

April 28, 2020



Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
#04-01, West Block, World Trade Centre Echelon Square,
Colombo 01

Dear Sir

Disclosure regarding the impact of COVID-19 pandemic on the business and operations of Commercial Bank of Ceylon PLC

With reference to your instructions dated April 20, 2020 the Commercial Bank of Ceylon PLC hereby discloses the following with regard to the conduct of its business and operations during the period of curfew/lockdown necessitated by the COVID-19 pandemic, and the potential impact thereof.

The impact of COVID-19 pandemic on the business/operations

The Government and Central Bank of Sri Lanka issued several guidelines and directions in regard to conducting business operations and a relief scheme to support the COVID-19 hit borrowers which include moratoriums on loan facilities granted to businesses and individuals and subsidized working capital loans.

The Bank has taken steps to implement such guidelines and directives and is in the process of receiving applications from borrowers under the said relief scheme.

We have also begun implementing the directives of the Central Bank of Sri Lanka encompassing moratoriums for Performing Loan borrowers, extensions for facilities falling into NPA classification and rescheduling of loan dues, extended time and reduced interest rates for Credit Card holders etc.

The Company's response to the impact of the COVID-19 pandemic

Subsequent to the outbreak of COVID-19 in Sri Lanka, the Bank has strictly adhered to the guidelines and directions issued by both the Government and the Central Bank of Sri Lanka when conducting its business operations.

Furthermore, the Bank has taken a number of steps to ensure the safety of its employees, customers and other stakeholders. These include, but are not limited to, practicing social distancing, supplying face masks and sanitizers to all branches and Departments of the Bank, encouraging both the staff and customers to use the sanitizers regularly and the circulation of explicit instructions on health & safety precautions to be taken.

All meetings were held in compliance with social distancing guidelines issued by health authorities. The Bank has also activated the Business Continuity Plan under which all employees can be contacted via SMS in an emergency.

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The Bank has also adapted its operating processes to enable certain employees to work from home during the period the curfew was imposed, and for the rest of the employees to work on roster basis to ensure uninterrupted services and business continuity.

Besides the above measures, the Bank being the largest and most technologically-advanced private sector Bank, is encouraging customers to use its Online and Digital Banking platforms to carry out their banking transactions as much as practically possible, and has permitted self-registration for some of these facilities to widen the user base.

Additionally, the Bank has deployed mobile banking units in many parts of the country during the period of lockdown to take services to the doorsteps of customers.

It should be specially mentioned that, all efforts possible were made to provide continuous services to customers through our branch network as well as the mobile units mentioned, even during the curfew period with the unstinted support extended by the staff of the Bank.

The Company's expectation of the future impact of COVID-19 on future operations and financial condition

The Bank is continuously assessing the cost of the disruptions to its operations in Sri Lanka and its overseas operations, as well as the cost of the government-mandated concessions. However, it must be appreciated that it is too early to quantify these impacts, considering the fact that the COVID-19 crisis is far from over, and the Bank is still receiving applications for relief.

The Bank will continue to monitor the situation as it evolves and continue to work closely with all the stakeholders while following the regulations imposed by the Government.

Furthermore, the Bank will take whatever measures deemed necessary to support the revival of the economy and the continuation of business within the guidelines issued by the authorities.

Yours faithfully



S Renganathan
MANAGING DIRECTOR/CEO