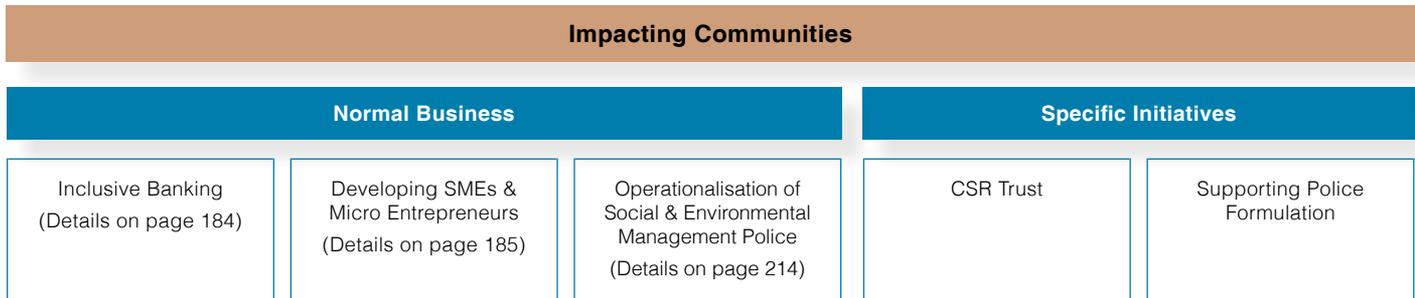


Social Impact

We invest in communities to empower people and support their development as part of our normal business and also through the CSR Trust established in 2004. The CSR Trust receives up to 1% of our post tax profits and engages in activities which are completely altruistic with no expectation of a financial return to the Bank.

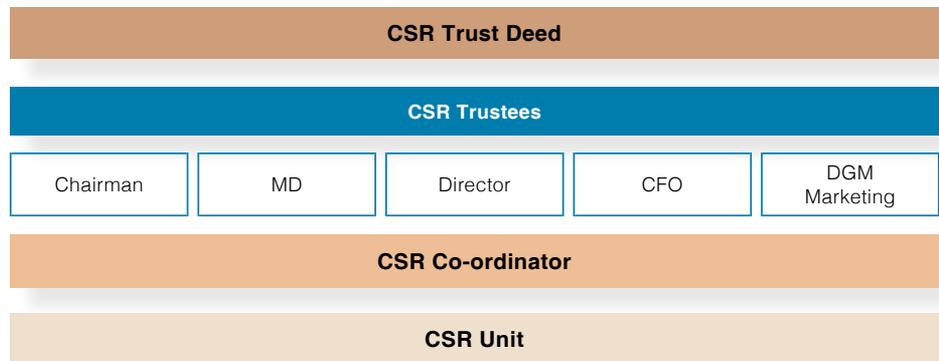
The integration of CSR endeavours in business operating activities of the Bank has been identified as highly essential to ensure sustainable development of an economy in a broader sense. In the financial sector several international initiatives such as United Nations Environment Programme’s Finance Initiative, Global Reporting Initiative are underway to ensure the healthy adoption of CSR practices in routine business operations that the Bank very well adheres to.



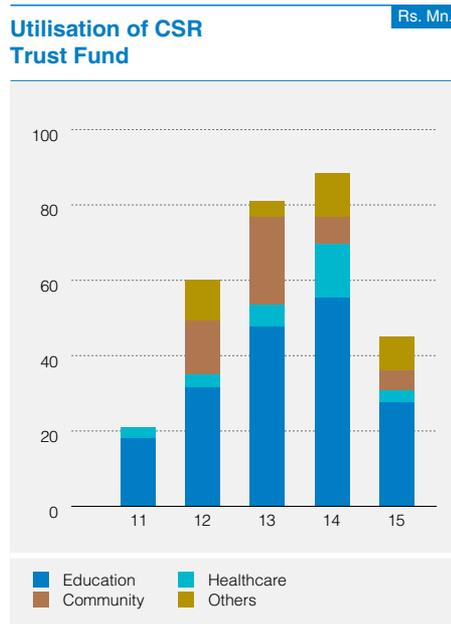
→ Figure – 34

CSR Trust Fund Activities

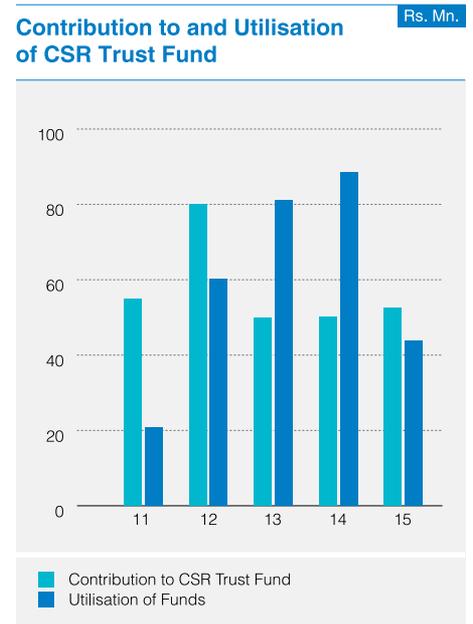
The Bank’s CSR Trust was established in 2004 with the objective of generating measurable and sustainable social dividends for different segments of society, in particular those which require empowerment. The Trust Deed clearly sets out the objectives, powers of the Trustees and eligibility criteria. The Bank, as decided by the Board of Directors, transfers up to 1% of its post tax profit annually as by funding for identified projects. Formal structures and processes are in place for governance of CSR Trust activities and a combination of cross departmental teams and dedicated resources are responsible for operationalising its vision. Strong commitment from the top management is a key driving force giving impetus for positive action. Formal communication lines have also been established facilitating participation by all strategic business units and maximising impact. This has proven particularly useful for replicating successes in other regions. The Bank’s contributions to the CSR Trust and their utilisation over the past decade totals Rs. 393.86 Mn. and Rs. 303.76 Mn. respectively (Graphs 89 and 90).



→ Figure – 35



→ Graph – 89



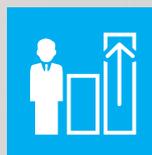
→ Graph – 90



Over Rs. 100 Bn.

Growth in Loans and Advances (YoY)

For the first time in history Bank's Loan Book grew over Rs. 100 Bn.



49%

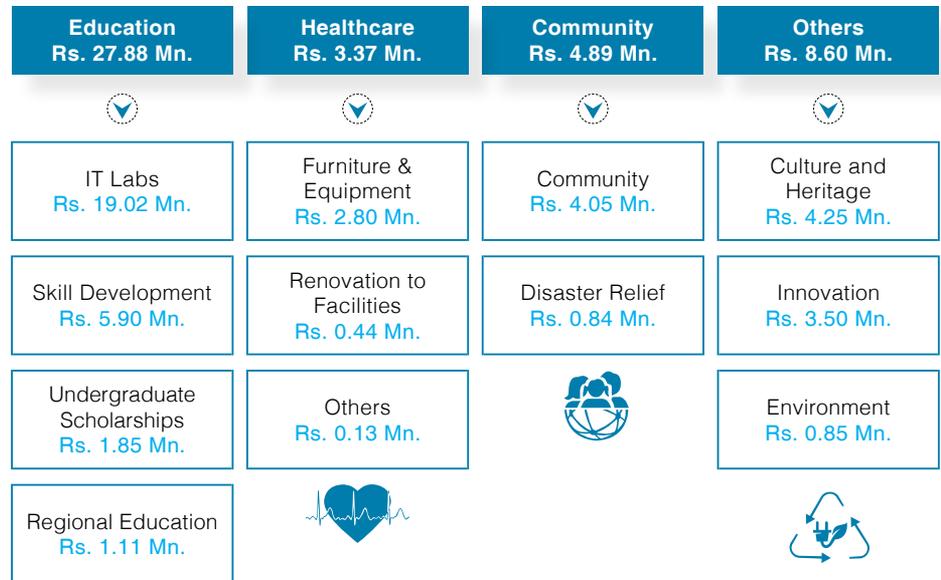
Leasing and Hire Purchase Growth

Leasing and Hire Purchase Portfolio grew by 49% in 2015

Education has been the focus of CSR Trust activities with over 60% of funds utilised in this segment and reflects our passion for empowering people through education. As a Bank whose vision is to be the most technologically advanced financial services organisation in Sri Lanka, the core of education powered by our CSR Trust focuses on inculcating IT knowledge amongst the younger school-going generation of the country whilst secondarily we focus on developing their English and Maths skills to capacitate them to be in par with a tech-savvy and competitive workforce

and entrepreneurs. Health care has also received a significant proportion of funds supplementing facilities at Government Hospitals and other health care institutions. Keeping the future generations in mind, majority of health care projects funded by the Bank has benefited children and mothers. Disaster relief and preservation of cultural heritage also receive regular contributions. Apart from the key focus areas of the Trust

each region has been allocated budgets to engage in projects that are relevant to their localities. It is noteworthy that our staff from various cross sections of the Bank have volunteered their service to benefit the causes championed by the Bank. Estimated costs of the CSR unit staff who are engaged solely on CSR Trust activities amount to a further Rs. 6.146 Mn. which are not included in the cost of the contributions.



→ Figure – 36

We focus on service excellence which enables us to fall in line with our customers and our value proposition



Delakshan Hettiararchchi
 Delakshan Hettiararchchi
 Assistant General Manager
 Personal Banking III/SME

Education

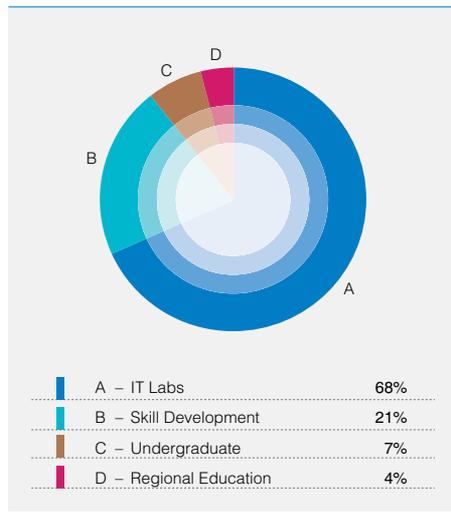
Access to education is a key priority for the Bank as we strongly believe that this will uplift societies minimising the disparity between provinces. We engage in supporting primary, secondary, vocational and tertiary education through innovative projects often collaborating with reputed partners to deliver projects that are fit for the purpose. The main area of focus in education is to empower children with IT knowledge, which is also a part of the national development road map. In 2015, 62% of the funds utilised amounting to Rs. 27.88 Mn. was invested in 47 projects in IT, scholarships and other miscellaneous but worthy projects. During the year under review, CSR Trust completed 29 projects.

IT Education

The CSR Trust continued its efforts to improve IT literacy levels among students on a national scale as it becomes an increasingly important skill sought after

by employers. To date we have donated 167 fully-equipped computer labs to schools across the country as part of this initiative. During the year Rs.19.02 Mn. was invested in IT education related CSR projects.

Investment in Education



→ Graph - 91

The pilot project, linking 'Sipnena' the new educational website, with 10 schools in diverse regions such as Jaffna in the North, Beliatta and Matara in the South, Minneriya, Kegalle and Kalawana in the North Central and Sabaragamuwa, and Nawalapitiya in the hill country, has been launched by the Bank as the first phase of this initiative. It is expected to benefit over 13,800 school children.



Registered under the .lk and .com domains, the 'Sipnena' website will offer students free access to content carefully selected to support their educational needs, in line with local curricula, via the IT Labs donated by the Bank to these and 157 other schools around the country.

Commercial Bank has brought together the expertise of its own IT team, H-One – a leading IT Solutions company –, Microsoft Sri Lanka, the Service Learning teams of the University of Colombo, Headstart – a leading e-learning service provider – and the Bank's CSR Unit creating partnerships for empowering our youth.

One of the largest IT labs donated by the CSR Trust under its initiative is the lab at Sri Lanka College of Technology Colombo, the oldest technical college in Sri Lanka. The CSR Trust has disbursed Rs. 3.04 Mn. during the year for the completion of this project.



The Bank in partnership with CISCO Networking Academy offered a comprehensive 'IT Essentials' course for teachers and students free of charge, as part of its IT Education for Employment initiatives. Initially, 12 teachers were trained at the CISCO Networking Centre at University of Moratuwa as a pilot project and awarded with CISCO Certified IT Instructor certificate on IT essentials programme. In 2015, 6 of these teachers from 3 schools went on to train 107 students for the CISCO IT Essentials course of which 59 students completed the entire course and sat for the final online examination. The 100% pass rate achieved by these students is a tribute to the dedication shown by the teachers.

Further, they will apply for the A+ certification which is intended for information technology professionals who have the equivalent of 500 hours of hands on experience.

Providing 'Math Labs' to Schools

'Math Lab', founded by Mr. H. A. Dharmasiri – a former Government school teacher –, is an innovative concept that help stimulate and develop mathematical and analytical skills of school children. Over 70 different interactive mathematical games help grasp basic mathematical concepts in a friendly, yet competing environment, away from the monotony of the classroom.

The CSR Trust commenced this initiative as a pilot project involving four Government schools and a home for children with disabilities, providing full sets of mathematical games for Math Labs and conducting workshops for teachers. The CSR Trust also established Math Societies and more importantly mechanisms for monitoring and assessing the progress as part of the project.



CISCO Equipment Provided to Employers' Federation of Ceylon

The Employers' Federation of Ceylon (EFC) commenced conducting Cisco Computer Network Associate Course (CCNA) free of charge for persons with disabilities in April 2015 with the objective of improving their employability. Supporting the cause the CSR Trust provided essential equipment needed to carryout hands on training. The EFC conducts this course free of charge.





15,000 Nos.

e-Statements

Converted nearly 15,000 customers to e-Statements



20 Nos.

Automated Cash Deposit Terminals

We invested Rs. 36 Mn. on 20 more automated cash deposit terminals

Healthcare



A Slit Lamp was donated to the National Eye Hospital supporting increased efficiency of the unit by reducing the patient turnaround time. Nearly 2,000 patients benefit from the clinic per month.

Supporting the construction of a waiting area of the Ipalogama Maternity Clinic where 50-60 mothers along with infants are examined per session

Donation of medical equipment and facilities to the paediatric ward and the infant care unit of the Base Hospital, Gampola. The hospital renders its services to remote areas such as Pussellawa, Kothmale and Ulapane covering a population of 128,500.

Provision of a laptop computer and a multimedia projector for the Stroke Rehabilitation Centre at the Base Hospital Valaichchenai to facilitate therapeutic treatments for the stroke survivors.



Provision of a storage facility to set up a Sub-Fertility Treatment Unit at the District Hospital, Kilinochchi, one of few such centres in the country, benefiting the community of the Northern Province.

Community



Financial assistance was provided to install FED lights for the Basket Ball court in the Somascan Fathers Orphanage, Batticaloa. The Orphanage, a caring centre for children orphaned by the ethnic conflict and 2004 Tsunami, is using the game of basket ball as a mean of inculcating a sense of belongingness among the children.

A water filtering/dispensing unit was established at the Somawathiya Temple Premises to provide purified drinking water to the large number of pilgrims who visit the Temple.

Contribution towards helping earthquake victims of Nepal under an initiative of the Ceylon Chamber of Commerce to raise funds for disaster relief work in Nepal by the Asia Pacific Alliance for Disaster Management (APADM).



Provision of a computer and a photocopy machine each to improve the efficiency of the billing systems of two community based organisations, which supply water for 1,100 families in Attanakadawala and Pinipokuna in North Central province facilitating the sustainability of these two vital projects.

Others



Reconstruction of 3 sections of the flight of steps of Sri Pada, with the support of the Civil Security Department attached to Sri Pada.

Sponsored the 'The Ray' award for invention, presented by the Ray Wijewardene Charitable Trust in collaboration with Sri Lanka Inventors Commission for the second time to encourage innovation and enterprise in areas of public interest. The Ray Award for 2015 was awarded for the innovative improvements introduced to the artificial prosthesis for the disabled.

Financial assistance was provided to the Biodiversity and Elephant Conservation Trust to publish a book on biodiversity of Sri Lanka to be freely distributed amongst schools children.

Despite CSR Trust mainly focuses on education it allocates funds and resources towards supporting the healthcare sector, improving the livelihood of the community, protection of the environment, preservation of the culture and heritage, etc. During the year 2015, the CSR Trust invested Rs.16.86 Mn. in a total of 31 projects of which 16 were completed.