# Management Discussion and Analysis

This section of the Report covers the Bank's progress in implementing strategies that harness and enhance its future potential in the short, medium, and long term. The Bank is also conscious of the responsibility of contributing towards the Sustainable Development Goals, while striving to execute strategies under its key strategic imperatives. In light of the mega trends shaping the operating environment, the Bank continued to focus on four strategic imperatives. Under each imperative, we identified and executed a number of strategies to deliver value to our stakeholders. These strategies are set to steer the Bank on a steady course towards a future where banking will matter more than banks.

Our strategies enable us to maintain robust interactions between the financial, manufactured, intellectual, human, social, and network capitals, as well as natural capital (meter page 21 for Our Business Model). Woven into the canvas of this narrative is the Bank's value creation story. Just as the Bank delivers value to its stakeholders in terms of economic, social, and environmental aspects, it also derives value from these stakeholders. Developed over a period of time, the value so derived from these stakeholders transforms into capital which, in turn delivers great value enabling the Bank to sustain its performance.

### Our strategic imperatives and strategies

Figure – 08

### **Prudent Growth**

Growing the business judiciously

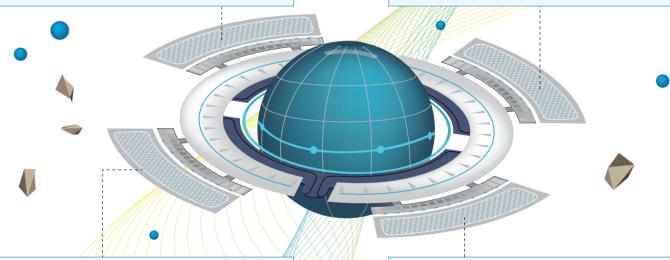
- Creating long-term value by combining prudent banking with pragmatism
- Focusing on pure banking by remaining true to our original ideals of being a banker first and foremost
- Managing risks prudently by strengthening risk management to enhance asset quality and minimise operational losses
- Remaining well capitalised and liquid by maintaining sound capital and liquidity beyond compliance
- Being well diversified by enhancing the value proposition and expanding geographies to minimise risk



# Customer centricity

Providing convenient and simple products and services

- Growing corporate customer base by being a trusted partner and providing better business solutions
- Remaining relevant to mass market customers by offering simple, convenient, seamlessly integrated banking solutions
- **Supporting SME customers** by providing greater opportunities for growth through networking and education
- Strengthening ties with micro customers by driving responsible lending and financial inclusion through closer interaction
- Continuing to focus on high net worth **customers** by driving stronger relationships and greater engagement



## **Lead by innovation**

Improving lives and livelihoods of stakeholders

- Fortifying digital leadership by leveraging platforms and technologies to align with changing customer aspirations
- Reinforcing co-creation by working across all stakeholder segments to generate mutually valued outcomes
- Collaborating for renewed success by widening international reach and introducing innovative solutions through collaboration
- Spreading green banking by encouraging environment-friendly investment within Sri Lanka and the region
- Supporting the community by providing innovative solutions for the well-being of the communities

# Operational excellence

Augmenting efficiencies in resource utilisation

- **Centralising work processes** to enable branches to enhance the customer experience
- Continuing process improvements by meeting changing business needs and standards of quality
- Optimising resources maintaining a proper mix of capex and opex models to contribute towards operational excellence
- **Investing in employees** by re-orienting them to better align with changing needs and improving productivity
- Safeguarding the environment by reducing carbon footprint to contribute less towards climate change





