



ASSET/LIABILITY MANAGEMENT POLICY

1. Definition of Asset/Liability Management

This Asset/Liability Management Policy encompasses the strategic management of the balance sheet aimed at achieving sustained growth, profitability and solvency. It involves a multiplicity of management activities and responsibilities, including the formulation of long-term strategic goals and objectives and the management of various risks including liquidity risk, interest rate risk and market risk.

2. Objectives

The assets and liabilities of Seylan Bank PLC shall be managed in order to maximize shareholder value, to enhance profitability and increase capital, to serve customer and community needs, and to protect the institution from any disastrous financial consequences arising from changes in interest rates. These objectives shall be pursued within the framework of written credit, capital, and investment policies. In a capsule, the Bank intends, through sound and dynamic funds management, to realize solid operating results produced against a background of a quality balance sheet.

Bank's Asset/Liability Management Policy is to:

- Outline the Scope and Responsibilities of the Asset/Liability Committee (ALCO),
- Define, Measure and Manage on a consistent basis the various Risks facing the Bank,
- Establish guidelines to meet various applicable regulatory rules and statutes,
- Form a consistent co-policy with other policies of the Bank (investments, lending, capital etc.)

3. Responsibilities

The Asset/Liability Management Policy of the Bank falls under the authority of the Board of Directors through the Board Integrated Risk Management Committee, who in turn assigns authority for its formulation, revision and administration to the Asset/Liability Management Committee (ALCO). Ultimate responsibility for effective asset/liability management rests with the Board of Directors.

3.1 Membership of the ALCO

The ALCO will consist of the following:

DIR/CEO	Chairman
Deputy General Manager / Chief Risk Officer	
Chief Financial Officer	Secretary
Deputy General Manager – Treasury	Alternate Chairman
Core invitees and other Representatives (as appropriate)	

4 Compliance with Banking Laws and Regulations

Current laws and regulations, as well as prudent and generally accepted banking practices, will be the foundation for and will act as the guiding hand in the development of policies, procedures, strategies and tactics relating to the management of the Bank's assets and liabilities.

5 Monitoring, Policy Review, and Updates

ALCO policy is rigorously monitored, reviewed, and updated to stay current with evolving regulatory and industry standards. The policy undergoes an annual review to integrate the latest guidelines and directions from relevant authorities.

End.

01.10.2024