



European Merchant Bank UAB

**Charter of Asset/Liability Committee
(ALCO)**

I. ALCO COMMITTEE PURPOSE

- The ALCO Committee's primary duties and responsibilities are to assess the adequacy and monitor the implementation of the Bank's Asset, Liability, Liquidity and Fund Management Policy

II. COMMITTEE MEMBERSHIP MEETINGS

- The ALCO Committee will consist of the following Members: CEO, Deputy CEO, CFO, CRO, Head of Treasury, Head of Sales, Head of Financial Institutions, Head of Capital Markets.
- Depending on the subject's other department members can also be invited.
- In case of an absence of any above-mentioned Alco Members any person from their department may be appointed to attend to the meeting on behalf of them.
- The ALCO Committee shall convene one meeting each two weeks, and special meetings may be called when circumstances require.
- The Committee shall keep minutes of all Committee meetings and provide to the Head of Administration on a timely basis.
- The Secretary of the committee will be Head of Treasury and in his/her absence Head of Capital Markets will be in charge.

III. COMMITTEE RESPONSIBILITIES AND DUTIES

- To oversee the key balance sheet assets and liabilities. To be responsible of executing the respective policies to have a healthy management of financial statements in line with the budget.
- To receive and review reports on liquidity, market risk and capital management.
- To supervise, deposit-loan pricing of treasury department for the local and global market.
- Drives to policy for sustainable funding for the balance sheet.
- Ensure compliance with banks policy and regulatory requirements.
- Review and supervise and monitor concentration risk arising from both borrowers and depositors.
- Review requirements set by external regulators.
- Supervise treasury department Allocate the bank's remaining assets and liabilities to meet risk and profitability objectives.
- Monitor performance and risk of the Bank's investment portfolio, including equity securities held at fair value, and strategies including portfolio activity, unrealized gains and losses, portfolio yield, duration and total return, and credit quality.

IV. REVIEW OF COMMITTEE CHARTER

- The ALCO will review and reassess the adequacy of the ALCO charter and recommend its approval to the members at least annually.