

## Board Investment Committee Report



### Composition of the Committee

The Board Investment Committee (the BIC) consists of the following members whose profiles are given on pages 62 to 67.

Board members	Mr K G D D Dheerasinghe* (Chairman)
	Mr S Renganathan (Managing Director/Chief Executive Officer)
	Mr S C U Manatunge (Director/Chief Operating Officer)
	Mr K Dharmasiri* (Director)
	Ms N T M S Cooray* (Director) (Appointed w.e.f. March 28, 2019)
	Mr G S Jadeja (Director) (Resigned w.e.f. March 28, 2019)
Regular attendees by invitation	Mr K D N Buddhipala (Chief Financial Officer)
	Mr K A P Perera (Deputy General Manager – Treasury)
	Ms T A Bernard (Assistant General Manager – Corporate and Investment Banking)
	Mr S K K Hettihamu (Chief Risk Officer)
<b>Secretary to the Committee</b>	
Mr A Wijesiriwardane (Assistant General Manager-Treasury)	

\*Independent Non-Executive Director

### Attendance at Meetings

Name	Eligible to attend/ Attended
Mr K G D D Dheerasinghe	12/12
Mr S Renganathan	12/12
Mr S C U Manatunge	12/11
Mr K Dharmasiri	12/12
Ms N T M S Cooray	09/08
Mr G S Jadeja	03/03

**The Committee assisted the Board in developing the strategy relating to investment of foreign currency, investments in subsidiaries and associate companies and other strategic investments.**

### Charter of the Committee

The BIC oversees the Bank's investment activities which fall within its responsibilities. The Committee provides guidance by evaluating the relevance and feasibility of various investment proposals in equity, debt and subsidiary operations. Further, the Committee evaluates the Bank's overall liquidity management operations and the borrowing activities in accordance with the charter of the Committee.

Within this framework the Committee performs the following duties:

- Approve investment proposals, borrowings and execution of agreements.
- Review existing investment portfolio performance, monitor adherence to investment policies and decisions of the Investment Committee.
- Review and recommend significant investment decisions to be undertaken by the Bank to the Board of Directors.
- Review, amend and approve investment policies and operational parameters relating to investments of the Bank.

### Methodology Adopted by the Committee

The Committee meets monthly and reviews progress of strategic and significant investments, liquidity situation of the Bank, market developments and country's economic outlook. The Committee also reviews the monthly performance of Treasury and Investment Banking Division, where the interest rate risk, repricing risk and other market risks are discussed.

The Committee also from time to time would issue instructions to executive officers of the Bank on investment related activities.

### Activities in 2019

- Review of the Bank's Foreign Currency Investment Limit from time to time in alignment with the growth in foreign currency balance sheet and investment opportunities.
- Evaluation of the impact of regulatory framework for Primary Dealers on the Bank's operations.
- Evaluation and approval of strategic equity investments by the Bank.
- Approval of investments in the Bank's subsidiaries and associate companies.
- Approval of investment in foreign currency bonds issued by local banks.

The Committee held twelve (12) meetings during the year under review. The proceedings of the Committee meetings which also included activities under its Terms of Reference were regularly reported to the Board of Directors.

**K G D D Dheerasinghe**  
Chairman  
Board Investment Committee

Colombo  
February 20, 2020