

BOARD CREDIT COMMITTEE REPORT



Composition of the Committee

Board Credit Committee (the BCC) consists of following members whose profiles are given on pages 25 to 27.

Mr K G D D Dheerasinghe* (*Chairman*)
 Mr J Durairatnam
 (*Managing Director/CEO*)
 Mr S Renganathan
 (*Director/Chief Operating Officer*)
 Prof A K W Jayawardane* (*Director*)
 *Independent Non-Executive Director

Secretary to the Committee

Mr R A P Rajapaksha
 (*Assistant Company Secretary*)

Meetings

Name	Eligible to attend/Attended
Mr K G D D Dheerasinghe	12/12
Mr J Durairatnam	12/10
Mr S Renganathan	12/10
Prof A K W Jayawardane	12/12

Proceedings of the Committee meetings were regularly reported to the Board of Directors.



The Committee continued to manage lending portfolios in line with the stipulated credit risk parameters set by the Board of Directors.

Charter of the Committee

The Board Credit Committee assists the Board of Directors in effectively fulfilling its responsibilities relating to the Credit Direction, Credit Policy and Lending Guidelines of the Bank in order to inculcate healthy lending standards and practices and ensure that relevant regulations are complied with.

The Committee is empowered to:

- Review and consider changes proposed from time to time to the Credit Policy and the Lending Guidelines of the Bank.
- Analyse and review the credit risk control measures in the lending areas, the pricing of lending proposals and ensure that credit proposals are within relevant internal policies and regulatory frameworks.
- Evaluate, assess and make recommendations on credit propositions which will be submitted to the Board of Directors.
- Evaluate and recommend sector exposures and cross boarder exposures.
- Monitor and evaluate special reports called for by the Board of Directors.
- Set lending directions based on the current economic climate and risk appetite of the Bank.

Activities in 2017

The Committee approved credit proposals above a predetermined limit and recommended credit proposals and other credit reports intended for approval/perusal by the Board of Directors after careful scrutiny. These tasks were carried out by the Committee in line with the Bank's lending policies and credit risk appetite to ensure that the lending portfolios were managed in line with the stipulated credit risk parameters set by the Board of Directors while achieving the Bank's lending targets.

K G D D Dheerasinghe
 Chairman – Board Credit Committee

Colombo
 February 23, 2018