compliant manner. At the year ended December 31, 2025, the Bank had Islamic financing and investment/placement of Rs 154.4 billion. While, on the liability side, the Bank had total Islamic deposits of Rs 135.4 billion in Saving Accounts, Term Accounts & Current Accounts etc.

Shariah Compliance Reviews

The Shariah Compliance Department (SCD), under the supervision of the Resident Shariah Board Member and the guidance of the Shariah Board Members, effectively fulfilled its roles and responsibilities as outlined in the Shariah Governance Framework (SGF).

During the review period, the Shariah compliance team conducted comprehensive Islamic Banking reviews across various business units and functions on a sample basis. These reviews encompassed Islamic Wealth & Retail Banking (WRB), Islamic Corporate & Institutional Banking (CIB) and Islamic Banking Windows. In accordance with regulatory instructions, the SCD also performed Shariah reviews of Saadiq Personal Finance & Saadiq Credit Card on quarterly basis.

Additionally, the SCD actively collaborated with the Learning & Development Department and other bank stakeholders to deliver Islamic banking training to staff at various levels within the bank. This included the development and enhancement of learning modules as needed.

Shariah Audit

During the year, Internal Shariah Audit Unit (ISAU) has conducted several Audits on annual and quarterly basis which include the audit of several Islamic Products, Profit & Loss Distribution, Saadiq Personal Finance, Saadiq Credit Card, and Mortgage Subsidy under Mera Pakistan Mera Ghar scheme.

Charity Amounts

The opening balance of the charity fund on January 1, 2025 was Rs 3.02 million. During the year, an amount of Rs. 1.05 million has been added to charity account which includes delayed payment amount received from customers. Furthermore, charity amount of Rs. 2.75 million has been disbursed to approved charitable and social welfare institutions. However, the remaining Rs 1.32 million charity amount is in process to be paid to the

Report of Shari'ah Board

For the year ended 31 December 2025

approved charitable institutions.

Training and Capacity Building

During the year, the bank supported to provide capacity building to the relevant staff and has taken major initiatives to ensure the awareness and knowledge of the staff would be developed by using different mode of trainings which include digital (Online, Webinars, Virtual, e-assessments) channels. With respect to transformation strategy of SBP, the bank particularly organised the sessions for bank's senior employees through Lahore University of Management Science (LUMS). The bank also arranged the classroom-based sessions for the staff through internal and external Shariah Scholars / Islamic financial Experts i.e. IBA-CEIF, NIBAF etc.

Approximately 1850 employees have attended 30 different courses on Islamic Banking products and services in 7000 training sessions.

In addition to that, the progress and updates on transformation of Banking into Islamic was also arranged for the Board of Directors and Executive Committee of the Bank.

Shariah Board's Opinion

As per the Shariah Governance Framework, the Board of Directors and Executive Management are solely responsible to ensure that the operations of the Bank are conducted in a manner that comply with Shariah principles. While SB is required to submit a report on the overall Shariah compliance environment of the Bank.

To establish our opinion, we reviewed the Shariah Compliance review reports and Shariah audit reports of internal & external Shariah audits. Based on the this, we are of the view that:

1. The Bank has by and in large complied with the Shariah rules and principles provided through fatawa and guidelines issued by the Shariah Board.
2. The Bank has complied with the directives, regulations, instructions and guidelines (related to Shariah compliance) issued by Shariah advisory committee of State Bank of Pakistan (SBP).
3. During the year under review, any matter requiring corrective measures has been noted and resolved by the management and/or ensured to be rectified in future. Subject to the foregoing, the Bank has a mechanism in place to ensure Shariah compliance in their overall Islamic operations.
4. The Bank has a system in place which is sound enough to ensure that any earnings realized from sources or by means prohibited by Shariah have been credited to charity account and are being properly utilized for charitable purposes.
5. The Bank has adequately complied with the SBP instructions on profit and loss distribution and pool management.
6. Learning & Development department in coordination with Shariah compliance department and other stakeholders have arranged various Islamic Banking trainings and development sessions for capacity building of the staff and is in continuous process to enhance and develop Islamic banking learning environment and to build the importance of Shariah compliance in the products and processes of the Bank.

The Shariah Board also acknowledged the bank's efforts in developing capital market solutions to support the Banking industry's conversion process.

Recommendation

Based on the above, we recommend that:

- The Shariah Board recommends to expediting the Bank's efforts in enhancing and upgrading the systems for effective pool management to ensure efficiency and compliance, while adhering to the prescribed implementation timelines.

Report of Shari'ah Board

For the year ended 31 December 2025

And Allah Subhanah wa Ta'ala knows the Best.

May Allah Subhanah wa Ta'ala accept our endeavours and grant us devotion to accomplish His cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes. Ameen



Dr. Shaikh Nizam Yaqouby
Chairman Shariah Board



Mufti Muhammad Abdul Mubeen
Member Shariah Board



Dr. Mufti Irshad Ahmad Aijaz
Member Shariah Board



Dr. Mufti Muhammad Sarfraz Nihal
Resident Shariah Board Member

25 February 2026

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

الحمد لله وحده والصلاة والسلام على من لا نبي بعده وعلى آله وصحبه ومن والاه. وبعد

تمام تعریفیں اللہ تبارک و تعالیٰ کے لئے ہیں جو تمام جہانوں کا رب ہے اور رحمتیں نازل ہوں ہمارے آقا محمد صلی اللہ علیہ وسلم اور ان کے تمام اہل و عیال اور تمام صحابہ کرام پر۔

الحمد لله! صادق، اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ نے کامیاب اسلامک بینکنگ آپریشنز کا بائیسواں سال مکمل کر لیا ہے۔ اسٹیٹ بینک آف پاکستان کے اسلامک بینکنگ ڈپارٹمنٹ (IBD SBP) کے شریعی گورننس فریم ورک (SGF) کی شرائط کے مطابق اس رپورٹ کا مقصد، بینک کے اسلامک بینکنگ بزنس اور آپریشنز کی شریعی کمپلائنس کی مجموعی صورتحال پر شریعی بورڈ (SB) کی رائے فراہم کرنا ہے۔

سال کے دوران شریعی بورڈ نے مختلف اسلامک پروڈکٹس، ضمیموں، ڈپارٹمنٹ آپریشنز، انٹرکسٹنگ، ٹرانزیکشنز، پروسیس نوٹس، شریعی کمپلائنس اور شریعی آڈٹ رپورٹس کا جائزہ لینے، ان پر اپنی رائے دینے اور ان کی منظوری کے لئے چار اجلاس منعقد کئے۔ اس سال بورڈ آف ڈائریکٹرز نے شریعی بورڈ کے ساتھ دو ملاقاتیں بھی کیں، جن میں شریعی بورڈ نے صادق کی شریعی کمپلائنس کی مجموعی صورتحال کی تفصیلی وضاحت کی۔ شریعی بورڈ بینک میں شریعی کمپلائنس کی صورتحال کو مستحکم کرنے اور اسے فروغ دینے کے لئے بینک کی انتظامیہ کی کوششوں کو سراہتا ہے۔ شریعی بورڈ اس رپورٹ کے ذریعے 31 دسمبر 2025 کو ختم ہونے والے سال کے دوران، اسلامی بینکاری کی ترقی کے لیے، بینک کی اہم کامیابیوں کو نشتر کر رہے ہیں۔

اسلامی کاروبار کا جائزہ

زیر جائزہ سال کے دوران، بینک نے صارفین کی مالی ضروریات کو شرعی طور پر پورا کرنے کے لئے بنیادی طور پر اسلامی فنانشنگ کے طریقے استعمال کئے (جیسے مشارکہ، شرکت متناقصہ، مراہجہ، تورق، مساومہ اور استحصان)۔ 31 دسمبر 2025 کے اختتام پر، بینک کی مجموعی اسلامک فنانشنگ اور انویسٹمنٹ / پلیسمنٹ 154.4 بلین روپے تھی، واجبات کے لحاظ سے، بینک کے پاس سیونگز اکاؤنٹس، ٹرم اکاؤنٹس، کرنٹ اکاؤنٹس وغیرہ میں کل 135.4 بلین روپے کے اسلامی ڈپازٹس تھے۔

شریعی کمپلائنس کا جائزہ

شریعی کمپلائنس ڈپارٹمنٹ (SCD)، ریزائیڈنٹ شریعی بورڈ ممبر اور شریعی بورڈ کی رہنمائی میں کام کر رہا ہے، تاکہ شریعی گورننس فریم ورک کے مطابق اپنا کردار ادا کرے اور ذمہ داریاں نبھائے۔

زیر جائزہ سال کے دوران شریعی کمپلائنس ٹیم نے آزمائشی جانچ کی بنیادوں پر، اسلامک بینکنگ کے کئی شعبوں کا جائزہ لیا۔ اس جائزے میں اسلامک ویلنٹی اینڈ ریٹیل بینکنگ (WRB)، اسلامک کارپوریٹ اینڈ انویسٹمنٹ بینکنگ (CIB) اور اسلامک بینکنگ و نڈوز شامل تھے۔ ریگولیٹری ہدایات کے مطابق SCD نے صادق پرسنل فنانس اور صادق کریڈٹ کارڈ کا سہ ماہی بنیادوں پر بھی جائزہ لیا۔

مزید برآں، شریعی کمپلائنس ڈپارٹمنٹ، لرننگ اینڈ ویلنٹی ڈپارٹمنٹ اور بینک کے دیگر اسٹیک ہولڈرز کے ساتھ مل کر اسلامی بینکاری کی ٹریننگ کی فراہم کرنے میں مصروف رہا۔ ٹیم نے بینک کے عملے کے لئے مختلف سطحوں پر تربیتی نشستوں کا بھی انعقاد کیا اور جہاں ضرورت ہوئی، لرننگ ماڈیولز کی تیاری / بہتری میں بھی مدد فراہم کی۔

شریعی آڈٹ

رواں سال انٹرنل شریعی آڈٹ یونٹ (ISAU) نے سالانہ اور سہ ماہی بنیادوں پر متعدد آڈٹس کئے جن میں متعدد اسلامک پروڈکٹس، نفع و نقصان کی تقسیم، صادق پرسنل فنانس، صادق کریڈٹ کارڈ اور میرا پاکستان، میرا گھرا سکیم کے تحت مارکیٹ سبسڈی کے آڈٹس شامل ہیں۔

چیریٹی مائٹس (خیراتی رقم)

یکم جنوری 2025 کو چیریٹی فنڈ کا ابتدائی بیلنس 3.02 ملین روپے تھا۔ سال کے دوران 1.05 ملین روپے چیریٹی اکاؤنٹ میں جمع ہوئے جس میں کسٹمرز کی جانب سے تاخیری ادائیگیوں کے باعث حاصل ہونے والی رقم شامل تھیں۔ مزید یہ کہ مختلف منظور شدہ خیراتی اور سماجی، بہبود کے اداروں کو 2.75 ملین روپے کی خیراتی رقم فراہم کی گئی۔ تاہم بقیہ 1.32 ملین روپے کی خیراتی رقم منظور شدہ خیراتی اداروں کو ادا کرنے کا عمل جاری ہے۔

ٹریڈنگ اور صلاحیتوں میں اضافے کی کاوشیں

زیر جائزہ سال کے دوران بینک نے متعلقہ عملے کی استعدادی صلاحیتوں میں اضافے کے لئے تعاون فراہم کیا اور اس بات کو یقینی بنانے کے لئے اہم اقدامات کئے تاکہ مختلف طریقہ ہائے ٹریڈنگ کے ذریعے عملے کی آگاہی اور معلومات کو فروغ دیا جاسکے۔ ان طریقوں میں ڈیجیٹل (آن لائن، ویبینارز، ورچوئل، ای۔اسسٹنس) چینلز شامل ہیں۔ اسٹیٹ بینک آف پاکستان کی تبدیلی کی حکمت عملی کے حوالے سے بینک نے لاہور یونیورسٹی آف مینجمنٹ سائنس (LUMS) کے ذریعے اپنے سینئر ملازمین کے لئے خاص طور پر سیشنز منعقد کروائے۔ بینک نے اندرونی اور بیرونی شریعی اسکالرز/اسلامی مالیات کے ماہرین مثلاً IBA-CEIF، NIBAF وغیرہ کے ذریعے عملے کے لئے کلاس روم۔ میڈ تریبیٹی مجالس کا بھی انعقاد کیا۔

تقریباً 1850 ملازمین نے 7,000 ٹریڈنگ سیشنز کے دوران اسلامک بینکنگ پروڈکٹس اور سروسز سے متعلق 30 مختلف کورسز میں ٹریڈنگ حاصل کیں۔ اس کے علاوہ بورڈ آف ڈائریکٹرز اور بینک کی ایگزیکٹو کمیٹی کے لئے کنوینشنل بینکاری کی اسلامک بینکاری میں منتقلی سے متعلق پیش رفت اور آگاہی کے لئے بھی مجالس ترتیب دی گئیں۔

شریعی بورڈ کی رائے

شریعی گورننس فریم ورک کے مطابق بینک کے آپریشنز کو شرعی قوانین کے مطابق چلانا، بورڈ آف ڈائریکٹرز اور ایگزیکٹو مینجمنٹ کی ذمہ داری ہے جبکہ ہمارے لئے بینک کے مجموعی شرعی اصولوں کے مطابق ہونے پر ایک رپورٹ پیش کرنا مطلوب ہے۔

اس رپورٹ میں بیان کی گئی اپنی رائے کو قائم کرنے کے لئے ہم نے شریعی کمپلائنس ڈپارٹمنٹ، اندرونی اور بیرونی شریعی آڈٹ کی رپورٹس کا جائزہ لیا ہے۔ مذکورہ بالا تفصیل کی بنیاد پر ہماری رائے درج ذیل ہے:

- 1- بینک نے شریعی بورڈ کی جانب سے جاری کردہ فتاویٰ، احکام اور اصولوں کی روشنی میں فراہم کردہ شرعی قوانین اور اصولوں کی مجموعی طور پر پاسداری کی ہے۔
- 2- بینک نے اسٹیٹ بینک آف پاکستان کی شریعی ایڈوائزری کمیٹی کی جانب سے جاری کردہ شریعی کمپلائنس سے متعلق احکام، ضوابط، ہدایات اور اصولوں کی پاسداری کی ہے۔
- 3- زیر جائزہ سال کے دوران، کسی بھی ایسے معاملے پر جس میں اصلاحی اقدام کی ضرورت ہو، غور کیا گیا اور مینجمنٹ کی جانب سے قابل اصلاح امور کا ازالہ کیا گیا ہے اور ایوان کی درستگی کی یقین دہانی کروائی گئی ہے۔ مذکورہ بالا سے مشروط طور پر بینک کے پاس اپنے مجموعی اسلامی آپریشنز میں شریعی کمپلائنس کو یقینی بنانے کے لئے ایک طریقہ کار موجود ہے۔
- 4- بینک کے پاس ایک واضح نظام موجود ہے، جو تمام تر غیر شرعی ذرائع سے حاصل شدہ رقم چیریٹی اکاؤنٹ میں جمع کئے جانے اور اسے مناسب طور پر خیراتی اداروں میں بروئے کار لائے جانے کو یقینی بناتا ہے۔

- 5- بینک نے نفع و نقصان کی تقسیم اور پُول مینجمنٹ کے سلسلے میں اسٹیٹ بینک کی ہدایات کی مناسب طور پر پاسداری کی ہے۔
- 6- لرننگ اینڈ ڈویلپمنٹ ڈپارٹمنٹ نے شریعت کمپلائنس ڈپارٹمنٹ اور دیگر اسٹیک ہولڈرز کے تعاون سے ملازمین کی صلاحیت میں اضافے کے لئے مختلف اسلامک بینکنگ ٹریننگ سیشنز کا اہتمام کیا اور بینک کی مصنوعات اور لائحہ عمل میں، شریعت کمپلائنس کی اہمیت کو بڑھانے اور اسلامک بینکنگ کے سیکھنے کے ماحول کو فروغ اور ترقی دینے کے لئے مستقل مصروف عمل ہے۔
- ہم بینک اور بینکاری صنعت کے اندر مختلف چینلز کے ذریعے اسلامی بینکاری کو فروغ دینے کے لئے بورڈ آف ڈائریکٹرز اور مینجمنٹ کے وژن کو سراہتے ہیں اور اس کی حمایت کرتے ہیں۔

تجاویز:

مندرجہ بالا کی بنیاد پر، ہم تجویز کرتے ہیں کہ:

- شریعت بورڈ بینک کو موثر پول مینجمنٹ کے لیے سسٹمز کو بہتر بنانے اور اپ گریڈ کرنے کی کوششوں کو تیز کرنے کی تجویز دیتا ہے، تاکہ نفاذ کے مقررہ وقت کی پابندی کرتے ہوئے کارکردگی اور شریعت تقاضوں کی تعمیل کو یقینی بنایا جاسکے۔

اور اللہ سبحانہ و تعالیٰ بہتر جانتا ہے

اللہ سبحانہ و تعالیٰ ہماری کاوشوں کو قبول فرمائے اور ہمیں اپنے پسندیدہ کاموں کو پورا کرنے کی توفیق عطا فرمائے، ہمیں دنیا و آخرت میں کامیابی عطا فرمائے اور ہماری خطائیں معاف فرمائے۔ آمین

محمد عبدالمبین

ممبر شریعت بورڈ

ڈاکٹر مفتی محمد سرفراز نہال

ریزیڈنٹ شریعت بورڈ ممبر

ڈاکٹر مفتی ارشاد احمد اعجاز

ممبر شریعت بورڈ

ڈاکٹر شیخ نظام یعقوبی

چیرمین شریعت بورڈ

ڈاکٹر مفتی محمد سرفراز نہال

ریزیڈنٹ شریعت بورڈ ممبر

25 فروری 2026

Independent Auditor's Review Report

To the members of Standard Chartered Bank (Pakistan) Limited

Review Report on the 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 **Standard Chartered Bank Pakistan Limited** (the Bank) for the year ended **31 December 2025** 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 a 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 31 December 2025.



Chartered Accountants

Place: Karachi

Date: 3rd March 2026

UDIN Number: CR202510191v1UeuoyMa

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

For the year ended 31 December 2025

The Bank has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is seven as per the following:
 - a) Male: Six
 - b) Female: One
2. The composition of the Board at year-end was as follows:
 - a) Independent Non Executive Directors: Mr. Ehsan Ali Malik
Mr. Badaruddin Fatehali Vellani
Mr. Ghiasuddin Khan
 - b) Non Executive Directors: Mr. Christopher Parsons (Chairperson)
Ms. Rola Abu Manneh
Mr. Sheikh Jobe
 - c) Executive Director(s): Mr. Rehan M. Shaikh
 - d) Female Director: Ms. Rola Abu Manneh
3. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Bank.
4. The Bank has adopted Group's 'Code of Conduct', which has been approved by the Board and is disseminated to all the directors and employees of the Bank along with its supporting policies and procedures.
5. The Board has developed and approved a vision/ mission statement and overall corporate strategy. The Board has also approved significant policies and adopted certain Standard Chartered Group policies as far as they are in accordance with the local laws and regulations. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board as empowered by the relevant provisions of the Companies Act, 2017 ('the Act') and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the Board meetings.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All the directors on the Board have already completed Directors' Training Programme/ Corporate Governance Certification. During the year under review, a number of in-house training/ orientation sessions were also attended by the directors.
10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment; and complies with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has established the following committees, and their respective compositions are outlined below:
 - a) Board Audit Committee ('BAC'): Mr. Ehsan Ali Malik (Chairperson)
Mr. Badaruddin Fatehali Vellani (Member)
Mr. Sheikh Jobe (Member)
 - b) Board Human Resource & Remuneration Committee ("RemCo"): Mr. Badaruddin Fatehali Vellani (Chairperson)
Mr. Ghiasuddin Khan (Member)
Ms. Rola Abu Manneh (Member)

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

For the year ended 31 December 2025

- | | | |
|---|---|---------------------------------------|
| c) Board Risk Committee (“BRC”): | Mr. Ghiasuddin Khan
Mr. Ehsan Ali Malik
Mr. Rehan Muhammad Shaikh | (Chairperson)
(Member)
(Member) |
| d) Board Information & Technology Committee (“BITC”): | Mr. Sheikh Jobe
Mr. Ehsan Ali Malik
Mr. Rehan Muhammad Shaikh | (Chairperson)
(Member)
(Member) |

Note: The Board has not constituted a separate Nomination Committee and functions are being performed by the Board.

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the aforesaid Committees as per the respective Terms of References are as follows:
- | | |
|---|----------------------------|
| a) Board Audit Committee: | At least once in a quarter |
| b) Board Human Resource & Remuneration Committee: | At least twice in a year |
| c) Board Risk Committee: | At least four in a year |
| d) Board Information & Technology Committee: | At least twice in a year |
15. The Board has set up an effective Internal Audit (‘IA’) function. Personnel of internal audit function are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Bank.
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 registered with 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 ICAP 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 Bank.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these 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 under clauses 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

By Order of the Board



Rehan Muhammad Shaikh
Chief Executive Officer
25 February 2026



Ehsan Malik
Director

Six Years Key Financial Data

Rupees in million

Key Financial Data	2020	2021	2022	2023	2024	2025
Profit and Loss						
Net mark-up income	28,140	26,268	44,602	94,733	93,513	61,463
Non funded income	12,800	11,126	18,048	13,325	24,659	19,090
Total income	40,940	37,393	62,649	108,058	118,172	80,553
Non mark-up expenses	12,383	12,137	13,845	19,000	22,460	23,872
Provisions / (recovery) & write-offs	4,941	495	(1,319)	(163)	(4,908)	(1,811)
Profit before Tax	23,616	24,762	50,123	89,221	100,620	58,493
Profit after Tax	13,133	13,728	19,844	42,622	46,067	28,781
Profitability ratios						
Return on equity	17.0%	17.0%	23.7%	46.4%	43.1%	25.2%
Return on assets	2.0%	1.8%	2.2%	4.4%	4.5%	3.0%
Expense / Income ratio	30%	32%	22%	18%	19%	30%
Balance Sheet						
Total assets	721,905	839,426	927,289	1,001,948	1,057,292	872,871
Advances - gross	199,753	255,905	236,923	240,843	190,374	232,029
Advances - net	178,216	234,173	216,208	220,183	171,567	214,151
Non performing loans	22,695	21,303	21,237	21,061	16,821	16,040
Investments - net	349,445	450,583	477,732	226,712	654,340	478,413
Deposits	556,506	626,774	718,450	719,535	835,695	650,141
Shareholder's equity	81,678	79,605	87,521	96,223	117,722	110,462
Asset quality & other ratios						
Advances / deposits ratio	32%	37%	30%	31%	21%	33%
NPL to gross advances	11%	8%	9%	9%	9%	7%
Coverage ratio - specific	84%	92%	93%	93%	98%	100%
CASA mix	93%	92%	96%	97%	97%	98%
Capital adequacy ratio (CAR)	19.12%	16.93%	18.68%	20.07%	23.48%	21.88%
Share information						
Earning per share	3.39	3.55	5.13	11.01	11.90	7.43
Dividend pay-out ratio	27.50%	30.00%	40.00%	90.00%	102.00%	93.00%
Touchpoints (Numbers)						
Branches	53	41	40	40	41	38
ATMs / CDM / CDK	197	173	169	132	132	127

Standard Chartered Bank (Pakistan) Limited

Audited
Financial Statements

For the year ended
31 December 2025

Independent Auditor's Report

To the members of Standard Chartered Bank (Pakistan) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Standard Chartered Bank (Pakistan) Limited** (the Bank), which comprise the statement of financial position as at **31 December 2025**, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, along with unaudited certified returns received from the branches except for 6 branches which have been audited by us and notes to the financial statements, including material accounting policy information 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 statement of financial position, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the 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 31 December 2025 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Matter was Addressed in Our Audit
1. Expected credit loss allowance against advances (Refer note 9 to the financial statements)	
The assessment of the Bank's determination of Expected Credit Losses ('ECL') against advances requires management to make judgements over staging financial assets and measurement of ECL. We considered this to be a key audit matter due to the quantitative significance of Advances (representing 25% of total assets) and the complexity of the judgements, assumptions and estimates used in the ECL calculations.	We obtained an understanding of the Bank's credit risk governance and management process with a particular focus on ECL framework, policies and methodologies applied to determine the ECL allowance against the portfolio of Advances. We applied a range of audit procedures including the following:
The accounting policy and disclosures related to the ECL against advances are included in Notes 4.1.11 and 9.2 respectively to the financial statements.	<ul style="list-style-type: none">We assessed the appropriateness of the Bank's accounting policies and methodologies for determining the ECL allowance against advances in accordance with the requirements of IFRS Accounting Standards as applicable in Pakistan and IFRS 9 application guidance issued by SBP.

	<ul style="list-style-type: none"> ● We performed procedures to test various aspects of ECL provisions including the following: <ul style="list-style-type: none"> ● the governance of ECL model, its validation, including relevant approvals. ● completeness and accuracy of critical data inputs into the ECL models and calculations. ● timely identification of SICR and the determination of individually impaired exposures. ● the management's assessment of Stage 3 provisions based on recoverable cash flows, including the impact of collateral, if any, and the applicable regulatory requirements. ● ECL computations based on underlying models used by the Bank. ● Where required, we involved our experts to assist us in reviewing model calculations, evaluating interrelated inputs (including EADs, PDs and LGDs) and assessing reasonableness of assumptions used in the ECL models. ● We also assessed adequacy of disclosures as included in Note 9.2 to the financial statements regarding the advances and allowances made for the same in the financial statements in accordance with the requirements of the applicable financial reporting framework.
<p>2. Goodwill Impairment (Refer note 12 to the financial statements)</p>	
<p>As at 31 December 2025, the Bank's intangible assets include goodwill of Rs. 26,095 million on account of acquisition of Union Bank Limited in 2006.</p> <p>Goodwill is required to be annually assessed for impairment under IAS 36 "Impairment of Assets". Accordingly, management performed an impairment test of the goodwill which is subjective in nature due to assumptions made about future performance.</p> <p>As disclosed in note 12.1, the Bank uses a discounted cashflow model to determine value in use, based on certain key assumptions.</p> <p>Due to the significance and impact of the assumptions and judgements involved, the impairment test of goodwill is considered to be a key audit matter.</p>	<p>We applied a range of audit procedures including the following:</p> <ul style="list-style-type: none"> - We assessed the reasonableness of cash flow projections and compared key inputs, such as discount rates and growth rates, to externally available industry, economic and financial data and performance. - We evaluated whether the assumptions, on which valuation is based, are realistic and consistent with the general economic environment, the economic environment of specific industry, existing market information and the entity's economic circumstances. - Performed sensitivity analysis around the key assumptions used in the model. - We assessed the adequacy of the related disclosures in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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 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 statement of financial position, the statement of profit or loss, the statement of comprehensive income, statement of changes in equity and 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 **Arslan Khalid**.



Chartered Accountants

Place: Karachi

Date: 3rd March 2026

UDIN Number: AR202510191CldZsqhvl

Statement of Financial Position

As at 31 December 2025

	Note	2025	2024
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks	5	80,790,333	82,306,465
Balances with other banks	6	19,786,023	13,216,951
Lendings to financial institutions	7	12,479,626	70,485,202
Investments	8	478,413,103	654,339,883
Advances	9	214,151,084	171,566,660
Property and equipment	10	10,985,897	11,643,964
Right-of-use assets	11	1,504,445	911,194
Intangible assets	12	26,095,310	26,095,310
Deferred tax assets - net		-	-
Other assets	13	28,665,267	26,726,431
Total Assets		872,871,088	1,057,292,060
LIABILITIES			
Bills payable	14	16,839,039	23,057,139
Borrowings	15	14,676,735	18,285,487
Deposits and other accounts	16	650,141,095	835,694,991
Lease liabilities	17	1,469,902	933,917
Sub-ordinated debt		-	-
Deferred tax liabilities - net	18	3,188,571	6,354,705
Other liabilities	19	76,093,683	55,243,964
Total liabilities		762,409,025	939,570,203
NET ASSETS		110,462,063	117,721,857
REPRESENTED BY:			
Share capital	20	38,715,850	38,715,850
Reserves	21	49,827,764	46,949,679
Surplus on revaluation of assets	22	7,628,345	10,036,242
Unappropriated profit		14,290,104	22,020,086
		110,462,063	117,721,857
CONTINGENCIES AND COMMITMENTS			
	23		

The annexed notes 1 to 46 and Annexure I and II form an integral part of these financial statements.

				
Christopher Parsons Chairman	Rehan Muhammad Shaikh Chief Executive Officer	Syed Ejaz Alam Chief Financial Officer	Ehsan Ali Malik Director	Badaruddin Vellani Director

Profit and Loss Account

For the year ended 31 December 2025

	Note	2025 (Rupees in '000)	2024
Mark-up / return / interest earned	24	88,812,551	159,132,943
Mark-up / return / interest expensed	25	(27,349,626)	(65,620,024)
Net mark-up / interest income		61,462,925	93,512,919
NON MARK-UP / INTEREST INCOME			
Fee and commission income	26	7,315,631	6,991,972
Dividend income		140,847	100,000
Foreign exchange income	27	8,881,814	9,919,988
Income from derivatives		610,189	1,125,765
Gain on securities	28	973,674	4,599,917
Other income	29	1,168,276	1,921,393
Total non mark-up / interest income		19,090,431	24,659,035
Total Income		80,553,356	118,171,954
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	30	(22,663,893)	(20,345,120)
Workers welfare fund		(1,193,753)	(2,044,069)
Other charges	31	(13,979)	(71,036)
Total non mark-up / interest expenses		(23,871,625)	(22,460,225)
Profit before credit loss allowance		56,681,731	95,711,729
Credit loss allowance and write offs - net	32	1,810,804	4,908,422
PROFIT BEFORE TAXATION		58,492,535	100,620,151
Taxation	33	(29,711,681)	(54,553,387)
PROFIT AFTER TAXATION		28,780,854	46,066,764
(Rupees)			
BASIC / DILUTED EARNINGS PER SHARE	34	7.43	11.90

The annexed notes 1 to 46 and Annexure I and II form an integral part of these financial statements.



Christopher Parsons
Chairman



Rehan Muhammad Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Badaruddin Vellani
Director

Statement of Comprehensive Income

For the year ended 31 December 2025

	Note	2025	2024
(Rupees in '000)			
Profit after taxation for the year		28,780,854	46,066,764
Other comprehensive income			
Items that may be reclassified to profit and loss account in subsequent periods:			
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax		(1,516,728)	1,247,796
Items that will not be reclassified to profit and loss account in subsequent periods:			
Movement in surplus on revaluation of equity investments - net of tax		100,239	200,704
Movement in surplus / (deficit) on revaluation of Property and equipment - deferred tax rate impact		20,655	(54,646)
Movement in remeasurement of post employment obligations - net of tax	22.1	308	13,670
		121,202	159,728
Total comprehensive income		27,385,328	47,474,288

The annexed notes 1 to 46 and Annexure I and II form an integral part of these financial statements.



Christopher Parsons
Chairman



Rehan Muhammad Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Badaruiddin Vellani
Director

Statement of Changes in Equity

For the year ended 31 December 2025

	Share Capital	Capital	Statutory	Surplus / (Deficit) on revaluation of		Unappropriated	Total
	Issued, subscribed and paid up	Share Premium	Reserve	Investments	Property and equipment	Profit	
	(Rupees in '000)						
Balance as at 01 January 2024 - restated	38,715,850	1,036,090	36,700,236	89,960	8,595,012	8,134,660	93,271,808
Profit after tax for the year ended 31 December 2024	-	-	-	-	-	46,066,764	46,066,764
Other comprehensive income	-	-	-	-	-	-	-
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	1,247,796	-	-	1,247,796
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	200,704	-	-	200,704
Movement in remeasurement of post employment obligations - net of tax	-	-	-	-	-	13,670	13,670
Movement in surplus / (deficit) on revaluation of Property and equipment - deferred tax rate impact	-	-	-	-	(54,646)	-	(54,646)
	-	-	-	1,448,500	(54,646)	46,080,434	47,474,288
Transfer to statutory reserve	-	-	9,213,353	-	-	(9,213,353)	-
Realised on disposals during the year - net of deferred tax	-	-	-	-	(14,308)	14,308	-
Transferred from surplus on revaluation of property and equipment - net of deferred tax	-	-	-	-	(28,276)	28,276	-
Transactions with owners, recorded directly in equity							
Share based payment transactions (contribution from holding company)	-	-	-	-	-	205,272	205,272
Cash dividend (Final 2023) at Rs. 2.50 per share	-	-	-	-	-	(9,678,963)	(9,678,963)
Cash dividend (Interim I - 2024) at Rs. 1.50 per share	-	-	-	-	-	(5,807,378)	(5,807,378)
Cash dividend (Interim II - 2024) at Rs. 2.00 per share	-	-	-	-	-	(7,743,170)	(7,743,170)
	-	-	-	-	-	(23,024,239)	(23,024,239)
Balance as at 31 December 2024	38,715,850	1,036,090	45,913,589	1,538,460	8,497,782	22,020,086	117,721,857
Profit after tax for the year ended 31 December 2025	-	-	-	-	-	28,780,854	28,780,854
Other comprehensive income	-	-	-	-	-	-	-
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	(1,516,728)	-	-	(1,516,728)
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	100,239	-	-	100,239
Movement in remeasurement of post employment obligations - net of tax	-	-	-	-	-	308	308
Movement in surplus on revaluation of Property and equipment - deferred tax rate impact	-	-	-	-	20,655	-	20,655
	-	-	-	(1,416,489)	20,655	28,781,162	27,385,328
Transfer to statutory reserve	-	-	2,878,085	-	-	(2,878,085)	-
Realised on disposal during the year - net of deferred tax	-	-	-	-	(985,005)	985,005	-
Transferred from surplus on revaluation of property and equipment - net of deferred tax	-	-	-	-	(27,058)	27,058	-
Transactions with owners, recorded directly in equity							
Share based payment transactions (contribution from holding company)	-	-	-	-	-	199,144	199,144
Cash dividend (Final 2024) at Rs. 5.50 per share	-	-	-	-	-	(21,293,718)	(21,293,718)
Cash dividend (Interim I - 2025) at Rs. 3.50 per share	-	-	-	-	-	(13,550,548)	(13,550,548)
	-	-	-	-	-	(34,645,122)	(34,645,122)
Balance as at 31 December 2025	38,715,850	1,036,090	48,791,674	121,971	7,506,374	14,290,104	110,462,063

The annexed notes 1 to 46 and Annexure I and II form an integral part of these financial statements.



Christopher Parsons
Chairman



Rehan Muhammad Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Badaruddin Vellani
Director

Cash Flow Statement

For the year ended 31 December 2025

	Note	2025	2024
(Rupees in '000)			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation for the year		58,492,535	100,620,151
Less: Dividend income		(140,847)	(100,000)
		58,351,688	100,520,151
Adjustments for:			
Net mark-up / interest income		(61,462,925)	(93,347,508)
Depreciation	10	959,689	749,664
Depreciation on right-of-use assets	11	489,374	425,019
Gain on sale of property and equipment	29	(116,346)	(14,187)
Gain on sale of asset held for sale	29	(1,007,925)	(9,247)
Unrealized loss / (gain) on revaluation of investments classified as FVTPL - net	28	1,218,629	(203,035)
Finance cost of lease liability	25	231,708	165,411
Gain on lease termination	29	-	(1,187)
Credit loss allowance and write offs - net		(1,198,996)	(4,170,560)
		(60,886,792)	(96,405,630)
		(2,535,104)	4,114,521
Decrease / (increase) in operating assets			
Lendings to financial institutions		58,014,120	294,766,581
Securities classified as FVTPL		140,249,868	(434,697,370)
Advances		(41,739,323)	49,336,809
Other assets (excluding advance taxation)		(701,847)	679,263
		155,822,818	(89,914,717)
(Decrease) / increase in operating liabilities			
Bills payable		(6,218,100)	4,725,440
Borrowings from financial institutions		(3,494,571)	(9,967,044)
Deposits		(185,553,896)	116,160,151
Other liabilities		20,479,126	(22,404,506)
		(174,787,441)	88,514,041
Mark-up / Interest received		89,702,933	164,294,058
Mark-up / Interest paid		(27,848,851)	(65,699,001)
Cash inflow before taxation		40,354,355	101,308,902
Income tax paid		(28,673,076)	(58,997,052)
Net cash flow generated from operating activities		11,681,279	42,311,850
CASH FLOW FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		35,676,913	7,419,382
Dividend received		140,847	100,000
Investment in property and equipment		(1,266,619)	(1,574,655)
Proceeds from sale of property and equipment		116,730	14,187
Proceeds from sale of asset held for sale		2,000,000	51,500
Net cash flow generated from investing activities		36,667,871	6,010,414
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(42,466,057)	(52,061,979)
Payment in respect of lease liability		(715,972)	(644,692)
Net cash flow used in financing activities		(43,182,029)	(52,706,671)
Increase / (decrease) in cash and cash equivalents for the year		5,167,121	(4,384,407)
Cash and cash equivalents at beginning of the year		93,944,163	100,291,413
Effect of exchange rate changes on cash and cash equivalents		1,419,263	(543,580)
		95,363,426	99,747,833
Cash and cash equivalents at end of the year	36	100,530,547	95,363,426

The annexed notes 1 to 46 and Annexure I and II form an integral part of these financial statements.

Christopher Parsons
Chairman

Rehan Muhammad Shaikh
Chief Executive Officer

Syed Ejaz Alam
Chief Financial Officer

Ehsan Ali Malik
Director

Badaruddin Vellani
Director

Notes to the Financial Statements

For the year ended 31 December 2025

1. STATUS AND NATURE OF BUSINESS

Standard Chartered Bank (Pakistan) Limited ("the Bank") was incorporated in Pakistan on 19 July 2006 and was granted approval for commencement of banking business by State Bank of Pakistan, with effect from 30 December 2006. The ultimate holding company of the Bank is Standard Chartered PLC. (Group), incorporated in England. The registered office is at Standard Chartered Bank Building, I.I. Chundrigar Road, Karachi.

The Bank commenced formal operations on 30 December 2006 through amalgamation of entire undertaking of Union Bank Limited and the business carried on by the branches in Pakistan of Standard Chartered Bank, a bank incorporated by Royal Charter and existing under the laws of England. The scheme of amalgamation was sanctioned by State Bank of Pakistan vide its order dated 4 December 2006. The Bank's shares are listed on Pakistan Stock Exchange.

The Bank is engaged in the banking business as defined in the Banking Companies Ordinance, 1962 and has a total number of 37 branches in Pakistan including 02 Islamic branches (31 December 2024: 40 branches in Pakistan including 02 Islamic branches) and 01 branch in Export Processing Zone in operation at 31 December 2025 (31 December 2024 : 01 branch).

2. BASIS OF PREPARATION

2.1 Basis of presentation

These financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide its BPRD Circular No. 13 dated July 01, 2024.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. One permissible form of trade related mode of financing comprises of purchase of goods by the customer on behalf of the Bank and immediate sale to the customer at appropriate profit 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 utilised and the appropriate portion of profit thereon.

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

2.2 Statement of compliance

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

- IFRS Accounting Standards 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 as are notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' through its notification S.R.O 411(I)/2008 dated 28 April 2008. During the year, the SECP has notified vide S.R.O. 742(I)/2025 dated 16 April 2025 that IFRS 7 'Financial Instruments: Disclosures' will be applicable for the preparation of financial statements of banks from annual reporting period beginning on or after January 01, 2026.

Notes to the Financial Statements

For the year ended 31 December 2025

Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.

The Securities and Exchange Commission of Pakistan (SECP) has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' issued by the Institute of Chartered Accountants of Pakistan. IFAS 3 shall be followed with effect from the financial periods beginning after 1 January 2014 in respect of accounting for transactions relating to 'Profit and Loss Sharing on Deposits' as defined by the said standard. The standard has resulted in certain new disclosures in these financial statements of the Bank. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions. Accordingly, the requirements of the standard has not been considered in the preparation of these financial statements.

In accordance with IFRS 9 application instructions issued by the SBP, the Banks are directed to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations, the income for the period of the Bank would have been lower by Rs. 98,510 million.

2.3 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current year

The Bank has adopted the following amendments to the approved accounting and reporting standards which became effective for the current year:

- Lack of exchangeability – Amendments to IAS 21

The adoption of the above amendment to accounting standard did not have any material effect on the Bank's financial statements.

2.4 Standards, interpretations and amendments to published accounting and reporting standards as applicable in Pakistan that are not yet effective in the current year

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after January 01, 2026:

Amendments	Effective date (annual periods beginning on or after)
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01 January 2026
Annual improvements to IFRS Accounting Standards - Volume 11	01 January 2026
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	01 January 2026
IFRS 18 - Presentation and Disclosures in the financial statements	01 January 2026
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01 January 2026
Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21	01 January 2027
IFRS S1 - General requirements for disclosures of sustainability related financial information	01 January 2027
IFRS S2 - Climate-related Disclosures	01 January 2027

The above standards and amendments are not expected to have any material impact on the Bank's financial statements in the period of initial application except for IFRS 18. The impact of adoption of IFRS 18 is described below:

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined

Notes to the Financial Statements

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performance measures in the notes and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

Narrow scope amendments have been made to IAS 7 Statement of Cash Flows, and some requirements previously included within IAS 1 have been moved to IAS 8, which has been renamed IAS 8 Basis of Preparation of Financial Statements.

In addition, there are consequential amendments to several other standards. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Bank is currently working to identify all impacts the amendments will have on the financial statements of future period and notes thereto.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	July 01, 2009

2.5 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. 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 the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following:

- Note 8.4 Classification, valuation and provision of investments
- Note 9.2 Classification and expected credit loss / provisioning against advances
- Note 10 & 12 Valuation, useful-life and depreciation / amortisation rates for property equipment / intangible assets
- Note 10 & 12 Impairment of non-financial assets including goodwill and other intangibles
- Note 17 Leases - Term and discount rates
- Note 18 Deferred taxation
- Note 19.3 Expected credit loss / provision against off balance sheet obligations
- Note 23.8 Derivative instruments
- Note 33 Income taxes
- Note 37 Employees' retirement defined benefit plans and related assumptions
- Note 39 Share based payments

3 Basis of measurement

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention, except that certain investments and derivative financial instruments have been measured at fair value. Certain fixed assets are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, where applicable. Net obligations in respect of defined benefit schemes are measured at their present values.

3.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Bank's functional currency.

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For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

4.1 Financial Instruments

4.1.1 Financial assets and liabilities

Financial instruments carried on the statement of financial position include cash and balances with treasury banks, balances with other banks, lendings to financial and other institutions, investments, advances, certain receivables, bills payable, borrowings from financial institutions, deposit accounts and other payables.

4.1.2 Financial assets and liabilities – initial recognition

Financial assets and financial liabilities are recognised at the time when the Bank becomes a party to the contractual provision of the instrument. Financial assets and liabilities are initially recognized at fair value.

All 'regular way' purchases and sales of investments are recognised on the trade date i.e. the date that the bank commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of investments that require delivery of assets within the time frame generally established by regulation or convention in the market place.

4.1.3 Classification and subsequent measurement of financial assets

Financial assets are classified into following categories for measurement subsequent to initial recognition:

- Financial assets at amortized cost
- Debt / Equity instruments at 'fair value through other comprehensive income' FVOCI
- Financial assets at 'fair value through profit or loss' FVTPL

4.1.4 Financial assets at amortised cost

The Bank classifies its financial assets at amortized cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

The details of these conditions are outlined below:

a) Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The business model is determined at a level which reflects how a group of assets are managed together to achieve a particular objective. The following factors are considered in determining business models assessment:

- On the business lines (e.g., Transaction banking, financial markets, Corporate and commercial loans),or
- Between desks within business lines if the desks will have varying mandates/ objectives (i.e. sub-portfolios or sub-business lines).

The variety of factors identified for IFRS 9 classification is consistent with how asset portfolios are reported to management.

b) The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial asset to identify whether they meet the SPPI test. The assessment of SPPI aims to identify whether the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding'.

Notes to the Financial Statements

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'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of 'interest' within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL, unless otherwise specified by the Regulator.

4.1.5 Debt instruments at FVOCI

The Bank applies this category under IFRS 9 when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income at EIR and foreign exchange gains and losses are recognised in the profit and loss account.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit and loss account. The accumulated loss recognised in OCI is recycled to the profit and loss account upon derecognition of the assets.

Market value of investment in Government securities is determined based on the relevant PKRV, PKFRV and PKISRV rates / price.

On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit and loss account.

4.1.6 Equity instruments at FVOCI

Upon initial recognition, the Bank elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of 'Equity' under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis and is irrevocable.

Gains and losses on these equity instruments are never recycled to profit and loss account. Dividends are recognised in profit and loss account when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

4.1.7 Financial assets and financial liabilities at FVTPL

Financial assets and financial liabilities in this category are those that are:

- held for trading, that is, they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking, or
- not held for trading and have been either designated by management upon initial recognition, or mandatorily required to be measured at fair value under IFRS 9

Financial assets are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss account. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

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For the year ended 31 December 2025

4.1.8 Financial liabilities at amortised cost

Financial liabilities which are measured at amortised cost using the EIR method. These include Bills payable, Borrowings, Deposits and certain items within other liabilities.

4.1.9 Derecognition of financial assets

Derecognition due to substantial modification of terms and conditions

The Bank derecognises a financial asset (other than Stage 3) when the terms and conditions have been renegotiated to the extent that it substantially becomes a new loan, with the difference recognised as a derecognition gain or loss. The newly recognised loan is classified as Stage 1 for ECL measurement purposes, unless it is deemed to be purchased originated credit impaired. When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers qualitative factors, or if the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition other than due to substantial modification of terms and conditions

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. Advances are written-off when there is no realistic prospect of recovery.

The gain/(loss) on derecognition of financial asset has been calculated as the difference between the book value (including impairment) and the proceeds received.

4.1.10 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

4.1.11 Impairment of financial assets

Overview of the ECL principles

The Bank records the allowance for expected credit losses for all loans and other debt financial assets held at amortised cost or FVOCI, together with loan commitments, letters of credit and financial guarantee contracts. Equity instruments are not subject to impairment under IFRS 9. Under the SBP's instructions, local currency credit exposures guaranteed by the Government and Government Securities are exempted from the application of ECL.

The calculation of ECLs

The ECL allowance is based on the credit losses expected to arise over the life of the asset the Lifetime Expected Credit Loss' (LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' Expected Credit Loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

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For the year ended 31 December 2025

- Stage 2: When a loan has shown a significant increase in credit risk since origination (SICR), the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired. The Bank records an allowance for the LTECLs with PD set at 100%. Under SBP's instructions, until implementation of IFRS 9 has stabilized, Stage 3 allowance would be taken as higher of IFRS 9 ECL or provision computed under Prudential Regulations.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Bank considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the Credit Grading (CG) of the borrower. The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the Early Alert - Non Purely Precautionary (EA-NPP), or the account becoming forborne. Regardless of the change in credit grades, generally, the Bank considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The key elements of ECL calculations are as follows:

Probability of default:

The probability that a counterparty will default, over the next 12 months from the reporting date (stage 1) or over the lifetime of the product (stage 2), incorporating the impact of forward looking economic assumptions that have an effect on Credit Risk. The PD estimates will fluctuate in line with the economic cycle. The lifetime (or term structure) PDs are based on statistical models, calibrated using historical data and adjusted to incorporate forward-looking economic assumptions.

Exposure at default:

The expected balance sheet exposure at the time of default, taking into account expected changes over the lifetime of the exposure. This incorporates the impact of drawdowns of facilities with limits, repayments of principal and interest, and amortisation.

Loss given default:

The loss that is expected to arise on default, incorporating the impact of forward-looking economic assumptions where relevant, which represents the difference between the contractual cashflows due and those that the bank expects to receive. The Bank estimates LGD based on the history of recovery rates and considers the recovery of any eligible collateral that is integral to the financial asset, taking into account forward-looking economic assumptions where relevant.

LGD benefit of non-liquid collateral has been excluded from ECL calculations in line with the local implementation guidelines.

The interest rate used to discount the ECLs would be based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

When estimating the ECLs, the Bank considers probability-weighted scenarios. These are associated with different PDs, EADs and LGDs. These expected probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and reversals are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Notes to the Financial Statements

For the year ended 31 December 2025

Forward looking information

Forward-looking economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk. These assumptions are incorporated using the Bank's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally.

4.2 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents comprise of Cash and balances with treasury banks, Balances with other banks and overdrawn nostros.

4.3 Lending and Borrowing

Securities sold subject to repurchase agreements ('repos') remain on the balance sheet; the counterparty liability is included in borrowings from financial institutions. Securities purchased under agreements to resell ('reverse repos') are recorded as lendings to financial institutions. The difference between sale and repurchase price is treated as mark-up / return / interest earned or expensed and accrued over the life of the underlying agreement using the effective interest method.

4.4 Advances

Advances are stated net of credit loss allowance, for policy applicable to credit loss allowance is outlined in note 4.1.11 to these financial statements.

Islamic financing

In Murabaha transactions, the Bank purchases the goods and after taking the possession, sells them to the customer on cost plus profit basis either in a spot or credit transaction. Markup income is recognized on a straight line basis over the period of the instalments.

In Diminishing Musharakah financing, the Bank enters into Musharakah based on Shirkat-ul-milk for financing an agreed share of fixed asset (e.g. house, plant or machinery) with its customers. The customers pay periodic profit as per the agreement for the utilisation of the Bank's Musharakah share and also periodically purchase the Bank's share over the tenure of the transaction.

In Musharakah financing, the Bank enters into financing with the customer in his operating business based on Shirkat-ul-Aqd. The customer pays provisional profit as per the desired profit rate which is subject to final settlement based on the annual accounts of the customer.

4.5 Property and equipment - tangible

Owned

Operating fixed assets, other than land and buildings, are stated at cost less accumulated depreciation and accumulated impairment losses thereon. Cost includes expenditure that is directly attributable to the acquisition of fixed assets. Land and buildings are stated at revalued amounts less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to profit and loss account during the financial period in which they are incurred.

Land and buildings are revalued by independent professionally qualified valuer(s). Surplus arising on revaluation is credited to the 'surplus on revaluation of fixed assets' account (net of deferred tax). The revaluation is carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using fair value at the balance sheet date. A decrease arising on revaluation of fixed assets is adjusted against the surplus of that asset to the extent of any previous surplus recognized with respect to that asset and if no surplus exists, it is charged to the profit and loss account as an impairment.

Depreciation is calculated over the expected useful life of the asset at the rates specified in note 10.2 to the financial statements. The depreciation charge for the year is calculated on a straight line basis after taking into account the residual value, if any. Accumulated depreciation on owned buildings, at the date of revaluation, is eliminated against the gross carrying amount of buildings. The net amount is then restated to the revalued amount.

Notes to the Financial Statements

For the year ended 31 December 2025

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

Land is not depreciated. Depreciation on all other fixed assets is calculated using the straight line method to allocate their depreciable cost or revalued amount to their residual values over their estimated useful lives.

The residual values and useful lives of fixed assets are reviewed, and adjusted (if appropriate) at each balance sheet date.

Gains and losses on disposal of fixed assets are included in profit and loss account currently, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profit.

Capital work in progress

Capital work in progress is stated at cost less accumulated impairment losses, if any.

4.6 Leases

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period in exchange for consideration. The Bank mainly leases properties for its operations. The Bank recognizes a right-of-use asset and lease liability at the lease commencement date.

The right-of-use asset is initially measured at the amount of initial measurement of 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 dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses. The right of use asset is depreciated on a straight-line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. The lease liability is subsequently increased by the finance cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The lease modification is accounted for as a separate lease if modification increase the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the Bank accounts for the remeasurement of the lease liability by either decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for the lease modification that decrease the scope of the lease. The Bank recognizes in profit or loss any gain or loss relating to such modification; or making a corresponding adjustment to the right-of-use asset for all other lease modifications.

The Bank has elected not to recognize right-of-use assets and lease liabilities for short term and low value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. The right-of-use assets are presented in the same line items as it presents underlying assets of the same nature that it owns.

4.7 Intangible assets

Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of net identifiable assets acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment loss if any is recognized in statement of profit and loss.

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For the year ended 31 December 2025

Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their expected useful lives using the straight line method.

4.8 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised in profit and loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated pre-tax future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

4.9 Borrowings / deposits and their cost

- Borrowings / deposits are recorded at the time when the proceeds are received.
- Borrowing / deposit costs are recognised as an expense in the period in which these are incurred using effective mark-up / interest rate method.

4.10 Staff retirement benefits

Defined benefit plan

The Bank operates approved funded management / non-management pension scheme only for its existing pensioners and un-funded lump sum scheme on cessation for unionised staff.

For defined benefit plans, the net defined benefit liability / asset recognised in the balance sheet is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The deficit or surplus is:

- (a) the present value of the defined benefit obligation; less
- (b) the fair value of plan assets (if any).

Annual contributions towards defined benefit schemes are made on the basis of actuarial advice using the Projected Unit Credit Method. The present value of defined benefit obligation is calculated annually by independent actuaries by discounting the estimated future cash flows using an interest rate equal to the yield on high-quality corporate bonds.

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment. The Bank recognises past service cost as an expense when the plan is amended.

Actuarial gains or losses that arise are recognised in other comprehensive income in the period they arise. Service costs and Net interest on net defined benefit liability / asset are recognised in profit and loss account.

Defined contribution plan

The Bank also operates a defined contribution gratuity scheme for all its management and non management staff, and a provident fund scheme for all its permanent staff, contributing at 8.33 percent, 16.66 percent and 10 percent of basic salary respectively.

4.11 Foreign currency transactions

Transactions in foreign currencies are translated to Pakistan Rupees at exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Pakistan Rupees at the exchange rate prevailing at the reporting date. Foreign currency differences arising on retranslation are recognised in profit or loss.

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4.12 Revenue recognition

Mark-up / return on advances and investments are recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Mark-up recoverable on classified advances and investments is recognised on a receipt basis in accordance with the IFRS 9 - Application guidelines issued by State Bank of Pakistan.

Where debt securities are purchased at a premium or discount, those premiums / discounts are amortized through profit and loss account over the remaining maturity, using the effective yield method.

Fees, commission and brokerage income is recognised on an accrual basis except where in the opinion of the management, it would not be prudent to do so. Fees and commission which in substance amount to an additional interest charge, are recognised over the life of the underlying transaction on a level yield basis.

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

Gains and losses on sale of investments are recognized in the profit and loss account.

A portion of income is deferred for loyalty reward credits awarded to customers for usage of the Bank's credit card and are measured by reference to their fair value. Upon expiry / redemption of the reward credits, the income previously deferred will be recognized.

Profit on Murabaha transactions from the date of disbursement to the date of culmination of Murabaha (offer and acceptance) is recognised immediately on the date of culmination and thereafter, profit on Murabaha is recognised on accrual basis.

Profit on Diminishing Musharakah financings is recognised on an accrual basis.

Profit on Musharakah financing is booked on an accrual basis and is subject to adjustment upon declaration of profit by Musharakah partners.

4.13 Taxation

Income tax expense comprises of current 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 or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantively enacted at the balance sheet date), and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided for using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured using tax rates enacted or substantively enacted at the reporting date.

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 utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.14 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is taken to profit and loss account.

Notes to the Financial Statements

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4.15 Provisions

Provisions, including restructuring costs and legal claims are recognised when: (i) the Bank has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

4.16 Trust activities

The Bank commonly acts in fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions for which it earns a fee. These assets and its related income arising thereon are excluded from these financial statements, as they are not assets of the Bank. The assets under IPS accounts amount to Rs. 117 billion as at 31 December 2025.

4.17 Segment reporting

A segment is a component of the Bank that engages in business activities for which it may earn revenues and incur expenses (including revenue and expense relating to transactions with other component), whose results are regularly reviewed by the management to make decisions about resources to be allocated to the segment and assess its performance and for which financial information is available.

A brief description of the products and services offered by different segments of the Bank is given in note 42 to these financial statements.

4.18 Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Bank has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.19 Share-based compensation

The Group operates various share-based compensation plans which are accounted for as equity settled share based payment transactions, regardless of inter group repayment arrangements. For equity-settled awards, the total amount to be expensed over the vesting period is determined by reference to the fair value of the options at the date of grant, which excludes the impact of any non-market vesting conditions (for example, profitability and growth targets). The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments is estimated using an appropriate valuation technique, such as a binomial option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The obligation is charged to profit and loss account and credited to equity as a contribution from parent. The liability for these transactions which is based on the fair value of these options at the settlement date is settled through debiting equity when the remittance is made to the Group.

4.20 Acceptances

Acceptances comprise of undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be simultaneously settled with the reimbursement from the customers. Acceptances are accounted for as on-balance sheet transactions. Therefore, commitments in respect of acceptances have been accounted for as financial assets and financial liabilities.

4.21 Basic and diluted earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period / year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. There were no convertible dilutive potential ordinary shares in issue at 31 December 2025.

Notes to the Financial Statements

For the year ended 31 December 2025

4.22 Non-current assets held for sale

Non-current assets (or disposal group) held for sale comprises of assets whose carrying amount is expected to be recovered primarily through sale rather than continuing use. The assets are measured at the lower of their carrying values and fair values less cost to sell. Subsequent gains in fair value less costs to sell are recognised to the extent they do not exceed the cumulative impairment losses previously recorded. A non-current asset is not depreciated while classified as held for sale or while part of a disposal group classified as held for sale.

4.23 Dividend and appropriation to reserves

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Bank's shareholders. Interim dividends are deducted from equity when they are declared by the Board of Directors. Dividend declared and appropriations, except for transfer to statutory reserve, made subsequent to the date of Statement of Financial Position are considered as non adjusting events and are recorded as a liability in the financial statements in the year in which these are approved by shareholders / directors as appropriate.

4.24 Contingencies and commitments

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

5 CASH AND BALANCES WITH TREASURY BANKS

	Note	2025	2024
(Rupees in '000)			
In hand			
- Local currency		4,191,470	4,713,792
- Foreign currencies		10,467,504	10,466,048
With State Bank of Pakistan in:			
- Local currency current account	5.1	44,956,630	43,583,604
- Local currency current account-Islamic Banking	5.1	6,795,318	8,671,660
- Foreign currency deposit account			
Cash reserve account	5.2	4,807,891	5,205,682
Special cash reserve account	5.3	8,983,618	9,950,663
Local US Dollar collection account		850,601	635,090
With National Bank of Pakistan in:			
- Local currency current account		49,046	88
Prize Bonds		44,574	51,959
Less: Credit loss allowance held against cash and balances with treasury banks (FCY)	5.4	(356,319)	(972,121)
Cash and balances with treasury banks - net of credit loss allowance		80,790,333	82,306,465

5.1 The local currency current accounts are maintained with the State Bank of Pakistan (SBP) as per the requirements of Section 22 of the Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP. These accounts are non-remunerative in nature.

5.2 This represents foreign currency current accounts maintained under the Cash Reserve Requirement. These accounts (Conventional & Islamic) are non-remunerative in nature.

5.3 This represents accounts maintained with the SBP to comply with the Special Cash Reserve Requirement. The return on conventional account is declared by the SBP on a monthly basis and as at December 31, 2025, it carries mark-up rate at 2.86% (December 31, 2024: 3.53%) per annum and the Islamic account is non-remunerative in nature.

5.4 This represents ECL allowance in line with IFRS 9 and SBP Application Instructions.

Notes to the Financial Statements

For the year ended 31 December 2025

6 BALANCES WITH OTHER BANKS

Note	2025	2024
	(Rupees in '000)	
In Pakistan		
- In current accounts	500	34,367
Outside Pakistan		
- In current accounts	19,793,312	13,186,380
Less: Credit loss allowance held against balances with other banks	(7,789)	(3,796)
Balances with other banks - net of credit loss allowance	<u>19,786,023</u>	<u>13,216,951</u>

6.1 This includes balances of Rs. 19,701.158 million (2024: Rs. 13,109.030 million) held with other branches and subsidiaries of Standard Chartered Group outside Pakistan.

6.2 This represents ECL allowance in line with IFRS 9 and SBP Application Instructions.

7 LENDINGS TO FINANCIAL INSTITUTIONS

Note	2025	2024
	(Rupees in '000)	
Repurchase agreement lendings (Reverse Repo)	8,094,400	36,169,330
Placements	4,386,981	34,326,170
Less: Credit loss allowance held against lending to financial institutions	(1,755)	(10,298)
Lendings to financial institutions - net of credit loss allowance	<u>12,479,626</u>	<u>70,485,202</u>

7.1 This carries mark-up rate at 9.50 percent per annum (2024: 12.0 percent to 13.03 percent) per annum payable at maturity, and is due to mature in January 2026. This arrangement is governed under Master Repurchase Agreements. The market value of securities held as collateral against repurchase agreement lendings amounts to Rs 8,081.4 million (2024: Rs 36,163.218 million).

7.2 These represent placements with other branches and subsidiaries of Standard Chartered Group outside Pakistan at mark-up rates ranging from 1.02 percent to 3.15 percent per annum (2024: 2.73 percent to 4.65 percent per annum), and are due to mature latest by January 2026.

7.3 Particulars of lending

	2025	2024
	(Rupees in '000)	
In local currency	8,094,400	36,169,330
In foreign currencies	4,385,226	34,315,872
	<u>12,479,626</u>	<u>70,485,202</u>

7.4 Securities held as collateral against lendings to financial institutions

	2025			2024		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
	----- (Rupees in '000) -----					
Market Treasury Bills	-	-	-	26,326,330	-	26,326,330
Pakistan Investment Bonds	8,094,400	-	8,094,400	9,843,000	-	9,843,000
	<u>8,094,400</u>	-	<u>8,094,400</u>	<u>36,169,330</u>	-	<u>36,169,330</u>

Notes to the Financial Statements

For the year ended 31 December 2025

7.5 Lending to financial institutions- Particulars of credit loss allowance

	2025		2024	
	Lending	Credit loss allowance held	Lending	Credit loss allowance held
Domestic	----- (Rupees in '000) -----			
Stage 1/ Performing	12,481,381	(1,755)	70,495,500	(10,298)
Total	12,481,381	(1,755)	70,495,500	(10,298)

	2025			
	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----			
Balance at the start of the year	(10,298)	-	-	(10,298)
Financial assets that have been derecognised	8,543	-	-	8,543
Balance at the end of the year	(1,755)	-	-	(1,755)

	2024			
	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----			
Balance at the start of the year	-	-	-	-
Impact of adoption of IFRS 9	(13,724)	-	-	(13,724)
Net remeasurement of credit loss allowance	(13,724)	-	-	(13,724)
New financial assets originated or purchased	(10,298)	-	-	(10,298)
Financial assets that have been derecognised	13,724	-	-	13,724
Balance at the end of the year	(10,298)	-	-	(10,298)

8 INVESTMENTS

	Note	2025				2024			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
8.1 Investments by type		----- (Rupees in '000) -----							
		-----FVTPL-----				-----FVTPL-----			
Debt Instruments									
Federal Government Securities		293,064,489	-	637,373	293,701,862	431,892,693	-	203,035	432,095,728
Equity instruments									
Preference Shares		3,181,718	-	(1,856,002)	1,325,716	3,181,718	-	-	3,181,718
		296,246,207	-	(1,218,629)	295,027,578	435,074,411	-	203,035	435,277,446
		-----FVOCI-----				-----FVOCI-----			
Debt Instruments									
Federal Government Securities	8.7.1	183,081,420	-	(731,287)	182,350,133	215,739,118	-	2,480,234	218,219,352
Non Government Debt Securities	8.7.3	488,965	(488,965)	-	-	-	-	-	-
Equity instruments									
Shares	8.7.2	53,004	(3,004)	985,392	1,035,392	53,004	(3,004)	793,085	843,085
		183,623,389	(491,969)	254,105	183,385,525	215,792,122	(3,004)	3,273,319	219,062,437
Total Investments		479,869,596	(491,969)	(964,524)	478,413,103	650,866,533	(3,004)	3,476,354	654,339,883

Notes to the Financial Statements

For the year ended 31 December 2025

8.2 Investments by segment

	2025				2024			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	----- (Rupees in '000) -----							
Federal Government Securities								
Market Treasury Bills	384,481,833	-	512,946	384,994,779	616,667,641	-	2,013,989	618,681,630
Pakistan Investment Bonds	19,224,076	-	250,640	19,474,716	758,117	-	36,317	794,434
GoP Ijarah Sukuk	71,064,474	-	(857,500)	70,206,974	28,641,798	-	632,963	29,274,761
Naya Pakistan certificates	1,375,526	-	-	1,375,526	1,564,255	-	-	1,564,255
	476,145,909	-	(93,914)	476,051,995	647,631,811	-	2,683,269	650,315,080
Equity instruments								
Listed companies	3,181,718	-	(1,856,002)	1,325,716	3,181,718	-	-	3,181,718
Unlisted companies	53,004	(3,004)	985,392	1,035,392	53,004	(3,004)	793,085	843,085
	3,234,722	(3,004)	(870,610)	2,361,108	3,234,722	(3,004)	793,085	4,024,803
Non Government Debt Securities								
Unlisted	488,965	(488,965)	-	-	-	-	-	-
	488,965	(488,965)	-	-	-	-	-	-
Total investment	479,869,596	(491,969)	(964,524)	478,413,103	650,866,533	(3,004)	3,476,354	654,339,883

Note **2025** 2024
(Rupees in '000)

8.2.1 Investments given as collateral

The book value of investment given as collateral against borrowing is as follows:

Federal Government securities

- Market Treasury Bills

8.5 **18,453** 16,893
18,453 16,893

8.3 Particulars of credit loss allowance

8.3.1 Investments - exposure

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	-	-	3,004	3,004	-	-	150,004	150,004
New investments	-	-	488,965	488,965	-	-	-	-
Investments derecognised or repaid	-	-	-	-	-	-	(147,000)	(147,000)
Closing balance	-	-	491,969	491,969	-	-	3,004	3,004

8.3.2 Investments - Credit loss allowance

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Gross carrying amount - Current year	-	-	3,004	3,004	-	-	150,004	150,004
New investments	-	-	488,965	488,965	-	-	-	-
Investments derecognised or repaid	-	-	-	-	-	-	(147,000)	(147,000)
Closing balance - Current year	-	-	491,969	491,969	-	-	3,004	3,004

8.4 Credit loss allowance against investments

	2025	2024
	(Rupees in '000)	
Opening balance	3,004	881,398
Reversals / write off	-	(147,000)
Reclass due to impact of adoption of IFRS 9	-	(731,394)
New investments	488,965	-
Closing balance	491,969	3,004

Notes to the Financial Statements

For the year ended 31 December 2025

8.4.1 Particulars of credit loss allowance against debt securities

Category of classification	2025		2024	
	Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Stage 3	------(Rupees in '000)-----			
Loss	488,965	488,965	-	-
	488,965	488,965	-	-

8.5 Investments include securities having market value of Rs. 18.474 million (2024: Rs. 17.355 million) pledged with the State Bank of Pakistan as security to facilitate T.T. discounting facility to the Bank, including an amount earmarked against the facilities allocated to branches now in Bangladesh.

8.6 Market Treasury Bills, Pakistan Investment Bonds and GoP Ijarah Sukuks are eligible for discounting with the State Bank of Pakistan.

8.7 Quality of securities

Details regarding quality of securities held under "Hold to Collect and Sell" model are as follows:

Note	2025	2024
	Cost (Rupees in '000)	
Market Treasury Bills	113,122,964	187,268,563
GoP Ijarah Sukuk	69,958,456	28,470,555
	<u>183,081,420</u>	<u>215,739,118</u>

8.7.2 Equity instruments

Ordinary shares - Unlisted Companies

	2025		2024	
	Cost (Rupees in '000)	Breakup value	Cost (Rupees in '000)	Breakup value
1LINK (Private) Limited	50,000	1,798,265	50,000	1,467,410
Pakistan Export Finance Guarantee Agency Limited *	3,004	-	3,004	-
	<u>53,004</u>	<u>1,798,265</u>	<u>53,004</u>	<u>1,467,410</u>

* The company is under liquidation and the last accounts were audited in 2014. Hence, the breakup value of the entity is considered to be nil.

8.7.3 Non Government Debt Securities

Unlisted

Bonds and Term Finance Certificates - unlisted

Term Finance Certificates of Rs. 5,000 each

Rating	2025	2024
	Cost (Rupees in '000)	
Unrated	488,965	-
	<u>488,965</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 December 2025

9 ADVANCES

	Note	Performing		Non Performing		Total	
		2025	2024	2025	2024	2025	2024
-----Rupees in '000-----							
Loans, cash credits, running finances, etc.		132,777,785	105,262,259	14,511,052	15,375,041	147,288,837	120,637,300
Islamic financing and related assets		78,786,100	62,200,822	1,529,393	1,445,936	80,315,493	63,646,758
Bills discounted and purchased (excluding treasury bills)		4,424,702	6,089,544	-	-	4,424,702	6,089,544
Advances - gross	9.1	215,988,587	173,552,625	16,040,445	16,820,977	232,029,032	190,373,602
Credit loss allowance against advances	9.2						
-Stage 1		(975,107)	(1,391,475)	-	-	(975,107)	(1,391,475)
-Stage 2		(911,950)	(897,160)	-	-	(911,950)	(897,160)
-Stage 3		-	-	(15,990,891)	(16,518,307)	(15,990,891)	(16,518,307)
		(1,887,057)	(2,288,635)	(15,990,891)	(16,518,307)	(17,877,948)	(18,806,942)
Advances - net of credit loss allowance		214,101,530	171,263,990	49,554	302,670	214,151,084	171,566,660

9.1 Particulars of advances - gross

	2025	2024
(Rupees in '000)		
In local currency	197,496,724	174,574,057
In foreign currencies	34,532,308	15,799,545
	232,029,032	190,373,602

9.1.1 Advances to Women, Women-owned and Managed Enterprises

Women	5,935,858	5,431,498
Women Owned and Managed Enterprises	71,881	28,665
	6,007,739	5,460,163

9.1.2 Gross loans disbursed to women, women-owned and managed enterprises during the year were Rs. 2,429 million (31 December 2024: Rs. 1,804 million).

9.2 Particulars of credit loss allowance

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
-----Rupees in 000-----								
Opening balance	151,411,029	22,141,596	16,820,977	190,373,602	185,968,343	33,813,753	21,061,184	240,843,280
Impact of adoption of IFRS 9	-	-	-	-	-	(175,867)	175,867	-
	151,411,029	22,141,596	16,820,977	190,373,602	185,968,343	33,637,886	21,237,051	240,843,280
New advances	410,443,208	111,641,707	-	522,084,915	374,499,887	59,767,888	-	434,267,775
Advances derecognised or repaid	(380,539,556)	(98,347,711)	(1,034,216)	(479,921,483)	(410,540,749)	(66,714,084)	(4,642,272)	(481,897,105)
Transfer to stage 1	3,469,296	(3,329,296)	(140,000)	-	27,449,757	(26,735,993)	(713,764)	-
Transfer to stage 2	(21,249,390)	21,362,828	(113,438)	-	(23,046,575)	23,075,143	(28,568)	-
Transfer to stage 3	(268,942)	(746,182)	1,015,124	-	(2,919,634)	(889,244)	3,808,878	-
	11,854,616	30,581,346	(272,530)	42,163,432	(34,557,314)	(11,496,290)	(1,575,726)	(47,629,330)
Amounts written off	-	-	(517,464)	(517,464)	-	-	(2,817,854)	(2,817,854)
Other movements (including FX adjustments)	-	-	9,462	9,462	-	-	(22,494)	(22,494)
Closing balance - Current year	163,265,645	52,722,942	16,040,445	232,029,032	151,411,029	22,141,596	16,820,977	190,373,602

Notes to the Financial Statements

For the year ended 31 December 2025

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
9.2.2 Advances - Credit loss allowance	-----Rupees in 000-----				-----Rupees in 000-----			
Opening balance	1,391,475	897,160	16,518,307	18,806,942	978,349	-	19,681,449	20,659,798
Impact of adoption of IFRS 9	-	-	-	-	927,796	2,500,018	1,144,892	4,572,706
	1,391,475	897,160	16,518,307	18,806,942	1,906,146	2,500,018	20,826,341	25,232,504
New Advances	1,135,559	1,197,168	-	2,332,727	1,143,054	2,335,051	-	3,478,105
Advances derecognised or repaid	(1,152,002)	(1,421,464)	(802,894)	(3,376,360)	(1,108,604)	(3,432,760)	(2,831,512)	(7,372,876)
Transfer to stage 1	415,014	(365,814)	(49,200)	-	488,230	(479,115)	(9,115)	-
Transfer to stage 2	(216,127)	252,873	(36,746)	-	(103,817)	107,619	(3,802)	-
Transfer to stage 3	(33,855)	(304,115)	337,970	-	(35,450)	(136,434)	171,884	-
	148,589	(641,352)	(550,870)	(1,043,633)	383,413	(1,605,639)	(2,672,545)	(3,894,771)
Amounts written off	-	-	(517,464)	(517,464)	-	-	(2,817,854)	(2,817,854)
Changes in risk parameters	(567,054)	653,277	536,986	623,209	(897,445)	6,342	1,231,694	340,591
Other movements (including FX adjustments)	2,097	2,865	3,932	8,894	(639)	(3,561)	(49,328)	(53,528)
Closing balance	975,107	911,950	15,990,891	17,877,948	1,391,475	897,160	16,518,307	18,806,942

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
9.2.3 Advances - Category of classification	-----Rupees in 000-----				-----Rupees in 000-----			
Outstanding gross exposure								
Performing - Stage 1	163,265,645	-	-	163,265,645	151,411,029	-	-	151,411,029
Under Performing - Stage 2	-	52,722,942	-	52,722,942	-	22,141,596	-	22,141,596
Non-performing - Stage 3								
Other Assets Especially Mentioned	-	-	125,334	125,334	-	-	57,669	57,669
Substandard	-	-	341,679	341,679	-	-	408,069	408,069
Doubtful	-	-	247,393	247,393	-	-	429,606	429,606
Loss	-	-	15,326,039	15,326,039	-	-	15,925,633	15,925,633
	-	-	16,040,445	16,040,445	-	-	16,820,977	16,820,977
Total	163,265,645	52,722,942	16,040,445	232,029,032	151,411,029	22,141,596	16,820,977	190,373,602
Corresponding ECL	(975,107)	(911,950)	(15,990,891)	(17,877,948)	(1,391,475)	(897,160)	(16,518,307)	(18,806,942)
	162,290,538	51,810,992	49,554	214,151,084	150,019,554	21,244,436	302,670	171,566,660

9.3 Advances include Rs.16,040.445 million (31 December 2024: Rs. 16,820.977 million) which have been placed under non-performing / Stage 3.

Category of classification in stage 3	2025		2024	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
Domestic	----- (Rupees in '000) -----			
Other Assets Especially Mentioned	125,334	-	57,669	-
Substandard	341,679	306,876	408,069	323,335
Doubtful	247,393	197,297	429,606	234,152
Loss	15,326,039	15,486,718	15,925,633	15,960,820
	16,040,445	15,990,891	16,820,977	16,518,307

Notes to the Financial Statements

For the year ended 31 December 2025

9.4 Particulars of credit loss allowance against advances

Note	2025			2024		
	Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
	----- (Rupees in '000) -----					
Opening balance	2,288,635	16,518,307	18,806,942	978,349	19,681,449	20,659,798
Impact of adoption of IFRS 9	-	-	-	3,427,814	1,144,892	4,572,706
	2,288,635	16,518,307	18,806,942	4,406,163	20,826,341	25,232,504
Charge for the year	2,986,004	536,986	3,522,990	3,484,447	1,231,694	4,716,141
Reversals	(3,140,520)	(802,894)	(3,943,414)	(5,438,809)	(2,831,512)	(8,270,321)
	(154,516)	(265,908)	(420,424)	(1,954,362)	(1,599,818)	(3,554,180)
Amounts written off	-	(517,464)	(517,464)	-	(2,817,854)	(2,817,854)
Other movements (including FX adjustment)	(247,062)	255,956	8,894	(163,166)	109,638	(53,528)
Closing balance	1,887,057	15,990,891	17,877,948	2,288,635	16,518,307	18,806,942

9.4.1 Particulars of credit loss allowance against advances

	2025			2024		
	Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
	----- (Rupees in '000) -----					
In local currency	1,830,393	14,306,036	16,136,429	2,269,147	14,842,913	17,112,060
In foreign currencies	56,664	1,684,855	1,741,519	19,488	1,675,394	1,694,882
	1,887,057	15,990,891	17,877,948	2,288,635	16,518,307	18,806,942

9.5 Particulars of write offs

	Note	2025	2024
		(Rupees in '000)	
9.5.1 Against credit loss allowance / provisions	9.4	517,464	2,817,854
Directly charged to profit & loss account		-	-
	9.5.2 & 9.6	517,464	2,817,854
		2025	2024
		(Rupees in '000)	
9.5.2 Write-offs of Rs. 500,000 and above - Domestic		279,042	2,558,897
Write-offs of below Rs. 500,000		238,422	258,957
		517,464	2,817,854

9.6 Details of loans written-off of Rs. 500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended 31 December 2025 is given in Annexure 1.

Notes to the Financial Statements

For the year ended 31 December 2025

10 PROPERTY AND EQUIPMENT

Note **2025** **2024**
(Rupees in '000)

Capital work-in-progress	10.1	570,154	143,379
Property and equipment	10.2 & 10.6	10,415,743	11,500,585
		10,985,897	11,643,964

10.1 Capital work-in-progress

Civil works	370,099	61,245
Equipment	200,055	82,134
	570,154	143,379

10.2 Property and equipment

2025								
Freehold Land	Leasehold Land	Buildings on Freehold land	Buildings on Leasehold Land Owned	Furniture and Fixtures	Electrical, Office and Computer Equipment	Vehicles	Leasehold improvements	Total

(Rupees in '000)

At January 1, 2025

Cost / Revalued amount	687,686	6,585,406	199,503	1,721,654	482,199	4,667,171	386,164	891,882	15,621,665
Accumulated depreciation	-	-	(16,157)	(120,697)	(285,317)	(2,987,966)	(169,312)	(541,631)	(4,121,080)
Net book value	687,686	6,585,406	183,346	1,600,957	196,882	1,679,205	216,852	350,251	11,500,585

Year ended December 2025

Opening net book value	687,686	6,585,406	183,346	1,600,957	196,882	1,679,205	216,852	350,251	11,500,585
Additions	-	-	-	70,751	3,643	748,958	3,049	13,443	839,844
Transfers to assets held for sale -cost	-	(874,000)	-	(93,117)	-	-	-	-	(967,117)
Transfers to assets held for sale - Accumulated Depreciation	-	-	-	11,834	-	-	-	-	11,834
Disposals - cost	-	-	-	-	(32,403)	(145,906)	(34,264)	-	(212,573)
Disposals - Accumulated Depreciation	-	-	-	-	32,019	145,906	34,264	-	212,189
Depreciation charge	-	-	(15,489)	(127,997)	(58,517)	(559,464)	(90,641)	(107,581)	(959,689)
Other adjustments / transfers / write offs - Cost	-	-	-	(11,380)	-	(35,943)	-	(12,490)	(59,813)
Other adjustments / transfers / write offs - Accumulated Depreciation	-	-	-	5,621	-	35,430	-	9,432	50,483
Closing net book value	687,686	5,711,406	167,857	1,456,669	141,624	1,868,186	129,260	253,055	10,415,743

At December 31, 2025

Cost / Revalued amount	687,686	5,711,406	199,503	1,687,908	453,439	5,234,280	354,949	892,835	15,222,006
Accumulated depreciation	-	-	(31,646)	(231,239)	(311,815)	(3,366,094)	(225,689)	(639,780)	(4,806,263)
Net book value	687,686	5,711,406	167,857	1,456,669	141,624	1,868,186	129,260	253,055	10,415,743
Rate of depreciation (percentage)	-	-	2.86% - 6.67%	2.86% - 6.67%	33.33%	14.28% - 33.33%	33.33%	6.67% - 10%	

Notes to the Financial Statements

For the year ended 31 December 2025

	2024								
	Freehold Land	Leasehold Land	Buildings on Freehold land	Buildings on Leasehold Land Owned	Furniture and Fixtures	Electrical, Office and Computer Equipment	Vehicles	Leasehold improvements	Total
	----- (Rupees in '000) -----								
At January 1, 2024									
Cost / Revalued amount	687,686	6,815,406	199,503	1,672,028	369,255	3,929,021	130,938	543,500	14,347,337
Accumulated depreciation	-	-	-	(1,795)	(241,846)	(2,653,424)	(120,493)	(458,807)	(3,476,365)
Net book value	<u>687,686</u>	<u>6,815,406</u>	<u>199,503</u>	<u>1,670,233</u>	<u>127,409</u>	<u>1,275,597</u>	<u>10,445</u>	<u>84,693</u>	<u>10,870,972</u>
Year ended December 2024									
Opening net book value	687,686	6,815,406	199,503	1,670,233	127,409	1,275,597	10,445	84,693	10,870,972
Additions	-	-	-	274,376	121,254	942,050	255,233	348,382	1,941,295
Transfers to assets held for sale	-	(230,000)	-	(224,750)	-	-	-	-	(454,750)
Transfers to assets held for sale - Accumulated Depreciation	-	-	-	1,436	-	-	-	-	1,436
Disposals - Cost	-	-	-	-	(7,184)	(34,595)	(7)	-	(41,786)
Disposals - Accumulated Depreciation	-	-	-	-	7,184	34,595	7	-	41,786
Depreciation charge	-	-	(16,157)	(120,338)	(51,781)	(429,738)	(48,826)	(82,824)	(749,664)
Other adjustments / transfers / write offs - Cost	-	-	-	-	(1,126)	(169,305)	-	-	(170,431)
Other adjustments / transfers / written offs - Accumulated Depreciation	-	-	-	-	1,126	60,601	-	-	61,727
Closing net book value	<u>687,686</u>	<u>6,585,406</u>	<u>183,346</u>	<u>1,600,957</u>	<u>196,882</u>	<u>1,679,205</u>	<u>216,852</u>	<u>350,251</u>	<u>11,500,585</u>
At December 31, 2024									
Cost / Revalued amount	687,686	6,585,406	199,503	1,721,654	482,199	4,667,171	386,164	891,882	15,621,665
Accumulated depreciation	-	-	(16,157)	(120,697)	(285,317)	(2,987,966)	(169,312)	(541,631)	(4,121,080)
Net book value	<u>687,686</u>	<u>6,585,406</u>	<u>183,346</u>	<u>1,600,957</u>	<u>196,882</u>	<u>1,679,205</u>	<u>216,852</u>	<u>350,251</u>	<u>11,500,585</u>
Rate of depreciation (percentage)	-	-	2.86% - 6.67%	2.86% - 6.67%	33.33%	14.28% - 33.33%	33.33%	6.67% - 10%	

10.3 During the year 2023, all owned land and buildings were revalued by independent accredited professional valuers, Harvester Services (Private) Limited and Anjum Adil & Associates (Level 3 measurements). Both valuers appointed by the Bank are also on the panel of Pakistan Banks Association. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market based approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the nature, current condition and location of the properties. 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 financial statements.

If the owned land and buildings were measured using the cost model, the carrying amounts would have been as follows:

Carrying amount	2025	2024
	(Rupees in '000)	
Building on Freehold land	17,373	19,568
Building on Leasehold land	920,955	962,475
Freehold Land	42,425	42,425
Leasehold Land	184,476	344,476
	<u>1,165,229</u>	<u>1,368,944</u>

The movement in surplus on revaluation of property and equipments is given in note 22.1 to the financial statements.

10.4 As at 31 December 2025, the cost of fully depreciated property and equipments still in the Bank's use amounted to Rs. 2.344 billion (2024: Rs. 2.705 billion).

10.5 During the year, no disposals of property and equipments were made to the Chief Executive or to a director or to executives or to a shareholder holding not less than 10 percent of the voting shares of the Bank or to any related party.

10.6 Disposed off assets with book value of Rs 500,000 or more is nil (31 December 2024: Rs : nil)

Notes to the Financial Statements

For the year ended 31 December 2025

11 RIGHT-OF-USE ASSETS	2025	2024
	(Rupees in '000)	
Premises		
At 1 January		
Cost	2,876,635	2,869,683
Accumulated depreciation	(1,965,441)	(1,584,339)
Net carrying amount	911,194	1,285,344
Additions during the year	1,082,625	70,696
Deletions - cost	(35,392)	(43,917)
Deletions - accumulated depreciation	35,392	43,917
Depreciation charge for the year	(489,374)	(425,019)
Other adjustment / transfers - cost	-	(19,827)
Net carrying amount at closing balance	1,504,445	911,194

12 INTANGIBLE ASSETS	2025				
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Total
	(Rupees in '000)				
At January 1, 2025					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,680)	(389,400)	(3,146,493)
Net book value	26,095,310	-	-	-	26,095,310
Year ended December 2025					
Opening net book value	26,095,310	-	-	-	26,095,310
Amortisation charge	-	-	-	-	-
Closing net book value	26,095,310	-	-	-	26,095,310
At December 31, 2025					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,680)	(389,400)	(3,146,493)
Net book value	26,095,310	-	-	-	26,095,310
2024					
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Total
	(Rupees in '000)				
At January 1, 2024					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,680)	(389,400)	(3,146,493)
Net book value	26,095,310	-	-	-	26,095,310
Year ended December 2024					
Opening net book value	26,095,310	-	-	-	26,095,310
Amortisation charge	-	-	-	-	-
Closing net book value	26,095,310	-	-	-	26,095,310
At December 31, 2024					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,680)	(389,400)	(3,146,493)
Net book value	26,095,310	-	-	-	26,095,310

Notes to the Financial Statements

For the year ended 31 December 2025

- 12.1** At 31 December 2025, goodwill (less accumulated impairment losses – if any) amounted to Rs 26,095 million (2024: Rs 26,095 million).

An annual assessment is made as to whether the current carrying value of goodwill is impaired. For the purposes of impairment testing, goodwill has been allocated to the CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those CGUs. At 31 December 2025, recoverable amount of all CGUs exceeded the carrying amount.

The recoverable amount for the purpose of assessing impairment of goodwill on acquisition of Union Bank Limited was based on value in use. The calculations are based on the five year forecast approved by the management and a terminal value determined using Gordon Growth Model (using long term GDP growth rate of 4.24%). The cash flows are discounted using a discount rate (14.51%) which reflects the current market rate appropriate for the business, computed using Capital Asset Pricing Model. The allocation of goodwill to CGUs for the purpose of impairment testing is given below:

	2025	2024
	(Rupees in '000)	
Cash generating unit		
Corporate and Investment Banking (CIB)	12,642,354	12,642,354
Wealth and Retail Banking (WRB)	13,452,956	13,452,956
Total Goodwill	<u>26,095,310</u>	<u>26,095,310</u>

The management believes that any reasonable possible changes to the key assumptions on which calculation of recoverable amount is based, would not cause the carrying amount to exceed the recoverable amount. The Bank has performed sensitivity analysis on the key assumptions for recoverable amount. These include a 1 per cent increase in the discount rate, a 1 per cent reduction in long-term GDP growth rate and a 10 per cent reduction in estimated cash flows. In all the three scenarios mentioned above, the recoverable values in all the CGUs exceed their carrying values and hence no impairment is deemed to exist.

13 OTHER ASSETS

	Note	2025	2024
		(Rupees in '000)	
Income / mark-up accrued in local currency	13.1	4,839,057	5,637,587
Income / mark-up accrued in foreign currencies	13.1	39,988	131,840
Advances, deposits, advance rent and other prepayments		403,422	323,574
Defined benefit plans	37.4	93,834	83,480
Advance taxation (payments less provisions)		3,796,291	6,382,201
Branch adjustment account		193,038	144,575
Mark to market gain on forward foreign exchange contracts		172,870	249,567
Interest rate derivatives and currency options - positive fair value		107,028	175,677
Receivable from SBP / Government of Pakistan		561,844	539,949
Receivable from associated undertakings		26,365	27,113
Assets Held for Sale	13.2	1,566,412	1,603,203
Receivable from Standard Chartered Bank, Sri Lanka operations	13.3	38,913	38,536
Advance Federal Excise Duty - Sales tax		11,304	11,304
Cards and clearing settlement account		9,938,152	7,248,088
Acceptances		6,036,478	2,583,438
Sundry receivables		824,608	1,415,379
Others		104,815	219,259
		<u>28,754,419</u>	<u>26,814,770</u>
Less: Credit loss allowance against other assets	13.4	(89,152)	(88,339)
Other Assets - net		<u>28,665,267</u>	<u>26,726,431</u>

Notes to the Financial Statements

For the year ended 31 December 2025

13.1 Credit loss methodology is based on Exposure at default (EAD) which captures both principal and mark-up when calculating expected credit loss, hence the cumulative impact is recorded under advances note 9.2.

13.2 These represent carrying value of vacant owned properties which the Bank intends to dispose-off. The management considers these properties to continue to meet the criteria to be classified as held for sale as the management is committed to sell these assets in next financial year. These assets are available for immediate sale and can be sold in its' current condition. During the year, the management has further classified assets amounting to PKR 955.284 million and disposed off properties amounting to PKR 992.075 million under this category. As at the reporting date, the management has assessed the fair value less cost to sell of all properties to be higher than their carrying amount.

13.3 Consequent to Sale and Purchase Agreement (SPA) signed between Standard Chartered Bank, Sri Lanka (SCBSL) and Standard Chartered Bank (Pakistan) Limited (SCBPL), the Sri Lanka branch operations of SCBPL were amalgamated with SCBSL with effect from close of business on 10 October 2008. According to the terms of SPA, unproductive debts, staff loans of SCBPL who are not retained by the purchaser, their corresponding housing loans and assets arising from litigation which cannot be assigned are held in trust with SCBSL. The recoveries made (net of expenses) from such assets are taken to income from Sri Lanka branch operations along with foreign exchange translation impacts as disclosed in note 29 to these financial statements, and consequently recorded as receivable. Moreover, loans which were fully provided and deemed non recoverable were written-off after necessary approvals.

	Note	2025	2024
13.4 Credit loss allowance held against other assets		(Rupees in '000)	
Trade related - Acceptances		1,376	563
Others		87,776	87,776
		89,152	88,339
13.4.1 Movement in credit loss allowance held against other assets			
Opening balance		88,339	87,776
Impact of adoption of IFRS 9		-	50,181
		88,339	137,957
Charge / (reversals) for the year		813	(49,618)
Closing balance		89,152	88,339
14 BILLS PAYABLE			
In Pakistan		16,413,493	22,674,888
Outside Pakistan		425,546	382,251
		16,839,039	23,057,139
15 BORROWINGS			
In Pakistan		14,676,735	18,139,668
Outside Pakistan		-	145,819
		14,676,735	18,285,487
15.1 Details of borrowings secured / unsecured			
Secured			
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	15.1.1	14,019,896	17,411,385
State Bank of Pakistan - LTFF		-	33,917
Financing facility for renewable energy plants	15.1.2	611,030	680,195
		14,630,926	18,125,497
Unsecured			
Overdrawn nostro accounts	15.1.3	45,809	159,990
		14,676,735	18,285,487

Notes to the Financial Statements

For the year ended 31 December 2025

15.1.1 Mark-up on Export Refinance (ERF) from State Bank of Pakistan is charged ranging from 1 percent to 7 percent (2024: 1 percent to 15.5 percent) per annum and are due to mature latest by June 2026. ERF borrowings also include borrowings under Islamic Export Refinance scheme amounting to Rs. 4,992 million (2024: Rs. 8,591 million). These borrowings are secured against demand promissory notes executed by the Bank in favour of State Bank of Pakistan.

15.1.2 These borrowings have been obtained from the SBP under a scheme for financing the renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2.00 percent to 3.00 percent (2024: 2.00 percent to 3.00 percent) per annum and are due to mature latest by October, 2032.

15.1.3 These include overdrawn nostro accounts with other branches and subsidiaries of Standard Chartered Group outside Pakistan amounting to Rs. Nil (2024: Rs.145.819 million).

	2025	2024
	(Rupees in '000)	
15.2 Particulars of borrowings with respect to currencies		
In local currency	14,676,735	18,139,668
In foreign currencies	-	145,819
	14,676,735	18,285,487

16 DEPOSITS AND OTHER ACCOUNTS

Note	2025			2024		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Remunerative deposits						
- Fixed deposits	13,732,258	1,170,388	14,902,646	23,797,584	1,727,569	25,525,153
- Savings deposits	220,176,398	19,835,182	240,011,580	360,015,434	27,767,606	387,783,040
Non-Remunerative deposits						
- Current accounts	291,183,586	75,992,006	367,175,592	308,600,252	76,434,762	385,035,014
- Margin accounts	3,390,854	1,401	3,392,255	2,469,438	1,393	2,470,831
- Other deposits	1,585	-	1,585	201,252	-	201,252
	528,484,681	96,998,977	625,483,658	695,083,960	105,931,330	801,015,290
Financial Institutions						
- Remunerative deposits						
- Fixed deposits	5,650	15,017	20,667	505,650	14,783	520,433
- Savings deposits	6,869,385	2,567,460	9,436,845	16,354,043	2,001,254	18,355,297
Non-Remunerative deposits						
- Current accounts	11,036,114	3,322,956	14,359,070	11,829,264	2,274,680	14,103,944
- Margin accounts	53,014	137,382	190,396	78,214	127,663	205,877
- Other deposits	650,459	-	650,459	1,494,150	-	1,494,150
	18,614,622	6,042,815	24,657,437	30,261,321	4,418,380	34,679,701
	547,099,303	103,041,792	650,141,095	725,345,281	110,349,710	835,694,991

16.1 This includes Rs. 1,749.892 million (2024: Rs. 1,752.640 million) against balances of other branches and subsidiaries of Standard Chartered Group.

Notes to the Financial Statements

For the year ended 31 December 2025

Note	2025	2024
	(Rupees in '000)	
16.2 Composition of deposits		
- Individuals	280,658,340	268,130,297
- Government (Federal and Provincial)	346,852	291,496
- Public Sector Entities	3,645,154	2,920,389
- Banking Companies	20,943,424	28,112,221
- Non-Banking Financial Institutions	3,714,013	6,567,480
- Private Sector	280,105,560	458,765,084
- Non residents (Corporate & Individual)	46,125,394	51,021,824
- Trusts	14,602,358	19,886,200
16.3	650,141,095	835,694,991

16.3 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 325,011 million (2024: Rs. 346,139 million).

Note	2025	2024
	(Rupees in '000)	
17 LEASE LIABILITIES		
Outstanding amount at the start of the year	933,917	1,362,579
Additions during the year	1,020,249	70,696
Lease payments	(715,972)	(644,692)
Interest expense	231,708	165,411
Termination / modification	-	(20,077)
Outstanding amount at the end of the year	1,469,902	933,917

17.1 Liabilities Outstanding

Not later than one year	672,306	146,193
Later than one year and upto five years	797,596	636,542
Over five years	-	151,182
Total at the year end	1,469,902	933,917

17.2 The Bank has entered into lease agreements in respect of its various rented branches. These were initially measured at the present value of remaining lease payments discounted using the Bank's incremental borrowing rate that ranges from 8.14% per annum to 25.51% per annum. The lease liabilities are subsequently being measured at amortized cost using the effective interest rate method.

18 DEFERRED TAX (ASSETS) / LIABILITIES

The following are major deferred tax (assets) / liabilities recognised and movement thereon:

Note	2025			
	At 1 January 2025	Recognised in profit and loss	Recognised in OCI	At 31 December 2025
	----- (Rupees in '000) -----			
Deductible Temporary Differences on				
Worker Welfare Fund	(1,327,031)	(2,504,734)	-	(3,831,765)
Credit loss allowance against advances and others	(3,506,902)	1,607,712	-	(1,899,190)
Accelerated tax depreciation	(64,877)	88,752	-	23,875
Unpaid liabilities	(5,432,745)	102,505	-	(5,330,240)
Credit loss allowance against balances with Banks and placements	(569,513)	378,552	-	(190,961)
Liabilities against assets - Lease	-	(185,928)	-	(185,928)
	(10,901,068)	(513,141)	-	(11,414,209)
Taxable Temporary Differences on				
Surplus on revaluation of property and equipment	554,868	(31,913)	(20,655)	502,300
Surplus / (deficit) on revaluation of investments	1,734,859	-	(1,602,725)	132,134
Surplus on revaluation of FVTPL investments	1,091,289	(741,298)	-	349,991
Post retirement employee benefits	44,243	-	4,551	48,794
Goodwill	13,830,514	(260,953)	-	13,569,561
	17,255,773	(1,034,164)	(1,618,829)	14,602,780
	6,354,705	(1,547,305)	(1,618,829)	3,188,571

Notes to the Financial Statements

For the year ended 31 December 2025

2024				
At 1 January 2024	Transition impact of IFRS 9	Recognised in profit and loss	Recognised in OCI	At 31 December 2024

----- (Rupees in '000) -----

Deductible Temporary Differences on

Worker Welfare Fund	(1,226,878)	-	(100,153)	-	(1,327,031)
Credit loss allowance against advances and others	(731,603)	(2,715,576)	(59,723)	-	(3,506,902)
Accelerated tax depreciation	(40,321)	-	(24,556)	-	(64,877)
Unpaid liabilities	(5,022,726)	-	(410,019)	-	(5,432,745)
Credit loss allowance against balances with Banks and placements	-	(945,814)	376,301	-	(569,513)
	(7,021,528)	(3,661,390)	(218,150)	-	(10,901,068)

Taxable Temporary Differences on

Surplus on revaluation of property and equipment	545,855	-	9,013	-	554,868
Surplus / (deficit) on revaluation of investments	45,125	70,017	-	1,619,717	1,734,859
Surplus on revaluation of FVTPL investments	-	-	1,091,289	-	1,091,289
Post retirement employee benefits	18,020	-	-	26,223	44,243
Goodwill	12,786,701	-	1,043,813	-	13,830,514
	13,395,701	70,017	2,144,115	1,645,940	17,255,773
	<u>6,374,173</u>	<u>(3,591,373)</u>	<u>1,925,965</u>	<u>1,645,940</u>	<u>6,354,705</u>

18.1 In terms of the Seventh Schedule to the Income Tax Law, the claim of provision for advances and off balance sheet items in respect of Corporate and Consumer (including SME) advances has been restricted to 1% and 5% of gross advances respectively. As such deferred tax asset has been recognised. The management based on projection of taxable profits, considers that the Bank would be able to claim deductions in future years within the prescribed limits in seventh schedule. It also includes deferred tax asset on pre seventh schedule provision against loans and advances disallowed, which only become tax allowable upon being written off.

19 OTHER LIABILITIES

	Note	2025	2024
(Rupees in '000)			
Mark-up / return / interest payable in local currency		433,237	923,516
Mark-up / return / interest payable in foreign currencies		6,239	15,185
Accrued expenses		5,801,543	4,717,862
Advance payments		834,908	823,338
Online transactions settlement and sundry creditors		16,207,305	8,242,757
Mark to market loss on forward foreign exchange contracts		841,274	278,973
Unrealized loss on interest rate derivatives and currency options		5,880,796	9,871,523
Due to Holding Company	19.1	10,250,476	17,887,771
Clearing and settlement accounts		19,595,431	620,132
Charity fund balance		1,320	3,022
Dividend payable		298,356	255,470
Credit loss allowance against off-balance sheet obligations	19.2 & 19.3	287,610	643,217
Worker's Welfare Fund (WWF) payable	19.4	9,507,319	8,313,566
Acceptances		6,036,478	2,583,438
Others		111,391	64,194
		<u>76,093,683</u>	<u>55,243,964</u>

19.1 Due to Holding Company

On account of reimbursement of executive and general administrative expenses	10,250,476	10,250,476
Dividend and other payable	-	7,637,295
	<u>10,250,476</u>	<u>17,887,771</u>

19.2 These primarily represents Credit loss allowance against off balance sheet exposures such as bank guarantees.

Notes to the Financial Statements

For the year ended 31 December 2025

19.3 Credit loss allowance against off-balance sheet obligations

	2025	2024
	(Rupees in '000)	
Opening balance	643,217	199,660
Impact of adoption of IFRS 9	-	551,022
	643,217	750,682
Charge for the year	111,407	300,404
Reversals	(227,181)	(460,410)
Changes in risk parameters	(244,566)	54,537
	(360,340)	(105,469)
Other movements (FX adjustment)	4,733	(1,996)
Closing balance	287,610	643,217

19.4 The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government by Finance Act 2008 for the levy of Worker's Welfare Funds (WWF) on banks were not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. Legal advice obtained on the matter indicates that consequent to filing of these review petitions, the judgment may not currently be treated as conclusive until the review petition is decided. Accordingly, the amount charged for WWF since 2008 has not been reversed.

20 SHARE CAPITAL

20.1 Authorized Capital

2025	2024		2025	2024
(Number of shares)		Note	(Rupees in '000)	
4,000,000,000	4,000,000,000	Ordinary shares of Rs. 10 each	40,000,000	40,000,000

20.2 Issued, subscribed and paid-up Capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
2,939,785,018	2,939,785,018	Ordinary shares of Rs. 10 each Fully paid in cash	29,397,850	29,397,850
931,800,003	931,800,003	Issued in terms of scheme of amalgamation	9,318,000	9,318,000
3,871,585,021	3,871,585,021	20.3	38,715,850	38,715,850

20.3 These represent 892,554,151 shares of Rs. 10/- each issued and allotted at par to Standard Chartered Bank (UK) against transfer of entire undertaking of SCB Branch Business by SCB to the Bank, and 39,245,852 shares issued and allotted at par credited as fully paid up to persons who were registered shareholders of Union Bank. These shares have been issued in accordance with the scheme of amalgamation duly approved by State Bank of Pakistan on 4 December 2006.

20.4 At 31 December 2025, Standard Chartered Bank (UK), held 98.99% shares of the Bank.

Notes to the Financial Statements

For the year ended 31 December 2025

21 RESERVES	Note	2025	2024
		(Rupees in '000)	
Share premium	21.1	1,036,090	1,036,090
Statutory reserve	21.2	48,791,674	45,913,589
		49,827,764	46,949,679

21.1 This represents excess of fair value of the shares over par value of shares issued to registered shareholders of Union Bank in terms of the amalgamation scheme.

21.2 In accordance with the Banking Companies Ordinance, 1962, the Bank is required to transfer twenty percent of its profit of each year to a reserve fund until the amount in such fund equals or exceeds the paid-up capital of the Bank. Effective 01 Jan 2025, the transfer percentage was reduced to ten percent.

21.3 The Board of Directors in their meeting held on 25 February 2026 have announced a final cash dividend of 30.0% (Rs. 3.0/- per share) in respect of the year ended 31 December 2025 (2024: Rs. 5.50 per share). This is in addition to 35.0% (Rs. 3.50/- per share) interim cash dividend announced during the year. The financial statements for the year ended 31 December 2025 do not include the effect of final dividend appropriations which will be accounted for subsequent to the year end.

22 SURPLUS ON REVALUATION OF ASSETS - NET OF DEFERRED TAX	Note	2025	2024
		(Rupees in '000)	
Surplus / (deficit) arising on revaluation of:			
- Property and equipment	22.1	8,008,674	9,052,650
- Securities measured at FVOCI - Debt Securities	22.2	(731,287)	2,480,234
- Securities measured at FVOCI - Equity instruments	22.2	985,392	793,085
		8,262,779	12,325,969
Deferred tax on (surplus) / deficit on revaluation of:			
- Property and equipment	22.1	(502,300)	(554,868)
- Securities measured at FVOCI - Debt Securities	22.2	387,582	(1,314,524)
- Securities measured at FVOCI - Equity instruments	22.2	(519,716)	(420,335)
		(634,434)	(2,289,727)
		7,628,345	10,036,242
22.1 Surplus on revaluation of property and equipment - net of tax			
Surplus on revaluation of property and equipment as at 1 January		9,052,650	9,140,867
Recognised during the year		-	-
Realised on disposal during the year		(987,605)	(28,055)
Transferred to unappropriated profit in respect of incremental depreciation charged during the year		(56,371)	(60,162)
Surplus on revaluation of property and equipment - Gross		8,008,674	9,052,650
Less: Related deferred tax liability on:			
Revaluation surplus as at 1 January		(554,868)	(545,855)
Revaluation surplus recognised during the year		-	-
Surplus realized on disposal during the year		2,600	13,747
Deferred tax rate impact		20,655	(54,646)
Incremental depreciation charged during the year		29,313	31,886
		(502,300)	(554,868)
Surplus on revaluation of Property and equipment - net of tax		7,506,374	8,497,782

Notes to the Financial Statements

For the year ended 31 December 2025

	Note	2025	2024
(Rupees in '000)			
22.2 Surplus on revaluation of FVOCI securities - net of tax			
Market Treasury Bills		154,625	1,968,979
Sukuk and Ijarah Bonds		(885,912)	511,255
Shares		985,392	793,085
		254,105	3,273,319
Related deferred tax liability		(132,134)	(1,734,859)
		121,971	1,538,460
23 CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	122,600,807	168,986,371
Commitments	23.2	174,216,365	105,397,110
Other contingent liabilities	23.3	12,575,113	14,726,134
		309,392,285	289,109,615
23.1 Guarantees:			
Guarantees issued favouring:			
Financial guarantees		10,109,778	11,071,572
Performance guarantees		82,272,173	121,143,244
Other guarantees		30,218,856	36,771,555
		122,600,807	168,986,371
23.2 Commitments:			
Documentary credits and short-term trade-related transactions			
Letters of credit		12,051,357	18,977,427
Commitments in respect of:			
Forward foreign exchange contracts			
- Purchase	23.4	95,916,968	50,435,337
- Sale	23.4	27,652,332	3,523,849
Commitment in respect of derivatives			
- Interest rate swaps	23.6	5,000,000	6,000,000
- Cross currency swaps	23.6	10,660,783	16,155,121
- Fx options	23.6	22,219,002	9,942,812
Commitment for acquisition of property and equipment		713,266	359,519
Commitment in respect of operating leases	23.7	2,657	3,045
		174,216,365	105,397,110
23.3 Other contingent liabilities		12,575,113	14,726,134

Notes to the Financial Statements

For the year ended 31 December 2025

23.3.1 The tax department amended the assessments for income years 2007 to 2024 (tax years 2008 to 2025 respectively) under the related provisions of the Income Tax Law and appeals against the amended assessment orders are pending before different appellate forums. The management considers that a significant amount of the additional tax liability is the result of timing differences and is confident that the issues in the above-mentioned tax years will be decided in favour of the Bank at appellate forums. Accordingly, no additional provision is required.

Further, the Sindh High Court has decided the issue of goodwill amortisation in favour of the Bank for the tax years 2008 and 2012 and the Federal Board of Revenue has filed leave to appeal before the Supreme Court of Pakistan.

23.4 Commitments in respect of forward foreign exchange contracts

Purchase from:

State Bank of Pakistan

Other banks

Customers

Sale to:

Other banks

Customers

	2025	2024
	(Rupees in '000)	
	22,131,969	15,873,200
	32,924,841	20,363,401
	40,860,158	14,198,736
	95,916,968	50,435,337
	25,673,774	3,391,240
	1,978,558	132,609
	27,652,332	3,523,849

The maturities of the above contracts are spread over a period of one year.

23.5 Commitments to extend credit

The bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

23.6 Commitments in respect of derivatives

Interest rate Swaps

- Purchase

- Sale

Cross currency Swaps

- Purchase

- Sale

FX options

- Purchase

- Sale

	2025	2024
	(Rupees in '000)	
	-	-
	5,000,000	6,000,000
	5,000,000	6,000,000
	-	-
	10,660,783	16,155,121
	10,660,783	16,155,121
	11,109,501	4,971,406
	11,109,501	4,971,406
	22,219,002	9,942,812

23.7 Commitments in respect of operating leases

Not later than one year

Later than one year and not later than five years

	1,534	-
	1,123	3,045
	2,657	3,045

Notes to the Financial Statements

For the year ended 31 December 2025

23.8 Derivative instruments

23.8.1 Product analysis

		2025					
		(Rupees in '000)					
Counterparties		Interest Rate Swaps		Cross Currency Swaps		FX Options	
		Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss
With Banks for							
	Hedging	-	-	-	-	11,109,501	(107,028)
	Market Making	-	-	-	-	-	-
With other entities for							
	Hedging	-	-	-	-	11,109,501	107,028
	Market Making	5,000,000	(16,858)	10,660,783	(5,756,910)	-	-
Total							
	Hedging	-	-	-	-	22,219,002	-
	Market Making	5,000,000	(16,858)	10,660,783	(5,756,910)	-	-
		2024					
		(Rupees in '000)					
Counterparties		Interest Rate Swaps		Cross Currency Swaps		FX Options	
		Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss
With Banks for							
	Hedging	-	-	1,583,763	(274,773)	4,971,406	(51,341)
	Market Making	-	-	-	-	-	-
With other entities for							
	Hedging	-	-	-	-	4,971,406	51,341
	Market Making	6,000,000	(79,183)	14,571,358	(9,341,890)	-	-
Total							
	Hedging	-	-	1,583,763	(274,773)	9,942,812	-
	Market Making	6,000,000	(79,183)	14,571,358	(9,341,890)	-	-

* At the exchange rate prevailing at year end.

23.8.2 Maturity analysis

		2025				
Remaining Maturity		No. of Contracts	Notional Principal	Mark to Market		
				Negative	Positive	Net
		(Rupees in '000)				
	Upto 1 month	2	22,219,001	(109)	109	-
	3 to 6 months	2	5,000,000	(32,732)	15,874	(16,858)
	5 to 10 years	7	10,660,783	(5,847,955)	91,045	(5,756,910)
		11	37,879,784	(5,880,796)	107,028	(5,773,768)
		2024				
Remaining Maturity		No. of Contracts	Notional Principal	Mark to Market		
				Negative	Positive	Net
		(Rupees in '000)				
	Upto 1 month	2	1,940,339	(1,320)	1,320	-
	1 to 3 months	2	4,224,875	(17,299)	17,299	-
	3 to 6 months	4	4,080,848	(190,146)	157,058	(33,088)
	6 months to 1 year	34	4,972,715	(2,801,454)	-	(2,801,454)
	1 to 2 years	2	5,000,000	(657,063)	-	(657,063)
	5 to 10 years	7	11,879,157	(6,204,241)	-	(6,204,241)
		51	32,097,934	(9,871,523)	175,677	(9,695,846)

23.8.3 For derivative risk management policy refer note 45.

Notes to the Financial Statements

For the year ended 31 December 2025

24 MARK-UP / RETURN / INTEREST EARNED

Note	2025	2024
	(Rupees in '000)	
On loans and advances to customers	27,049,903	41,976,961
On loans and advances to financial institutions	306,157	189,683
On investments	57,571,441	94,628,122
On deposits with financial institutions / State Bank of Pakistan	919,402	1,060,673
On securities purchased under resale agreements	1,906,609	18,412,357
On call money lendings & placements	1,059,039	2,865,147
	88,812,551	159,132,943

24.1 Interest income (calculated using effective interest rate method) recognised on:

Financial assets measured at amortised cost	31,241,110	64,504,821
Financial assets measured at FVOCI	21,151,386	57,348,553
Financial assets measured at FVTPL	36,420,055	37,279,569
	88,812,551	159,132,943

25 MARK-UP / RETURN / INTEREST EXPENSED

Deposits	23,956,285	61,019,214
Securities sold under repurchase agreements	724,273	166,287
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	1,314,762	3,279,736
Cost of foreign currency swaps against foreign currency deposits / borrowings	1,122,598	989,376
Finance cost against leases	231,708	165,411
	27,349,626	65,620,024

25.1 Interest expense calculated using effective interest rate method

	27,349,626	65,620,024
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26 FEE & COMMISSION INCOME

Branch banking customer fees	286,981	256,574
Consumer finance related fees	62,325	71,357
Card related fees (debit and credit cards)	380,937	300,054
Credit related fees	368,443	445,676
Investment banking fees	234,439	225,192
Brokerage charges	(40,033)	(109,882)
Commission on trade and cash management	4,918,107	4,612,313
Commission on guarantees	629,080	567,165
Commission on remittances including home remittances	220,734	237,677
Commission on bancassurance	73,805	245,232
Custody fees	180,813	140,614
	7,315,631	6,991,972

27 FOREIGN EXCHANGE INCOME

Gain/ (loss) realised from dealing in:		
Foreign Currencies	9,460,731	10,328,756
Derivative financial instruments	(578,917)	(408,768)
	8,881,814	9,919,988

Notes to the Financial Statements

For the year ended 31 December 2025

	Note	2025	2024
(Rupees in '000)			
28 GAIN / (LOSS) ON SALE OF SECURITIES			
Realised	28.1	2,192,303	4,396,882
Unrealised - measured at FVTPL	8.1	(1,218,629)	203,035
		<u>973,674</u>	<u>4,599,917</u>
28.1 Realised gain on:			
Federal Government Securities			
Market Treasury Bills		662,273	2,634,545
Pakistan Investment Bonds		877,016	232,660
Ijarah Sukuks		653,014	933,030
		<u>2,192,303</u>	<u>3,800,235</u>
Equity Securities - Listed		-	596,647
		<u>2,192,303</u>	<u>4,396,882</u>
28.2 Net gain / (loss) on financial assets / liabilities measured at FVTPL:			
Designated upon initial recognition		1,448,530	4,643,599
Mandatorily measured at FVTPL		-	-
		<u>1,448,530</u>	<u>4,643,599</u>
Net loss on financial assets measured at FVOCI		(474,856)	(43,682)
		<u>(474,856)</u>	<u>(43,682)</u>
		<u>973,674</u>	<u>4,599,917</u>
29 OTHER INCOME			
Rent on property		43,609	39,074
Gain on sale of property and equipment - net		116,346	14,187
Gain on sale of asset held for sale		1,007,925	9,247
Sri Lanka branch operations recovery & exchange translation	13.3	396	1,696
Gain / (loss) on lease termination		-	1,187
Gain on acquisition of assets		-	1,856,002
		<u>1,168,276</u>	<u>1,921,393</u>
30 OPERATING EXPENSES			
	Note	2025	2024
(Rupees in '000)			
Total compensation expense	30.1	11,724,374	11,134,874
Property expense			
Rent & taxes		68,532	190,057
Insurance		11,511	5,425
Utilities cost		407,521	504,773
Security (including guards)		428,772	447,764
Repair maintenance & civil works		744,805	478,433
Facilities management cost		305,644	269,188
Depreciation (Property related)		280,497	237,941
Depreciation (Right of use assets)	11	489,374	425,019
Cleaning and Janitorial		727,068	516,503
Minor improvements, additions and others		102,048	248,262
		<u>3,565,772</u>	<u>3,323,365</u>

Notes to the Financial Statements

For the year ended 31 December 2025

	Note	2025	2024
(Rupees in '000)			
Information technology expenses			
Software maintenance		544,954	601,255
Hardware maintenance		898,486	592,941
Depreciation (IT related)		432,073	331,952
Network charges		344,080	47,240
		2,219,593	1,573,388
Other operating expenses			
Directors' fees and allowances		41,760	28,750
Fees and allowances to Shariah Board		34,528	28,754
Legal & professional charges		612,555	426,945
Outsourced services costs	30.2	256,752	179,278
Travelling & conveyance		195,610	243,884
Depreciation		247,119	179,771
Training & development		10,605	11,528
Postage & courier charges		152,960	207,365
Communication		945,128	876,062
Deposit protection premium	30.3	553,827	560,944
Stationery & printing		618,325	479,135
Marketing, advertisement & publicity		309,230	349,684
Donations	30.5	33,931	23,662
Auditors remuneration	30.6	52,653	56,026
Cash transportation services		109,503	73,191
Documentation and processing charges		157,813	156,971
Insurance		29,369	34,731
Others		792,486	396,812
		5,154,154	4,313,493
		22,663,893	20,345,120

30.1 Total compensation expense

Managerial remuneration			
i) Fixed		5,662,164	5,323,983
ii) Variable			
of which;			
a) Cash Bonus / Awards etc.		1,437,260	1,461,082
b) Bonus & Awards in Shares etc.		199,139	205,269
Fees and allowances etc		2,955,296	2,856,368
Charge / (reversal) for defined benefit plan		(9,764)	(16,003)
Contribution to defined contribution plan		708,214	676,494
Rent & house maintenance		32,210	26,000
Others			
a) Redundancy / severance		167,008	151,721
b) Staff entertainment		218,014	171,141
c) Temporary staff cost		231	697
d) Staff insurance		354,602	278,122
		11,724,374	11,134,874

Notes to the Financial Statements

For the year ended 31 December 2025

30.2 Total cost for the year included in other operating expenses relating to outsourced activities is Rs. 257 million (2024: Rs. 179 million). The total amount pertains to the payment to companies incorporated in Pakistan. The material outsourcing arrangement along with their nature of services are as follows;

Supplier name	Services	2025	2024
		(Rupees in '000)	
CMS Company	Cash Sorting at Cash Houses and Branches	41,664	39,256
DWP Technologies (Pvt) Ltd	Network Management Support Services	34,704	26,220
DWP Technologies (Pvt) Ltd	Printing of Customer Statement	13,590	19,610
DSV Solutions Private Limited & Data Recall	Archival facility for Bank's documents	15,828	7,374
Infotel Pakistan (Pvt.) Ltd.	Credit and Debit Card Personalization	21,665	24,597
Apex Printery Pvt Ltd	Secured Printing i.e. Cheque books, Pay orders etc.	12,747	13,532
Inbox Business Technologies Ltd	Desktop & End User Support Services	48,001	48,689
Pakistan Mobile Communications Ltd	Data Center Colocation Facility Services	68,553	-
Total		256,752	179,278

30.3 As per State Bank of Pakistan DPC Circular No. 04 of 2018, dated 22nd June 2018, all member banks are required to pay deposits protection premium at the rate of 0.16% on eligible deposits as defined in the aforesaid circular.

30.4 Bank is awaiting approval from State Bank of Pakistan (SBP) for payment of group executive and general administration expenses for prior years. In concurrence with SCB UK, no expenses have been charged since 2018.

30.5 Details of the donations given in excess of Rs. 100,000 are given below:

Donee	2025	2024
	(Rupees in '000)	
Right to Play International - Goal Programme	13,931	13,931
Institute of Business Management	10,000	-
Donation For Iftar - Hope	-	1,149
Orange Tree Foundation for vocational training	-	8,500
Network of Organizations working for people with disabilities (NOWPDP)	10,000	-

Donations were not made to any donee in which directors or their spouse had any interest.

Moreover, SCB Group directly sponsored donations through Standard Chartered Foundation amounting to USD 0.867 million (Rs. 244 million equivalent) during the year for various community projects in Pakistan.

Note	2025	2024
	(Rupees in '000)	
30.6 Auditors' remuneration		
Statutory audit fee	35,317	28,156
IFRS reporting fee	9,118	21,181
Special certifications and sundry other reporting	5,629	5,136
Fee for audit of employee funds	566	553
Out-of-pocket expenses	2,023	1,000
	52,653	56,026
31 OTHER CHARGES		
Fines and penalties imposed by SBP	13,979	71,036

Notes to the Financial Statements

For the year ended 31 December 2025

	Note	2025 (Rupees in '000)	2024
32 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Reversals / (credit loss allowance / provisions) against loans and advances	9.4	420,424	3,554,180
Reversals / (credit loss allowance / provisions) against off-balance sheet obligations - net	19.3	360,340	105,469
Recovery of amounts written off		424,677	412,700
Reversal / write off	8.4	-	147,000
Property and equipment write offs		(9,329)	(108,704)
Impairment against property and equipment		(4,848)	-
Reversals / (credit loss allowance) against balances with Banks and placements		620,353	748,160
(Credit loss allowance) / reversals against acceptances		(813)	49,617
		1,810,804	4,908,422
		2025	2024
		(Rupees in '000)	
33 TAXATION			
- Current		30,851,533	52,627,422
- Prior years		407,453	-
- Deferred		(1,547,305)	1,925,965
		29,711,681	54,553,387
33.1 Relationship between tax expense and accounting profit		2025	2024
		(Rupees in '000)	
Profit before taxation		58,492,535	100,620,151
Tax at the applicable tax rate of 43 percent (2024: 44 percent)		25,151,790	44,272,866
Expenses that are not deductible in determining taxable income		(329,474)	(219,107)
Super tax rate of 10 percent		5,849,254	10,062,015
Prior year reversal		(964,232)	-
Impact of rate change		4,343	470,627
Others		-	(33,014)
		29,711,681	54,553,387
34 EARNINGS PER SHARE - BASIC AND DILUTED		2025	2024
		(Rupees in '000)	
Profit for the year		28,780,854	46,066,764
		(Number of shares)	
Weighted average number of ordinary shares		3,871,585,021	3,871,585,021
		(Rupees)	
Earnings per share - basic and diluted		7.43	11.90

There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2025 and 2024.

Notes to the Financial Statements

For the year ended 31 December 2025

35 STAFF STRENGTH

Permanent
 Temporary / on contractual basis / direct contracts
 Bank's own staff at the end of year

Outsourced

Total staff strength

	2025	2024
	(Number)	
	1,801	1,937
	41	20
	1,842	1,957
	-	-
	1,842	1,957

36 CASH AND CASH EQUIVALENTS

Cash and balances with treasury banks
 Balances with other banks
 Overdrawn nostros

Note	2025	2024
	(Rupees in '000)	
5	80,790,333	82,306,465
6	19,786,023	13,216,951
15	(45,809)	(159,990)
	100,530,547	95,363,426

Notes to the Financial Statements

For the year ended 31 December 2025

36.1 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2025										
	Liabilities					Equity					Total
	Bills payable	Borrowings	Deposits and other accounts	Deferred tax liabilities	Lease liabilities	Other liabilities	Share capital	Reserves	Surplus on revaluation of assets	Unappropriated profit	
Balance as at 1 January 2025	23,057,139	18,285,487	835,694,991	6,354,705	933,917	55,243,964	38,715,850	46,949,679	10,036,242	22,020,086	1,057,292,060
Changes from financing cash flows	-	-	-	-	-	(42,466,057)	-	-	-	-	(42,466,057)
Dividend paid	-	-	-	-	-	(715,972)	-	-	-	-	(715,972)
Payment in respect of lease liability	-	-	-	-	-	(43,182,029)	-	-	-	-	(43,182,029)
Total changes from financing cash flows	-	-	-	-	-	(43,182,029)	-	-	-	-	(43,182,029)
Other changes	-	-	-	-	-	-	-	-	-	29,007,364	29,007,364
Liability-related	(6,218,100)	(3,608,752)	(185,553,896)	(3,166,134)	535,985	64,032,339	-	-	(2,407,897)	-	(6,218,100)
Changes in bills payable	-	-	-	-	-	-	-	-	-	-	(3,608,752)
Changes in borrowings	-	-	-	-	-	-	-	-	-	-	(185,553,896)
Changes in deposits and other accounts	-	-	-	(3,166,134)	-	-	-	-	-	-	(3,166,134)
Changes in deferred tax liabilities	-	-	-	-	535,985	-	-	-	-	-	535,985
Changes in lease liabilities	-	-	-	-	-	-	-	-	-	-	64,032,339
Changes in other liabilities	-	-	-	-	-	-	-	-	-	-	-
- Cash based	-	-	-	-	-	-	-	-	-	-	-
- Non-cash based - Actuarial loss on remeasurements of defined benefit plan	-	-	-	-	-	(591)	-	-	-	-	(591)
Transfer of profit to reserve	-	-	-	-	-	-	-	2,878,085	-	(2,878,085)	-
Dividend announced	-	-	-	-	-	-	-	-	-	(34,844,266)	(34,844,266)
Realised on disposal during the year - net of deferred tax	-	-	-	-	-	-	-	-	-	985,005	985,005
Changes in surplus on revaluation of assets	-	-	-	-	-	-	-	-	(2,407,897)	-	(2,407,897)
Balance as at 31 December 2025	16,839,039	14,676,735	650,141,095	3,188,571	1,469,902	76,093,683	38,715,850	49,827,764	7,628,345	14,290,104	872,871,088

(Rupees in '000)

Notes to the Financial Statements

For the year ended 31 December 2025

Reconciliation of movement of liabilities to cash flows arising from financing activities

	2024							Total			
	Liabilities			Equity			Total				
	Bills payable	Borrowings	Deposits and other accounts	Deferred tax liabilities	Lease liabilities	Other liabilities		Share capital	Reserves	Surplus on revaluation of assets	Unappropriated profit
Balance as at 1 January 2024	18,331,699	48,265,389	719,534,840	6,374,473	1,362,579	11,856,489	38,715,850	37,736,326	8,641,979	11,128,508	1,001,947,832
Changes from financing cash flows											
Dividend paid	-	-	-	-	-	(52,061,979)	-	-	-	-	(52,061,979)
Payment in respect of lease liability	-	-	-	-	-	(644,692)	-	-	-	-	(644,692)
Total changes from financing cash flows	-	-	-	-	-	(52,706,671)	-	-	-	-	(52,706,671)
Other changes	-	-	-	-	-	-	-	-	-	35,576,964	35,576,964
Liability-related											
Changes in bills payable	4,725,440	-	-	-	-	-	-	-	-	-	4,725,440
Changes in borrowings	-	(29,979,902)	-	-	-	-	-	-	-	-	(29,979,902)
Changes in deposits and other accounts	-	-	116,160,151	-	-	-	-	-	-	-	116,160,151
Changes in deferred tax liabilities	-	-	-	(19,468)	-	-	-	-	-	-	(19,468)
Changes in lease liabilities	-	-	-	-	(428,662)	-	-	-	-	-	(428,662)
Changes in other liabilities	-	-	-	-	-	(3,876,768)	-	-	-	-	(3,876,768)
- Cash based	-	-	-	-	-	-	-	-	-	-	-
- Non-cash based - Actuarial loss on remeasurements of defined benefit plan	-	-	-	-	-	(29,086)	-	9,213,353	-	(9,213,353)	(29,086)
Transfer of profit to reserve	-	-	-	-	-	-	-	-	-	(15,486,341)	(15,486,341)
Dividend announced	-	-	-	-	-	-	-	-	-	14,308	14,308
Realised on disposal during the year - net of deferred tax	-	-	-	-	-	-	-	-	1,394,263	-	1,394,263
Changes in surplus on revaluation of assets	4,725,440	(29,979,902)	116,160,151	(19,468)	(428,662)	(3,905,854)	-	9,213,353	1,394,263	(24,685,386)	72,473,935
Balance as at 31 December 2024	23,057,139	18,285,487	835,694,991	6,354,705	933,917	55,243,964	38,715,850	46,949,679	10,036,242	22,020,086	1,057,292,060

Notes to the Financial Statements

For the year ended 31 December 2025

37 DEFINED BENEFIT PLANS

37.1 General description

Non Management Staff Pension Fund

The plan provides pension calculated at 50% of the average pensionable salary after completing 30 years of service. The employees of the Bank are entitled to either pension or gratuity, but not both. However, the employees of ANZ Grindlays Bank transferred to the bank are entitled to both pension and gratuity and the minimum number of years required for entitlement of pension is 25 years for these employees. Pension is calculated as 1/120 times the last drawn merged salary for each year of service. The plan is closed to active employees. The entire liability is in respect of existing pensioners.

Management Staff Pension Fund

The plan is closed to active employees. The entire liability is in respect of existing pensioners.

37.2 Number of Employees under the scheme

	2025	2024
SCB Non Management Pension Fund	22	16
SCB Management Pension Fund	22	22

37.3 Principal Actuarial Assumptions

The last actuarial valuation of the scheme was carried out on 31 December 2025 and the key assumptions used for actuarial valuation were as follows:

	2025	2024
Discount rate	11.75% p.a.	12.40% p.a.
Expected rate of increase in salary in future years	N/A	N/A
Expected rate of return on plan assets	11.75% p.a.	12.40% p.a.
Expected long term rate of increase in pension	3.5% p.a.	3.5% p.a.
Mortality rate	SLIC (2001-05) ultimate mortality table rated down one year Light	SLIC (2001-05) ultimate mortality table rated down one year Light
Withdrawal rate		

	SCB Non Management Pension Fund		SCB Management Pension Fund		Additional Lump Sum on cessation scheme		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
(Rupees in '000)								
37.4 Reconciliation of (receivable from) / payable to defined benefit plan								
Present value of obligations	20,666	25,542	36,114	35,257	-	-	56,780	60,799
Fair value of plan assets	(82,211)	(74,791)	(68,403)	(69,488)	-	-	(150,614)	(144,279)
(Receivable from) / payable to defined benefit plan	(61,545)	(49,249)	(32,289)	(34,231)	-	-	(93,834)	(83,480)
37.5 Movement in defined benefit obligation								
Obligation as at 1 January	25,542	31,714	35,257	45,749	-	10,299	60,799	87,761
Interest cost	2,913	4,894	4,015	7,073	-	(8,707)	6,928	3,260
Benefits paid	(3,432)	(4,397)	(7,288)	(5,907)	-	(1,592)	(10,720)	(11,896)
Re measurement : Actuarial (gain) / loss on obligation	(4,357)	(6,669)	4,130	(11,658)	-	-	(227)	(18,327)
Obligation as at 31 December	20,666	25,542	36,114	35,257	-	-	56,780	60,799
37.6 Movement in fair value of plan assets								
Fair value as at 1 January	74,791	62,636	69,488	61,901	-	-	144,279	124,537
Interest income on plan assets	8,673	9,687	8,019	9,577	-	-	16,692	19,264
Actual contribution by employer	-	22	-	-	-	-	-	22
Benefits paid	(3,431)	(4,396)	(7,290)	(5,907)	-	-	(10,721)	(10,303)
Re measurement : Actuarial gain / (loss) on plan assets	2,178	6,842	(1,814)	3,917	-	-	364	10,759
Fair value as at 31 December	82,211	74,791	68,403	69,488	-	-	150,614	144,279

Notes to the Financial Statements

For the year ended 31 December 2025

	SCB Non Management Pension Fund		SCB Management Pension Fund		Additional Lump Sum on cessation scheme		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
(Rupees in '000)								
37.7 Movement in (receivable from) / payable to defined benefit plan								
Balance as at 1 January	(49,248)	(30,922)	(34,231)	(16,152)	-	10,298	(83,479)	(36,776)
Net benefit cost/(income) for the year ended	(5,760)	(4,793)	(4,004)	(2,504)	-	(8,706)	(9,764)	(16,003)
Benefits paid	-	-	-	-	-	(1,592)	-	(1,592)
Net (contribution to)/refund from Gratuity Fund	-	(22)	-	-	-	-	-	(22)
Total amount of remeasurements recognised in OCI during the year	(6,535)	(13,511)	5,944	(15,575)	-	-	(591)	(29,086)
Balance as at 31 December	(61,543)	(49,248)	(32,291)	(34,231)	-	-	(93,834)	(83,480)
37.8 Actual return on plan assets								
Expected return on plan assets	8,673	9,687	8,019	9,577	-	-	16,692	19,264
Actuarial gain / (loss) on plan assets	2,178	6,842	(1,814)	3,917	-	-	364	10,759
	10,851	16,529	6,205	13,494	-	-	17,056	30,023
Amount recognized in total comprehensive income								
The following amounts have been charged in respect of these benefits to profit and loss account and other comprehensive income:								
Components of defined benefit costs recognized in profit and loss account:								
Interest cost	2,913	4,894	4,015	7,073	-	(8,707)	6,928	3,260
Expected return on plan assets	(8,673)	(9,687)	(8,019)	(9,577)	-	-	(16,692)	(19,264)
	(5,760)	(4,793)	(4,004)	(2,504)	-	(8,707)	(9,764)	(16,004)
Components of defined benefit costs (re-measurement) recognised in other comprehensive income								
Re-measurement : Actuarial gain / loss on obligation								
- (Gain) / Loss due to change in financial assumptions	650	619	1,036	806	-	-	1,686	1,425
- (Gain) / Loss due to change in experience adjustments	(5,007)	(7,288)	3,094	(12,464)	-	-	(1,913)	(19,752)
	(4,357)	(6,669)	4,130	(11,658)	-	-	(227)	(18,327)
Re-measurement : interest income net of return on plan assets								
Actual net return on plan assets	9,498	13,467	6,810	12,676	-	-	16,308	26,143
Interest income on plan assets	8,673	9,687	8,019	9,577	-	-	16,692	19,264
Opening difference	1,353	3,062	(605)	817	-	-	748	3,879
	(2,178)	(6,842)	1,814	(3,916)	-	-	(364)	(10,758)
Net re-measurement recognised in other comprehensive income	(6,535)	(13,511)	5,944	(15,574)	-	-	(591)	(29,085)
37.8.1 Components of plan assets								
Bonds	62,750	62,408	-	-	-	-	62,750	62,408
Cash and net current assets	19,461	12,383	68,403	69,488	-	-	87,864	81,871
37.8.2 Sensitivity Analysis on defined benefit obligations								
	+1% Discount rate	-1% Discount rate	+1% Pension increase	-1% Pension increase				
	(Rupees in '000)							
Non Management Pension Fund	20,163	21,196	21,236	20,122				
Management Pension Fund	35,312	36,953	37,017	35,246				
Additional Lump Sum on cessation scheme	-	-	-	-				

Notes to the Financial Statements

For the year ended 31 December 2025

37.8.3 Five year data on surplus/ (deficit) of the plans and experience adjustments

	2025	2024	2023	2022	2021
	----- (Rupees in '000) -----				
Present value of defined benefit obligation	56,780	60,799	87,761	82,428	99,941
Fair value of plan assets	150,614	144,279	124,537	114,698	113,791
Deficit / (Surplus)	(93,834)	(83,480)	(36,776)	(32,270)	(13,850)
Experience adjustments on plan liabilities - loss / (gain)	(1,913)	(19,752)	5,434	(2,700)	10,086
Experience adjustments on plan assets - loss / (gain)	(364)	(10,758)	(6,105)	95	(3,021)

37.8.4 Expected contributions to be paid to the funds in the next financial year

-

37.8.5 Expected charge / (reversal) for the next financial year

(10,430)

37.9 Funding Policy

The administration of defined benefit pension scheme is governed under provision of trust deeds established in 2002. Trustees at the request of the Bank agreed to act in accordance with the terms and conditions of these deeds including investment. Funding levels are monitored on annual basis based on actuarial recommendations.

Following are the significant risks associated with the defined benefit plan / scheme

Asset Volatility

The Defined Benefit Pension Fund for Management has undergone a significant shift. The entire investment amount of Rs. 68.403 million is now held in cash and cash equivalents. This eliminates exposure to Special Saving Certificates and Government Bonds from the previous year. While cash holdings reduce bond yield and equity risks, they introduce liquidity and inflation risks, as returns tend to be lower. There is no equity or corporate bond exposure. Thus, no equity or settlement risk.

For Non-Management Pension Funds 23.67% (Rs. 19.461 million) of the investment is now held in cash and cash equivalents, while 76.32% (Rs. 62.75 million) is invested in Pakistan Investment Bonds (PIBs+B39).

Changes in Bond Yields

There are two dimensions to the changes in Bond yields: first, as described above; second, the valuation of the Defined Benefit Liabilities is discounted with reference to these bond yields. So any increase in Bond yields will lower the Defined Benefit Liabilities and vice versa, but, it will also lower the Asset values.

Life expectancy / Withdrawal rate

The Gratuity is paid off at the maximum of age 60. The Life expectancy is in almost minimal range and is quite predictable in the ages when the employee is in the accredited employment of the Bank for the purpose of the pension. Thus, the risk of life expectancy is almost negligible. The withdrawal risk is dependent upon the: benefit structure; age and retention profile of the staff; the valuation methodology; and long-term valuation assumptions. In this case, it is not a significant risk.

38 DEFINED CONTRIBUTION PLAN

The Bank operates a contributory provident and gratuity fund scheme for permanent employees. For provident fund, the employer and employee both contribute 10% of the basic salaries to the funded scheme every month. For gratuity fund scheme, the employer contributes 8.33% and 16.66% of the basic salaries to the funded scheme every month and the payment is made subject to completion of vesting period. Equal monthly contribution by the employer for both the schemes during the year amounted to Rs. 708.214 million (2024: Rs. 676.494 million).

Notes to the Financial Statements

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39 SHARE BASED PAYMENTS

The Bank's employees participate in the following share compensation plans operated globally by the ultimate holding company, Standard Chartered PLC (SCPLC). Under these equity settled plans, employees in Pakistan are issued shares of SCPLC upon meeting the vesting conditions. The market value of shares is denominated in pounds sterling at the time of grant. The (total income) / expense recognised in respect of above schemes on equity settled basis amounts to Rs. 199.144 million. The main features of each plan are as follows:

2011 Standard Chartered Share Plan (the '2011 Plan')

The 2011 Plan was approved by Group shareholders in May 2011 and is the Group's main share plan. Since approval, it has been used to deliver various types of share awards. Share awards applicable for Pakistan are as under.

A) Long Term Incentive Plan (LTIP) awards

Granted with vesting subject to performance measures such as total shareholder return (TSR); return on equity (RoE) with a common equity tier (CET1) underpin; strategic measures; earnings per share (EPS) growth; and return on risk-weighted assets (RoRWA). Each measure is assessed independently over a three-year period. Awards granted from 2016 have an individual conduct gateway requirement that results in the award lapsing if not met.

B) Deferred/ Restricted shares

Deferred awards are used to deliver the deferred portion of variable remuneration, in line with both market practice and regulatory requirements. These awards vest in installments on anniversaries of the awards date specified at the time of grant. Deferred awards are not subject to any plan limit. This enables the Group to meet regulatory requirements relating to deferral levels and is in line with market practice.

Restricted share awards, made outside of the annual performance process as replacement buy-out awards to new joiners who forfeit awards on leaving their previous employers, vest in installments on the anniversaries of the award date specified at the time of grant. This enables the Group to meet regulatory requirements relating to buy-outs, and is in line with market practice.

All Employee Sharesave Plans- (AESP) 2013 Sharesave Plan

The 2013 Sharesave Plan was approved by Group shareholders in May 2013. Under the 2013 Sharesave Plan, employees may open a savings contract. Within a maturity period of six months after the third anniversary, employees may purchase ordinary shares in the Company at a discount of up to 20 per cent on the share price at the date of invitation (this is known as the 'option exercise price'). There are no performance measures attached to options granted under the 2013 Sharesave Plan and no grant price is payable to receive an option. In Pakistan the Plan operate as Equity Settled Scheme.

Movements in the number of share options held by the Bank's employees are as follows:

	2025				2024			
	2011 Plan 1		AESP 2013 Plan		2011 Plan 1		AESP 2013 Plan	
	Deferred/ Restricted shares	Sharesave	Weighted average exercise price £ per share		Deferred/ Restricted shares	Sharesave	Weighted average exercise price £ per share	
	----- (Number in '000) -----				----- (Number in '000) -----			
At 1 January	-	113	108	5.70	-	95	87	4.97
Granted during the year	-	38	53	11.1	-	56	55	6.1
Exercised during the year	-	(40)	-	3.67	-	(37)	(13)	3.44
Lapsed during the year	-	(5)	(20)	6.36	-	(2)	(21)	5.09
Notional dividend	-	1	-	-	-	1	-	-
At 31 December	-	107	141	7.64	-	113	108	5.70

Notes to the Financial Statements

For the year ended 31 December 2025

40.1 Chief Executive Officer (CEO) and the Key management personnel (KMP) are part of the Bank's MRT / MRC. In addition, certain staff meeting the criteria for MRT / MRC but not classified as KMP are separately disclosed as 'Other MRT / MRC'.

40.2 Others include allowances in lieu of loans and relocations as per Bank policy and terms of employment for executives including the Chief Executive Officer.

40.3 The Chief Executive is also entitled for a Bank maintained car, reimbursements for cost of medical expense and other benefits like club subscription, utilities, etc as per the terms of employment.

40.4 Remuneration paid to Directors for participation in Board and Committee Meetings

		2025						
Sr. No.	Name of Director	Meeting Fees and Allowances Paid						Total Amount Paid
		For Board Meetings	For Board Committees					
			Board Audit Committee	Board HR Committee	Board Risk Committee	Board IT Committee	Share holders meeting	
----- (Rupees in '000) -----								
1	Ehsan Ali Malik	4,000	4,800	-	4,000	2,400	-	15,200
2	Badar Vellani	4,800	3,200	5,760	-	-	-	13,760
3	Ghias Khan	4,000	-	4,000	4,800	-	-	12,800
		12,800	8,000	9,760	8,800	2,400	-	41,760

		2024						
Sr. No.	Name of Director	Meeting Fees and Allowances Paid						Total Amount Paid
		For Board Meetings	For Board Committees					
			Board Audit Committee	Board HR Committee	Board Risk Committee	Board IT Committee	Share holders meeting	
----- (Rupees in '000) -----								
1	Ehsan Ali Malik	3,250	3,250	-	2,750	-	-	9,250
2	Badar Vellani	3,250	2,750	3,250	-	1,650	-	10,900
3	Towfiq Habib Chinoy	1,300	-	1,100	1,300	-	-	3,700
4	Ghias Khan	1,950	-	1,650	1,300	-	-	4,900
		9,750	6,000	6,000	5,350	1,650	-	28,750

40.5 Remuneration paid to Shariah Board Members

Items	2025			2024		
	Chairman	Resident Member	Non-Resident Member(s)	Chairman	Resident Member	Non-Resident Member(s)
Meeting Fees and Allowances	5,938	-	7,662	5,193	-	6,616
Salaries and allowances	-	20,928	-	-	16,945	-
Total amount	5,938	20,928	7,662	5,193	16,945	6,616
Number of persons	1	1	2	1	1	2

Notes to the Financial Statements

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41 FAIR VALUE

41.1 Fair value of financial instruments

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

The fair value of quoted securities other than those classified as fair value through profit and loss (FVTPL), is based on quoted market price. Quoted securities classified as (FVTPL) are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these 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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

On balance sheet financial instruments	2025							
	Carrying value				Fair value			
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
Financial assets measured at fair value								
- Investments								
Federal Government Securities	293,701,862	182,350,133	-	476,051,995	69,072,544	406,979,451	-	476,051,995
- Investments - ordinary shares	-	1,035,392	-	1,035,392	-	-	1,035,392	1,035,392
- Investments - Preference shares	1,325,716	-	-	1,325,716	-	1,325,716	-	1,325,716
Financial assets not measured at fair value								
- Cash and bank balances with SBP and NBP	-	-	80,790,333	80,790,333				
- Balances with other banks	-	-	19,786,023	19,786,023				
- Lending to financial institutions	-	-	12,479,626	12,479,626				
- Advances	-	-	214,151,084	214,151,084				
- Other assets	-	-	21,518,788	21,518,788				
	295,027,578	183,385,525	348,725,854	827,138,957				
Financial liabilities not measured at fair value								
- Bills Payable	-	-	16,839,039	16,839,039				
- Deposits and other accounts	-	-	650,141,095	650,141,095				
- Borrowings	-	-	14,676,735	14,676,735				
- Other liabilities	-	-	73,666,331	73,666,331				
	-	-	755,323,200	755,323,200				
Off-balance sheet financial instruments								
Interest Rate swaps / Foreign currency options / Forward purchase contracts	107,026,469	-	-	107,026,469	107,306,367	-	-	107,306,367
Interest Rate swaps / Foreign currency options / Forward sale contracts	54,422,616	-	-	54,422,616	61,144,686	-	-	61,144,686

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For the year ended 31 December 2025

On balance sheet financial instruments	2024							
	Carrying value				Fair value			
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
Financial assets measured at fair value								
- Investments								
Federal Government Securities	432,095,728	218,219,352	-	650,315,080	29,274,761	621,040,319	-	650,315,080
- Investments - ordinary shares	-	843,085	-	843,085	-	-	843,085	843,085
- Investments - Preference shares	3,181,718	-	-	3,181,718	-	3,181,718	-	3,181,718
Financial assets not measured at fair value								
- Cash and bank balances with SBP and NBP	-	-	82,306,465	82,306,465				
- Balances with other banks	-	-	13,216,951	13,216,951				
- Lending to financial institutions	-	-	70,485,202	70,485,202				
- Advances	-	-	171,566,660	171,566,660				
- Other assets	-	-	17,161,541	17,161,541				
	435,277,446	219,062,437	354,736,819	1,009,076,702				
Financial liabilities not measured at fair value								
- Bills Payable	-	-	23,057,139	23,057,139				
- Deposits and other accounts	-	-	835,694,991	835,694,991				
- Borrowings	-	-	18,285,487	18,285,487				
- Other liabilities (excluding Liabilities against assets subject to finance lease)	-	-	52,489,761	52,489,761				
	-	-	929,527,378	929,527,378				
Off-balance sheet financial instruments								
Interest Rate swaps / Foreign currency options / Forward purchase contracts	55,406,743	-	-	55,406,743	55,831,987	-	-	55,831,987
Interest Rate swaps / Foreign currency options / Forward sale contracts	30,650,376	-	-	30,650,376	40,800,872	-	-	40,800,872

41.2 Fair value of non-financial assets

	2025				2024			
	Carrying value	Fair value			Carrying value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
----- Rupees in '000 -----								
Property and equipments	8,023,618	-	-	8,023,618	9,057,395	-	-	9,057,395

41.3 During the year ended 31 December 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

41.4 The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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 liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government Securities (T-bills + PIBs + Sukuk)	The fair value of Federal Government securities other than listed on Pakistan Stock Exchange are derived using PKRV, PKFRV and PKISRV rates. These rates are announced by FMA (Financial Market Association) through Reuters.
Non-Government debt securities (Sukuk Bonds / other than government)	Investment in non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP).
Un-quoted equity securities	The fair value is determined based on the net assets of entity.
Derivatives	The Group enters in to derivatives contracts with various counter parties. 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	The fair values of forward foreign exchange contracts are determined using forward pricing calculations.
Property and Equipment	Land, buildings are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

42 SEGMENT INFORMATION

The Bank's segmental reporting is in accordance with IFRS 8 'Operating Segments' and is reported consistently with the internal performance framework and as presented to the Bank's management.

Corporate and Investment Banking (CIB)

Corporate & Investment Banking comprises Global Subsidiaries, International Corporates, Local corporates and small & medium sized clients, Financial Institutions and Sovereign clients. The product and services offered include deposits & cash management, trade, advisory services, secured lending, structured financing, FX forwards and derivatives.

Wealth and Retail Banking (WRB)

Wealth and Retail Banking serves Wealth solutions, priority, premium, personal and business banking clients. The product and service offering include wealth management, deposits, secured lending (mortgages, overdrafts etc.) and unsecured lending (credit cards, personal loans etc.).

Central & Other Items

Activities not directly related to a client segment are included in Central & other Items. This mainly includes Treasury-Markets (Asset and Liability Management) and specific strategic investments (if any).

All segments offer a complete suite of Islamic Banking products and services under Standard Chartered Saadiq brand and state of the art digital banking solutions. Refer Annexure II for Islamic Banking Business.

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42.1 Segment Details with respect to Business Activities

	2025			
	Corporate and Investment Banking (CIB)	Wealth and Retail Banking (WRB)	Central and Other Items	Total
	----- (Rupees in '000) -----			
Profit & Loss				
Inter segment revenue - net	17,696,252	31,715,854	(49,412,106)	-
Net mark-up/ return/ profit	5,879,698	(2,557,779)	58,141,006	61,462,925
Non mark-up / return / interest income	13,573,118	5,957,726	(440,413)	19,090,431
Total Income	37,149,068	35,115,801	8,288,487	80,553,356
Segment direct expenses	8,571,830	15,299,795	-	23,871,625
Inter segment expense allocation	-	-	-	-
Total expenses	9,815,867	14,055,758	-	23,871,625
Credit loss allowance charge / (release)	1,119,208	85,415	606,181	1,810,804
Profit before taxation	28,452,409	21,145,458	8,894,668	58,492,535
Balance Sheet				
Cash & Bank balances	-	-	100,576,356	100,576,356
Investments	293,701,862	1,035,391	183,675,850	478,413,103
Net inter segment lending	(188,724,081)	318,083,791	(129,359,710)	-
Lendings to financial institutions	-	-	12,479,626	12,479,626
Advances - performing - net	169,383,943	44,717,587	-	214,101,530
- Non performing - net	-	49,554	-	49,554
Others	18,963,943	15,690,565	32,596,411	67,250,919
Total Assets	293,325,667	379,576,888	199,968,533	872,871,088
Borrowings	-	-	14,676,735	14,676,735
Deposits & other accounts	271,806,756	378,227,850	106,489	650,141,095
Net inter segment borrowing	-	-	-	-
Others	21,518,911	1,349,038	74,723,246	97,591,195
Total liabilities	293,325,667	379,576,888	89,506,470	762,409,025
Equity	-	-	110,462,063	110,462,063
Total Equity & liabilities	293,325,667	379,576,888	199,968,533	872,871,088
Contingencies & Commitments	149,690,626	622,321	159,079,338	309,392,285
	2024			
Profit & Loss				
Inter segment revenue - net	46,595,684	49,298,212	(95,893,896)	-
Net mark-up/ return/ profit	(7,598,032)	(12,414,212)	113,525,163	93,512,919
Non mark-up / return / interest income	16,885,075	5,623,977	2,149,983	24,659,035
Total Income	55,882,727	42,507,977	19,781,250	118,171,954
Segment direct expenses	8,125,005	14,335,220	-	22,460,225
Inter segment expense allocation	-	-	-	-
Total expenses	8,125,005	14,335,220	-	22,460,225
Credit loss allowance (charge) / release	3,856,547	412,552	639,323	4,908,422
Profit before taxation	51,614,269	28,585,309	20,420,573	100,620,151
Balance Sheet				
Cash & Bank balances	-	-	95,523,416	95,523,416
Investments	432,095,728	843,085	221,401,070	654,339,883
Net inter segment lending	(92,244,439)	319,037,880	(226,793,441)	-
Lendings to financial institutions	-	-	70,485,202	70,485,202
Advances - performing - net	131,602,844	39,661,146	-	171,263,990
- Non performing - net	152,289	150,381	-	302,670
Others	19,989,323	15,392,183	29,995,393	65,376,899
Total Assets	491,595,745	375,084,675	190,611,640	1,057,292,060
Borrowings	-	-	18,285,487	18,285,487
Deposits & other accounts	461,717,526	373,938,709	38,756	835,694,991
Net inter segment borrowing	-	-	-	-
Others	29,878,219	1,145,966	54,565,540	85,589,725
Total liabilities	491,595,745	375,084,675	72,889,783	939,570,203
Equity	-	-	117,721,857	117,721,857
Total Equity & liabilities	491,595,745	375,084,675	190,611,640	1,057,292,060
Contingencies & Commitments	209,655,266	463,653	78,990,696	289,109,615

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43 RELATED PARTY TRANSACTIONS

Related parties comprise of Standard Chartered Plc., ultimate parent company, its other subsidiaries and branches, key management personnel, employees' retirement benefit funds and other associated undertakings. The transactions with related parties are conducted at commercial / agreed terms. The Bank also provides advances to employees at reduced rates in accordance with their terms of employment.

The transactions and balances with related parties are summarised as follows:

	2025				2024			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
----- (Rupees in '000) -----								
Balances with other banks								
In current accounts	19,701,158	-	-	-	13,109,030	-	-	-
In deposit accounts	-	-	-	-	-	-	-	-
	19,701,158	-	-	-	13,109,030	-	-	-
Lendings to financial institutions								
Opening balance	34,326,170	-	-	-	45,745,839	-	-	-
Addition during the year	126,231,844	-	-	-	92,659,463	-	-	-
Repaid during the year	(156,171,033)	-	-	-	(104,079,132)	-	-	-
Closing balance	4,386,981	-	-	-	34,326,170	-	-	-
Advances								
Opening balance	-	118	133,338	-	-	6	186,181	-
Addition during the year	-	5,499	78,726	-	-	681	48,015	-
Repaid during the year	-	(5,156)	(68,893)	-	-	(569)	(84,352)	-
Transfer in / (out) - net	-	-	17,865	-	-	-	(16,506)	-
Closing balance	-	461	161,036	-	-	118	133,338	-
Credit loss allowance held	-	(4)	(304)	-	-	(1)	(478)	-
----- (Rupees in '000) -----								
Other Assets								
Interest / mark-up accrued	6,637	-	429	-	137,882	-	441	-
Receivable from staff retirement fund	-	-	-	93,834	-	-	-	83,479
Due from associated undertakings	65,278	-	-	-	65,649	-	-	-
Total	71,915	-	429	93,834	203,531	-	441	83,479
Borrowings								
Opening balance	145,819	-	-	-	20,169,516	-	-	-
Borrowings during the year	-	-	-	-	9,822,966	-	-	-
Settled during the year	(145,819)	-	-	-	(374,252)	-	-	-
Transfer in / (out) - net	-	-	-	-	(29,472,411)	-	-	-
Closing balance	-	-	-	-	145,819	-	-	-
Deposits and other accounts								
Opening balance	1,752,640	1,926	238,227	352,916	749,580	5,064	192,670	392,396
Received during the year	680,782	38,319	2,245,992	6,678,054	1,032,356	32,888	1,874,908	11,261,634
Withdrawn during the year	(683,530)	(23,868)	(2,059,669)	(6,697,265)	(29,296)	(36,026)	(1,634,273)	(11,301,114)
Transfer in / (out) - net	-	-	(224,862)	-	-	-	(195,078)	-
Closing balance	1,749,892	16,377	199,688	333,705	1,752,640	1,926	238,227	352,916

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	2025				2024			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
----- (Rupees in '000) -----								
Other Liabilities								
Interest / mark-up payable	-	-	-	-	-	-	-	-
Due to holding company	10,250,476	-	-	-	17,887,771	-	-	-
Other liabilities	-	43	-	-	-	16	-	-
(to be specified separately if > Rs 5 million)	-	-	-	-	-	-	-	-
Total	10,250,476	43	-	-	17,887,771	16	-	-
Contingencies and Commitments								
Transaction-related contingent liabilities - guarantees	37,411,218	-	-	-	76,055,449	-	-	-
Commitments in respect of forward foreign exchange contracts	8,304,502	-	-	-	3,426,331	-	-	-
Derivatives								
Derivative instruments- Interest rate swaps - notional	-	-	-	-	-	-	-	-
Derivative instruments - Cross currency swaps - notional	-	-	-	-	1,583,763	-	-	-
Derivative instruments- FX options - Notional	11,109,501	-	-	-	4,971,406	-	-	-
Derivative assets	134,183	-	-	-	65,249	-	-	-
Derivative liabilities	40,389	-	-	-	277,193	-	-	-
RELATED PARTY TRANSACTIONS								
Income								
Mark-up / return / interest earned	1,677,409	274	29,645	-	3,510,426	65	41,751	-
Fee and commission income	11,863	24	27	-	9,608	21	21	-
Income / (loss) from derivatives	660,537	-	-	-	(529,972)	-	-	-
Expense								
Mark-up / return / interest paid	-	509	8,445	26,256	-	54	23,101	53,799
Fee and commission expense	12	-	-	-	-	-	-	-
Operating expenses	-	41,760	1,070,591	-	-	28,750	1,117,913	-
Rent expense	-	-	-	-	-	-	-	-
Other transactions								
Dividend paid	42,155,731	18	-	-	51,485,085	12	-	-
Contribution to defined contribution plans	-	-	-	708,214	-	-	-	676,494
Net charge for defined contribution plans	-	-	-	708,214	-	-	-	676,494
Net reversal for defined benefit plans	-	-	-	9,764	-	-	-	16,003

The term 'related party' shall have the same meaning as specified under IAS 24 - Related party disclosures.

Notes to the Financial Statements

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44 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2025	2024
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	38,715,850	38,715,850
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	87,797,465	93,970,003
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	87,797,465	93,970,003
Eligible Tier 2 Capital	9,881,264	13,112,113
Total Eligible Capital (Tier 1 + Tier 2)	97,678,729	107,082,116
Risk Weighted Assets (RWAs):		
Credit Risk	233,123,995	246,069,647
Market Risk	20,338,516	27,607,130
Operational Risk	192,994,499	182,304,637
Total	446,457,010	455,981,414
Common Equity Tier 1 Capital Adequacy ratio	19.67%	20.61%
Tier 1 Capital Adequacy Ratio	19.67%	20.61%
Total Capital Adequacy Ratio	21.88%	23.48%
Minimum CAR (including Capital Conservation Buffer)	11.50%	11.50%
State Bank of Pakistan (SBP) has issued revised instructions relating to Basel Capital Adequacy Framework for Credit Risk via BPRD Circular No. 03, dated September 24, 2025. These revised instructions are implemented on a parallel run basis from September 30, 2025 to June 30, 2026 and the bank remains adequately capitalized.		
Leverage Ratio (LR):		
Eligible Tier-1 Capital	87,797,465	93,970,003
Total Exposures	1,086,227,570	1,284,528,329
Leverage Ratio	8.08%	7.32%
Minimum SBP Requirement	3.00%	3.00%
Liquidity Coverage Ratio (LCR):		
Average High Quality Liquid Assets	585,082,538	625,531,918
Average Net Cash Outflow	140,258,609	204,649,855
Average Liquidity Coverage Ratio	417.1%	305.7%
Minimum SBP Requirement	100.0%	100.0%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	610,538,009	711,535,614
Total Required Stable Funding	231,012,597	211,143,591
Net Stable Funding Ratio	264%	337%
Minimum SBP Requirement	100%	100%

44.1 The full disclosure on the capital adequacy, leverage ratio & liquidity requirements, along with the specifications of credit ratings used to determine the capital requirements in respect of credit risk & mapping of credit rating to SBP grades, as per SBP prevailing guidelines shall be placed at <https://www.sc.com/pk/about-us/financial-statements.html>

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45. RISK MANAGEMENT

The Bank has put in place an Enterprise Risk Management Framework (ERMF), to implement the guidelines and regulations, related to Risk Management. The ERMF sets out the principles and standards for risk management across the Bank and covers Principal Risks Types (PRTs) of Credit, Traded, Treasury, Operational & Technology, Environmental, Social and Governance and Reputational, Compliance, Information & Cyber Security, Financial Crime and Model. These principle risks are managed through distinct Risk Type Frameworks (RTFs) within the ERMF. A dynamic risk scanning process is also in place to periodically scan for emerging risks and uncertainties. The ERMF and RTFs define the formal definition of each risk type. The RTFs also define the risk management principles and approach for the management of these risks. In line with ERMF the bank has in place a governance structure for management of risk.

The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors. Acting within the authority delegated by the Board, the Country Management Team (CMT) has appointed the Executive Risk Committee (ERC) and the Asset and Liability Committee ('ALCO'), for effective Risk Management. There are various other risk related committees and forums at the management level. These include Risk Oversight Committee ('ROC'), Country Financial Crime Risk Committee (CFCRC), Credit Issue Committee ('CIC'), Compliance and Conduct Management Committee ('CCMC'), IT Steering Committee ('ITSC'), Agriculture Credit Committee ('ACC'), etc. The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors ('BoD') and the Board Risk Committee ('BRC').

The Bank has a Risk Appetite Mandate in place which defines the maximum level of risk that the bank can undertake. This is approved annually by the Board.

The Bank follows the three Lines of Defence ("LOD") as part of its risk management and control framework. Under this, the businesses and functions being the first line of defense are engaged in or support revenue generating activities, own and manage the risks. Second line are the control functions that are independent of the First Line, and that provide oversight and challenge of risk management. Lastly, the internal audit function provides independent assurance.

Shariah Non-Compliance Risk (SNCR) refers to the risk that arises from the Bank's failure to comply with the Shariah rules and principles determined and issued from time to time by the Bank's Shariah Board, Shariah Advisory Committee (SAC) as notified by State Bank of Pakistan (SBP), AAOIFI Shariah Standards as adopted by the SBP, Islamic Financial Accounting Standards as notified by the Securities and Exchange Commission of Pakistan (SECP) and as circulated by SBP.

The Shariah Non-Compliance Risk And Governance Management Framework, sets out the approach for management of Shariah non Compliance risk as well as the roles and responsibilities of the various stakeholders.

The Shariah Board, Executive Risk Committee and Board Risk Committee maintains oversight over SNCR Risk.

45.1 Credit risk

Credit Risk is defined as the "potential for loss due to the failure of a counterparty to meet its agreed obligations to pay the Bank". Credit risk is analyzed through various risk assessments.

All credit proposals are subject to a robust Credit Risk assessment that includes a comprehensive evaluation of the client's credit quality, including willingness, ability and capacity to repay. Furthermore, the credit proposals are also analyzed considering the following:

- Credit concentration risk: The risk of material losses arising from sub-optimally diversified exposures. This may be due to the portfolio's sizeable single name exposure or high correlation across geographies and sectors. The risk arises that, due to a change in circumstances, having a concentration may give rise to potential losses.
- FX lending risk: The relationship between credit risk and market risk, where volatility in exchange rate movements may have adverse consequences on a borrower's debt servicing capacity should they lack natural or financial hedges. FX lending risk may also be present through currency concentration and where there is a collateral currency mismatch.

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- Credit residual risk: The risk of partial performance or failure of credit risk mitigation techniques (e.g. collateral, derivative based hedging, insurance), owing to undervaluation or ineffective enforceability. Credit residual risk can occur due to the imperfect matching profile between credit exposures and collaterals / hedging instruments.
- Regulatory Risk: The risk of failure to comply with regulations and rules relating to the management of credit risk exposures.
- Refinancing risk: The risk that a borrower cannot refinance by borrowing further to repay existing debt potentially leading to the borrower facing liquidity pressures.
- Collateral Management Risk: The risk that collateral held as a credit risk mitigant is not adequately documented or formalities to facilitate enforcement have not been completed or the collateral is not effectively managed and as a result may not achieve the estimated forced sale value when enforced.
- Credit Monitoring: Processes are in-place that assists in controlling the rising risks, which may lead to credit losses. The process includes vigilant tracking and managing the accounts reported in Excess and Past Due Monitoring (EPDM), Conditions Covenant and Risk Triggers (CCaRT), Accounts Subject to Additional Review (ASTAR) and Early Alert Reporting (EAR).

Climate Risk assessment is also made an integral part to identify the potential for financial loss and non-financial detriments arising from climate change and society's response to it. This manifests in Credit Risk through the financial impact of physical risk and transition risk to our clients; thereby affecting their ability to generate the income required to repay debt, as well as the collateral that may back the loan.

A Risk Appetite metrics is setup considering the inherent risks, control effectiveness and residual risk. A careful consideration is given to strategy and infrastructure, concentration risk, risk-adjusted profitability and efficient use of the capital resources while reviewing new credit exposures and monitoring existing credit exposures. This is predominantly done through setting up thresholds at client-level, portfolio-level and industry-level. Portfolio or underwriting guidelines set the target portfolio shape around sector, product, industry, tenor, collateral, risk acceptance criteria and credit risk profile. Periodic deep dives to identify vulnerable clients or portfolio segments; and application of derisking or mitigating actions.

The overall credit portfolio is monitored against risk appetite and any breach is highlighted and discussed at the appropriate governance forum / authority levels and appropriate mitigation actions determined by the appropriate committees / delegated authorities. Currently, the overall credit portfolio is well collateralized. This includes all major types of collaterals such as hypothecation charge over current assets, charge over fixed assets, mortgage over property, lien on cash deposit, pledge of shares, SBLCs, pledge of stock etc.

Credit Risk Mitigation techniques are also in-placed, including collateral, guarantees, and legally enforceable netting agreement (if any). Quantitative and qualitative information about its securitization activities and contractual obligations with respect to recourse arrangements and the expected losses under those arrangements.

The Risk Management function of the Bank is regularly conducting assessments of the credit portfolio to identify borrowers most likely to get affected due to changes in the business and economic environment.

Provisions for the credit portfolio are determined in accordance with IFRS 9 and SBP Prudential Regulations. Details of the credit loss allowance against advances are provided in Note 9.4.

Details of the methodologies and models used for measuring Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD), ECL principles, and staging criteria are provided in Note 4.1.11.

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45.1.1 Lendings to financial institutions

Credit risk by public / private sector

	Gross lendings		Non-performing lendings		Credit loss allowance / Provision held				2024
	2025	2024	2025	2024	2025				
					Stage1	Stage2	Stage3	Total	
----- (Rupees in '000) -----									
Public/ Government	8,094,400	36,169,330	-	-	-	-	-	-	-
Private	4,386,981	34,326,170	-	-	1,755	-	-	1,755	10,298
	12,481,381	70,495,500	-	-	1,755	-	-	1,755	10,298

45.1.2 Investment in debt securities

Credit risk by industry sector

	Gross investments		Non-performing investments		Credit loss allowance / Provision held				2024
	2025	2024	2025	2024	2025				
					Stage1	Stage2	Stage3	Total	
----- (Rupees in '000) -----									
Financial	476,051,995	650,315,080	-	-	-	-	-	-	-
Chemical and Pharmaceuticals	488,965	-	488,965	-	-	-	488,965	488,965	-
	476,540,960	650,315,080	488,965	-	-	-	488,965	488,965	-

Credit risk by public / private sector

	Gross investments		Non-performing investments		Credit loss allowance / Provision held				2024
	2025	2024	2025	2024	2025				
					Stage1	Stage2	Stage3	Total	
----- (Rupees in '000) -----									
Public/ Government	476,051,995	650,315,080	-	-	-	-	-	-	-
Private	488,965	-	488,965	-	-	-	488,965	488,965	-
	476,540,960	650,315,080	488,965	-	-	-	488,965	488,965	-

45.1.3 Advances

Credit risk by industry sector

	Gross advances		Non-performing advances		Credit loss allowance / Provision held				2024
	2025	2024	2025	2024	2025				
					Stage1	Stage2	Stage3	Total	
----- (Rupees in '000) -----									
Agriculture, Forestry, Hunting and Fishing	11,299,148	5,286,696	-	778,939	10,999	362,414	-	373,413	781,224
Food, tobacco and beverages	43,844,466	29,648,817	3,620,208	2,121,672	4,698	96,031	3,620,208	3,720,937	2,215,744
Metal and allied	-	1,704,669	-	58,021	-	-	-	-	34,964
Oil and gas	780,204	-	103,768	-	1,550	-	103,768	105,318	-
Textile	54,750,876	49,263,830	3,711,078	3,681,122	64,404	150,080	3,711,077	3,925,561	3,897,545
Chemical and Pharmaceuticals	50,071	5,147,207	-	182,851	543	-	-	543	354,374
Cement	10,242,082	3,012,911	3,242,084	3,009,868	13	-	3,242,084	3,242,097	3,009,868
Sugar	-	374,647	-	124,591	-	-	-	-	124,777
Footwear and Leather garments	-	13,027	-	-	-	-	-	-	-
Automobile and transportation equipment	2,103,364	2,167,361	360,545	543,378	769	-	360,545	361,314	502,137
Electronics and electrical appliances	-	6,186,987	-	16,940	-	-	-	-	78,238
Construction	-	2,483,004	-	230,860	-	-	-	-	230,963
Power (electricity), Gas, Water, Sanitary	254,220	533,665	254,220	523,347	-	-	254,220	254,220	473,432
Wholesale and Retail Trade	4,188,898	6,957,227	42,236	1,034,675	2,334	-	42,236	44,570	1,037,194
Transport, Storage and Communication	1,303,618	4,279,411	-	13,064	3,061	-	-	3,061	102,172
Financial	975,000	328	-	-	5,403	-	-	5,403	1
Services	307,326	12,989,757	307,208	411,809	1	-	307,208	307,209	623,356
Individuals	48,340,687	40,770,800	2,516,296	2,547,377	854,087	252,718	2,466,743	3,573,548	3,789,200
Others	53,589,072	19,553,258	1,882,802	1,542,463	27,245	50,707	1,882,802	1,960,754	1,551,753
	232,029,032	190,373,602	16,040,445	16,820,977	975,107	911,950	15,990,891	17,877,948	18,806,942

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For the year ended 31 December 2025

Credit risk by public / private sector	Gross advances		Non-performing advances		Credit loss allowance / Provision held				2024
	2025	2024	2025	2024	2025				
					Stage1	Stage2	Stage3	Total	
----- (Rupees in '000) -----									
Public/ Government	-	-	-	-	-	-	-	-	-
Private	232,029,032	190,373,602	16,040,445	16,820,977	975,107	911,950	15,990,891	17,877,948	18,806,942
	232,029,032	190,373,602	16,040,445	16,820,977	975,107	911,950	15,990,891	17,877,948	18,806,942

45.1.4 Contingencies and Commitments

Credit risk by industry sector

	2025	2024
	----(Rupees in '000)---	
Agriculture, Forestry, Hunting and Fishing	1,948,650	2,024,694
Mining and Quarrying	1,756,188	818,934
Engineering	1,907,638	585,072
Textile	21,804,535	16,376,155
Chemical and Pharmaceuticals	7,677,185	9,413,001
Cement	6,107,624	224,442
Sugar	162,400	1,200,900
Automobile and transportation equipment	22,564,803	10,892,382
Electronics and electrical appliances	5,953,777	24,291,220
Construction	168,001	94,755
Power (electricity), Gas, Water, Sanitary	33,205,846	19,243,587
Wholesale and Retail Trade	3,465,904	1,198,937
Exports/Imports	-	475
Transport, Storage and Communication	3,583,961	22,835,933
Financial	162,845,605	154,766,516
Food, tobacco and beverages	19,006,555	8,623,822
Services	8,753,162	6,433,014
Others	8,480,451	10,085,776
	309,392,285	289,109,615

Credit risk by public / private sector

Public/ Government	629,824	305,767
Private	308,762,461	288,803,848
	309,392,285	289,109,615

45.1.5 Concentration of Advances

The Bank's top 10 exposures on the basis of total (funded and non-funded exposures) aggregated to Rs. 105.911 billion (2024: Rs. 101.458 billion) are as following:

	2025	2024
	----(Rupees in '000)---	
Funded	70,773,387	60,069,690
Non Funded	35,137,466	41,388,951
Total Exposure	105,910,853	101,458,641

The sanctioned limits against these top 10 exposures aggregated to Rs. 190.136 billion (2024: Rs. 145.622 billion). None of the above are non-performing.

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45.1.6 Advances - Province/Region-wise Disbursement & Utilization

		2025					
		----- (Rupees in '000) -----					
Province/Region	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
Punjab	1,610,725,828	1,610,725,828	-	-	-	-	-
Sindh	1,207,482,162	-	1,207,482,162	-	-	-	-
KPK including FATA	132,874	-	-	132,874	-	-	-
Balochistan	118,176	-	-	-	118,176	-	-
Islamabad	372,565,460	-	-	-	-	372,565,460	-
AJK including Gilgit-Baltistan	-	-	-	-	-	-	-
Total	3,191,024,500	1,610,725,828	1,207,482,162	132,874	118,176	372,565,460	-

		2024					
		----- (Rupees in '000) -----					
Province/Region	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
Punjab	1,252,961,128	1,252,961,128	-	-	-	-	-
Sindh	999,214,593	-	999,214,593	-	-	-	-
KPK including FATA	73,327	-	-	73,327	-	-	-
Balochistan	77,867	-	-	-	77,867	-	-
Islamabad	375,021,157	-	-	-	-	375,021,157	-
AJK including Gilgit-Baltistan	-	-	-	-	-	-	-
Total	2,627,348,072	1,252,961,128	999,214,593	73,327	77,867	375,021,157	-

45.2 Market Risk

The Bank has adopted the Traded Risk Type Framework under which the bank recognizes market risk as the "Potential for loss of economic value due to adverse changes in the financial markets rates or prices". The Traded Risk Framework is built on a risk-based approach, and the framework considers processes and tools to be forward-looking, repeatable, sustainable and anticipate future needs. Market Risk exposures arise primarily from interest rate and foreign exchange related contracts. The Bank has no exposure against equity and commodity price risk.

Traded Risk Management (TRM) performs market risk management activities for the bank. Market risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority for setting market risk limits is delegated to the local risk committee i.e. ERC. Overall risk appetite is set by the BOD in terms of Value at Risk (VaR) and Stress Loss Triggers. Market risk exposures are monitored on a daily basis by TRM and reported to country ERC on a bimonthly basis.

The Bank applies three complementary measures of market risk: VaR, Stress Loss exposures, and sensitivity measures. The VaR methodology used for internal risk management and setting of risk appetite uses historic simulation, with a confidence interval of 97.5% and a holding period of 1 day. The enhanced Volatility Scaling VaR (VSV) model went live in January 2025, where risk factors returns are scaled to reflect historical volatility. The VSV model is more responsive to volatility changes observed in the market. Stress testing aims at supplementing VaR by providing a forward-looking view of positions and an assessment of their resilience to stressed market conditions. Stress Loss exposures supplement VaR by providing a forward-looking view of positions and an assessment of their resilience to stressed market conditions. Sensitivity measures are applied to control exposures at a granular risk factor level. Market liquidity varies by risk factor and therefore sensitivity limits are used to prevent accumulation of illiquid positions.

Any excess in limits result in escalation to senior management, with the level of escalation depending upon nature of excess. These limits are monitored daily as part of daily risk reporting. The Board Risk Committee and the Executive Risk Committee provides primary oversight for Traded Risk.

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45.2.1 Balance sheet split by trading and banking books

	2025			2024		
	Banking book	Trading book	Total	Banking book	Trading book	Total
----- (Rupees in '000) -----						
Cash and balances with treasury banks	80,790,333	-	80,790,333	82,306,465	-	82,306,465
Balances with other banks	19,786,023	-	19,786,023	13,216,951	-	13,216,951
Lendings to financial institutions	12,479,626	-	12,479,626	70,485,202	-	70,485,202
Investments	183,385,525	295,027,578	478,413,103	219,062,437	435,277,446	654,339,883
Advances	214,151,084	-	214,151,084	171,566,660	-	171,566,660
Property and equipment	10,985,897	-	10,985,897	11,643,964	-	11,643,964
Right-of-use assets	1,504,445	-	1,504,445	911,194	-	911,194
Intangible assets	26,095,310	-	26,095,310	26,095,310	-	26,095,310
Other assets	28,385,369	279,898	28,665,267	26,301,187	425,244	26,726,431
	577,563,612	295,307,476	872,871,088	621,589,370	435,702,690	1,057,292,060

45.2.2 Foreign Exchange Risk

Foreign exchange risk is the risk of financial impact due to exchange rate fluctuations. The Bank's assets in a particular currency are typically funded in the same currency to minimize foreign currency exposure. However, the Bank usually have some open positions in various currencies resulting from its transactions which are maintained within the overall limit advised by the SBP.

The Bank manages the foreign exchange risk by measuring and monitoring exposures against limits of VaR, currency-wise NOP, and sensitivity measures.

	2025				2024			
	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure
----- (Rupees in '000) -----								
United States Dollar	24,564,145	24,616,287	(263,322)	(315,464)	109,039,545	108,513,032	(54,780,100)	(54,253,587)
Great Britain Pound Sterling	7,840,006	7,839,901	(1,248,176)	(1,248,071)	9,515,265	9,497,855	(638,148)	(620,738)
Euro	6,120,294	6,120,283	(9,621,571)	(9,621,560)	2,087,120	2,050,881	(11,628,817)	(11,592,578)
Swiss Franc	30,961	30,109	(868,443)	(867,591)	40,651	40,673	(722,013)	(722,035)
Japanese Yen	(113,518)	(116,836)	(1,201,541)	(1,198,223)	194,131	174,975	(2,641,320)	(2,622,164)
Other currencies	3,210,743	3,204,437	(3,628,470)	(3,622,164)	781,332	775,548	(5,812,394)	(5,806,610)
	41,652,631	41,694,181	(16,831,523)	(16,873,073)	121,658,044	121,052,964	(76,222,792)	(75,617,712)

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For the year ended 31 December 2025

	2025		2024	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
	(+/-)	(+/-)	(+/-)	(+/-)
Impact of 1% change in foreign exchange rates on				
- Profit and loss account	N/A	(17,223)	N/A	(80,819)
- Other comprehensive income	N/A	N/A	N/A	N/A

45.2.3 Equity position Risk

Since the exposure of the Bank in equity is insignificant, the effect of changes in equity prices have not been disclosed.

45.2.4 Yield / Interest Rate Risk in the Banking Book (IRRBB)-Basel Specific

- Interest Rate Risk in the Banking Book (IRRBB) is the potential for a reduction in earnings or economic value due to movements in interest rates on banking book (non-traded) assets, liabilities, and off-balance sheet items.
- IRRBB arises from 1) Repricing Risk (arises from timing mismatch in the re-pricing profile of assets, liabilities, and off-balance sheet positions), 2) Basis Risk (arises from the imperfect correlation of rates on different instruments with otherwise similar re-pricing characteristics) and 3) Option Risk (result from clients exercising their right to alter the cash-flow of an instrument).

SCB uses below metrics to measure and monitor IRRBB

- Net Interest Income (NII) sensitivity Analysis: Estimates the potential change in net interest income over 12 months horizon from movement interest rates.
- Economic Value Sensitivity (EVE) Analysis: Represents the potential change in the present value of the bank assets and liabilities from a movement in interest rates.
- Re-pricing or Interest Rate Gaps The risk arising from timing difference in the repricing of tenor profile (floating rate) or on the maturity profile (fixed rate) of assets, liabilities & off-balance sheet items.
- Basis risk arises from imperfect correlation of rates of different instruments with otherwise similar repricing characteristics.
- Present Value of 1 basis point (PV01): Calculates the Present value of cashflows for 1 basis change in interest rates.

Regular monitoring of NII and EVE metrics are in place against risk appetite. Risk appetite and any associated limits are reviewed annually by ALCO and approved by BoD.

Pillar 2 assessments under ICAAP are captured for IRRBB metrics. PV01, stress loss trigger and Value at Risk (VaR) are monitored against limits on daily basis.

IRRBB is a risk sub type covered under the Treasury Risk Type Framework. The framework and its policies require the interest rate risk exposures in the banking book to be monitored on regular basis.

	2025		2024	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
	(+/-)	(+/-)	(+/-)	(+/-)
Impact of 1% change in interest rates on				
- Profit and loss account	3,193,609	(437,370)	3,008,340	(427,881)
- Other Comprehensive income	(364,366)	-	(1,644,052)	-

Notes to the Financial Statements

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45.2.5 MISMATCH OF INTEREST RATE SENSITIVE FINANCIAL ASSETS AND LIABILITIES

		2025										
Effective yield / interest rate	Total	Exposed to yield / interest rate risk										
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years	Non interest bearing financial instruments	
----- (Rupees in '000) -----												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	2.86%	80,790,333	8,983,618	-	-	-	-	-	-	-	-	71,806,715
Balances with other banks	3.36%	19,786,023	19,786,023	-	-	-	-	-	-	-	-	-
Lendings to financial institutions	2.45%	12,479,626	12,479,626	-	-	-	-	-	-	-	-	-
Investments	11.40%	478,413,103	142,691,709	270,712,936	60,791,348	-	-	-	-	-	-	4,217,110
Advances	12.21%	214,151,084	111,651,017	34,394,344	44,237,655	12,774,754	6,162,317	3,114,586	1,816,411	-	-	-
Other assets	-	21,518,788	-	-	-	-	-	-	-	-	-	21,518,788
		827,138,957	295,591,993	305,107,280	105,029,003	12,774,754	6,162,317	3,114,586	1,816,411	-	-	97,542,613
Liabilities												
Bills payable	-	16,839,039	-	-	-	-	-	-	-	-	-	16,839,039
Borrowings	7.19%	14,676,735	227,862	4,337,500	9,615,987	34,583	69,166	69,166	138,331	138,331	-	45,809
Deposits and other accounts	3.43%	650,141,095	262,267,842	1,832,755	922,194	174,052	14,700	1,050	-	-	-	384,928,502
Sub-ordinated loans	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	73,666,331	-	-	-	-	-	-	-	-	-	73,666,331
		755,323,200	262,495,704	6,170,255	10,538,181	208,635	83,866	70,216	138,331	138,331	-	475,479,681
On-balance sheet gap		71,815,757	33,096,289	298,937,025	94,490,822	12,566,119	6,078,451	3,044,370	1,678,080	(138,331)	-	(377,937,068)
Off-balance sheet financial instruments												
Forward Lending												
Interest Rate Swap / Cross Currency Swaps		-	-	-	-	-	-	-	-	-	-	-
Foreign Currency option		11,109,501	11,109,501	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		95,916,968	52,531,799	24,389,391	15,894,250	3,101,528	-	-	-	-	-	-
		107,026,469	63,641,300	24,389,391	15,894,250	3,101,528	-	-	-	-	-	-
Forward Borrowing												
Interest Rate Swap / Cross Currency Swaps		15,660,783	-	15,660,783	-	-	-	-	-	-	-	-
Foreign Currency option		11,109,501	11,109,501	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		27,652,333	10,762,192	15,529,218	1,290,858	70,065	-	-	-	-	-	-
		54,422,617	21,871,693	31,190,001	1,290,858	70,065	-	-	-	-	-	-
Off-balance sheet gap		52,603,852	41,769,607	(6,800,610)	14,603,392	3,031,463	-	-	-	-	-	-
Total yield / interest risk sensitivity gap		124,419,609	74,865,896	292,136,415	109,094,214	15,597,582	6,078,451	3,044,370	1,678,080	(138,331)	-	(377,937,068)
Cumulative yield / interest risk sensitivity gap				367,002,311	476,096,525	491,694,107	497,772,558	500,816,928	502,495,008	502,356,677	502,356,677	

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		2024										
Effective yield / interest rate	Total	Exposed to yield / interest rate risk										Non interest bearing financial instruments
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years		
----- (Rupees in '000) -----												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	4.02%	82,306,465	9,950,663	-	-	-	-	-	-	-	-	72,355,802
Balances with other banks	4.77%	13,216,951	13,216,951	-	-	-	-	-	-	-	-	-
Lendings to financial institutions	9.85%	70,485,202	44,022,952	26,462,250	-	-	-	-	-	-	-	-
Investments	19.82%	654,339,883	34,966,464	502,942,715	81,603,441	30,802,459	-	-	-	-	-	4,024,804
Advances	21.71%	171,566,660	68,076,488	43,543,779	39,820,905	10,721,067	4,251,889	2,335,802	2,685,542	131,188	-	-
Other assets	-	17,570,903	-	-	-	-	-	-	-	-	-	17,570,903
		1,009,486,064	170,233,518	572,948,744	121,424,346	41,523,526	4,251,889	2,335,802	2,685,542	131,188	-	93,951,509
Liabilities												
Bills payable	-	23,057,139	-	-	-	-	-	-	-	-	-	23,057,139
Borrowings	10.36%	18,285,487	233,662	2,838,371	14,534,721	34,583	69,166	69,166	138,331	207,497	-	159,990
Deposits and other accounts	7.97%	835,694,991	429,628,958	2,908,221	926,266	393,615	18,790	8,100	-	-	-	401,811,041
Sub-ordinated loans	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	52,072,371	-	-	-	-	-	-	-	-	-	52,072,371
		929,109,988	429,862,620	5,746,592	15,460,987	428,198	87,956	77,266	138,331	207,497	-	477,100,541
On-balance sheet gap		80,376,076	(259,629,102)	57,202,152	105,963,359	41,095,328	4,163,933	2,258,536	2,547,211	(76,309)	-	(383,149,032)
Off-balance sheet financial instruments												
Forward Lending												
Interest Rate Swap / Cross Currency Swaps		-	-	-	-	-	-	-	-	-	-	-
Foreign Currency option		4,971,406	4,971,406	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		52,768,823	35,202,246	14,640,575	2,926,002	-	-	-	-	-	-	-
		57,740,229	40,173,652	14,640,575	2,926,002	-	-	-	-	-	-	-
Forward Borrowing												
Interest Rate Swap / Cross Currency Swaps		22,155,121	1,049,185	20,710,143	395,793	-	-	-	-	-	-	-
Foreign Currency option		4,971,406	4,971,406	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		3,523,849	3,235,551	288,298	-	-	-	-	-	-	-	-
		30,650,376	9,256,142	20,998,441	395,793	-	-	-	-	-	-	-
Off-balance sheet gap		27,089,853	30,917,510	(6,357,866)	2,530,209	-	-	-	-	-	-	-
Total yield / interest risk sensitivity gap		107,465,929	(228,711,592)	560,844,286	108,493,568	41,095,328	4,163,933	2,258,536	2,547,211	(76,309)	-	(383,149,032)
Cumulative yield / interest risk sensitivity gap			332,132,694	440,626,262	481,721,590	485,885,523	488,144,059	490,691,270	490,614,961	490,614,961		

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Bank is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Bank manages this risk by matching the re-pricing of assets and liabilities and off-balance sheet instruments.

45.3 Operational Risk

Operational Risk (OR) is defined as the "Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)". It is inherent in the Bank carrying out business; the Organization can suffer damage from a range of operational risks, for example, loss of clients or regulatory fines from failed transaction processing, operational resilience or data management risks.

The Operational & Technology Risk Type Framework (O&T RTF), sets out the approach for management of operational risk as well as the roles and responsibilities of the various stakeholders. The O&T RTF is built on a risk-based approach meaning that risk management plans, processes, activities, and resource allocations are determined in accordance with the level of risk. In accordance with the framework, business segments and functions are accountable for the day to day management of business activities and to manage the operational

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risks that arises from these activities. The independent risk management function and Subject Matter Experts provide, challenge, guidance, and oversight over the business activities. Existing and future levels of Operational Risk must be maintained within the approved management limits of the Bank.

Standard Chartered Pakistan is continuing its strands to modernise its Datacenters, critical infrastructure, and Core application platforms delivering geo resilient, fault tolerant and highly efficient capabilities across the board. Our strategy yields the synergistic importance of Technology and Operations in powering the Bank's progress and improving client outcomes. Our strategic priorities i.e., Sustainable Growth Mindset, Top-Tier Clientele Focus, Acceleration of Innovation, and Relentless Productivity – collectively referred as “Our North STAR” underpins Five Big Programme i.e., Catalyst, ISO 20022, Fit for Growth, Crystal, and Keystone. The successful delivery of these is a key contributor towards return on tangible equity.

Continuing the momentum, this year witnessed momentous achievements as SCBPL migrated its on-prem datacentres to state-of-the-art Tier-3 certified co-located facilities in Islamabad and Karachi. This was achieved in parallel to successful delivery of Group lead Catalyst Programme. Catalyst was kicked off in June 2023 with aims of technology simplification, obsolescence remediation, application modernization, and improved geo resilience. What began as a response to the formidable challenge of modernizing complex infrastructure, remediating time-bound risks on the mainframe and data platform, responding to expiring leases in global datacenters, and growing regulatory resilience requirements, quickly evolved into a pioneering feat that now serves as a gold standard for strategic transformation within the bank, and the industry. Over 9000 colleagues from across the organization worked relentlessly to deliver 26 successful cutovers and 78 dress rehearsals for almost 800 applications in 12 months with negligible impact to our customers.

The bank and its valued customers continue to realize the promised efficiencies and benefits of our modernised Core-Banking System and enhanced digital capabilities founded on modern technology stack. Besides, the bank continues to pioneer on usage of industry leading cloud-based service suites – latest of which is Contact Centre as a Service. All technology simplification and modernization initiatives had compliance, information and cyber security, data privacy and sustainability objectives embedded at the core and are being maintained without compromise.”

The bank has an enterprise risk management system in place, namely M7, that is utilized for the recording of operational risk events (including financial losses and non financial events), Risk issues, Residual Risk assessments, operational losses, results of control sample testings/Key Control Indicators/Key Risk Indicators, monitoring of controls, and associated mitigating actions pertinent to risks across the franchise.

Business Continuity Plans (BCP) for respective areas are in place and tested on a periodic basis. The Bank has enhanced monitoring for all cyber security risks. The remote work capabilities area available for staff and related risk and control measures are assessed to make sure they are fully protected using virtual private network (“VPN”) connections.

The Executive Risk Committee (ERC) is the overarching committee to have an oversight over operational risk related matters and other non-financial risks in addition (but not limited) to Compliance risk, Financial Crime risk, Conduct risk, Information & Cyber Security risk, Credit Risk, Treasury Risk and Reputational & Sustainability risk. The committee has a clear understanding of Operational risk as a distinct risk category and is aware of the key risks faced by the institution. The committee has the authority to take a view on the significance of risks and to direct appropriate actions. Depending on the significance of risks, the issues are tabled at ERC.

45.3.1 Operational Risk-Disclosures Basel Specific

The bank uses The Standardized Approach (TSA) for assessing capital charge for Operational Risk. Under the TSA approach the business activities of the banks are divided into eight business lines, namely corporate finance, trading & sales, retail banking, commercial banking, payment & settlement, agency services, asset management, and retail brokerage. Within each business line, the gross income is a broad indicator that serves as a proxy for the scale of business operations and thus the likely scale of operational risk exposure within each of these business lines. The capital charge for each business line is calculated by multiplying the gross income by a factor (denoted beta) that is assigned to that business line.

Events leading to potential or actual operational losses are known as Operational Risk Events (OREs). Appropriate procedures are in place for the identification, classification, capture, approval and analysis of OREs. OREs must be identified by the First Line of Defence. Prompt actions are to be taken to remediate the impact to our clients and to the Bank. All identified ORE are categorized in terms of Basel business line and event types, and are duly logged on the M7 system. Furthermore, all OREs are reviewed to assess the need for risk treatment actions which include remediation and mitigation actions. Remediation actions seek to rectify the specific outcomes of the event where

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For the year ended 31 December 2025

possible and mitigation actions seek to sustainably prevent the reoccurrence of the ORE. If required, detailed Root Cause Reviews (RCR) are performed to have a detailed analysis of the ORE and to embed lessons learnt through the redesign of processes or controls.

45.4 Liquidity Risk

Liquidity and Funding Risk is the risk that we may not have sufficient stable or diverse sources of funding to meet our contractual and contingent obligations as they fall due.

Liquidity Risk, both short term and structural, and Funding Risk is monitored through the Bank's Treasury Risk Type Framework and covered under the Liquidity and Funding Risk policy, and is managed by the Asset and Liability Committee ("ALCO"). This committee, chaired by the CEO, is responsible for both the statutory and prudential liquidity. The ALCO prudently monitors the Bank's balance sheet and ensures that the bank remains liquid at all times.

A range of tools and metrics are used for the management/monitoring of liquidity such as key balance sheet ratios, survival horizon, Liquidity Coverage Ratio, Net Stable Funding Ratio whereas short-term liquidity tools include day to day monitoring of future cash flows and liquidity stress tests using various behavioral and rollover assumptions. The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

Stress Testing and scenario analyses are used to assess the financial and management capability to continue to operate effectively under extreme, but plausible, operating conditions and to understand the potential threats to the bank's liquidity and other financial resources. Routine stress tests under the Liquidity and Funding Risk Policy comprises of Name specific stress, market wide stress and a combined scenario. In addition, the Bank has prepared a Country Recovery Plan which is a live document by which the Country ensures that it has the ability to recover its financial position in the event of an extreme but plausible liquidity and/or solvency stress. The Bank has set Recovery Indicators capable of acting as early warning indicators of a liquidity and/or solvency stress which meet applicable regulations (where relevant).

45.4.1 MATURITIES OF ASSETS AND LIABILITIES - based on contractual maturity of assets and liabilities of the bank

In accordance with the guidelines issued by SBP through BSD Circular Letter No. 3 of 2011 and BSD Circular Letter No. 2 of 2013, Banks are required to disclose maturities of assets and liabilities separately for 'contractual maturities' and 'expected maturities'. The expected maturities are calculated using three (3) years historical balances and identifying "Core" and "Non-Core" balances using monthly volatility analysis. Fixed / intangible assets are presented on the basis of their depreciation / amortisation schedule.

	2025									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	80,790,333	80,790,333	-	-	-	-	-	-	-	-
Balances with other banks	19,786,023	19,786,023	-	-	-	-	-	-	-	-
Lendings to financial institutions	12,479,626	12,479,626	-	-	-	-	-	-	-	-
Investments	478,413,103	144,547,711	272,038,652	60,791,348	-	-	-	-	1,035,392	-
Advances	214,151,084	98,913,769	28,598,048	52,294,513	6,292,879	6,315,264	3,401,782	2,150,681	6,095,599	10,088,549
Property and equipment	10,985,897	75,111	150,221	225,332	450,663	1,471,479	901,325	1,780,211	3,900,559	2,030,996
Right-of-use assets	1,504,445	696,487	-	10,468	37,871	128,058	204,207	427,354	-	-
Intangible assets	26,095,310	-	-	-	-	-	-	-	-	26,095,310
Other assets	28,665,267	18,042,885	4,610,881	1,835,765	275,631	493,705	3,406,400	-	-	-
	872,871,088	375,331,945	305,397,802	115,157,426	7,057,044	8,408,506	7,913,714	4,358,246	11,031,550	38,214,855
Liabilities										
Bills payable	16,839,039	16,839,039	-	-	-	-	-	-	-	-
Borrowings	14,676,735	273,671	4,337,500	9,615,987	34,583	69,166	69,166	138,331	138,331	-
Deposits and other accounts	650,141,095	647,196,344	1,832,755	922,194	174,052	14,700	1,050	-	-	-
Liabilities against Right-of-use assets	1,469,902	620,444	-	23,381	28,482	160,613	192,038	444,944	-	-
Other liabilities	76,093,683	15,329,501	8,595,134	10,013,160	36,398,977	92,745	-	-	5,664,166	-
Deferred tax liabilities	3,188,571	-	-	-	-	-	-	3,188,571	-	-
	762,409,025	680,258,999	14,765,389	20,574,722	36,636,094	337,224	262,254	3,771,846	5,802,497	-
	110,462,063	(304,927,054)	290,632,413	94,582,704	(29,579,050)	8,071,282	7,651,460	586,400	5,229,053	38,214,855
Net assets										
Share capital	38,715,850									
Reserves	49,827,764									
Surplus on revaluation of assets - net	7,628,345									
Unappropriated profit	14,290,104									
	110,462,063									

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For the year ended 31 December 2025

	2024									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
(Rupees in '000)										
Assets										
Cash and balances with treasury banks	82,306,465	82,306,465	-	-	-	-	-	-	-	-
Balances with other banks	13,216,951	13,216,951	-	-	-	-	-	-	-	-
Lendings to financial institutions	70,485,202	44,022,952	26,462,250	-	-	-	-	-	-	-
Investments	654,339,883	34,706,498	506,384,400	81,603,441	30,802,459	-	-	-	843,085	-
Advances	171,566,660	63,678,863	39,900,932	42,517,675	2,960,205	4,331,852	2,530,153	663,063	5,117,845	9,866,072
Property and equipment	11,643,964	83,749	167,497	251,247	502,491	1,148,364	979,248	1,848,243	4,211,493	2,451,632
Right-of-use assets	911,194	-	1,387	110,329	125,264	120,009	165,701	284,000	104,504	-
Intangible assets	26,095,310	-	-	-	-	-	-	-	-	26,095,310
Other assets	26,726,431	13,515,775	4,729,086	1,866,812	149,078	421,003	6,044,677	-	-	-
	1,057,292,060	251,531,253	577,645,552	126,349,504	34,539,497	6,021,228	9,719,779	2,795,306	10,276,927	38,413,014
Liabilities										
Bills payable	23,057,139	23,057,139	-	-	-	-	-	-	-	-
Borrowings	18,285,487	393,652	2,838,371	14,534,721	34,583	69,166	69,166	138,331	207,497	-
Deposits and other accounts	835,694,991	831,439,999	2,908,221	926,266	393,615	18,790	8,100	-	-	-
Liabilities against Right-of-use assets	933,917	-	21,006	28,618	33,477	156,521	203,361	339,752	151,182	-
Deferred tax liabilities	6,354,705	-	-	-	-	-	-	6,354,705	-	-
Other liabilities	55,243,964	4,244,568	7,522,069	8,740,420	27,875,602	657,063	-	-	6,204,242	-
	939,570,203	859,135,358	13,289,667	24,230,025	28,337,277	901,540	280,627	6,832,788	6,562,921	-
	117,721,857	(607,604,105)	564,355,885	102,119,479	6,202,220	5,119,688	9,439,152	(4,037,482)	3,714,006	38,413,014
Net assets										
Share capital	38,715,850									
Reserves	46,949,679									
Surplus on revaluation of assets - net	10,036,242									
Unappropriated profit	22,020,086									
	117,721,857									

45.4.2 MATURITIES OF ASSETS AND LIABILITIES - based on expected maturity of assets and liabilities of the bank

	2025									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
(Rupees in '000)										
Assets										
Cash and balances with treasury banks	80,790,333	80,790,333	-	-	-	-	-	-	-	-
Balances with other banks	19,786,023	19,786,023	-	-	-	-	-	-	-	-
Lendings to financial institutions	12,479,626	12,479,626	-	-	-	-	-	-	-	-
Investments	478,413,103	144,547,711	272,038,652	60,791,348	-	-	-	-	1,035,392	-
Advances	214,151,084	30,891,930	31,293,247	56,337,313	14,378,480	59,513,503	1,564,279	3,988,184	6,095,599	10,088,549
Fixed assets	10,985,897	75,111	150,221	225,332	450,663	1,471,479	901,325	1,780,211	3,900,559	2,030,996
Right-of-use assets	1,504,445	696,487	-	10,468	37,871	128,058	204,207	427,354	-	-
Intangible assets	26,095,310	-	-	-	-	-	-	-	-	26,095,310
Other assets	28,665,267	18,042,885	4,610,881	1,835,765	275,631	493,705	3,406,400	-	-	-
	872,871,088	307,310,106	308,093,001	119,200,226	15,142,645	61,606,745	6,076,211	6,195,749	11,031,550	38,214,855
Liabilities										
Bills payable	16,839,039	16,839,039	-	-	-	-	-	-	-	-
Borrowings	14,676,735	273,671	4,337,500	9,615,987	34,583	69,166	69,166	138,331	138,331	-
Deposits and other accounts	650,141,095	93,394,313	30,752,324	44,301,547	86,932,758	394,759,103	1,050	-	-	-
Liabilities against Right-of-use assets	1,469,902	620,444	-	23,381	28,482	160,613	192,038	444,944	-	-
Deferred tax liabilities	3,188,571	-	-	-	-	-	-	3,188,571	-	-
Other liabilities	76,093,683	15,329,501	8,595,134	10,013,160	36,398,977	92,745	-	-	5,664,166	-
	762,409,025	126,456,968	43,684,958	63,954,075	123,394,800	395,081,627	262,254	3,771,846	5,802,497	-
	110,462,063	180,853,138	264,408,043	55,246,151	(108,252,155)	(333,474,882)	5,813,957	2,423,903	5,229,053	38,214,855
Net assets										
Share capital	38,715,850									
Reserves	49,827,764									
Surplus on revaluation of assets - net	7,628,345									
Unappropriated profit	14,290,104									
	110,462,063									

Notes to the Financial Statements

For the year ended 31 December 2025

	2024									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
Assets	------(Rupees in '000)-----									
Cash and balances with treasury banks	82,306,465	82,306,465	-	-	-	-	-	-	-	-
Balances with other banks	13,216,951	13,216,951	-	-	-	-	-	-	-	-
Lendings to financial institutions	70,485,202	44,022,952	26,462,250	-	-	-	-	-	-	-
Investments	654,339,883	34,706,498	506,384,400	81,603,441	30,802,459	-	-	-	843,085	-
Advances	171,566,660	20,135,147	42,297,757	46,112,912	10,150,680	34,693,031	2,530,153	663,063	5,117,845	9,866,072
Property and equipment	11,643,964	83,749	167,497	251,247	502,491	1,148,364	979,248	1,848,243	4,211,493	2,451,632
Right-of-use assets	911,194	-	1,387	110,329	125,264	120,009	165,701	284,000	104,504	-
Intangible assets	26,095,310	-	-	-	-	-	-	-	-	26,095,310
Other assets	26,726,431	13,515,775	4,729,086	1,866,812	149,078	421,003	6,044,677	-	-	-
	<u>1,057,292,060</u>	<u>207,987,537</u>	<u>580,042,377</u>	<u>129,944,741</u>	<u>41,729,972</u>	<u>36,382,407</u>	<u>9,719,779</u>	<u>2,795,306</u>	<u>10,276,927</u>	<u>38,413,014</u>
Liabilities										
Bills payable	23,057,139	23,057,139	-	-	-	-	-	-	-	-
Borrowings	18,285,487	393,652	2,838,371	14,534,721	34,583	69,166	69,166	138,331	207,497	-
Deposits and other accounts	835,694,991	124,041,149	43,196,830	61,359,180	121,259,442	485,830,290	8,100	-	-	-
Liabilities against Right-of-use assets	933,917	-	21,006	28,618	33,477	156,521	203,361	339,752	151,182	-
Deferred tax liabilities	6,354,705	-	-	-	-	-	-	6,354,705	-	-
Other liabilities	55,243,964	4,244,568	7,522,069	8,740,420	27,875,602	657,063	-	-	6,204,242	-
	<u>939,570,203</u>	<u>151,736,508</u>	<u>53,578,276</u>	<u>84,662,939</u>	<u>149,203,104</u>	<u>486,713,040</u>	<u>280,627</u>	<u>6,832,788</u>	<u>6,562,921</u>	<u>-</u>
	<u>117,721,857</u>	<u>56,251,029</u>	<u>526,464,101</u>	<u>45,281,802</u>	<u>(107,473,132)</u>	<u>(450,330,633)</u>	<u>9,439,152</u>	<u>(4,037,482)</u>	<u>3,714,006</u>	<u>38,413,014</u>
Net assets										
Share capital	38,715,850									
Reserves	46,949,679									
Surplus on revaluation of assets - net	10,036,242									
Unappropriated profit	22,020,086									
	<u>117,721,857</u>									

45.5 Derivative Risk

The Bank has adopted the Traded Risk Type Framework which sets out the overall risk management approach for Traded Risk, which covers potential for loss resulting from derivative activities undertaken by the financial markets. Traded Risk Management (TRM) performs market risk management activities for the Bank. Derivative risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority for setting derivative risk limits is delegated to the local Executive Risk Committee.

The Executive Risk Committee and the Board Risk Committee have primary oversight responsibility for Derivative Risk.

45.6 Model Risk

Model Risk is defined as the “potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models due to errors in the development, implementation, or use of such models”. An important source of model risk is the inherent uncertainty in all model outputs, and may arise from uncertainty in parameter estimates, limited statistics, or uncertainty in model choices.

The Model Life Cycle (“MLC”) is at the core of the Model Risk Management Framework and refers to the actions taken to manage model risk at individual model level. The MLC is the end-to-end process that a model goes through i.e., initiation, development, independent validation, implementation, use and decommission.

The Executive Risk Committee and Board Risk Committee maintains oversight over Model Risk.

Notes to the Financial Statements

For the year ended 31 December 2025

46. GENERAL

46.1 CORRESPONDING FIGURES

Certain corresponding figures have been re-arranged / reclassified to reflect more appropriate presentation that are not material in nature.

Financial information presented in Pakistan Rupees has been rounded off to the nearest thousands.

46.2 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on 25 February 2026.



Christopher Parsons
Chairman



Rehan Muhammad Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Badaruddin Vellani
Director

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - I

Statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above as required under sub-section (3) of section 33A of the Banking Companies Ordinance, 1962 during the year ended 31 December, 2025

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
1	Johar Associates (Pvt) Ltd	Johar Associates (Pvt) Ltd, Plot -249 Deh Din, Main Korangi Creek Industrial Area Road, Karachi	1) Mrs. Naseema Begum CNIC: 42301-8898798-0 2) Syed Johar Ali Qandhari CNIC: 42301-3734271-7 3) Mrs. Shazia Erum Johar CNIC: 42301-9093960-8	1) Syed Sherali Qandhari. 2) Syed Sherali Qandhari. 3) Syed Johar Ali Qandhari.	119,994,718	97,259,817	217,254,535	-	72,185,535	72,185,535
2	Toyota Gujranwala Motors	Toyota Gujranwala Motors, Opp. Jalili Town, Qila Chand Bypass, G.T. Road, Gujranwala	1) Ayesha Bawar CNIC: 35202-2949041-4 2) Raheem Muzaffar CNIC: 35202-2388756-7 3) Imtiaz Aftab CNIC: 35202-9741060-9 4) Javaid Muzaffar Butt CNIC: 35202-2370549-1 5) Muzaffar Javed CNIC: 35202-7374922-7 6) Yasmeen Javed CNIC: 35202-6097768-2	1) Bawar Hayat 2) Aftab Muzaffar 3) Aftab Muzaffar 4) Muzaffar Hussain 5) Javaid Muzaffar Butt 6) Javaid Muzaffar Butt	22,420,607	70,320,596	92,741,203	-	70,241,204	70,241,204
3	Feroza International Pharmaceuticals (Pvt) Ltd.	Feroza International Pharmaceuticals (Pvt) Ltd, 33 Km, Ferozepur Road, Lahore	1) Usman Khalid CNIC: 35202-8048278-9 2) Tahira Khalid CNIC: 35202-7715360-8 3) Khurram Malik CNIC: 35202-3007588-9 4) Rehman Khalid CNIC: 35202-7316312-7	1) Khalid Aziz 2) Khalid Aziz 3) Muhammad Badar Munir 4) Khalid Aziz	38,314,300	67,521,501	105,835,801	-	65,285,801	65,285,801
4	Mr Imran Hussain	Chah Dadi Wala Mian Pur Bailay Wala Dakkhana Jalal Pur Peer Wala Teh Jalal Pur Pir Wala Distt Multan	36301-5855482-3	Muhammad Saeed	4,205,715	342,385	4,548,100	4,034,133	348,911	4,383,043
5	Syed Farhan Jaffary	House No. 12 Block A Satellite Gourmet Bakery Town	37405-1555244-7	Syed Karahat Jaffary	3,348,397	87,918	3,436,316	3,348,397	493,060	3,841,457
6	Muhammad Asif Haider	House No. 03 Moh Khawaja Sharif Post Office Building	17301-1286989-3	Muhammad Ajmal Taj	3,292,770	474,994	3,767,764	3,292,770	498,696	3,791,466
7	Fizzah Hasan	House No. 42/1, Street No. 14 Phase 5 Khayabane-e- Mujahid Karachi Near Shell Pump	42301-9128320-0	Hasan Sadiq Mirza	3,647,960	298,878	3,946,838	3,624,959	151,263	3,776,222
8	Julian Tony Pereira	Flat C-203, Al Habib Pride, Civil Lines Frere Hall	42301-6348231-1	Joseph A Pereira	3,193,132	243,953	3,437,085	3,193,132	243,953	3,437,085
9	Haris Qurashi	Mashli Bazar Mohallah Shikarri Ahmed Pur East Distt Bhawalpur	31201-5839829-1	Babu Deen	3,180,436	166,337	3,346,772	3,180,436	227,561	3,407,996
10	Muhammad Shan E Abbas Janjua	House No 3 Block C Sheikh Colony PSO Faisalabad	31202-5005618-5	Raja Muhammad Ramzan Janjua	3,028,922	200,799	3,229,721	3,028,922	295,229	3,324,151
11	Hashmat Jatoi	Dakhana Haider Jatoi Bakhodera Dokari Post Office Zila Larkana	41306-9525214-9	Anwwar Ali Jatoi	3,114,028	142,478	3,256,507	3,114,028	149,143	3,263,171
12	Horizon Teletech Innovations (Private) Limited	Office No 106, 1st Floor Sughra Tower Street No 73 Sector F-11/1 Islamabad Capital Territory (I.C.T)	Shazia Hussain Chaudhry 61101-4506845-4	HASSAN SHOAB JAN 14301-5516483-9	12,190,821	3,031,749	15,222,570	-	3,104,781	3,104,781
13	Muhammad Imran Ur Rehman	House No 7/43 Model Colony Sitara Bakery Karachi	42201-0273479-3	Altaf Ur Rehman	2,733,999	62,523	2,796,523	2,733,999	305,318	3,039,317
14	Shabbir Khan	Chak No. 4199-B Post Office Chak No. 353 Mehdi Abad Railway Line Thsil Gajra Distt Ts	33301-5266719-3	Sultan Ahmed	2,579,221	309,209	2,888,429	2,579,221	375,973	2,955,194
15	Mr Muhammad Owais	Moh Qazian Kochian Po Gulbela Tehsil Shah Alam Govt School District Peshawar	17301-5219284-3	Zakir Rahman	2,610,760	23,539	2,634,299	2,680,585	155,238	2,835,823
16	Muhammad Aftab	House No. 1720 Mohallah Muhammad Abad Children Park Joharh Harpal Rawalpindi	37405-8786665-5	Muhammad Taj	2,795,287	60,809	2,856,096	2,529,042	193,496	2,722,538
17	Mr Muhammad Farooq	House No 721-A Block F2 Johar Town Lahore	36502-9735010-1	Muhammad Siddique	1,312,326	-	1,312,326	1,999,949	635,275	2,635,225
18	Muhammad Rafiq Memon	Flat No. 302, 3rd Floor, Block-F, Yaseen Square, Soldier Bazar, Karachi	42201-2762827-3	Abdul Aziz Memon	4,539,556	1,293,353	5,832,909	-	2,632,984	2,632,984
19	Mr Hassan Maqsood	Mohalla Eid Gaah Dhaunkal Town Committee West Eid Gaah Wazirabad Gujranwala	34104-8762248-9	Maqsood Ahmed	1,886,544	91	1,886,635	2,119,912	495,168	2,615,080
20	Sham Imran Sheikh	House No. SD-88 Malir Cantt Dohs Jamia Masjid Phase 2 Gujro Malir	42201-9065707-4	Umer Bin Dawood	2,383,146	197,232	2,580,378	2,383,146	197,232	2,580,378
21	Syed Awais Haider	House No. 421 Muhala Ravi Block Allama Iqbal Town PSO Pump Lahore	35202-8864037-7	Syed Sajjad Haider	2,452,941	38,079	2,491,019	2,418,940	69,636	2,488,575
22	Muhammad Jawad Nawaz	House No. A-281 Area Gulshan E Hadeed New Telephone Exchange Phase 2 Bin Qasim Malir	42501-6015248-1	Muhammad Nawaz	2,213,102	178,428	2,391,530	2,213,102	218,836	2,431,938
23	Hasan Shahzad	House No 66-C Tech Society Canal Bank Lahore Near Doctors Hospital	35202-6253582-1	Muhammad Tahir Zaidi	2,781,058	95,208	2,876,266	2,350,845	70,056	2,420,900

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - I

Statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above as required under sub-section (3) of section 33A of the Banking Companies Ordinance, 1962 during the year ended 31 December, 2025

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Amount in PKR Rupees					
					Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
24	Fozia Naz	Post Office Khas, Chak No. 27 Teh/Distt Faisalabad	13302-0419033-4	Banaras Khan	2,075,752	58,019	2,133,771	2,075,752	327,793	2,403,545
25	Haseeb Ur Rehman	House No 444/6, Block 7/8 Mohalla, CP Babar Society, Meezan Bank Dorji Colony Karachi	42201-4292892-7	Habib Ur Rehman	2,415,526	58,726	2,474,252	2,257,801	129,616	2,387,417
26	Samreen Arif	House No 12C Shadab Colony Ahmed Chowk Rohi Nalla Feroz Pur Road Lahore	35302-5896445-6	Arif Hasan Patel	2,216,422	176,321	2,392,743	2,216,422	139,703	2,356,125
27	Muhammad Zeeshan	House No. 21/2 Block-5-E Bara Maidan Alamgir Masjid Nazimabad Karachi	42101-5845786-9	Muhammad Ashiuddin	2,300,428	21,119	2,321,546	2,203,584	84,864	2,288,448
28	Yamna Fatima	House No. 2C/66 Area Moria Khan Goth Nata Khan Airport	42201-9051007-4	Syed Mohsin Raza	1,975,684	219,064	2,194,748	1,975,684	242,454	2,218,138
29	Rubina Kausar	House No. 47 Street No. 7 Mahalla New Multan Colony Main Bazaar Masjid Block U Multan	36302-8523483-2	Muhammad Ramzan Sumra	2,000,000	59,016	2,059,016	2,000,000	200,258	2,200,258
30	Bilawal	House No. A-88 Block 13 D3 Area Baloch Goth Gulshan Super Market Karachi	42201-1437271-5	Azhar Ali	1,988,100	179,599	2,167,699	1,988,100	179,599	2,167,699
31	Tariq Mahmood	House No. R-353 Block-8 Moh F.B Area Madni Masjid Karachi	42101-1515243-5	Mahmood Ali	2,299,665	65,455	2,365,120	1,951,597	212,046	2,163,643
32	Aamir Rizwan Qureshi	167/3 Amber Heights Flat No.B-1Blk 7/8 KMCHS Karachi Near Ideal Bakery	42201-6841898-9	Abdul Wahid Qureshi	2,910,134	64,062	2,974,196	2,113,910	44,851	2,158,761
33	Hussain Raza	House No. C-66 Mohalla F.B Area Jama Masjid Block 10	42101-7312266-5	Raza Ali	1,968,327	18,070	1,986,397	1,895,138	245,183	2,140,321
34	Mr Cyasp Noshirwani	House No.1,Bath Island Road Clifton Karachi	42301-1063954-5	Noshirwan A Noshirwani	405,864	598	406,462	2,064,271	60,007	2,124,278
35	Hina Ahmad	House No. 103 Block 2 Sector B1 Township Lahore Model Town	35201-9923004-4	Maqsood Ahmad	1,989,067	108,490	2,097,557	1,924,547	191,659	2,116,206
36	Adil Jamil	House No 601-B Gulberg Colony Kasur	35102-4747385-5	Muhammad Jamil Gill	1,914,304	242,875	2,157,179	1,879,796	135,007	2,014,802
37	Mueen Alam Qadri	Flat No. A 706 Goldline Residency Gulistan-e-Jauhar Block 16/A Karachi Near KDA Overseas Banglows Karachi	41303-1844262-9	Ashiq Ali Qadri	1,918,250	112,192	2,030,443	1,918,250	60,471	1,978,722
38	Rana Saghir Ahmad	Bisti Goga Hari PO Buland Pur Teh Maisi Jama Masjid Dist Vehari Norba	42201-9588502-7	Muhammad Bashir	1,894,321	59,900	1,954,221	1,893,749	82,141	1,975,890
39	Adnan Fazal Ur Rehman	House No 148-H Moh DHA EME Society Multan Road	36502-9885577-5	Rana Fazal Ur Rehman	1,815,614	138,834	1,954,448	1,815,614	138,834	1,954,448
40	Mrs Eden Nasim Khan	House No A-153 Block 3 Gulistan-e-Johar	42201-4398590-2	Muhammad Naseem Khan	1,543,954	141,321	1,685,275	1,588,124	306,239	1,894,363
41	Mr Syed Muhammad Imran Moosa	House No A 225, Block 3 Gulistan-e-Johar, Street 5 Karachi Near Makkah Masjid	42201-0570678-3	Syed Muhammad Moosa	1,710,793	-	1,710,793	1,821,682	63,996	1,885,678
42	Saeed Ahmed	House No. 62/1 Street No. 2 Mahalla Phase 1 Defense District Lahore Housing Authority Lahore Cantt	35201-9721923-9	Chaudhry Rahmat Khan	13,388,398	(3,909,859)	9,478,539	-	1,867,524	1,867,524
43	Alquma Asad	House No. E-112 Street 4 Nishat Colony Lahore-Ra Bazar	35201-1399461-4	Asad Mehmood Bhatti	1,580,556	242,166	1,822,722	1,580,556	254,948	1,835,504
44	Ayesha	House No 887/B Medan Bhaiya Androon Mori Gate Mochi Gate Lahore	35201-5933650-0	Manna Masih	1,620,283	48,033	1,668,316	1,581,956	190,621	1,772,577
45	Mrs Rida Jiwani	1101-A, Creek Vista Phase 8 Street 16 DHA	42301-0930686-8	Haroon Yousuf Jiwani	1,514,559	50,666	1,565,225	1,465,225	301,023	1,766,248
46	Sadiq Ali	Rehman Manzil Ly11/4 Flat No. A 8 Moosa Lane Shah Abdul Latif Malkani Hospital Bhatta Rd	42301-0284930-1	Abdul Qadir	1,800,369	14,610	1,814,979	1,664,696	99,104	1,763,801
47	Waleed Ahmed Bin Tahir	P-44 Kehkshan Colony Number 2, Jaranwala Road, Near Lal Masjid	33100-4099056-5	Muhammad Tahir	1,638,295	38,854	1,677,149	1,603,959	147,906	1,751,866
48	Mushari Khan Lodhi	Tooba Manzil Plot A-2/47 Flat No 302- Street No 04 Mahala Dehli Colony Karachi	42301-6606409-9	Nisar Ahmed Lodhi	1,514,751	172,311	1,687,062	1,514,751	217,396	1,732,147
49	Mr Asif Jehangir	House No 232-CC Mohallah Phase 4 CC Park Dha Lahore	35201-8104018-1	Manazir Ali	1,366,615	275,103	1,641,718	1,366,615	363,067	1,729,683
50	Mr Mawiz Akhtar	House No. 64-C Army Flats Sarfaraz CMH Rafiqui Road Lahore Cantt	35201-1466722-5	Mian Muhammad Akhtar	1,299,996	223,226	1,523,222	1,299,996	414,904	1,714,900
51	Hammad Ali	Street Babu Nawazish House No 499 Moh Mehmoodabad Rose Marriage Hall	37103-9629902-5	Gullam Mustafa	1,677,557	32,666	1,710,223	1,677,557	28,654	1,706,211
52	Mirza Ahtisham Hassan	House No. 49/10 Sector 5-E Area New PSO Karachi Wasti	42101-0857713-7	Mirza Jamal Hassan	1,578,254	93,271	1,671,525	1,578,254	108,488	1,686,742
53	Mr Muhammad Akbar Badat	88/110Th Street Khybance Sehar Ph-6 Dha Karachi Near Sind Lab Rahat Mosque	42301-2391374-5	Yawar Badat	1,439,688	315,616	1,755,304	1,439,688	239,028	1,678,716
54	Sajjad Ismail	Ban Wala Masjid Bahar Madina Daska Kalan Dist Sialkot Near Masjid	34601-3078578-1	Muhammad Ismail	1,485,592	116,082	1,601,675	1,485,592	154,628	1,640,220
55	Shahzeb Mujeeb Sarwari	House No 3-H-3/17 Nazimabad 3 Near Gal Market	42101-6352359-9	Tariq Mujeeb Sarwari	2,148,717	7,603	2,156,320	1,593,347	-	1,593,347
56	Nabil Yousaf	House No. 146 C Street No. 54 Sec F-7/4 Moh France Service Mor Colony Islamabad	61101-9321834-5	Yousaf Masih	1,416,708	142,003	1,558,711	1,416,708	174,660	1,591,368

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
57	Ibrar Ul Islam Qureshi	Abadi 01 House 156-A Street 4 Moh Faiz Masjid Tench Bhatta Cantt Tench Bazaar Rawalpindi Teh O Zilla Rawalpindi	37405-9346054-1	Azhar Ul Islam Qureshi	1,375,124	210,534	1,585,658	1,375,124	210,534	1,585,658
58	Mr Agha Jahanzeb Khan	Flat 802, 8th Floor, Reef Tower 1, Emaar Oceanfront, DHA Phase 8,	43102-7089579-7	Agha Mohammad Ismail Khan	20,000	5,075	25,075	1,242,841	323,197	1,566,038
59	Ayesha Temuri	House No.7, Street No. 46 Sector F-8/1 Islamabad	61101-9896708-6	Cyrus Sikandir Temori	1,346,926	62,012	1,408,938	1,346,926	215,709	1,562,635
60	Chaudhry Muhammad Usman Rafiq	House No. 67-B Street No. 15 Tech Society Canal Road Lahore	61101-1916943-1	Muhammad Rafiq Chaudhry	1,926,868	50,963	1,977,832	1,400,405	72,052	1,472,457
61	Mr Zaka Ullah	House A-251 Moh Gulshan Iqbal Block 3 Sharqi PSO Karachi	42101-0603759-1	Naeem Ahmed	1,255,211	9,433	1,264,644	1,289,566	147,337	1,436,903
62	Mr Aamir Rizwan Qureshi	167/3 Amber Heights Flat No. B-1 Block 7/8 KMCHS Karachi Near Ideal Bakery	42201-6841898-9	Abdul Wahid Qureshi	1,692,713	3,932	1,696,645	1,418,228	13,656	1,431,884
63	Chaudhry Muhammad Usman Rafiq	House No. 67-B Street No. 15 Tech Society Canal Road Lahore	61101-1916943-1	Muhammad Rafiq Chaudhry	1,394,248	49,303	1,443,551	1,242,890	180,148	1,423,038
64	Mr Imran Raza Kazmi	House No. B-43 Block 10-A Gulshan-e-Iqbal Lasania Restaurant Karachi	42201-7135259-1	Syed Liaquat Raza Kazmi	978,957	2,697	981,654	1,245,002	151,155	1,396,157
65	Ahmad Raza Shah	House No 24/B Muhalla Kacha Jamia Masjid Ferozpur Road	35202-8277796-5	Syed Nadir Ali Shah	1,315,362	53,967	1,369,329	1,315,362	78,436	1,393,799
66	Ghulam Murtaza	Post Office Dajkoot Chak 092 Gaf Bay Tanda Chinna Post Office Tehsil Faisalabad	33100-8986425-7	Nazir Ahmad	1,246,941	35,956	1,282,896	1,246,941	144,502	1,391,442
67	Mrs Ayesha Temuri	House No.7, Street 46 Sector F-8/1 Islamabad	61101-9896708-6	Cyrus Sikandir Temori	1,133,374	52,499	1,185,873	1,224,057	164,562	1,388,619
68	Zohaib Nasir	House 48/4 Moh Sheet No.17 Bakari Stop Model Colony	42201-8617508-9	Nasir Mehmood	1,360,000	30,754	1,390,754	1,286,335	96,559	1,382,894
69	Mian Muhammad Junaid Aalam	House No. 49 Street No. 155 Sec G 11/1 G-11 Markaz Islamabad	37405-1014758-9	Ghulam Sabir	1,548,105	27,459	1,575,563	1,271,606	85,321	1,356,927
70	Abdur Rehman	Haji Camp Moh Sethi Town No.2 Umer Jamia Masjid Farooq Street Peshawar	17301-3798578-1	Shaikh Abdul Hameed	1,446,323	33,076	1,479,399	1,248,712	99,718	1,348,430
71	Ahmad Saud	Herbanspura House 10 Rangers Headquarters Hussain Road Cantt Lahore	42501-0443026-7	Muhamamd Athar	1,167,916	105,107	1,273,023	1,167,916	167,499	1,335,415
72	Azeem Maqbool	House No 26 Street No 34 Gorudwara Street Mohalla Flaming Road Chowk Baraf Khana	35202-1616901-1	Maqbool Ahmad	1,188,808	85,146	1,273,954	1,188,808	141,725	1,330,533
73	Zafar Iqbal Ranjha	P.O Bhero Wal Thukar Kalan Teh Phalia Post Office Zila Mandi Bahaudin	35202-0620229-3	Ch Muhammad Hanif Ranjha	1,382,121	17,861	1,399,981	1,302,538	27,672	1,330,210
74	Yumna Fawad Rehman	Phase 4 DHA House No. 87/2 Strret No. 10th Commercial Nisar Shaheed Park Karachi	42000-7081755-2	Altamash Jabbar	1,209,490	54,631	1,264,121	1,209,490	105,644	1,315,135
75	Abdul Rehman Rao	Hanifia Manzil Police Chowk Street Flat No. 35 PSO Mohallah Saddar	42301-6469278-5	Abdul Ghaffar Rao	1,203,235	94,383	1,297,619	1,203,235	110,276	1,313,511
76	Kamran Khan	Apartment No 172 Block G Ali Dolat Square Allied Bank North Nazimabad	42101-8480270-9	Zaheer Ahmed Khan	1,773,291	65,024	1,838,315	1,299,434	12,202	1,311,636
77	Danish Zaheer	House No. B-14 Pakistan Atomic Energy Society Atawa Society Sector 52-A, Scheme-33	42101-1387489-3	Mirza Zaheer Baig	1,265,807	18,926	1,284,733	1,265,807	39,784	1,305,591
78	Junaid Ali Khan	House 182/3 Area Orang Abad Nazimabad No. 5 Darusalam Masjid Karachi	42101-1699850-1	Jawaid Iqbal	1,107,315	64,129	1,171,445	1,107,315	185,473	1,292,789
79	Syed Muhammad Ali Zaidi	Flat No D 113 Clifton HBL View	42301-8281355-9	Syed Naeem Ul Hassan Zaidi	1,163,910	161,674	1,325,584	1,163,910	127,350	1,291,260
80	Mr Sardar Muhammad Abubakar Khan	Post Office Khas Rawat Tehseel Murree Near Jamia Masjid District Rawalpindi	61101-3035381-3	Sardar Muhammad Sajid Khan	870,405	30,377	900,782	964,999	312,400	1,277,399
81	Asim Rasheed	R-34 Paradise Homes Abul Hassan Isphani Road HBL Scheme 33 Karachi	42101-1697998-9	Abdul Rasheed	1,195,109	59,687	1,254,796	1,195,109	78,208	1,273,317
82	Shoaib Ahmed	House No R 95 Sec 15 A/4 Area Bufferzone Habib Restaurant North Karachi	42101-2726152-5	Muhammad Ahmed	1,216,335	14,154	1,230,490	1,216,335	27,438	1,243,773
83	Mr Farrukh Nasim Abbasi	House No. 441 Block-D Moh Satellite Town Masjid Rawalpindi	37405-1454970-9	Nasim Sabir Abbasi	-	-	-	952,754	284,972	1,237,725
84	Mr Ali Kamran	House No. 264-A Wazir Ali Rd Upper Mall Lah Teh Lahore Masjid City Distt	35202-5293517-9	Abdul Haque	1,132,625	107,084	1,239,709	1,132,625	102,292	1,234,917
85	Mr Shahid Shehzad	P/O Khas Judhala Teh Pasroor Dist Sialkot	34602-6036789-1	Muhammad Ibrahim	948,580	204,442	1,153,022	948,580	270,500	1,219,080
86	Mr Rohail Sohail	House No. 196-J Mohallah Tariq Abad Ravi Road Ayyans Bakers Rawalpindi	37405-7671994-9	Sohail Ramzan	615,143	13,107	628,250	1,022,036	191,944	1,213,980
87	Muhammad Tayyab	2nd Floor Plaza No. 84 Fairways Commercial Lahore DHA Phase 6	32203-7325215-9	Muhammad Tahir	1,247,269	22,029	1,269,298	1,188,757	18,801	1,207,558
88	Muhammad Atiq Awan	House No 1 Moh Railway Colony Engine Shed Line Children Park Lahore	35201-3674629-5	Muhammad Rafique Awan	1,088,195	110,815	1,199,010	1,088,195	112,743	1,200,938
89	Mr Amir Ahmed	Bobby Builders Khyaban_e_Muslim Plot No 36C Lane 5 Bukhari Commercial Dha Phase VI Karachi	42201-8656107-5	Ahmed Bahsania	977,151	23,177	1,000,328	973,828	217,198	1,191,027
90	Mr Muhammad Iqbal	House No 2 Street No 11 Mohallah Muslim Pura Faisal Bakery Sand Akalan Lahore	35202-7272767-3	Naveed Iqbal	989,457	28,287	1,017,744	964,444	224,755	1,189,200
91	Arsalan Ahmed Siddiqui	A-79 Block 5 Gulshan-e-Iqbal Rab Medical Centre Near Gulshan Chowrangji Karachi	42201-9019705-3	Ferozuddin Siddiqui	1,164,408	49,023	1,213,431	1,163,431	21,391	1,184,822

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Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
92	Ghulam Murtaza	Area Ahmed Nagar Phatan Colony PSO Pump New Pind	45504-8731640-9	Nazir Ahmed	1,188,101	26,164	1,214,265	1,112,402	66,550	1,178,952
93	Umair Khan	House A-448 Block H North Nazimabad St 12 Premier Collage Karachi	42101-9591651-9	Nadeem Khan	1,224,645	4,028	1,228,673	1,174,198	3,359	1,177,557
94	Azeem Imam	House No 154-F Gulshan Ravi Usman Park Lahore	35202-4196723-3	Muhammad Younas Butt	-	-	-	1,122,654	51,555	1,174,209
95	Mr Muhammad Umair	House No. A-578 Block 7 Gulistan E Johar Mustafa Masjid Karachi	42201-0653469-3	Rafi-Nabi	1,042,773	21,636	1,064,409	1,005,018	168,510	1,173,528
96	Muhammad Mumtaz	Near Girls High School P/O Khas Harnewale Tahsil Pipla Dist Mianwali	13301-1322145-7	Muhammad Amir	1,216,152	39,370	1,255,522	1,099,229	74,045	1,173,274
97	Yasir Ahmed	House No. R-1727/15, Gulshan-e-Mustafa UBL Sports Complex Federal B Area	42101-3103936-7	Ahmed Murtaza	1,108,726	19,327	1,128,053	1,066,391	102,381	1,168,771
98	Muhammad Yousaf	Gosha Ehbab Colony Multan Road House No 274-A PSO Pump Lahore	35202-4566525-7	Tahir Hanif	1,031,967	87,412	1,119,379	1,031,967	127,866	1,159,833
99	Ramman Rajput	House 185 Asif Nagar F.B Area Block 9 Yaseenabad 90 Karachi	42101-8917695-7	Ehtisham Uddin Khan Rajput	1,249,074	19,043	1,268,118	1,109,697	37,020	1,146,717
100	Mr Muhammad Farooq	House No 721-A Block F2 Johar Town Lahore	36502-9735010-1	Muhammad Siddique	-	-	-	1,037,126	108,731	1,145,857
101	Saqib Abdul Aziz	Zehra Mention Bantwa Nagar Sir Shah SSGC Suleman Road Flat No. 3	42101-8464303-1	Abdul Aziz	1,103,081	31,593	1,134,674	1,095,390	41,057	1,136,447
102	Babar Khan	District Ghizer Village Yasin Tehsil Post Office Rest House Yasin Gilgit Baltistan	71401-3432687-3	Shukur Ali Khan	1,068,439	17,056	1,085,495	1,068,439	61,194	1,129,634
103	Muhammad Zahid	Chak No. 212 Dakkhana Zari University Narawal Faisalabad	35201-8059548-7	Abdul Majeed	1,000,000	5,902	1,005,902	1,000,000	127,467	1,127,467
104	Rozina Sarfraz	Dak Khana Khas Chak No. 190/9 A. L Sahiwal Chowk Tehsil & District Sahiwal	35201-1153984-8	Sarfraz Masih	1,084,033	51,883	1,135,916	1,010,646	115,276	1,125,922
105	Mr Khalid Mahmood Qadir	Gulshan Tufail Colony Rawi Band Road Shahdara Road Masjid Town House No.3 Sreet No. 1 Lahore	37405-0501578-1	Fasih Ud Din Qadir	886,866	12,691	899,557	878,409	241,175	1,119,585
106	Zeeshan Rasheed	House No. 4-A Bait ul Salam Building Nazimabad No. 2 Sagar Hotel Karachi	42101-1597485-9	Abdul Rasheed	1,006,903	33,276	1,040,179	986,674	131,866	1,118,540
107	Mr Ali Raza Khan	House No. 36-G Moh Gulberg III Mm Alam Road Lahore	35202-3188433-9	Nasir Ali Khan	953,136	133,544	1,086,680	953,135	164,427	1,117,562
108	Muhammad Uzair Zahid	Flat No. B-15 Al Rahim Terrace Blk-1 Gulshan-e- Iqbal Near Practical Centre	42201-3626028-1	Muhammad Zahid	1,071,746	8,097	1,079,842	1,071,746	41,227	1,112,972
109	Mr Changez Khan	Fort Road House No 2-A, Peshawar Cantt Tehsil District Peshawar	17301-1992086-9	Muhammad Iqbal Khan Mohmand	788,922	259,321	1,048,243	788,922	301,473	1,090,395
110	Ghulam Shah Syed	Lakyari House Plot No 194 Peer Sarandi Goat Razakabad Bin Qasim Town Malir City	42201-0312258-3	Syed Shah Mehmood Shah	971,148	29,420	1,000,569	971,148	116,232	1,087,380
111	Mr Muhammad Yaqoob	Appartment 39 Tower 02 Bahria Town Main Super Highway Karachi	44203-0608815-7	Ahmed Uddin	999,799	48,273	1,048,072	971,066	115,035	1,086,100
112	Sardar Farhat Abbas	Dakhana Pindi Gayp Cantt Tehsil Pindi Gayp Zila Attock Oil Feild Attock	38303-3158403-9	Sardar Sarfaraz Khan	969,359	93,868	1,063,227	969,359	109,566	1,078,925
113	Shahid Sarwar	Mandi Punyna P/O Khas Teh Jandwala Dist Post Office Faisalabad	33104-2114140-3	Mohammad Sarwar	1,007,542	27,308	1,034,850	938,066	138,485	1,076,552
114	Uzma Salman	Chandni Chowk House No. 9 A-3 New Town Jamil Apartment Askari Park Karachi	42000-0456315-4	Salman Ali	1,131,124	16,998	1,148,122	1,052,621	22,021	1,074,642
115	Muhammad Mudassar Shahzad	Dak Khana Chak No. 52 Janubi Chak No. 53 Sb Mianwali Sargodha	34602-8269426-9	Muhammad Asif Iqbal	-	-	-	1,000,000	71,953	1,071,953
116	Hamza Younas	House No.148/6-A-11 Moh Township Township Stop Lahore	35202-6930096-5	Muhammad Younas	912,409	26,275	938,684	912,409	149,063	1,061,471
117	Mr Shoaib Ahmed	House No R 95 Sector 15 A/4 Area Bufferzone Habib Restaurant North Karachi	42101-2726152-5	Muhammad Ahmed	873,921	129,798	1,003,719	873,921	186,689	1,060,610
118	Mr Muhammad Irfan Shah	Street 1 Moh Mohammia Colony Sahiwal Zila Trauma Centre Sargodha	38402-3773191-5	Qasim Ali Shah	688,360	-	688,360	969,508	88,146	1,057,654
119	Mr Ishfaq Hussain	House No 1-E, Ext Hamza Town Phase 2 Near 5 No Stop Kahna Nau DHA Lahore	35202-9790631-3	Iqbal Hussain	347,328	10,515	357,843	811,508	240,624	1,052,132
120	Sagar Singh	House 25/207 Moh Awan Hathidar Road Hyder Bakers Shikarpur	43304-7377060-9	Ramchand	961,943	55,951	1,017,895	961,943	88,667	1,050,611
121	Shajjar Abbas	House No. 71-A Audit & Accounts Society Phase 1A Block Park Lahore	35202-4240492-5	Muhammad Saeed Kousar	1,059,298	18,692	1,077,990	990,126	58,470	1,048,596
122	Abdul Rasheed	Shahnawaz Shar Goth Scheme 33 House No C-1 Sec-24 Malir Dist Khi- Main Bazar Mohalla Gulzar-e-Hijri Tehseel	42501-8860369-5	Allah Yar	1,010,553	40,063	1,050,616	1,007,412	38,892	1,046,304
123	Mubbashir Qureshi	House No C-92 Rufi Foundation Rabia City Block 19 Gulistan-e-Johar Karachi	42201-1537249-9	Ashfaq Hussain Qureshi	1,008,133	64,136	1,072,269	1,008,133	33,907	1,042,039
124	Mr Zeeshan Ahmad	House No.5 Street 123 Moh Chowk Baba Azam 94-A Dildaar Road ICHRA	35202-2118879-3	Muhammad Afzal Shafique	735,203	23,866	759,069	782,337	256,047	1,038,385
125	Muhammad Faraz Siddiqi	Stadium Road House No. 30/3 Makan 30/3 Moh HBL Branch Overseas Bahadurabad	42201-8750155-9	Muhammad Siddiqi	1,291,516	14,909	1,306,425	1,017,647	16,639	1,034,286
126	Mr Asim Nazeer	House No 83 Street No 9 Kalour Cout Teh Kalour Coat Distt Bhakar	35201-5499965-5	Nazeer Ahmed	800,421	122,535	922,956	800,421	193,276	993,697

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Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
127	Mr Qaiser Iqbal	House No. 310 Moh Badar Allama Iqbal Town Lahore	61101-4095242-3	Muhammad Iqbal Ibrar	893,580	82,521	976,101	893,580	93,995	987,574
128	Hammad Ali	Street Babu Nawazish House No 499 Moh Mehmoodabad Rose Marriage Hall	37103-9629902-5	Gullam Mustafa	973,361	6,064	979,425	973,361	-	973,361
129	Naveed Merchant	House No. 32-B Mahalla East Avenue Phase 1 DHA Karachi South	42301-2318054-3	Noor Uddin Merchant	754,502	-	754,502	754,502	186,368	940,870
130	Muhammad Qaisar Ilyas	Dakkhana Chak 52 Janoobi Chak 53 Sb Narawal Sargodha	38403-2106644-7	Muhammad Aslam	900,000	39,033	939,033	854,717	85,306	940,023
131	Mr Hassan Maqsood	Mahalla Eid Gaah Dhaunkal Town Committee West Eid Gaah Wazirabad Gujranwala	34104-8762248-9	Maqsood Ahmed	1,000,000	27,945	1,027,945	855,326	78,126	933,452
132	Kashif Ali Qazi	Chak No 12/JL Dakkhana Khas Muslim Hotel Renala Khurd Okara	35303-3305815-7	Rehmat Ali Qazi	859,697	55,678	915,375	859,697	73,289	932,986
133	Khalid Mahmood Qadir	Gulshan Tufail Colony Rawi Band Rd Shahdara Road Masjid Town House No. 3 Street No. 1 Lahore	37405-0501578-1	Fasih Ud Din Qadir	941,376	16,410	957,786	863,473	60,777	924,250
134	Haider Ali Khan	House No 243 Street 43 Topaz Block Pak View Villas Multan Erme Society Road Lahore	35202-2595494-5	Gaideen Khan	829,112	50,008	879,120	829,112	79,769	908,882
135	Mr Asif Qayyum	Flat No C-49, Lane No. 04, Askari 7, Adiala Teh Askari 7 & District. Adial Road Rawalpindi	42501-8059914-7	Abdul Qayyum	804,999	17,015	822,014	792,597	104,736	897,332
136	Mr Atta Ul Hai	House No. 404, Street No.18, Sector No.2 Airport Housing Society Aechs Islamabad/ Rawalpindi	32102-9146535-3	Abdul Rafique	693,351	34,605	727,956	573,446	315,799	889,246
137	Mr Ashok Kumar	146/1 14th Street DHA Phase 6 Karachi	41306-8992879-9	Bhajan Lal	693,340	134,266	827,606	693,340	187,177	880,517
138	Mr Abdul Samad	182 Tulip Ext. Bahria Town Lahore	35201-0298771-9	Muqdad Ahmad	743,384	102,183	845,567	757,874	105,882	863,756
139	Syed Mohammad Ahmer	Flat No A 202 Area An 2 Comfortz North Nazimabad Nazimabad Park Karachi	42101-7346435-9	Syed Mohammad Yasin	745,078	46,841	791,919	745,078	117,977	863,055
140	Mairaj Aziz	Makan No 38 Moh Lane 20 Phase 7 DHA Teh O A One Foods Zila Janubi	42301-6784985-5	Muzammil Aziz	1,267,324	13,418	1,280,743	849,240	6,160	855,399
141	Mubashar Maqbool	35 Raja Chowk Hasilpur Distt Bahawalpur	31203-1173830-5	Maqbool Ahmed Ghouri	842,270	24,256	866,526	749,768	104,413	854,182
142	Faizan Ali	House No 49 Street No 30 Sector G-6/1-3 Govt School Islamabad	61101-0566650-9	Muhammad Abrar	932,625	19,748	952,374	800,298	53,416	853,714
143	M Asif Siddiqui	Sigma Ventures C-11/7 A Block 6 P.E.C.H.S Karachi	42301-7817646-3	Ch MH Siddiqui	639,227	154,891	794,118	639,227	203,942	843,169
144	Mr Muhammad Anees Qadri	33 DHA Phase 3 Near Caltex Pump Lahore	35202-5563381-7	Muhammad Ismail Qadri	570,471	28,221	598,692	570,471	256,279	826,749
145	Vivien Peter Santush	C50/4 First Floor Tahir Manjit Street 13-B Punjab Colony Karachi	42301-1181176-8	Peter Santush	791,277	51,920	843,197	700,024	123,535	823,560
146	Mr Talib Hussain Naz	House No 39 Block-e-Mahalla Jubilee Town Shald Hall Lahore	35202-2798731-5	Muhammad Hussain	683,627	28,471	712,098	734,462	87,342	821,803
147	Tariq Jamil	Martan Quarters Martan Road New Town House No F-207/1 Martan Market Karachi Sharqi	42201-8080697-9	Khalid Jamil Khan	796,101	11,874	807,974	796,101	23,494	819,594
148	Syed Haider Abbas	House No 98 C Phase - 1PSO Pump Ghazi Chowk DHA	35201-9751210-5	Syed Qaiser Mehdi	806,275	7,105	813,380	800,738	7,690	808,427
149	Ahmad Salar Khan	House No. 26-S Street No. 54 Khudadad Street Shakimartown Lahore Cantt	35201-7407010-3	Amir Hussain Khan	1,013,046	18,848	1,031,894	757,782	24,894	782,676
150	Hasham Shahid	Junction Commercial Plot No. 52 Rachna Heights 3 Phase 8 C Behria Town Flat No. 1	35202-9879202-5	Shahid Shujah Butt	797,653	22,718	820,371	779,302	-	779,302
151	Mr Ahmed Raza Qureshi	Nespaq Housing Society House No. 62 Block C-1 Lahore Near Awasia Society	35202-8432322-7	Anwar Ahmed Shah	605,498	48,940	654,438	605,498	170,355	775,853
152	Mr Khurram Mukhtar	Flat No. 1004, 10th Floor Mariam Heights Darul Aman Street Number 7 Main Shahede Millat Road	42101-6414151-5	Mukhtar Ahmed Khan	606,385	139,801	746,186	610,455	161,596	772,052
153	Rhyna Ghazal	Waiza Cottage Jafri Street Banadir Colony Kot Lakhpat Cantt	35201-0936799-6	Liaqat Ikram Waiza	721,633	49,095	770,728	721,633	49,095	770,728
154	Uzair Nasir	House No. 272-Q Moh DHA Lah Cantt Zila Near Mal Of Defence Lahore	35201-7402299-7	Nasir Ahmed	707,752	19,649	727,401	707,752	62,497	770,249
155	Mr Asif Hassan	19-B 15Sunset Boulevard DHA Phase-2 Near DHA Library	35201-1527287-7	Tajammal Hassan	42,376	36,563	78,939	770,064	-	770,064
156	Fahad Hussain	House No S-2, Muhallah J Block Shell Petrol Pump Model Town	35202-7219592-1	Azhar Hussain	954,757	14,240	968,997	759,222	10,292	769,515
157	Syed Nadeem Haider	House No 48, Block No 1 Sector C-I Township Lahore	35201-7187672-9	Syed Shensha Hussain	498,388	-	498,388	549,761	214,419	764,179
158	Haya Atif	House No. 895 Street 41 Sector G-10/4 G-10 Markaz Islamabad	17301-5806107-4	Atif Abdullah Sheikh	653,844	66,729	720,573	653,844	104,525	758,369
159	Narmeen	Gali No. 2 Plot 117 Near The Smart School DHA Phasel Sector A Akhtar Colony	71402-4506415-4	Hassan Madad Shah	702,371	49,750	752,122	702,371	50,879	753,250
160	Sheikh Ishfaq Ahmed	Ishfaq Electronics 17 Rehmani Market New Alamgir, Market Shahalam Market Lahore, National Bara Market Lahore	35202-2668596-3	Gulzar Ahmed	-	-	-	614,944	137,899	752,843

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Annexure - I

Amount in PKR Rupees										
Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
161	Ms Bushra Mushtaq	House No.150/C Street 10 Moh Meezan Bank Faisal Colony	37405-9653845-8	Mushtaq Ahmed	578,177	46,804	624,981	519,753	231,620	751,373
162	Mr Sajawal Rafiq	House No 202 Ext B Block, Ali Park, Shahdab Society Nishtar Colony Ferozpur Road Lahore	35202-5028725-3	Muhammad Rafiq	691,352	33,391	724,743	708,651	38,026	746,677
163	Faisal Hussain Siddiqui	House 146/2 Saba Avenue Ph-Viii Darakshan Police Station DHA Karachi	42301-7308685-9	Sajid Hussain	728,414	9,042	737,455	728,414	17,379	745,793
164	Mr Muhammad Fawad Sarayi	H#ouse No. A-147 Gulshan-e-Iqbal Sidiq E Akbar Masjid Karachi	42201-8678218-3	Zain Ul Abideen Saraiya	533,362	102,831	636,193	533,363	211,590	744,952
165	Muhammad Salman	House No.148 A Block-2 Pechs Khi Bank Alhabib Allama Iqbal Road	42201-0440301-9	Muhammad Asif Qadri	789,203	6,728	795,931	664,480	74,578	739,058
166	Mr Hamad Ali	Street Babu Nawazish House No 499 Moh Mehmoodabad Rose Marriage Hall	37103-9629902-5	Gullam Mustafa	726,041	11,721	737,762	726,042	11,721	737,762
167	Mr Syed Moadiz Mujtaba	D-54 Phase IV Nhs Sharah-e-Faisal Karsaz King Chaneen Pa Khas Chaneen Gujrat	42201-0770688-3	Syed Mujtaba Haroon	585,492	20,308	605,800	593,355	142,225	735,580
168	Mr Samiullah Khan	Moh National Colony Sahiwal Main Bazar House Multan	36302-1489952-5	Ch Nasrullah Khan	637,015	24,522	661,537	637,015	91,718	728,733
169	Babar Farooq	Moh National Colony Sahiwal Main Bazar House Multan	36302-2224599-3	Farooq Hussain	778,562	14,081	792,643	693,163	29,476	722,639
170	Muhammad Adnan Iqbal	House No 2 Street No 11 Mohallah Muslim Pura Faisal Bakery Sand Akalan Lahore	35202-7272767-3	Naveed Iqbal	633,176	20,379	653,555	624,992	92,398	717,391
171	Mubashar Mukhtar	House No. 992 Moh Chowk Baluram Water Pump Chunian Zila	35202-1546236-7	Muhammad Mukhtar	617,478	12,991	630,468	611,245	102,945	714,190
172	Mr Anwaar Haider	Nexus Corporation 604 6th Floor, Park Avenue Building Shakra-e-Faisal Karachi	42201-6129476-1	Syed Taqi Haider	505,243	24,294	529,537	523,871	189,881	713,752
173	Faisal Maqsood	House 105 Mahallah Khayanab-e-Quid Phase 1 Rana Town Block H Lahore Cantt Zila	82401-5668545-7	Maqsood Hussain	738,939	21,280	760,219	623,852	88,928	712,780
174	Mr Ali Kamran	House 264-A Wazir Ali Rd Upper Mall Lah Teh Lah Masjid City Distt Lahore	35202-5293517-9	Abdul Haque	567,351	37,972	605,323	567,351	142,202	709,553
175	Mr Tariq Ali	House D-2 Rabbi Arcade Garden East Ground Toba Masjid Floor Karachi	42201-8980277-1	Shaban Ali	712,035	-	712,035	675,355	32,944	708,298
176	Mr Mohammad Mikail Soomro	39- Muslim Abad Street No 7 Off New Karachi Islamiya College M A Jinnah Road	42201-1726963-1	Allah Bakhsh Soomro	568,228	74,632	642,860	568,228	138,611	706,838
177	Muhammad Tufail	House No. 14-B Khan Arcade 16 Maj Darya Road Lahore	35202-0659372-7	Mehtab Khan	459,330	2,178	461,508	531,435	174,201	705,635
178	Aijaz Khan	Marfat Mirza Faqir Muhammad Karyana Moh Future Malir Colony Landhi	42501-3325122-7	Hakam Khan	623,319	46,673	669,992	623,319	79,669	702,987
179	Zahoor Ahmad	House No. 360 , Street 16 Phase No. 03 Bahria Town Islamabad	15101-1566257-9	Syed Shams Ul Israr	701,488	30,362	731,850	614,258	88,710	702,968
180	Mr Khalil Ahmed	Eman City Samungli Road Naer Naer Paf Airbase K-12	52301-4350990-9	Abdul Haleem	144,093	31,702	175,795	506,697	194,476	701,172
181	Syed Shaheer Sarwer	House No. A428, Akram Shareef Street Street No. 7 Gulistan E Johar Block 7 Karachi	42000-6587944-1	Syed Sarwar Khurshed	721,028	40,291	761,319	640,210	59,792	700,002
182	Fahad Shaikh	House No. 122/II Moh Main Khyaban-e-Shahbaz Ph-VI Dha Kar Shahbaz Comm Tahsil O Zila Karachi	42301-8831774-7	Imdad Ali Shaikh	687,942	24,736	712,679	683,939	15,867	699,806
183	Mr Haseeb Haider Khan	Haider Khan Jamali Baoochan Noor Pur Post Office Thal Noor Pur	37405-4641328-3	Mussarat Hussain Khan Baloch	644,360	41,204	685,564	644,359	47,214	691,574
184	Muhammad Suleman	House No 117-H, Street No 6 Gordon China Market College Road	37405-1279207-3	Muhammad Anwar	670,487	18,173	688,659	608,316	81,740	690,056
185	Syed Yasir Ali	House No. G-22/3 Jahangir Road Oppt Utility Store Karachi	42201-3480579-1	Syed Musawir Ali	656,054	19,790	675,843	615,810	73,028	688,838
186	Mr Agha Johanzeb Khan	Flat 802, 8th Floor, Reef Tower 1, Emaar Oceanfront, DHA Phase 8	43102-7089579-7	Agha Mohammad Ismail Khan	331,061	552	331,613	527,946	160,041	687,987
187	Syed Shoaib Husnain Jafri	39-Firdaus Park Sant Nagar Lahore Near Firdaus Park	35202-3009771-9	Misbah Ul Hussain Jafri	698,171	12,170	710,341	635,309	52,602	687,911
188	Mr Abid Ali	House 389 Malik Chowk Gulshan Yaseen Colony Kamaha Road	35200-9169620-7	Faqir Ali	33,434	-	33,434	519,725	166,293	686,018
189	Mazharul Rasheed	Dahgal Colony Dhok Jhang Post Office Wahgal Colony Rawalpindi Dhagal Tehsil And District	37405-7652951-9	Haji Abdul Ul Rasheed	531,053	65,873	596,926	531,053	153,210	684,262
190	Mr Saqib Abdul Aziz	Zehra Mention Bantwa Nagar Sir Shah SSGC Suleman Road Flat No. 3	42101-8464303-1	Abdul Aziz	484,087	65,968	550,055	484,087	192,443	676,530
191	Imtiaz Ahmad	House 15/23 Moh Darul Rehmat Sharaq Alif Chanab Nagar Jamia Masjid Teh Lalian Dist	54400-4537606-7	Syed Habib Ali Shah	616,007	19,305	635,312	575,744	100,552	676,296
192	Muhammad Farooq	House No 721-A Block F2 Johar Town Lahore	36502-9735010-1	Muhammad Siddique	1,246,443	16,892	1,263,334	646,021	28,822	674,843
193	Mr Sikander Mirza	M-8 Erum Palace 13-A Gulshan-e-Iqbal Opp	42201-7292147-5	Suleman Mirza	531,861	94,943	626,804	531,860	139,045	670,906
194	Abid Hussain	House No 7 Sultan Mention 24 Hour Food Sector G-8 Markaz	37301-6524958-5	Abdul Khaliq	624,994	29,628	654,622	604,622	65,613	670,235
195	Muhammad Irshad Waqar	House No. 642 Street 2 Moh New Green Cloth Market Town	33100-0938037-7	Ghaffar Ahmad	660,495	28,258	688,753	638,753	31,459	670,211
196	Mr Muhammad Anwar	House 92/D Street 6 Block No. W Satte Life Town Chishtian Zila Bahawal Nagar	31102-0402037-1	Muhammad Anwar Shahzad	55,114	-	55,114	501,608	167,845	669,454

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Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
197	Abdul Saleem Kamboh	Flat No. 503/5 Sulaira Appart Blk -13 Gulistan Jauhar Chowrangi -e-Jauhar Khi	43206-2087582-7	Rehmatullah Kamboh	602,285	41,599	643,884	602,285	55,541	657,826
198	Mr Syed Hussain Imam Jaffery	House No.226 S Block Street 11 DHA Phase 2	35202-5959643-9	Syed Ali Anawar Jaffery	533,360	97,749	631,109	533,360	116,652	650,013
199	Mr Muhammad Aamir	House No A-53, Street 14 Sector 31 F Darus Salam Indus Hospital Society Korangi Karachi	42201-1870411-5	Anwar Abdul Hameed	2,299	183	2,482	498,574	149,722	648,296
200	Amir Hussain Khan	House 54 Street No. 26 S Mohallah Shalimar Town District Lahore Pakistan Mint Cantt Lahore	35201-8592858-9	Tajammul Hussain Khan	757,036	12,606	769,642	633,217	13,658	646,875
201	Mr Muhammad Sohail	House No.5-911 Liaquatobod Karachi	42101-0133984-1	Muhammad Sohail	350,137	189,722	539,859	325,137	319,880	645,017
202	Usman Ali Khan	House No. 582 Block B Johar Town Allah Ho Chowk Near Park Lahore	35202-9525535-7	Musarrat Ali Khan	591,916	59,325	651,241	591,916	52,626	644,542
203	Syed Fayyaz Raza Zaidi	House No 1025 Cantt View Colony Misrial Road New Age School Churu Harpal Rawalpindi	37405-0813025-9	Syed Humayun Raza Zaidi	630,633	14,337	644,970	576,945	67,335	644,281
204	Sajid Ali Hajano	Vilage Hajana Jino Dak Khana Shikarpur Teh O Zilla Suer Store Shikarpur	42501-4371349-5	Allah Dino	733,267	16,769	750,036	576,543	67,630	644,174
205	Mr Aammad Anjum Butt	House 250 P Moh Model Town Ext. Gourmet Bakery Near Gourmet Bakery	35202-8874828-1	Anjum Rasheed Butt	430,801	245,529	676,330	430,801	205,353	636,154
206	Mr Imran Imran	Flat Number 201 2nd Floor Plot No. 114 10th Commercial Street Ideal Bakery DHA Phase 4 Karachi	42301-9611068-1	Mohammad Iqbal	496,346	3,623	499,969	499,861	135,669	635,530
207	Mr Tariq Mehmood	New Abadi Dak Khana Depalpor Subhan Shah Subhan Shah Chowk Tehsil Depal Por Zila	35301-2008795-9	Noor Hassan	493,130	-	493,130	499,925	132,109	632,034
208	Muhammad Numan Ul Haque	Flat 607 Silver Line App Jamaludin Afghani Road Medicare Hospital Bahadurabad Karachi	41303-3036365-7	Muhammad Roza Ul Haque	742,920	20,628	763,549	619,957	11,360	631,318
209	Faizan Laiq	Shop No 339-B Road Liaquatobod Hoor Masjid Karachi	42201-8250931-7	Laiq Ahmed Khan	610,192	29,150	639,342	610,192	21,081	631,273
210	Samir William	Moh Waris Pura Teh Dist Masjid Faisalabad	35201-2325602-9	Christopher Khurram	564,684	23,982	588,666	564,684	65,601	630,285
211	Mr Muhammad Rizwan Khalid	House No. 143, Block-B State Life Housing Society Nimra Masjid Lahore	35202-6738739-9	Khalid Saeed	496,785	131,044	627,829	496,785	131,044	627,829
212	Mr Shaun Shafquat Daud Nathaniel	House No 58/1 Friends Colony Misrial Road Hakeem Plaza Rawalpindi	37405-0826122-5	Victor Nathaniel	350,027	30,495	380,522	457,989	167,981	625,970
213	Mr Ali Raza Badami	Plot No. 260 Flat No. 11 2nd Floor Al Batool Square Soldier Bazar No. 3 Karachi	42301-2332428-5	Turab Hussain	-	-	-	531,951	93,663	625,614
214	Abdul Wahid	House 87 Street 04 Block H Scheme 33 Bilwal Shah Norani Gulistan-e-Johar	45203-0809579-3	Muhammad Paryal	536,537	23,283	559,820	536,537	88,218	624,755
215	Faisal Hafeez	743 J2 Johar Town Lahore	35202-0977981-9	Abdul Hafeez	586,221	24,877	611,098	586,221	38,471	624,692
216	Mr Ahmed Mujtaba Khan	House No. C-12-11 Liaqat Market Malir Town Area Liaqat Malir PSO	42501-7748586-3	Muhammad Murtaza Khan	170,315	-	170,315	478,320	144,936	623,256
217	Mr Muhammad Mudassar	House No.1805 Street No 6 Multan	36302-6568054-1	Manzoor Ahmad	511,193	-	511,193	552,789	70,345	623,134
218	Mr Abdul Rafay	House 153 Block H Bismillah Homes Sargodha	38403-5782872-7	Hammad Alam	558,001	2,802	560,803	558,000	64,862	622,862
219	Mr Shajjar Abbas	House No. 71-A Audit & Accounts Society Phase 1 A Block Park Lahore	35202-4240492-5	Muhammad Saeed Kousar	509,846	39,371	549,217	495,990	126,194	622,185
220	Mrs Umme Jiya	House 84/2/9th Street Khayaban-e-Sehar Phase 6 DHA	42301-5789112-4	Imdad Ali	514,731	17,246	531,977	508,423	112,798	621,221
221	Mr Fahad Iftikhar	Dak Khana Bhan District Rawalpindi Tehsil Kotli Sattian	37403-8092893-3	Iftikhar Ahmed	531,331	17,746	549,077	531,331	89,842	621,173
222	Kamran Khan	Bungalow No 32 Zamzama Clifton Karachi	42301-9601602-9	Muhammad Qasim	491,800	43,736	535,536	466,833	154,180	621,014
223	Mr Muhammad Arshad Bhatti	House No. 427 Street 8 Tulip Bloc Park View City Multan Road Laho Opposit: DHA - Eme Sector	35202-1201330-1	Bashir Ahmad Bhatti	461,476	119,507	580,983	461,477	159,465	620,941
224	Mr Shahid Shehzad	P/O Khas Judhala Teh Pasroor Dist. Sialkot	34602-6036789-1	Muhammad Ibrahim	498,978	94,252	593,230	500,419	119,940	620,358
225	Mr Mansab Musawar Virk	House No 16 B Shami Road Civil Lines Micro Inn College	35404-3440948-7	Musawar Javed Virk	517,724	96,643	614,367	517,724	102,587	620,311
226	Mr Farrukh Waseem Usmani	House 77/B Block-A Unit No-4 PSO Lateefabad Hyderabad	41304-4008886-5	Waseem Ahmed Usmani	477,581	17,595	495,176	484,140	135,240	619,380
227	Raheel Ahmed	House No. 14251 Ahata Kashori Dehli Road Saddar Jamia Masjid Bazar Lahore	35201-2456330-7	Haji Sabir Hussain	569,132	12,138	581,270	569,132	48,958	618,090
228	Mr Abdul Rafay	House No. 153 Blk H Bismillah Homes Sargodha	38403-5782872-7	Hammad Alam	562,434	9	562,443	570,723	46,638	617,361
229	Javaid Randhawa	Prime Travels 6 Ambassador Centre Davis Road Lahore	35201-7482049-7	Mukhtar Ahmed	475,654	120,965	596,619	475,655	140,882	616,537
230	Mr Hamza Muhammad	Block No 2580/16-A, Street No 1 House No 4 Justice Hameed Colony	36302-8511942-9	Muhammad Khan	540,732	52,213	592,945	548,245	63,142	611,387

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
231	Khurram Mahmood Butt	House No. 103 C Street 5 Sector N E Moh Nfc Society Lahore	35202-8321965-3	Nasir Mahmood Butt	655,716	13,463	669,179	568,233	42,067	610,299
232	Mr Khalid Mahmood Qadir	Gulshan Tufail Colony Rawi Band Road Shahdara Road Masjid Town House No. 3 Street No. 1 Lahore	37405-0501578-1	Fasih Ud Din Qadir	199,656	-	199,656	497,501	112,636	610,136
233	Mr Ali Haider	P-163 A Gulshan Colony Ayub Research Jhang Road	33100-8117059-3	Maqbool Hussain	503,334	15,644	518,978	521,404	86,610	608,015
234	Mr Shahid Bashir	House No. 599 Street No. 32 Umar Bk Hadi Mart Bahria Town	31203-7425873-3	Muhammad Bashir	405,395	193,151	598,546	405,396	199,387	604,783
235	Ms Aafiah Jaleel Khan	House 6G Street 36 Farooqia Market F6/1	37405-2534689-2	Wasim Hussain	474,544	53,821	528,365	474,544	129,268	603,813
236	Kashif Ali Qazi	Chak No 12/1L Dakhkhana Khas Muslim Hotel Renala Khurd Okara	35303-3305815-7	Rehmat Ali Qazi	559,342	28,032	587,374	559,342	41,515	600,857
237	Mr Syed Ali Murtaza Naqvi	House No. R-145 Sector Z-6 Gulshan-e-Maymar Pakistan Karachi	42101-9465046-7	Syed Sultan Muhammad Naqvi	548,178	47,006	595,184	548,179	52,277	600,457
238	Shahzeb Mujeeb Sarwari	House No 3-H-3/17 Nazimabad 3 Near Gal Market	42101-6352359-9	Tariq Mujeeb Sarwari	-	-	-	600,000	-	600,000
239	Mr Muhammad Usman Rasheed Khan	House No. 66, Street No. 2, Sector E DHA, Phase- 2 Near Giga Mall Islamabad	35201-1466715-9	Abdul Rashid Khan	491,842	66,935	558,777	491,842	103,186	595,028
240	Mrs Fatima Chaudhry	House No 218-A Street No 21E-7 Islamabad	61101-2664436-4	M Hussain Chaudhry	444,564	-	444,564	441,408	153,471	594,878
241	Mr Syed Mazhar Ali	SB-14 Block M North Nazimabad	42101-6391987-1	Syed Yasin Ali	490,879	56,059	546,938	490,879	102,352	593,231
242	Saqib Naeem	Mohala Sultanabad Khore Company Tehsil Pindi Jamia Mosque Gheb Attack	37105-3205832-7	Muhammad Naeem	728,260	10,944	739,204	544,748	48,027	592,775
243	Mrs Samreen Arif	House No 12C Shadab Colony Ahmed Chowk Rohi Nalla Feroz Pur Road Lahore	35302-5896445-6	Arif Hasan Patel	426,525	87,113	513,638	379,525	207,884	587,409
244	Mr Kashif Hussain	Hashmi Colony House No 189/41 Mohallah Pir Bab Sadiqabad Zila Shah Ahmed Pur Lama Tehsil	31304-1132605-1	Ashiq Hussain	491,081	90,738	581,819	491,082	95,716	586,798
245	Mr Raja Danish Nadeem	Dak Khana Danna Kachli Kachil Teh & Distt Muazafabad Near Boys School	82203-6939026-9	Raja Nadeem Ahmed Khan	38,819	-	38,819	436,836	149,413	586,249
246	Mr Taimoor Ahmad	House No. 29 Block 43 Dera Ghazi Khan	32102-3821285-9	Muhammad Pervaiz	-	-	-	563,986	18,545	582,531
247	Waqas Aziz	Model Town Humak Zamni House No 154 Islamabad Near Masjid	61101-7218289-5	Aziz Ur Rehman	-	-	-	573,580	8,769	582,349
248	Mr Awais Shahzad	P/O Khas Chak No.04 D.G Teh & Dist Post Office Okara	35202-7431437-9	Jameel Ahmad	449,161	39,751	488,912	440,222	141,748	581,970
249	Mrs Syeda Burney	A - 90 Block H North Nazimabad Near 5 Star Karachi	42301-4757439-8	Syed Mumtaz Burney	458,364	30,259	488,623	459,441	121,975	581,416
250	Muhammad Jawad Nawaz	House No. A-281 Area Gulshan-e-Hadeed New Telephone Exchange Phase 2 Bin Qasim Malir	42501-6015248-1	Muhammad Nawaz	536,724	35,660	572,383	536,724	42,130	578,854
251	Mr Asif Raza Merchant	House No. A-160 Block 13-C Gulshan-e-Iqbal Karachi Near Al Mustafa Hospital	42201-8000362-5	Habib Ali Merchant	459,366	76,735	536,101	459,366	112,955	572,321
252	Mr Adnan Fazal Ur Rehman	House No 148-H Moh Dha Eme Socity Multan Road	36502-9885577-5	Rana Fazal Ur Rehman	485,867	68,804	554,671	485,867	85,395	571,262
253	Mr Sohail Qureshi	House No. A-114 Sadaf Cooperative Housing Society Block 15-A-1 Quetta Bismillah Hotel Scheme 33 Gulzar E Hijri Karachi	42201-7320863-1	Abdul Jabbar Qureshi	525,080	49,785	574,865	510,080	58,223	568,303
254	Mr Jibran Abbasi	New Bani Gala Greens Nr Imran Khan Chowk Abbasi House House No. 72 Street No.8-A	34202-7410696-7	Gul Zareen Abbasi	40,719	1,493	42,212	427,874	138,018	565,892
255	Masood Khan	House No. G-371 Masan Rd Keamari Bhatta Village Karachi	42301-0812571-9	Muzaffar Khan	514,937	53,770	568,706	514,937	41,667	556,604
256	Fateh Mubeen	House No 574 J Block Street No 11 Phase 6 DHA Beacon House School	35202-2428484-1	Fateh Alim	398,169	-	398,169	418,168	137,388	555,556
257	Mr Mohsin Khan	B 344 Block-B Puehs Town 2 Lahore	35202-1656398-3	Shahzada Khan	398,183	75,140	473,323	398,183	154,536	552,719
258	Saqib Ghaffar	Moh Masjid Baba Lal Shah P-O Khas Dholmayal Teh Choasadian Shah Dist Chakwal	37202-2031365-3	Abdul Ghaffar	467,448	34,012	501,460	467,448	81,963	549,411
259	Sameer Raza	House 1 Street 12 Purana Dhobi Ghaat Starlet Factory Kasur Pura Ravi	35202-1771172-1	Muhammad Saleem	688,611	34,840	723,451	541,469	7,690	549,158
260	Muhammad Faraz	Flat No B-203 Block 18 Bily Paradise Phase 1 Gulistan-e- Johar Karachi	42000-4792521-1	Muhammad Shamim	494,151	14,975	509,126	494,151	54,731	548,881
261	Mr Khawaja Ali Jabran	Flat No A 105 Ruffi Heaven Gulshan Iqbal Block 13 Waseem Bagh D/2 Karachi	42201-6818565-3	Anser Ata Anser	314,013	283	314,296	439,548	109,186	548,734
262	Mr Syed Naveed Iqbal Shah	SDH No. 101 Falcon Complex Malir Cantt Karachi	35201-2035998-1	Syed Iqbal Hussain Shah	639,983	17,688	657,671	471,248	76,421	547,669
263	Umair Rasheed Khan	House No. 798 Block 14 FB Area Water Pump Karachi	42201-9271148-9	Abdul Rasheed	490,612	27,918	518,531	490,612	51,386	541,999
264	Muhammad Salman Khan	House No. A-11 Block-N North Nazimabad Mateen Food Karachi	42101-4674984-9	Nasir Hussain	510,539	26,664	537,203	460,630	81,155	541,785

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total
265	Mr Abdul Malik	Phase 1 State Life Housing Society House No 13-A Cantt State Life Chowk Lahore	35202-4725106-1	Jawad Iqbal Malik	410,038	123,807	533,845	410,038	130,932	540,970
266	Safee Ur Rehman	H Azam Apartment Flat No A-7 Block 13-A Gulshan-e-Iqbal Expo Center Karachi	42201-1748834-3	Ikram Ur Rehman	510,480	12,539	523,019	480,947	59,803	540,750
267	Muhammad Yasir Naseem	House 1 Street 10 Moh Amaratsari Shalimar Town Lah P.O Teh/Dist Lah Near SCB Branch Baghbanpura Main Tajdin Road	35201-1360768-5	Syed Naseem Akhtar Zaidi	-	-	-	493,278	47,075	540,353
268	Mrs Khadija Mushtaq	Quelary Ground House 328 Street No.7 Cantt Dist Lah Near Jamai Masjid Lahore	37405-7778798-0	Umair Shaukat Khan	460,486	51,712	512,198	460,486	79,850	540,336
269	Irfan Hanif Wattoo	House No 38-10-B1 Moh Maulana Shoukat Ali Road Town Ship Peco Rd Lahore	35202-9776474-9	Muhammad Hanif Wattoo	489,661	47,911	537,572	489,661	50,624	540,285
270	Mr Muhammad Nasrullah	House No 189-T Moh. Phase II Defence Housing Maret Defence Authority Cant Zila	35201-7012975-7	Nasir Mansoor Ali	423,095	35,580	458,675	456,123	82,000	538,123
271	Natasha Sohail Malik	Flat No B-9, Moh Decent Complex Gulzar Hijiri Scheme 33	42101-8087362-4	Sohail Farook Malik	496,252	11,037	507,289	461,955	75,753	537,708
272	Mr Khurram Durrani	House No 776 Mohala Ravi Block Allama Iqbal Karim Block Town Lahore	17301-5139050-7	Zahoor Ahmad Durrani	414,585	88,177	502,762	414,585	120,896	535,481
273	Mr Mubashir Teli	House No. 96/2 Street 11 Mohalla Khayaban-e-Saher KFC Restaurant Phase 6 DHA Karachi	42301-3319426-1	Maqsood Razzaq	429,980	44,124	474,104	450,980	84,187	535,166
274	Mr Faheem Ud-Din Arshad	House No 69 St No 6 Hill Road Sprin Valley Sumil Dem Road Bhara Kahu Islamabad	35202-2769013-3	Chaudahry Alam Din	379,404	33,637	413,041	409,955	117,531	527,486
275	Ms Seemab Nadeem	Moh Dhomley Dina Dist Jamia Masjid Jhelum	37301-6819666-2	Muhammad Nadeem Butt	440,496	10,905	451,401	429,398	97,269	526,667
276	Muhammad Salman Shah	House No 2 Street 121 Vashnu Street Nisbat Road Garden Town Lahore	35202-5974351-3	Muhammad Ahad Shah	500,000	765	500,765	483,651	42,734	526,385
277	Waris Ali Khan	Yousaf Shah Town Raiwind Road Po Khar Chungi	35102-0959192-3	Muhammad Raza	604,920	11,966	616,886	512,192	13,781	525,973
278	Yawar	House No 3 Area 4A Landhi No 5 Block 60 Bismillah Hotel Karachi	42201-4507251-7	Muhammad Arif	464,379	10,607	474,986	458,119	66,630	524,749
279	Mr Rana Saghir Ahmad	Bisti Goga Hari P.O Buland Pur Teh Mailsi Jama Masjid Dist Vehari Norba	42201-9588502-7	Muhammad Bashir	356,057	107,029	463,086	370,797	153,401	524,199
280	Mr Muhammad Owais	Moh Qazian Kochian Po Gulbela Tehsil Shah Alam Govt School District Peshawar	17301-5219284-3	Zakir Rahman	434,267	52,080	486,347	434,268	89,778	524,046
281	Mr Muhammad Nasrullah	House No 189-T Moh. Phase II Defence Housing Maret Defence Authority Cant Zila	35201-7012975-7	Nasir Mansoor Ali	480,811	19,621	500,432	412,508	109,768	522,276
282	Mr Faizan Laiq	Shop No 339-B Road Liaquatabad Hoor Masjid Karachi	42201-8250931-7	Laiq Ahmed Khan	434,693	46,578	481,271	439,423	82,076	521,499
283	Mr Mohammed Ghazi	House No A 90 North Nazimabad Block H Karachi	42101-1380743-1	Mohammed Shamiin Ghazi	379,862	44,949	424,811	396,864	123,313	520,177
284	M Farooq Shaikh	Apartment 101 Rabi Arcade Alamgir Road Karachi Bahadurabad	43203-1344750-9	Muhammad Nawaz Shaikh	311,260	25,474	336,734	399,361	120,428	519,789
285	Arushma Ejaz	House No P-781 Street 1 Moh Gaziabad Faisalabad	33102-9961409-8	Ejaz William	461,918	13,654	475,571	461,918	56,348	518,266
286	Mr Usman Zaheer	House No 798-A Shadman Colony 1 Lahore	35202-7502043-3	Zahir Ahmad	449,078	19,984	469,062	449,077	69,027	518,104
287	Abdul Wahab Anwar	House A95 F9 Near Tony And Guy Islamabad	42501-5211761-5	Anwar Saleem Kamal	503,325	12,240	515,565	503,325	11,098	514,423
288	Muhammad Asif	House No B-59 Block Mohalla Umer Farooq Colony North Abdullah College Nazimabad Karachi	42101-3786419-3	Tahir Dad	452,853	47,853	500,706	452,853	61,118	513,971
289	Mr Mohammad Ameer Hamza	Post Office Mathara Gara Tajak Warsak Dam Teh Dist Psh	17301-5400569-9	Fazal Rabbi	439,410	50,728	490,138	364,411	144,368	508,779
290	Ashar Razi Siddiqi	House No 4/3 A-4 Mohalla Nazimabad Khair Ul Amal Masjid Karachi	42101-1022176-3	Razi Ahmad Siddiqi	675,825	9,159	684,983	481,156	24,946	506,102
291	Mr Khalid Malik	House No 28 Al Malik House Ahmed Munir Shaheed ICHRA Toheed Masjid Rd Chowk Rehmat Pura Lahore	35202-2706193-1	Malik Liaquat Ali	393,844	-	393,844	401,584	104,473	506,056
292	Mrs Meher Marker Noshirwani	1-Bath Island Road Karachi	42301-0955163-0	Sias N Noshirwani	256,505	2,481	258,986	491,710	12,403	504,112
293	Ms Anam Tariq Khan	C-50 Billys Homes Gulzar-e-Huri Scheme No.33 Karachi University Sector 38-A Karachi	42501-8437699-0	Tariq Ali Khan	420,159	82,688	502,847	420,159	82,688	502,847
294	Ali Gul	House No 1046 Street 96 I-10/1 Islamabad	45203-2222033-7	Deedar Ali	470,187	25,451	495,638	470,187	32,635	502,822
					482,920,601	251,746,582	734,667,183	279,042,416	250,592,073	529,634,489

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - II

ISLAMIC BANKING BUSINESS

The bank is operating 2 (Dec 2024: 2) Islamic banking branches and 35 (Dec 2024: 38) Islamic banking windows at the end of the year.

	Note	2025	2024
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		8,413,091	10,115,211
Due from financial institutions	1	4,385,226	7,861,561
Investments	2	71,506,724	30,839,016
Islamic financing and related assets - net	3	78,522,002	61,952,612
Property and equipment		16,796	11,597
Right-of-use assets		62,719	6,600
Other assets		1,185,828	897,089
Total Assets		164,092,386	111,683,686
LIABILITIES			
Bills payable		65,344	25,205
Due to financial institutions		5,119,267	8,717,975
Deposits and other accounts	4	135,368,180	83,124,224
Due to Head Office	5	4,475,233	6,476,862
Lease liabilities		56,852	2,128
Other liabilities		1,154,459	669,658
Total Liabilities		146,239,335	99,016,052
NET ASSETS		17,853,051	12,667,634
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Surplus/ (Deficit) on revaluation of assets		(885,914)	511,255
Unappropriated/ Unremitted profit	7	18,238,965	11,656,379
		17,853,051	12,667,634
CONTINGENCIES AND COMMITMENTS			
	8		

The profit and loss account of the Bank's Islamic banking branches for the year ended 31 December 2025 is as follows:

	Note	2025	2024
(Rupees in '000)			
Profit / return earned	9	17,156,427	19,351,331
Profit / return expensed	10	(5,062,090)	(3,922,628)
Net Profit / return		12,094,337	15,428,703
Other income			
Fee and Commission Income		1,477,721	1,459,012
Foreign exchange income		923,060	922,871
Gain / (loss) on securities		653,014	933,057
Other income		35	-
Total other income		3,053,830	3,314,940
Total Income		15,148,167	18,743,643
Other expenses			
Operating expenses		(3,913,464)	(3,604,982)
Total other expenses		(3,913,464)	(3,604,982)
Profit before provisions		11,234,703	15,138,661
Reversal / (provisions) and write offs - net		(152,117)	480,519
Profit before taxation		11,082,586	15,619,180

The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the revised format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional tax charge for Islamic Banking is expected to be Rs. 5.5 billion (2024:Rs. 8.6 billion).

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - II

	2025			2024		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
1 Due from Financial Institutions	----- (Rupees in '000) -----					
Unsecured	-	4,386,981	4,386,981	-	7,863,920	7,863,920
	-	4,386,981	4,386,981	-	7,863,920	7,863,920
Less: Credit loss allowance						
Stage 1	-	(1,755)	(1,755)	-	(2,359)	(2,359)
	-	4,385,226	4,385,226	-	7,861,561	7,861,561

	2025				2024			
	Cost / Amortised cost/ Fair value	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost/ Fair value	Credit loss allowance	Surplus / (Deficit)	Carrying Value
2 Investments by segments:	----- (Rupees in '000) -----							
- Debt Instruments	-----FVOCI-----				-----FVOCI-----			
Classified / Measured	-----FVOCI-----				-----FVOCI-----			
Federal Government securities								
-Ijarah Sukuks	69,958,458	-	(885,914)	69,072,544	28,470,555	-	511,255	28,981,810
	69,958,458	-	(885,914)	69,072,544	28,470,555	-	511,255	28,981,810
Classified / Measured	-----FVTPL-----				-----FVTPL-----			
Federal Government Securities:								
-Ijarah Sukuks	1,106,018	-	(47,364)	1,058,654	171,243	-	121,708	292,951
-Islamic Naya Pakistan Certificates	1,375,526	-	-	1,375,526	1,564,255	-	-	1,564,255
	2,481,544	-	(47,364)	2,434,180	1,735,498	-	121,708	1,857,206
Total Investments	72,440,002	-	(933,278)	71,506,724	30,206,053	-	632,963	30,839,016

	Note	2025	2024
		(Rupees in '000)	
3 Islamic financing and related assets			
Murabaha	3.1	6,279,612	4,942,794
Musharaka		41,281,816	31,497,205
Diminishing Musharaka		26,513,672	20,945,005
Musawamah		942,389	-
Ujrah (Saadiq Credit Cards)		325,479	381,359
Advances against Islamic assets - Murabaha		-	1,437,994
Advances against Islamic assets - Diminishing Musharakah		422,255	301,863
Advances against Islamic assets - Istisna		4,550,270	4,140,538
Gross Islamic financing and related assets		80,315,493	63,646,758
Less: Credit loss allowance against Islamic financings			
-Stage 1		(438,666)	(384,133)
-Stage 2		(124,709)	(266,775)
-Stage 3		(1,230,116)	(1,043,238)
		(1,793,491)	(1,694,146)
Islamic financing and related assets - net of Credit loss allowance		78,522,002	61,952,612

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - II

	Note	2025	2024
(Rupees in '000)			
3.1 Murabaha			
Murabaha financing	3.1.1	6,279,612	4,942,794
Inventory for Murabaha		-	-
Advances for Murabaha		-	1,437,994
		6,279,612	6,380,788
3.1.1 Murabaha receivable - gross	3.1.2	8,228,610	6,654,248
Less: Deferred murabaha income	3.1.4	(1,948,998)	(1,697,730)
Profit receivable shown in other assets		-	(13,724)
Murabaha financings		6,279,612	4,942,794
3.1.2 The movement in Murabaha financing during the year is as follows:			
Opening balance		6,654,248	7,397,999
Sales during the year		11,861,651	8,821,134
Adjusted during the year		(10,287,289)	(9,564,885)
Closing balance		8,228,610	6,654,248
3.1.3 Murabaha sale price		8,228,610	6,654,248
Murabaha purchase price		(6,279,612)	(4,942,794)
		1,948,998	1,711,454
3.1.4 Deferred murabaha income			
Opening balance		1,697,730	1,562,559
Arising during the year		2,010,722	1,890,835
Less: Recognised during the year		(1,759,454)	(1,755,664)
Closing balance		1,948,998	1,697,730

4 Deposits	2025			2024		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
----- (Rupees in '000) -----						
Customers						
Current deposits	43,613,282	11,393,280	55,006,562	36,691,108	11,511,959	48,203,067
Savings deposits	78,571,840	-	78,571,840	32,703,567	-	32,703,567
Term deposits	133,410	-	133,410	130,600	-	130,600
Margin accounts	842,396	-	842,396	905,618	-	905,618
	123,160,928	11,393,280	134,554,208	70,430,893	11,511,959	81,942,852
Financial Institutions						
Current deposits	22,127	-	22,127	32,632	-	32,632
Savings deposits	791,845	-	791,845	1,148,740	-	1,148,740
	123,974,900	11,393,280	135,368,180	71,612,265	11,511,959	83,124,224

	2025	2024
(Rupees in '000)		
4.1 Composition of deposits		
- Individuals	97,105,719	55,935,280
- Government (Federal and Provincial)	400,872	386,450
- Banking Companies	154	8,861
- Non-Banking Financial Institutions	611,385	1,077,615
- Private Sector	24,257,835	17,385,619
- Non residents (Corporate & Individual)	10,612,998	6,829,662
- Trusts	2,379,217	1,500,737
	135,368,180	83,124,224

4.2 This includes deposits eligible to be covered under insurance arrangements amounting to Rs 84,046 million (2024: Rs. 65,289 million)

5 Due to Head Office	4,475,233	6,476,862
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Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - II

6 Charity Fund

Opening Balance

Additions during the period

Received from customers on account of delayed payment

Other Non-Shariah compliant income

Payments / utilization during the period

Education

Health

Closing Balance

Details of charity payments

Karachi Down Syndrome Program

Network of organizations working for people with disabilities Pakistan

	2025	2024
	(Rupees in '000)	
Opening Balance	3,022	10,429
Additions during the period		
Received from customers on account of delayed payment	1,049	3,274
Other Non-Shariah compliant income	-	-
	1,049	3,274
Payments / utilization during the period		
Education	(2,751)	(10,681)
Health	-	-
	(2,751)	(10,681)
Closing Balance	1,320	3,022

Karachi Down Syndrome Program	2,751	-
Network of organizations working for people with disabilities Pakistan	-	10,681
	2,751	10,681

7 Islamic Banking Business Unappropriated Profit

Opening Balance

Transition impact of IFRS9

Add: Islamic Banking profit for the period

Less: Transferred / Remitted to Head Office

Closing Balance

	2025	2024
	(Rupees in '000)	
Opening Balance	11,656,379	19,476,324
Transition impact of IFRS9	-	(1,439,125)
Add: Islamic Banking profit for the period	11,082,586	15,619,180
Less: Transferred / Remitted to Head Office	(4,500,000)	(22,000,000)
Closing Balance	18,238,965	11,656,379

8 CONTINGENCIES AND COMMITMENTS

-Guarantees

-Other contingent liabilities

	2025	2024
	(Rupees in '000)	
-Guarantees	889,826	1,642,254
-Other contingent liabilities	108,160	3,130,579
	997,986	4,772,833

9 Profit/Return Earned of Financing, Investments and Placement

Profit earned on:

Financing

Investments

Placements

	2025	2024
	(Rupees in '000)	
Profit earned on:		
Financing	9,796,482	13,940,475
Investments	7,203,687	5,081,247
Placements	156,258	329,609
	17,156,427	19,351,331

10 Profit on Deposits and other Dues Expensed

Deposits and other accounts

Due to Financial Institutions

Finance cost of lease liability

	2025	2024
	(Rupees in '000)	
Deposits and other accounts	(4,393,256)	(2,729,593)
Due to Financial Institutions	(655,226)	(1,193,035)
Finance cost of lease liability	(13,608)	-
	(5,062,090)	(3,922,628)

11 Profit & Loss distribution and Pool Management

The Bank manages following assets pools for profit and loss distribution:

a) Islamic Export Refinance Scheme (IERS) Musharakah Pool; and

b) Mudarabah Depositors Pool

Notes to the Financial Statements

For the year ended 31 December 2025

Annexure - II

a) Islamic Export Refinance Scheme (IERS) Musharakah Pool

Banks create Musharakah Pool as advised by SBP, consisting of financing to a minimum of 10 blue chip companies on Islamic modes with diversification in multiple sectors. Banks's investment in Musharakah Pool is at least equal to the amount of export refinance availed from SBP. Key features, risks, rewards and calculation of profit / loss of IERS pool is as per SBP IER Scheme and the relevant circulars issued by SBP from time to time.

The relevant details are mentioned hereunder:

Type of Pool	Profit rate and weightage announcement period	Average return on Pool Assets	Bank Profit (Rupees in '000)	SBP Profit (Rupees in '000)	Bank Profit %	SBP Profit %
IERS Pool	Monthly	11.4%	1,260,759	685,128	64.8%	35.2%

B) Mudarabah Depositors Pool

The profit and loss sharing between the depositor (Rabb-ul-Maal) and Bank (Mudarib) is based upon the underlying principles of Mudaraba. In this regard, following pools are managed by the Bank :

1. General Pool
2. Special Pool
3. Special Pool-2
4. Special Pool-3
5. Special Pool-4
6. Special Term Deposit Pool
7. High Yield Pool
8. High Yield Pool-2
9. Special Pool - CIB
10. Special Pool Term Deposits- CIB
11. CIB P-2
12. CIB P-3
13. Special Pool Term Deposits- CIB 2

i) Key features, risk and reward characteristics

Saadiq Savings accounts & Term Deposit Account (Mudarabah based remunerative deposits) are Shariah compliant accounts based on the Islamic principle of "Mudarabah". Mudarabah is a partnership where one party provides funds to other for investing in a business. The partner who is investing the funds is "Rabb-ul-Mal (Depositor) and the partner who manages the investment is "Mudarib" (Working Partner). The Bank (Mudarib) invests the funds in Shariah compliant avenues to generate return/profit. This return & profit is shared on the basis of profit & loss sharing as per the pre-agreed mechanism between the Bank and the customer.

In case of loss, the same is borne by the depositor in proportion to their investments, and the Bank (Mudarib) bears the loss of its efforts/services in managing Mudarabah.

ii) Parameters used for allocation of profit, charging expenses and provisions

The profit is calculated from income earned on the remunerative assets tagged to the pool and is distributed between Mudarib (Bank) and Rabb-ul-Maal (Depositor) based on the declared sharing ratios and weightages before the beginning of the concerned period.

iii) Deployment of Mudaraba based deposits

The applications of the Mudarabah based remunerative deposits are Islamic Advances, Investments, and Placements for generating profits to be shared among the depositors as per the agreed and approved weightage mechanism. The deposits and funds are invested in different sectors and avenues including Sukuk, (backed by Government of Pakistan), Sugar, Textile, Fertilizer, Cement , Power, Packaging, Fast-moving consumer goods (FMCG), Edible Oil, Steel, Logistics, Automobile, Rice, Beverages, Plastics, Natural gas, PET Resin manufacturer, Ground Handling and Cargo Handling services, Shipping sector, Aluminium Cans, Pharmaceutical, Healthcare, Agri Science etc

iv) Other information

	Type of Pool												
	General Pool	Special Pool	Special Pool-TD	Special Pool-2	Special Pool-3	Special Pool-4	High Yield Pool	High Yield Pool 2	Special Pool-CIB	Special Pool TD- CIB	CIB P-2	CIB P-3	Special Pool TD- 2 CIB
Profit rate and weightage announcement frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Mudarib share (amount in '000)	398,767	33,347	648	147,174	127,313	109,847	66,267	343,218	337,173	6,693	102,820	0	0
Mudarib share (%)	27.0%	26.4%	39.0%	28.1%	24.1%	23.2%	28.2%	21.6%	47.9%	20.9%	25.7%	0.0%	0.0%
Mudarib Share transferred through Hiba (Amount in '000)	341,028	29,835	183	114,392	136,587	126,650	51,211	451,484	15,048	9,310	97,075	0	0
Mudarib Share transferred through Hiba (%)	46.1%	47.2%	22.0%	43.7%	51.8%	53.6%	43.6%	56.8%	4.3%	58.2%	48.6%	0.0%	0.0%
Average return on pool assets	9.5%	9.5%	11.5%	9.7%	9.4%	9.3%	9.8%	9.0%	8.4%	10.0%	9.3%	10.4%	10.1%
Average return on deposits	7.0%	7.0%	7.1%	7.0%	7.1%	7.2%	7.0%	7.1%	4.4%	5.4%	7.0%	0.0%	0.0%

Pattern of Shareholding

As at 31 December 2025

No. of Shareholders	Shareholdings' Slab			Total Shares Held
1,712	1	to	100	59,939
1911	101	to	500	574,493
1054	501	to	1000	808,578
2203	1001	to	5000	5,572,040
703	5001	to	10000	4,431,721
113	10001	to	15000	1,397,622
57	15001	to	20000	989,930
31	20001	to	25000	721,563
27	25001	to	30000	757,035
16	30001	to	35000	521,212
14	35001	to	40000	525,185
10	40001	to	45000	425,513
10	45001	to	50000	495,205
2	50001	to	55000	105,662
5	55001	to	60000	287,280
2	60001	to	65000	125,100
5	65001	to	70000	339,239
4	70001	to	75000	296,075
4	75001	to	80000	311,817
2	85001	to	90000	175,120
6	95001	to	100000	596,000
3	100001	to	105000	312,239
2	105001	to	110000	217,500
4	110001	to	115000	449,103
2	125001	to	130000	257,640
1	165001	to	170000	167,500
3	175001	to	180000	536,059
1	180001	to	185000	185,000
1	200001	to	205000	205,000
3	230001	to	235000	700,159
4	245001	to	250000	994,732
1	275001	to	280000	279,124
3	295001	to	300000	897,707
1	335001	to	340000	336,000
1	345001	to	350000	349,751
1	430001	to	435000	431,720
1	440001	to	445000	440,179
2	495001	to	500000	1,000,000
1	610001	to	615000	614,255
1	710001	to	715000	712,500
1	900001	to	905000	903,300
1	910001	to	915000	914,570
1	920001	to	925000	923,500
1	995001	to	1000000	1,000,000
1	1000001	to	1005000	1,000,500
1	1020001	to	1025000	1,023,000
1	1235001	to	1240000	1,236,216
1	1240001	to	1245000	1,243,100
1	2395001	to	2400000	2,399,176
1	3832335001	to	3832340000	3,832,339,162
7,937				3,871,585,021

Category Wise List of Shareholders

As at 31 December 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children			
Mr. Rehan Muhammad Shaikh	1	1	0.00
Mr. Ehsan Ali Malik	1	1	0.00
Mrs. Rola Abu Manneh	1	1	0.00
Mr. Christopher Parsons	1	1	0.00
Mr. Sheikh Jobe	1	1	0.00
Mr. Ghias Uddin Khan	1	1	0.00
Mr. Badaruddin Fatehali Vellani	1	1,000	0.00
Associated Companies, undertakings and related parties	2	3,832,340,162	98.99
NIT and ICP	1	3,250	0.00
Banks Development Financial Institutions, Non-Banking Financial Institutions	7	65,022	0.00
Insurance Companies	2	349,986	0.01
Modarabas and Mutual Funds	7	67,782	0.00
General Public			
a. Local	7,786	31,287,174	0.81
b. Foreign	42	599,596	0.02
Foreign Companies	1	2,399,176	0.06
Others	82	4,471,867	0.12
Totals	7,937	3,871,585,021	100.00

Share holders holding 10% or more	Shares Held	Percentage
Standard Chartered Bank (UK)	3,832,339,162	98.99

Notice of Annual General Meeting

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting ('AGM') of the shareholders of Standard Chartered Bank (Pakistan) Limited ("Bank") will be held on Friday, 27 March 2026 at 11:30 a.m. at the Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi and through video conferencing to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Bank for the year ended 31 December 2025, along with the Directors' and Auditors' Reports thereon.

In accordance with Section 223(6) of the Companies Act 2017 ("the Act"), and pursuant to the SECP S.R.O. 389(1)/2023 dated 21 March 2023, the Financial Statements of the Bank can be accessed through the following weblink and/or QR enabled code:

<https://www.sc.com/pk/help/financials/>



2. To consider the appointment of external auditors namely M/s EY Ford Rhodes, Chartered Accountants (who being eligible, have offered themselves for reappointment), as Statutory Auditors of the Bank for the year 2026. The Board also seeks authority for the Board Audit Committee to negotiate and agree upon Auditors' remuneration subject to concurrence of the Board in the subsequent meeting.
3. To consider and approve final cash dividend @ 30% (i.e. Rs. 3 per share of Rs. 10/- each) for the year ended 31 December 2025 as recommended by the Board of Directors. This is in addition to interim cash dividend of 35% already paid for the year 2025. This will be payable to the members whose names appear in the register of the members as on Tuesday, 17 March 2026.

B. OTHER BUSINESS

4. To transact any other business as may be placed before the meeting with the permission of the Chair.

By Order of the Board

Wajiha Hasan
Company Secretary
Karachi: 6 March 2026

نوٹس برائے سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ ("بینک") کے شیئرز ہولڈرز کا بیسواں سالانہ اجلاس عام 27 مارچ 2026ء بروز جمعہ، صبح 11:30 بجے، بمقام انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان، چارٹرڈ اکاؤنٹنٹس ایونیو، کلٹن، کراچی میں اور بذریعہ ویڈیو کانفرنس درج ذیل کارروائی کے لئے منعقد کیا جائے گا:

عمومی کارروائی (الف)

- 1- 31 دسمبر 2025ء کو ختم ہونے والے مالی سال کے لئے بینک کے آڈٹ شدہ اکاؤنٹس اور ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، ان پر غور اور ان کی توثیق۔

کمپنیز ایکٹ 2017 ("ایکٹ") کے سیکشن 223(6) اور SECP S.R.O. 389(1) / 2023 مورخہ 21 مارچ 2023ء کے مطابق، بینک کے مالیاتی گوشوارے درج ذیل ویب لنک اور یا QR کوڈ کے ذریعے حاصل کیے جاسکتے ہیں:

<https://www.sc.com/pk/help/financials/>



- 2- میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس (جنہوں نے اہل ہونے کے سبب پھر سے تقرری کی درخواست کی ہے) کی 2026ء کے لئے بطور اسٹیٹوٹری آڈیٹرز تقرری اور ان کے معاوضے کے تعین کے لئے بورڈ آڈٹ کمیٹی کو بات چیت اور فیصلہ کرنے کا اختیار دینا جو آئندہ بورڈ میٹنگ میں بورڈ کی رضامندی سے مشروط ہوگا۔

- 3- 31 دسمبر 2025ء کو ختم ہونے والے سال کے لئے بورڈ آف ڈائریکٹرز کی جانب سے تجویز کردہ 30% (یعنی 3 روپے فی حصص) نقد منافع کی ادائیگی پر غور اور منظور کرنا۔ جو سال 2025ء کے لئے ادا کئے جانے والے 35% عبوری نقد منافع کے علاوہ ہے۔ یہ ان ممبران کو قابل ادائیگی ہوگا جن کے نام ممبران کے رجسٹر میں 17 مارچ 2026ء بروز منگل تک موجود ہوں گے۔

(ب) دیگر کارروائی

- 4- چیئر پرسن کی اجازت سے کوئی کارروائی عمل میں لانا۔

بجلم بورڈ

دو جہ حسن

کمپنی سیکریٹری

کراچی: 6 مارچ 2026ء

Notice of Annual General Meeting

Notes:

1. The Share Transfer Books of the Bank will remain closed from Wednesday, 18 March 2026 to Friday, 27 March 2026 (both days inclusive). Transfers received at the Share Registrar's office by the close of business on Tuesday, 17 March 2026 will be treated in time.
2. Only those persons whose names appear in the Register of Members of the Bank as of Tuesday, 17 March 2026 will be entitled to attend/participate in/vote at the AGM and be entitled to receive above stated cash dividend.
3. A member entitled to attend and vote at the above meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be valid, must be received by the Bank at its registered office address i.e. **Standard Chartered Bank (Pakistan) Limited, P.O. Box No. 5556, I. I. Chundrigar Road, Karachi** marked for the attention of Company Secretary Office, not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.
4. **A. For Attending the Meeting:**
 - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity through his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.
 - ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the Meeting.**B. For Appointing Proxies:**
 - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with the proxy form to the Bank.

نوٹس:

- 1- بینک کی حصص کی منتقلی کی کتابیں 18 مارچ 2026ء بروز بدھ سے 27 مارچ 2026ء بروز جمعہ تک (بشمول دونوں دن) بند رہیں گی۔ 17 مارچ 2026ء بروز منگل کو کاروبار کے اختتام تک رجسٹرار کو موصول ہونے والے ٹرانسفرز بروقت تصور کئے جائیں گے۔
- 2- صرف وہ ممبران جن کے نام 17 مارچ 2026ء بروز منگل بینک کے ممبران کے رجسٹر میں درج ہوں گے، وہی اس سالانہ اجلاس میں شرکت کرنے، ووٹ دینے اور مذکورہ کیش ڈیویڈنڈ لینے کے اہل ہوں گے۔
- 3- ایک ممبر جو اس اجلاس میں شرکت کرنے اور ووٹ دینے کا اہل ہے، وہ اپنی جگہ کسی دوسرے ممبر کو بطور نمائندہ اجلاس میں شرکت کرنے، بولنے، ووٹ ڈالنے کے لئے مقرر کر سکتا ہے۔ پراکسیز کے ممبر ہونے کے لئے لازم ہے کہ وہ کمپنی کے رجسٹرڈ آفس اسٹیشنڈ چارٹرڈ بینک (پاکستان) لمیٹڈ، پی او باکس نمبر 5556، آئی آئی چنڈریگر روڈ، کراچی میں بنام کمپنی سیکریٹری اجلاس سے کم از کم 48 گھنٹے قبل مکمل طور پر اسٹیپ شدہ، دستخط شدہ اور شواہد کے ساتھ وصول ہو جائیں۔ ایک ممبر ایک سے زیادہ پراکسی مقرر کرنے کا مختار نہیں ہوگا۔

4- (الف) اجلاس میں شرکت کے لئے:

- i) افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ افراد جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کر دی گئی ہیں، انہیں اجلاس میں شرکت کے وقت اپنی شناخت کے لئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ دکھانا لازمی ہوگا۔
- ii) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ، نامزد کرنے والے کے دستخط کے ساتھ اجلاس کے وقت پیش کرنا لازمی ہوگا۔

(ب) پراکسی کی نامزدگی کے لئے:

- i) افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ افراد جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کر دی گئی ہیں، انہیں اپنا پراکسی فارم درج بالا قواعد کے مطابق پُر کر کے پیش کرنا ہوگا۔
- ii) پراکسی فارم کا دو افراد سے تصدیق شدہ ہونا لازمی ہے، جن کے نام، پتے اور سی این آئی سی نمبر فارم پر درج ہوں۔
- iii) پراکسی فارم کے ساتھ پراکسی اور اصل مالک کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ فوٹوکاپی منسلک کرنا ہوگی۔
- iv) پراکسی کو اپنا اصل سی این آئی سی یا پاسپورٹ اجلاس کے وقت دکھانا ہوگا۔
- v) کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ، نامزد کرنے والے کے دستخط کے ہمراہ پراکسی فارم کے ساتھ بینک میں جمع کروانا ہوگا۔

Notice of Annual General Meeting

5. Participation in AGM through online platform/facility

Arrangements have also been made by the Bank to facilitate the participation of the shareholders in the AGM through online platform/facility, either in-person or through appointed proxies. For attending the meeting virtually, shareholders are requested to get themselves registered with the Company Secretary Office, at least 24 hours before the time of AGM (i.e. before 11:30 a.m. on Thursday, 26 March 2026) by providing following details at cosec.pk@sc.com.

Folio/CDC Account No.	Name of Shareholders	CNIC No.	Cell No.	Email Address

Upon receipt of the above information from interested shareholders, the Bank will send the login details at their email addresses. On the AGM Day, shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices. Login facility will be opened 15 minutes before the meeting time to enable the participants to join the meeting, after identification and verification process.

6. Members having physical shareholding are requested to notify change in their address, if any, to the Bank's Share Registrar, **M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi - 74400, Toll Free: 0800-CDCPL (23275), Fax: (021) 34326053, Email: info@cdcsrsl.com**. Whereas, CDC account holders are requested to please contact their respective CDC Participant/Broker/Investor Account Service for notifying such change in their address(es).

7. Members may inspect the minutes of the AGM held on Thursday, 27 March 2025, in terms of Section 52 of the Companies Act, 2017, at the Bank's registered address.

8. In terms of Section 223 (7) of the Companies Act 2017, the Annual Report for the year ended 31 December 2025 has been placed on the Bank's website.

9. **E-Dividend Requirements:** In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide their Identification Number/ CNIC Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if shares are held through CDS Account) latest by Tuesday, 17 March 2026. Failing which may result in withholding of dividend payments of respective shareholders.

5- سالانہ اجلاس عام میں آن لائن پلیٹ فارم / سہولت کے ذریعے شرکت:

بینک کی جانب سے سالانہ اجلاس عام میں شیئر ہولڈرز کی بذریعہ آن لائن پلیٹ فارم شرکت (خواہ ذاتی طور پر ہو یا مقرر کردہ پراسیکورر کے ذریعے) کے لئے انتظامات کئے گئے ہیں۔ شیئر ہولڈرز سے درخواست کی جاتی ہے کہ کمپنی سیکریٹری آفس سے سالانہ اجلاس عام کے مقررہ وقت سے کم از کم 24 گھنٹے قبل (یعنی 26 مارچ 2026ء بروز جمعرات دوپہر 11:30 بجے سے قبل) درج ذیل تفصیلات کے ساتھ cosec.pk@sc.com پر رجسٹریشن کروائیں۔

ٹولڈی/سی ڈی سی اکاؤنٹ نمبر	شیئر ہولڈرز کے نام	سی این آئی سی نمبر	موبائل نمبر	ای میل ایڈریس

ڈچسی رکھنے والے شیئر ہولڈرز سے مندرجہ بالا معلومات کی وصولی پر، بینک لاگ ان کی تفصیلات ان کے ای میل پتوں پر بھیجے گا۔ اجلاس عام کے دن شیئر ہولڈرز اپنے اسمارٹ فونز یا کمپیوٹر ڈیوائسز کے ذریعے لاگ ان کر کے اجلاس عام کی کارروائی میں حصہ لے سکیں گے۔ اجلاس کے آغاز سے 15 منٹ قبل لاگ ان کی سہولت حاصل ہو جائے گی تاکہ شناخت اور تصدیق کے عمل کے بعد شرکاء اجلاس میں شامل ہو سکیں۔

6- فزیکل شیئر ہولڈنگ رکھنے والے ممبران سے درخواست کی جاتی ہے کہ وہ اپنے رجسٹرڈ پتہ میں کسی بھی تبدیلی کی صورت میں فوری طور پر بینک کے شیئر رجسٹرار، میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی۔ 74400، ٹول فری نمبر: (0800-CDCPL(23275)، فیکس (021)34326053، ای میل: info@cdcsrsl.com کو مطلع کریں۔ جبکہ، سی ڈی سی اکاؤنٹ ہولڈرز اپنی معلومات میں تبدیلی کے لئے اپنے متعلقہ سی ڈی سی پارٹیسپینٹ / بروکر / انویسٹر اکاؤنٹ سروس سے رابطہ کریں۔

7- کمپنیز ایکٹ 2017ء کے سیکشن 52 کے مطابق ممبران بینک کے رجسٹرڈ ایڈریس پر 27 مارچ 2025ء بروز جمعرات کو ہونے والے سالانہ اجلاس عام کی روداد کا معائنہ کر سکتے ہیں۔

8- کمپنیز ایکٹ 2017ء کے سیکشن (7) 223 کے تحت سال تختہ 31 دسمبر 2025ء کی سالانہ رپورٹ بینک کی ویب سائٹ پر آپ لوڈ کر دی گئی ہے۔

9- ای-ڈیویڈنڈ کی ضروریات

کمپنیز (ڈیویڈنڈ کی تقسیم) ریگولیشنز 2017 کی ہدایات کے تحت شیئر ہولڈرز اپنے شناختی نمبر ای سی این آئی سی نمبر اور انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) کی تفصیلات فراہم کریں۔ اگر انہوں نے تفصیلات فراہم نہیں کی ہیں تو ہمارے شیئر رجسٹرار کو (اگر شیئر فزیکل شکل میں رکھے گئے ہیں) مذکورہ آفس ایڈریس، یا متعلقہ پارٹیسپینٹ / بروکر کو (اگر شیئر سی ڈی سی ایس اکاؤنٹ میں رکھے گئے ہیں) 17 مارچ 2026ء بروز منگل تک فراہم کر دیں۔ ناکامی کی صورت میں متعلقہ شیئر ہولڈرز کو ڈیویڈنڈ کی ادائیگی روک دی جائے گی۔

Notice of Annual General Meeting

10. Conversion of Physical Shares into Book-Entry Form:

In reference to Section 72(2) of the Companies Act, 2017, all shareholders holding physical shares are requested to get converted their shares into book entry form at the earliest. This would facilitate shareholders in many ways including safe custody of shares, avoidance of formalities required for issuance of duplicate shares, etc. For the conversion of physical shares into book entry form, the shareholders may contact their Brokers, CDC Participants or CDC Investor Account Service.

11. Tax Requirements: The dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001; 'Filer' and 'Non-Filer' shareholders will pay tax on dividend income @ 15% and 30% respectively. The Filer status of shareholders will only be determined on the basis of latest available Active Taxpayers List (ATL) uploaded by the Federal Board of Revenue (FBR) on their website <https://www.fbr.gov.pk/>.

In case a Folio/CDS Account is jointly held, each joint-holder will be treated separately as Filer or Non-Filer and tax will be deducted on the gross dividend amount determined by bifurcating the shareholding of each joint-holder on equal proportions, except where shareholding proportion of joint-holders is pre-defined as per the records of Bank's Share Registrar and thus tax rates will be applied in line with respective proportions. Those shareholders, who are holding shares jointly, are requested to update/notify the shareholding proportions of principal and joint-holder(s) in writing to our Share Registrar latest by Tuesday, 17 March 2026 at their above referred office address.

In this regard, all shareholders, whose names are not entered into the ATL despite the fact that they are filers, are advised to make sure that: (i) Their names appear into the ATL before start of closed period (referred above), otherwise they will be treated as non-filers for tax deduction purpose, and (ii) A copy of their National Tax Number is submitted to their relevant Participant/CDC Investor Account Services or to our Share Registrar (in case of physical shareholding only) at their above referred office address.

In case any corporate shareholder wishes to claim special tax rates or withholding tax exemption on dividend income, a copy of valid special tax rate certificate or tax exemption certificate, as the case may be, must be provided to our Share Registrar at their above-mentioned address latest by Tuesday, 17 March 2026.

12. Statutory Code of Conduct of AGM: Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations, 2024, state the Code of Conduct of Shareholders, as follows:

10- فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا

کمپنیز ایکٹ 2017 کے سیکشن (2) 72 کے تحت تمام شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے بک انٹری فارم میں تبدیل کریں۔ بک انٹری فارم میں شیئرز کو رکھنے کے بہت سے فوائد ہیں جن میں سی ڈی سی کے ساتھ شیئرز کی محفوظ تحویل، ڈپلیکیٹ شیئرز کے اجراء کے لئے درکار شرائط سے نجات وغیرہ۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے لئے شیئرز ہولڈرز اپنے بروکرز، سی ڈی سی پارٹیسپنٹس یا سی ڈی سی انویسٹر اکاؤنٹ سروس سے رابطہ کر سکتے ہیں۔

11- ٹیکس معاملات

انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے مطابق ڈیویڈنڈ آمدن پر 'فائلر' ممبران کے لئے 15% ہولڈنگ ٹیکس کی شرح 15% جبکہ 'نن فائلر' کے لئے 30% فیصد ہے۔ شیئرز ہولڈرز کے فائلر ہونے کا تعین فیڈرل بورڈ آف ریویو (FBR) کی ویب سائٹ (<https://www.fbr.gov.pk/>) پر جاری کردہ آخری ایکٹیو ٹیکس پیئر لسٹ (ATL) کی بنیاد پر کیا جائے گا۔

کسی فزیکل/سی ڈی سی اکاؤنٹ کی مشترکہ ملکیت کی صورت میں ہر مشترکہ ہولڈر کو بطور فائلر یا نان فائلر علیحدہ تصور کیا جائے گا اور ٹیکس کی کوئی ڈیویڈنڈ کی مجموعی رقم پر کی جائے گی جو کہ ممبران میں شیئرز ہولڈنگ کے تناسب کو مساوی تقسیم کر کے کی جائے گی اس کے ساتھ ہولڈنگ کے تناسب کی تفصیل پہلے ہی بینک کے شیئرز رجسٹرار کے ریکارڈ میں موجود ہو، ایسی صورت میں ٹیکس کی شرح اسی تناسب سے لاگو کی جائے گی۔ لہذا ایسے مشترکہ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی شیئرز ہولڈنگ کا تناسب ہمارے شیئرز رجسٹرار کو مندرجہ بالا پتہ پر 17 مارچ 2026ء بروز منگل تک فراہم کر دیں۔

اس سلسلے میں وہ ممبران جن کے نام فائلرز ہونے کے باوجود ATL میں شامل نہیں، ان سے گزارش کی جاتی ہے کہ وہ اس امر کو یقینی بنائیں کہ: (i) ان کے نام مدت اختتام (مذکورہ بالا) سے قبل ATL میں موجود ہوں، بصورت دیگر ٹیکس کی کوئی رقم لئے انہیں نان فائلر سمجھا جائے گا، اور (ii) اپنے نیشنل ٹیکس نمبر (NTN) کی ایک کاپی اپنے متعلقہ پارٹیسپنٹ/سی ڈی سی انویسٹر اکاؤنٹ سروسز یا شیئرز رجسٹرار (صرف فزیکل شیئرز ہولڈنگ کی صورت میں) کو مذکورہ بالا پتے پر جمع کروائیں۔

وہ کارپوریٹ شیئرز ہولڈرز جو خصوصی ٹیکس ریٹ یا ڈیویڈنڈ آمدنی پر وہ ہولڈنگ ٹیکس سے استثنیٰ کا دعویٰ کرنا چاہتے ہیں، انہیں چاہیے کہ اپنے فعال خصوصی ٹیکس ریٹ سرٹیفکیٹ یا ٹیکس استثنیٰ سرٹیفکیٹ کی کاپی 17 مارچ 2026ء بروز منگل تک بینک کے شیئرز رجسٹرار کو مذکورہ بالا پتے پر فراہم کریں۔

12- سالانہ اجلاس عام میں درکار قانونی ضابطہ اخلاق

کمپنیز ایکٹ 2017 کے سیکشن 215 اور کمپنیز ریگولیشنز 2024ء کے ریگولیشن 55 کے مطابق شیئرز ہولڈرز کے لئے ضابطہ اخلاق بیان کرتے ہیں، جو درج ذیل ہے:

Notice of Annual General Meeting

Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. The law states that shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings in line with the requirements of Section 185 of Companies Act, 2017 and SECP S.R.O. 452(I)/2025 dated March 17, 2025.

شیر ہولڈرز کو اجازت نہیں ہے کہ وہ ایسے فیصلوں کے لئے جو مینجمنٹ کے کام پر اثر انداز ہو سکتے ہوں، مینجمنٹ پر دباؤ ڈالیں یا براہ راست رسائی حاصل کریں۔ قانون کے تحت شیر ہولڈرز اپنے ساتھ ایسا مواد نہیں لائیں گے جو شرکاء یا اس جگہ جہاں سالانہ اجلاس عام منعقد ہو رہا ہے، کے لئے خطرے کا باعث ہو، خود کو سالانہ اجلاس عام کے نوٹس میں احاطہ کئے گئے ایجنڈا کے نکات تک ہی محدود رکھیں گے اور اس انداز سے کردار ادا نہیں کریں گے جس سے ان کی سیاسی وابستگی ظاہر ہو۔ مزید یہ کہ کمپنیز ایکٹ 2017 کے سیکشن 185 اور SECP S.R.O. 452(1)/2025، مورخہ 17 مارچ 2025ء کے مطابق کمپنی کو اجازت نہیں ہے کہ وہ کسی بھی صورت میں شیر ہولڈرز میں اجلاس کے دوران تحائف تقسیم کرے۔

**FORM OF PROXY
20TH ANNUAL GENERAL MEETING
STANDARD CHARTERED BANK (PAKISTAN) LIMITED**

**نمائندگی کا فارم (پراکسی فارم)
بیسواں سالانہ اجلاس
اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ**

I/We of being member(s) of Standard Chartered Bank (Pakistan) Limited holding Ordinary shares hereby appoint of or failing him/her of who is/are also member(s) of Standard Chartered Bank (Pakistan) Limited as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Bank to be held on 27 March 2026 and/or any adjournment thereof.

میں/ہم کا/کی بحیثیت رکن اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ اور حامل عام حصص، کے/کی کا یا ان کی غیر موجودگی میں کے/کی جو اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ کے رکن ہیں، کو اپنی غیر حاضری میں بینک کے سالانہ اجلاس عام جو 27 مارچ 2026 کو منعقد ہونا ہے یا اس کے التواء کی صورت میں حاضری اور حق رائے دہی کے استعمال کے لئے اپنا نمائندہ (پراکسی) تقرر کرنا/کرتی ہوں۔

Signed this _____ day of _____ 2026.

آج بروز بتاریخ 2026 کو دستخط کئے گئے۔

Folio/ CDC No.
فولیو/سی ڈی سی

Signature
دستخط

Revenue Stamp

WITNESSES:

گواہ :

1. Signature: _____
Name: _____
CNIC/Passport No.: _____
Address: _____

1. دستخط: _____
نام: _____
سی این ای سی/ پاسپورٹ نمبر: _____
پتہ: _____

2. Signature: _____
Name: _____
CNIC/Passport No.: _____
Address: _____

2. دستخط: _____
نام: _____
سی این ای سی/ پاسپورٹ نمبر: _____
پتہ: _____

Notes:

نوٹس:

- The Proxy Form should be deposited at the registered office of the Bank, as soon as possible but not later than 48 hours before the time of holding the meeting, failing which, Proxy Form will not be treated as valid.
- No person shall act as proxy unless he/she is a member of the Bank.

- نمائندگی کا فارم (پراکسی فارم) جلد از جلد بینک کے رجسٹرڈ پتے پر جمعہ کرانیں، سالانہ اجلاس عام کی ابتداء سے 48 گھنٹے پہلے تک موصول ہونے والے فارم موثر تصور کئے جائیں گے بعد ازاں موصول ہونے والا کوئی بھی فارم قابل قبول نہیں ہوگا۔
- کسی بھی غیر رکن شخص کا تقرر بطور نمائندہ (پراکسی) نہیں کیا جا سکتا۔

Fold here

Company Secretary
Standard Chartered Bank (Pakistan) Limited
P.O.Box No. 5556,
I.I.Chundrigar Road,
Karachi 74000, Pakistan

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Disclosures on Governance and Remuneration

Qualitative disclosures in line with State Bank of Pakistan's ("SBP") BPRD Circular No. 1 of 2017 (effective 31 December 2019) are as under:

A. CORPORATE GOVERNANCE DISCLOSURE

Corporate Governance culture and values

This has been separately covered under Chairman's review report.

Composition of the Board and its Committees

The Board has established four distinct Committees i.e. Board Audit Committee ('BAC'), Board Human Resource and Remuneration Committee ('RemCo'), Board Risk Committee ('BRC'), and Board Information Technology Committee ('BITC'). The composition of the Board at the year-end is disclosed under the para one and two of the Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the SoC') whereas composition of the Board's Committees is available under para 12 of the SoC.

Terms of references of the Board's Committees

The terms of reference of Board's Committees have been formed, documented and advised to the Committees for compliance. A brief on terms of reference for each Board Committee is provided as below:

- BAC is essentially responsible for reviewing the financial statements and associated controls, evaluating the effectiveness of the Bank's internal and financial controls as well as compliance modus operandi, overseeing the performance of the internal audit function, assessing the independence and objectivity of both external and internal auditors, recommending appointment or removal of external auditors and their determining their remuneration, overseeing the engagement of external auditors for non-audit services, and supervising the adequacy of compliance controls related to conduct, regulatory reporting and financial crime compliance.
- RemCo acknowledges that the Bank is part of Group and follows Group company's remuneration framework and policies, subject to applicable laws and regulations in Pakistan. RemCo also maintains high levels of good governance on all remuneration related matters, in line with prevailing international best practice, as well as any specific regulatory directives in Pakistan.
- The Board Risk Committee (BRC) is responsible for overseeing the Bank's overall risk profile to ensure alignment of the approved risk appetite. This includes identification and monitoring of key and emerging risks, assessment of the effectiveness of risk management systems, and oversight of Shariah Non-Compliance Risk. The BRC also oversees the implementation of the Enterprise Risk Management Framework, reviews stress testing results, and provides oversight of Environmental Social Governance and Green banking strategies. In addition, the BRC oversees Financial Crime Risk, including Anti Money Laundering, Trade Based Money Laundering, Counter Terrorist Financing, Counter Proliferation Financing, Anti Bribery and Corruption, Fraud, and Sanctions in accordance with applicable Group policies/standards and regulatory requirements.
- BITC is broadly responsible for advising and reporting to the Board on the status of technology activities and digital initiatives; and to review IT and Digital strategies with relevant policies, to ensure technology risk management strategies are designed and implemented as per Bank's Enterprises Risk Management Framework, to ensure technology procurements are aligned with the IT strategy, to receive periodic updates from IT Steering Committee to monitor technology-related projects, to ensure technology outsourcing arrangement are supported by the Committee before submission to the Board for approval, to ensure that all cloud based arrangements (domestic/off-shore) are in line with the policy approved by the Board, and to review implementation of information security program and risk management strategies to achieve resilience against cyber-attacks.

Board and Committee's oversight on Islamic Banking Branches

There is a mechanism in place for Board's oversight on Shariah compliance function and Shariah Board through half yearly meetings between Shariah Board members and the Board of Directors ("BoD"). Furthermore, external Shariah Audit report is presented to the BoD and Board Audit Committee.

Directors Appointment Process

The Bank follows a formal process for the appointment of directors, which has been duly approved by the Board. This structured approach ensures that all appointments are conducted in accordance with relevant regulations as well as

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established governance standards. A comprehensive succession plan for the Board is maintained and periodically reviewed. This ongoing review process is essential to ensure the necessary blend of skills, knowledge, diversity, and experience required for effective oversight and leadership is maintained on the Board. For independent director positions, the Board keeps an updated list of prospective candidates, each possessing relevant skills and experience. When a casual vacancy arises, this list is thoroughly reviewed to identify the most suitable candidates who meet the established selection criteria. The Chairman conducts interviews with shortlisted candidates on behalf of the Board, following which endorsement is sought from the Group, the majority shareholder. In the case of non-executive director appointments, the Group, in consultation with the Chairman, nominates a senior executive from within the Group. This nominee is selected based on their responsibility for businesses or functions that are particularly relevant to the Bank's endeavours. Following the completion of due diligence and screening checks, the Board grants final approval for director appointments which are subject to necessary regulatory approvals. The appointment of executive director(s) is governed by the Bank's human resource policies and standards of the Bank.

Profile of Directors

The profiles of all seven directors are available at the Bank's website under About-us page. URL is <https://www.sc.com/pk/about-us/>.

B. DISCLOSURE RELATING TO SHARIAH BOARD

Shariah Board Appointment Process

The Bank has a formal framework for the appointment of Shariah Board Members which has been approved by the Board of Directors ("BoD"). The Shariah Board Members are appointed by the BoD for a term of three (3) years as per the Fit and Proper Criteria notified under the Shariah Governance Framework. Appointments of Shariah Board members shall be subject to prior written clearance of SBP.

Composition of the Shariah Board

Shariah Board of Standard Chartered Bank (Pakistan) Limited comprises of following four Shariah Scholars including an international scholar:

- Dr. Sheikh Nizam Yaquby (Chairman)
- Mufti Muhammad Abdul Mubeen (Member Shariah Board)
- Dr. Mufti Irshad Ahmad Aijaz (Member Shariah Board)
- Dr. Mufti Muhammad Sarfraz Nihal (Resident Shariah Board Member)

Profile of Shariah Board Members

The profiles of all Shariah Board Members are available at the Bank's website under URL <https://www.sc.com/pk/saadiq/shariah-consultants.html>

Terms of References

The terms of reference of Shariah Board have been formed and documented as per Shariah Governance Framework and advised to the Shariah Board for compliance. Key points of Shariah Board Term of reference are as follows.

- The SB shall be empowered to consider, decide and supervise all Shariah related matters of the Bank. All decisions, rulings, fatawa of the SB shall be binding on the Bank whereas SB shall be responsible and accountable for all its Shariah related decisions.
- The SB shall review and approve all the 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.
- All decisions and rulings of the SB of the Bank shall be in conformity with the directives, regulations, instructions and guidelines issued by SBP in accordance with the rulings of Shariah Advisory Committee of SBP.

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Shariah Board Meetings

The details of the meetings held during the year, 2025 are as follows:

S.No.	Period/Year (2025)	Meeting Held (Yes / No)	Meeting No.	Date of Meeting	Meeting Attended (Yes / No)			
					Chairman	Member	Member	RSBM
1	Q1'25	Yes	39 th	26/02/2025	Yes	Yes	Yes	Yes
2	Q2'25	Yes	40 th	13/05/2025	Yes	Yes	Yes	Yes
3	Q3'25	Yes	41 st	12/08/2025	Yes	Yes	Yes	Yes
4	Q4'25	Yes	42 nd	16/10/2025	Yes	Yes	Yes	Yes

C. DISCLOSURE RELATING TO REMUNERATING POLICY

In order to align the remuneration practices in Pakistan with the international standards and best practices, the SBP issued Guidelines on Remuneration Practices through its BPRD circular no. 02 dated March 03, 2016, which were subsequently revised through BPRD Circular No. 01 dated January 25, 2017.

In accordance with these guidelines, the Bank has developed a comprehensive Remuneration Framework. The aim of this framework is to promote an effective risk management culture, and to ensure that the remuneration practice at the Bank is in line with the Bank's objectives taking into consideration all risks that the Bank may face. As a result, a fair, objective, transparent and sound remuneration policy, aligned with risks and responsibilities of Financial Intermediation has been put in place. The framework was reviewed and recommended by the Board's Human Resource & Remuneration Committee (REMCO) and approved by the Board of Directors (BoD).

Under the policy, all employees across the Bank who are materially responsible for risk taking - Material Risk Takers (MRTs), or risk controlling activities - Material Risk Controllers (MRCs) are identified. The remuneration of these MRTs and MRCs is dependent upon the achievement of performance measured through risk-adjusted balance scorecards which include financial and non-financial/ qualitative performance indicators including compliance with internal policies/ procedures/ controls, customer experience, as well as certain risk-adjusting factors (negative earners) such as regulatory compliance, frauds, disciplinary matters etc. All other individuals who do not fall within the criteria of MRTs and MRCs continue to be governed through the Bank's existing HR policy.

A certain portion of the variable compensation of the MRTs and MRCs in excess of threshold as per the policy; shall now be made subject to mandatory deferrals for a defined period, thus creating alignment between the employees' and stakeholders' interests and reinforcing that compensation is appropriately linked to longer-term sustainable performance. Deferred remuneration, especially with risk adjustments, improves risk-taking incentives because the amount ultimately received by employees can be made to depend on risk outcomes, and shall vest proportionately over the deferral period following the year of variable remuneration award, subject to any malus trigger adjustments.

The accounting for shares and deferred awards is in line with the relevant accounting standards. The disclosures required under the SBP's Guidelines on Remuneration Practices are included as part of these financial statements.

Disclosure on Complaint Handling 2025

Standard Chartered Bank (Pakistan) Limited recognises that an effective complaint handling process is essential to safeguarding client trust and ensuring fair treatment. The Bank operates under a structured complaint management framework which not only enables the Bank to identify & address service gaps but also reinforces adherence to the Bank's code of conduct, core values and regulatory expectations.

Complaints received across all service channels are centrally recorded, tracked, and resolved in accordance with defined service standards and escalation protocols. Oversight mechanisms and periodic reporting support transparency, consistency in outcomes.

During 2025, the Bank undertook several initiatives to further strengthen its complaint management practices. These included enhanced monitoring of complaint trends through thematic reviews, refinement of escalation controls to improve case tracking, and targeted root cause analyses to address recurring issues. Insights derived from complaints were embedded into process enhancements, digital service improvements, and focused staff training programmes to strengthen service quality and reduce repeat grievances. Senior Management maintained regular oversight of complaint metrics and remediation actions through established governance forums.

During the year, the Bank received a total of 110,338 complaints directly from customers. The average time taken to resolve complaints was 18 days.

The Bank remains committed to continuously strengthening its complaint handling framework to ensure that customer concerns are addressed fairly, transparently, and in a timely manner.

The Bank continues to increase client awareness around communicating the touchpoints for lodging complaints.

Client touch points for lodging complaints are as follows:

- ❑ SC Branch: Visit any branch
- ❑ SC Client Centre: 24/7 assistance on [021 111 002 002](tel:021111002002) or [042 111 002 002](tel:042111002002)
- ❑ SC Email: Complaints.Pakistan@sc.com
- ❑ SC Email for RDA clients: sc-nrardigital@sc.com
- ❑ SC Website: www.sc.com/pk/
- ❑ SC Postal Address: SCBPL Client Care Unit, 1st Floor Jubilee Insurance Building, I.I.Chundrigar Road, Karachi
- ❑ SC Social Media: www.facebook.com/standardcharteredpk, [instagram.com/stanchartpak](https://www.instagram.com/stanchartpak)
- ❑ State Bank's Sunwai Portal & Mobile app
- ❑ BC & CPD – State Bank of Pakistan
- ❑ Banking Mohtasib Pakistan
- ❑ Insurance Ombudsmen
- ❑ Federal Ombudsmen
- ❑ Securities and Exchange Commission of Pakistan

Statement on Diversity and Inclusion along with Gender Pay Gap

Statement on Diversity and Inclusion

Our commitment to diversity and inclusion encompasses an aspiration to not only be the best place to work for our colleagues, but also the best place to bank for our clients which is the best route to creating prosperity in our communities. We launched the Fair Pay Charter with a public declaration of our commitment to deliver fair, transparent, and competitive pay, to continually improve our benefits, and support well-being and development. In addition, we have implemented inclusive policies to support flexible working, day care provision, enhanced medical benefits, and equitable parental leave. Our well-being offerings have evolved to prioritize mental health by providing Employee Assistance Programmes, Mental Health First Aiders, and a Tackling Domestic Violence and Abuse Policy. We actively remove barriers for individuals with disabilities by increasing accessibility, launching assistive technologies, providing workplace adjustments, along with a dedicated learning and internship programmes to become a disability confident organization.

Building an inclusive culture is a critical lever to our business success. With a leading banking industry female workforce composition of 29.7%. Our dedication has been acknowledged through numerous accolades. These include recognitions from the Pakistan Business Council and International Finance Corporation, OICCI (Overseas Investors Chamber of Commerce & Industry), CFA Society, and Global Diversity, Equity & Inclusion Benchmarks (GDEIB) by HR Metrics. We were also awarded Pakistan's 1st Disability Inclusion Excellence Award by the Employer's Federation of Pakistan and our model branches and differently abled staff were featured in Pakistan's first Finclusive National Anthem by Determined Pakistan.

Gender Pay Gap Statement

In line with the SECP Circular 10 of 2024, following is gender pay gap calculated for the year ended 31 December 2025:

I.	Mean Gender Pay Gap	36%
II.	Median Gender Pay Gap	33%
III.	Other data - Adjusted Mean Gender Pay Gap (Note 1)	3.8%

Note 1: With the 'adjustment' for comparable bands, this analysis is more indicative of any pay gaps for colleagues at same corporate grades. The results reflect that our full time female and male colleagues in the same grades of seniority are paid largely similar with c. 6.6% gap.



Rehan Muhammad Shaikh
Chief Executive Officer
25 February 2026



Now with just a click, you can easily invest back home

With Standard Chartered Roshan Digital account, non-resident Pakistanis now have the opportunity to invest back home. Roshan Digital account is offered in multiple currencies and have the flexibility of full repatriation of funds whenever you want.



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