

Stakeholders

Our stakeholders are various individuals and organisations we mutually interact with who are impacted in some way by our activities as a bank, an investor, an employer, a business partner etc. or whose actions can affect our business. Our adherence to the seven core values enables us to build healthy, sustainable relationships with them.

Stakeholder Engagement

As a responsible banking entity committed to sustainable value creation, we seek to proactively engage with our stakeholders and communicate with them throughout the year. It is integrated into our business decision-making processes as the relationship we foster with them has a direct impact on the Bank's success. The mode and frequency of engagement varies depending on the stakeholder group and nature of aspects to be addressed. These aspects are summarised below.

Investors

Given the ever-increasing capital requirements, banking is fast becoming a capital intensive business. It is our investors who provide us with equity and debt capital needed for expansion and growth of our business. In turn, we strive to offer them optimal returns on their investments through sustained profitable growth.

The Board-approved Corporate Communications Policy ensures that information relating to the financial performance and the progress of the Bank is made available to shareholders through the Colombo Stock Exchange (CSE). This information is communicated through the Annual Report, press and electronic media releases and on the Bank's website, providing context to and insights on the Bank's value creation enabling investors to make informed decisions about their investments in the Bank.

The primary modes of communicating with investors include annual reports, the Annual General Meeting, the corporate website, Stock Exchange announcements, press conferences and media releases, the investor relations hotline, meetings and teleconferences. Key topics discussed include Board governance, sustainable performance and plans to improve returns to shareholders.

Customers

Customers are the source of our earnings as well as learnings, and hence, our existence. We serve them through the provision of financial products and services to meet their diverse needs.

Their primary interests and concerns centre on our products and services, terms and conditions, tariff, corporate news, service standards, financial advice and convenience. Accordingly, we largely engage with them through front line staff, relationship managers, advertising and promotion, media releases, branches, the corporate website, other automated services, Facebook, surveys and the call centre. We leverage the insights gathered in the process to serve them better and build lasting relationships.

Employees

Employees form the backbone of our organisation and are the very essence of our competitive advantage. It is their energy, contribution and commitment that make our Bank high performing and sustainable. Hence, they are nurtured, developed and rewarded for their performance.

The Bank has an internally developed Code of Conduct for its employees, which is posted on the internal web and is accessible by all employees. This sets out in detail the business ethics in relation to avoidance of conflicts of interest, insider dealings, unfair business practices, maintenance of confidentiality of business information, etc. All employees are guided by the Bank's core values (see Institutional Capital, page 40). We also have in place a Whistle Blowing Policy to encourage employees to communicate legitimate concerns if they observe any illegal or unethical practices. A Board-approved Grievance Handling Policy and Procedure is in place to support sound employee relations and a fair, successful and productive environment at the workplace. The main modes of employee engagement are through meetings, performance reviews, the human resource intranet portal, email bulletins, weekly newsletters, training workshops and seminars, special events, employee surveys, the suggestion box and grievance procedure.

Business Partners

We understand that our efforts for sustainable value creation depend on the support and participation of our business partners throughout the value chain. Our key business partners are those who provide lines of credit (either to manage or to on-lend) as well as the regular suppliers of goods and services needed for business operations. These stakeholders are an important part of our value chain and share complementary business goals.

The primary topics of interest with international financiers hinge on sourcing of funds, the progress of programmes financed, social and environmental management practices, compliance, overall health of the Bank as well as new developments and opportunities. Our engagement includes electronic exchanges of information, teleconferences, participation in review missions and the like. We have put in place a Board-approved Procurement Policy; and our discussions with suppliers are mainly on quality, reliability and price while we seek mutually rewarding long-term relationships.

Regulators

Regulators contribute to the protection and enhancement of the stability of the country's financial system. Through rules and regulations they inter alia provide consumer protection, combat financial crime and create market confidence which benefits all. We reciprocate accordingly by conducting our business in an ethical, transparent and responsible manner while complying with all applicable legal and regulatory requirements.

We engage with regulators bilaterally as well as part of industry bodies through the timely submission of prescribed reports and returns, participation in meetings, forums, task forces and conferences as well as through media releases and the corporate website. The main topics discussed cover compliance with regulations, business operations and financial information pertaining to the Bank, voluntary guidelines and best practices, new legal and regulatory developments, financial inclusion and matters affecting the financial sector.

Society and Environment

The local communities in which we operate are a source of customers and employees, while they also effectively 'hold' our license to operate. We endeavour to understand their perceptions and expectations and tailor our business operations and CSR activities accordingly to create win-win solutions. We play an active role in building these communities, helping to raise their living standards by meeting urgent and essential needs.

We engage with local communities mainly through our branch network and public events. We support them through volunteerism as well as CSR activities that cover entrepreneur development, education, environment conservation, emergency relief and sponsorships of deserving causes. In addition we engage with the media through meetings, press conferences, press releases and our corporate website.

External Initiatives

DFCC Bank is a member of several associations and organisations, and staff actively participate in the activities of these institutions. Industry associations and organisations we have obtained membership in or established affiliations with, are listed on page 65 under Business Partner Capital.