

Basel III Disclosure Requirements Under Pillar 3 as per Banking Act Direction No 01 of 2016

Disclosure 1 : Key Regulatory Ratios- Capital and Liquidity

Item	30.09.2025		30.06.2025	
	Bank	Group	Bank	Group
Basel III				
Regulatory Capital (LKR'000)				
Common Equity Tier 1	228,076,103	238,373,388	222,254,055	234,420,582
Tier 1 Capital	246,426,103	256,723,388	240,604,055	252,770,582
Total Capital	318,055,939	329,565,335	314,763,036	329,385,165
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement- 8.50%)	12.02	12.02	12.27	12.52
Tier 1 Capital Ratio (Minimum Requirement- 10.00%)	12.99	12.94	13.28	13.50
Total Capital Ratio (Minimum Requirement- 14.00%)	16.76	16.61	17.37	17.60
Leverage Ratio (Minimum Requirement- 3.00%)	4.25	4.36	4.33	4.48

Item	Bank	
	30.09.2025	30.06.2025
Liquidity Coverage Ratio (%) - Rupee (Minimum Requirement - 100%)	276.00	306.00
Liquidity Coverage Ratio (%) - All Currency (Minimum Requirement - 100%)	254.10	273.14
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	163.03	157.86

Disclosure 2 : Basel III Computation of Capital Ratios

Item	30.09.2025		30.06.2025	
	Bank LKR'000	Group LKR'000	Bank LKR'000	Group LKR'000
Common Equity Tier 1 (CET 1) Capital after Adjustments	228,076,103	238,373,388	222,254,055	234,420,582
Common Equity Tier 1 (CET 1) Capital	258,179,945	264,776,668	248,153,316	256,524,070
Equity Capital (Stated Capital)/ Assigned Capital	25,730,000	25,730,000	25,730,000	25,730,000
Reserve Fund	16,953,000	16,953,000	16,953,000	16,953,000
Published Retained Earnings/(Accumulated Retained Losses)	144,762,255	147,443,312	154,278,991	156,422,928
Published Accumulated other Comprehensive Income(OCI)	14,317,688	18,535,777	14,590,002	20,619,242
General and other Disclosed Reserves	669,067	366,644	669,067	866,644
Unpublished current year's profit/(losses) and gains reflected in OCI	55,747,935	55,747,935	35,932,256	35,932,256
Ordinary shares issued by consolidated banking and financial subsidiaries held by third parties	-	-	-	-
Total Adjustments to CET 1 Capital	30,103,842	26,403,280	25,899,262	22,103,488
Goodwill(net)	-	-	-	-
Intangible Assests (net)	2,115,132	2,202,596	2,078,253	2,167,097
Revaluation losses of property, plant and equipment	-	-	-	-
Deferred tax assets (net)	19,430,809	19,547,005	18,974,636	19,107,139
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity	4,717,609	4,653,679	910,746	829,252
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity	3,840,291	-	3,935,627	-
Shortfall of capital in financial subsidiaries	-	-	-	-
Additional Tier 1 (AT I) capital after adjustment	18,350,000	18,350,000	18,350,000	18,350,000
Additional Tier 1 (AT I) capital	18,350,000	18,350,000	18,350,000	18,350,000
Qualifying Additional Tier 1 Capital Instruments	18,350,000	18,350,000	18,350,000	18,350,000
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to AT 1 Capital	-	-	-	-
Investment in Own Shares others (specify)	-	-	-	-
Tier 2 Capital after Adjustments	71,629,836	72,841,947	74,158,981	76,614,583
Tier 2 Capital	71,629,836	72,841,947	74,158,981	76,614,583
Qualifying Tier 2 Capital Instruments	38,237,460	38,411,590	41,742,518	43,482,272
Revaluation Gains	12,094,493	12,094,493	12,094,493	12,094,493
General Provisions	21,297,882	22,335,864	20,321,971	21,037,818
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustment to Tier 2	-	-	-	-
Investment in Own Shares	-	-	-	-
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity	-	-	-	-
Significant investments in the capital of banking and financial institutions where the bank own more than 10 per cent of the issued ordinary share capital of the entity	-	-	-	-
CET I Capital	228,076,103	238,373,388	222,254,055	234,420,582
Total Tier 1 Capital	246,426,103	256,723,388	240,604,055	252,770,582
Total Capital	318,055,939	329,565,335	314,763,036	329,385,165

Item	30.09.2025		30.06.2025	
	Bank LKR'000	Group LKR'000	Bank LKR'000	Group LKR'000
Total Risk Weighted Assets (RWA)	1,897,154,752	1,983,646,411	1,811,642,155	1,871,739,394
RWAs for Credit Risk	1,703,830,589	1,786,869,104	1,625,757,649	1,683,025,426
RWAs for Market Risk	16,538,022	16,546,360	17,804,393	17,806,737
RWAs for Operational Risk	176,786,141	180,230,946	168,080,112	170,907,230
CET I Capital Ratio (including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	12.02	12.02	12.27	12.52
of which :Capital Conservation Buffer (%)	1.50	1.50	2.50	2.50
of which :Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which:Capital Surcharge on D- SIBs (%)	1.50%	1.50%	1.50	1.50
Total Tier 1 Capital Ratio(%)	12.99	12.94	13.28	13.50
Total Capital Ratio (including Capital Conservation Buffer,Countercyclical Capital Buffer & Surchnrge on D- SIBs)(%)	16.76	16.61	17.37	17.60
of which : Capital Conservation Buffer (%)	1.50	1.50	2.50	2.50
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which:Capital Surcharge on D- SIBs (%)	1.50	1.50	1.50	1.50

Disclosure 3 : Leverage Ratio

Item	30.09.2025		30.06.2025	
	Bank LKR'000	Group LKR'000	Bank LKR'000	Group LKR'000
Tier 1 Capital	246,426,103	256,723,388	240,604,055	252,770,582
Total Exposures	5,793,908,461	5,886,100,228	5,561,825,817	5,641,475,558
On-Balance Sheet Items (Excluding Derivatives and Securities Financing Transactions, but including Collateral)	5,386,834,867	5,479,425,417	5,209,259,606	5,289,607,000
Derivative Exposures	12,212,661	12,212,661	33,340,751	33,340,751
Securities Financing Transaction Exposures	212,658,229	212,259,446	148,114,836	147,417,183
Other Off- Balance Sheet Exposures	182,202,705	182,202,705	171,110,623	171,110,623
Basel III Leverage Ratio (%) (Tier 1 Capital/Total Exposure)	4.25	4.36	4.33	4.48

Disclosure 4 : Net Stable Funding Ratio (NSFR) & Liquidity Coverage Ratio (LCR)

Item	30.09.2025	30.06.2025
	LKR'000	LKR'000
Total Available Stable Funding	3,566,144,697	3,537,253,585
Required Stable Funding - On Balance Sheet Assets	2,172,271,465	2,226,521,441
Required Stable Funding - Off Balance Sheet Assets	15,126,177	14,264,159
Total Required Stable Funding	2,187,397,642	2,240,785,600
NSFR	163.03%	157.86%

Basel III computation of Liquidity Coverage Ratio -All Currency (Bank Only)

Item	Amount (LKR'000)			
	30.09.2025		30.06.2025	
	Total Un-Weighted Value	Total Weighted Value	Total Un-Weighted Value	Total Weighted Value
Total Stock of High -Quality Liquid Asset (HQLA)	2,440,358,656	2,434,248,931	2,356,439,570	2,350,440,310
Total Adjusted Level I Assets	2,394,623,671	2,394,623,671	2,305,981,102	2,305,981,102
Level 1 Assets	2,401,679,169	2,401,679,169	2,318,760,234	2,318,760,234
Total Adjusted Level 2A Assets	37,800,051	32,130,043	36,686,880	31,183,848
Level 2A Assets	37,800,051	32,130,043	36,686,880	31,183,848
Total Adjusted Level 2B Assets	879,436	439,718	992,456	496,228
Level 2B Assets	879,436	439,718	992,456	496,228
Total Cash Outflows	5,232,811,381	1,171,255,826	5,013,453,685	1,039,262,633
Deposits	2,378,062,508	237,806,251	2,548,207,926	254,820,793
Unsecured Wholesale Funding	2,122,949,243	849,373,925	1,761,855,511	705,761,460
Secured Funding Transactions	80,007,420	-	67,409,123	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	612,089,414	44,372,854	601,030,652	43,729,907
Additional Requirements	39,702,796	39,702,796	34,950,474	34,950,474
Total Cash Inflows	408,639,145	213,271,271	291,932,598	178,726,589
Maturing Secured Lending Transaction Backed by Collateral	114,147,000	-	33,700,000	-
Committed Facilities	5,000,000	-	5,000,000	-
Other Inflows by Counterparty which are Maturing Within 30 Days	232,526,953	173,350,554	202,652,912	143,526,436
Operational Deposits	17,044,475	-	15,379,533	-
Other Cash Inflows	39,920,717	39,920,717	35,200,153	35,200,153
Liquidity Coverage Ratio (%) (Stock of High quality Liquid Assets /Total Net Cash Outflows over the Next 30 Calender Days)*100		254.10		273.14

Disclosure 5 : Main Features of Regulatory Capital Instruments

Description of the Capital Instrument					
Issuer	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon
Unique Identifier					
Governing Laws of the Instrument	Laws of Sri Lanka	Laws of Sri Lanka	Laws of Sri Lanka	Laws of Sri Lanka	Laws of Sri Lanka
Original Date of Issuance	29-Dec-17	31-Jul-18	26-Jul-19	22-Nov-21	30-Dec-22
Par Value of Instrument -LKR	100	100	100	100	
Issued quantity (No of Debentures)	50,000,000	67,000,000	611,500	51,500,000	64,900,000
Issued Quantity (LKR'000)	5,000,000	6,700,000	61,150	5,150,000	6,490,000
Perpetual or Dated			Dated	Dated	Dated
Original Maturity Date, if Applicable	28-Dec-25	30-Jul-26	25-Jul-27	22-Nov-26	29-Dec-27
Amount Recognised in Regulatory Capital (in LKR'000 as at the Reporting Date)	250,000	1,005,000	24,460	1,287,500	2,920,500
Accounting Classification (equity/Liability)	Liability	Liability	Liability	Liability	Liability
Coupons/Dividends					
Fixed or Floting Dividend/Coupon	FIXED	FIXED	FIXED	FLOATING	FIXED
Coupon Rate and any Related Index %	12.75	12.00	11.75	10.47	29.00
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non Convertible	Non Convertible	Non Viability write down	Non Viability write down	Non Viability write down

Description of the Capital Instrument			
Issuer	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon
Unique Identifier			
Governing Laws of the Instrument	Laws of Sri Lanka	Laws of Sri Lanka	Laws of Sri Lanka
Original Date of Issuance	27-Dec-23	20-Sep-24	26-May-25
Par Value of Instrument -LKR			
Issued quantity (No of Debentures)	100,000,000	150,000,000	15,000,000
Issued Quantity (LKR'000)	10,000,000	15,000,000	15,000,000
Perpetual or Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	26-Dec-28	20-Sep-29	26-May-30
Amount Recognised in Regulatory Capital (in LKR'000 as at the Reporting Date)	6,500,000	12,000,000	14,250,000
Accounting Classification (equity/Liability)	Liability	Liability	Liability
Coupons/Dividends			
Fixed or Floting Dividend/Coupon	FIXED	FIXED	FIXED
Coupon Rate and any Related Index %	15.00	13.50	11.25
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non Viability write down	Non Viability write down	Non Viability write down

Disclosure 7 : Credit Risk Under Standardised Approach-Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects -Bank

Asset Class	Amount (LKR'000) as at 30.09.2025					
	Exposures before Credit Conversion Factor (CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density (%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (%)
Claims on Central Government and CBSL	3,301,305,194	22,330,651	3,301,305,194	4,466,130	105,770,461	3.20%
Claims on Foreign Sovereigns and their Central Bank	68,338,118	-	68,338,118	-	97,714,971	142.99%
Claims on Public Sector Entities	243,603,441	117,667,630	49,543,210	13,505,103	46,082,920	73.09%
Claim on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	124,791,926	44,986,227	124,791,926	44,986,227	97,490,221	57.42%
Claims on Financial Institutions	20,066,888	1,203	20,066,888	1,203	11,162,055	55.62%
Claims on Corporates	294,658,771	250,027,236	244,384,430	41,379,973	276,212,858	96.66%
Retail Claims	742,374,623	292,966,941	671,023,590	-	536,319,512	79.93%
Claims Secured by Gold	200,330,617	-	200,330,617	-	1,238	0.00%
Claims Secured by Residential Property	86,229,373	-	86,229,373	-	36,524,888	42.36%
Claims secured by Commercial Real Estate	48,679,384	-	48,679,384	-	48,679,384	100.00%
Non- Performing Assets (NPAs)	166,719,888	-	166,719,888	-	218,949,574	131.33%
Higher - risk Categories	2,366,340	-	2,366,340	-	5,915,850	250.00%
Cash Items and Other Assets	271,055,701	43,592,123	271,055,701	43,592,123	223,006,657	70.88%
Total	5,570,520,262	771,572,011	5,254,834,658	147,930,759	1,703,830,589	31.54%

Credit Risk Under Standardised Approach

Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects -Group

Asset Class	Amount (LKR'000) as at 30.09.2025					
	Exposures before Credit Conversion Factor (CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density (%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (%)
Claims on Central Government and CBSL	3,321,548,062	22,330,651	3,321,548,062	4,466,130	105,770,461	3.18%
Claims on Foreign Sovereigns and their Central Bank	68,338,118	-	68,338,118	-	97,714,971	142.99%
Claims on Public Sector Entities	268,674,499	117,667,630	49,543,210	13,058,471	45,991,045	73.47%
Claim on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	142,211,742	44,986,227	142,211,742	44,986,227	114,910,038	61.38%
Claims on Financial Institutions	20,066,888	1,203	20,066,888	1,203	11,162,055	55.62%
Claims on Corporates	359,547,138	250,027,236	309,272,797	41,379,973	341,101,225	97.28%
Retail Claims	742,374,623	292,966,941	671,023,590	-	536,319,512	79.93%
Claims Secured by Gold	200,330,617	-	200,330,617	-	1,238	0.00%
Claims Secured by Residential Property	86,229,373	-	86,229,373	-	36,524,888	42.36%
Claims secured by Commercial Real Estate	48,679,384	-	48,679,384	-	48,679,384	100.00%
Non- Performing Assets (NPAs)	166,719,888	-	166,719,888	-	218,949,574	131.33%
Higher - risk Categories	-	-	-	-	-	0.00%
Cash Items and Other Assets	304,178,316	43,592,123	304,178,316	43,592,123	229,744,714	66.06%
Total	5,728,898,647	771,572,011	5,388,141,985	147,484,127	1,786,869,104	32.28%

Credit Risk under Standardised Approach : Exposures by Asset Classes and Risk Weights - Bank

Description		Amount (LKR'000) as at 30.09.2025 (Post CCF & CRM)								
Asset Classes	Risk Weight	0%	20%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
Claims on Central Government and Central Bank of Sri Lanka		2,775,413,771	525,891,422							3,301,305,194
Claims on Foreign Sovereigns and their Central Bank				4,480,871			622,670	63,234,577		68,338,118
Claims on public Sector Entities			16,293,237	7,152,093			26,097,880			49,543,210
Claims on Official Entities and Multilateral Development Banks										-
Claims on Banks Exposures			44,240,154	30,568,100			49,983,672			124,791,926
Claims on Financial Institutions			1,139,448	15,987,752			2,939,688	-		20,066,888
Claims on Corporates			11,379,975	518,965			232,205,490	280,000		244,384,430
Retail Claims			235,061		3,412,531	532,604,069	134,771,929			671,023,590
Claims Secured by Gold		200,329,379	-				1,238			200,330,617
Claims Secured by Residential Property				76,468,438			9,760,935			86,229,373
Claims secured by Commercial Real Estate							48,679,384			48,679,384
Non- Performing Assests(NPAs)							62,260,517	104,459,372		166,719,888
Higher -risk Categories									2,366,340	2,366,340
Cash Item and Other Assests		78,607,382	16,292,231				176,156,088			271,055,701
Total		3,054,350,532	615,471,528	135,176,219	3,412,531	532,604,069	743,479,490	167,973,949	2,366,340	5,254,834,658

Credit Risk under Standardised Approach : Exposures by Asset Classes and Risk Weights - Group

Description		Amount (LKR'000) as at 30.09.2025 (Post CCF & CRM)								
Asset Classes	Risk Weight	0%	20%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
Claims on Central Government and Central Bank of Sri Lanka		2,795,656,639	525,891,422							3,321,548,062
Claims on Foreign Sovereigns and their Central Bank				4,480,871			622,670	63,234,577		68,338,118
Claims on public Sector Entities			16,293,237	7,152,093			26,097,880			49,543,210
Claims on Official Entities and Multilateral Development Banks										-
Claims on Banks Exposures			44,240,154	30,568,100			67,403,489			142,211,742
Claims on Financial Institutions			1,139,448	15,987,752			2,939,688	-		20,066,888
Claims on Corporates			11,379,975	518,965			297,093,857	280,000		309,272,797
Retail Claims			235,061		3,412,531	532,604,069	134,771,929			671,023,590
Claims Secured by Gold		200,329,379	-				1,238			200,330,617
Claims Secured by Residential Property				76,468,438			9,760,935			86,229,373
Claims secured by Commercial Real Estate							48,679,384			48,679,384
Non- Performing Assests(NPAs)							62,260,517	104,459,372		166,719,888
Higher -risk Categories									-	-
Cash Item and Other Assests		104,991,940	16,292,231				182,894,145			304,178,316
Total		3,100,977,958	615,471,528	135,176,219	3,412,531	532,604,069	832,525,731	167,973,949	-	5,388,141,985

Disclosure 9 : Market Risk under Standardised Measurement Method

Item	30.09.2025	
	Bank (LKR'000)	Group (LKR'000)
(a) Capital Charge for Interest Rate Risk	852,444	852,444
General Interest Rate Risk	852,444	852,444
(i) Net Long or Short Position	852,444	852,444
(ii) Horizontal Disallowance	-	-
(iii) Vertical Disallowance	-	-
(iv) Options	-	-
Specific Interest Rate Risk	-	-
(b) Capital Charge for Equity	268,130	268,130
(i) General Equity Risk	141,479	141,479
(ii) Specific Equity Risk	126,651	126,651
(c) Capital Charge for Foreign Exchange & Gold	1,194,749	1,195,917
Total Capital Charge for Market Risk [(a)+(b)+(c)]	2,315,323	2,316,490
Total Risk Weighted Amount for Market Risk	16,538,022	16,546,360

Disclosure 10 : Operational Risk under Basic Indicator Approach

Operational Risk under Basic Indicator Approach -Bank

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30.09.2025		
			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		85,535,894	159,248,941	250,216,361
Capital Charges for Operational Risk(LKR'000)					24,750,060
Risk Weighted Amount for Operational Risk(LKR'000)					176,786,141

Operational Risk under Basic Indicator Approach -Group

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30.09.2025		
			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		85,724,416	161,999,134	256,923,099
Capital Charges for Operational Risk(LKR'000)					25,232,332
Risk Weighted Amount for Operational Risk(LKR'000)					180,230,946

Classification: Internal