

Our strategic direction

From social, economic, and environmental volatility and greater market competition to tighter regulatory restrictions and ever more virulent threats from cyber criminals, we are under ever-increasing pressure as we endeavour to create value.

Our strategic imperatives are designed to mitigate risks and capitalise on the opportunities that are material to us and which arise from stakeholders concerns and the overarching trends shaping the contours of our operating environment.



1

Pursuing sustainable growth



2

Augmenting customer experience



3

Achieving execution excellence



4

Promoting efficient resource use



5

Embodying responsible stewardship

Nimble adjusting to changes in the operating environment and in response to stakeholder concerns, we identified short and longer-term goals, under each strategic imperative, which will help steer our Company in the direction that our strategy dictates.

In addition, each strategic imperative is supported by a number of strategies as outlined overleaf. We are also keenly aware of our responsibility to contribute towards the United Nations Sustainable Development Goals in our efforts to execute our strategies.

Our strategic direction

Our goals

1 Pursuing sustainable growth



Short term

- Achieve asset growth over 15%
- Achieve profit growth over 20%
- Maintain average interest spread above 5%
- Maintain Non-performing Advances (NPA) ratio below 4.5% and impairment charge ratio below 1%
- Utilise capital efficiently and maintain capital adequacy levels above 13%

Medium to long term

- Recapture the market share in terms of asset base, to increase the share to at least 15% to achieve market leadership
- Increase the return on portfolio to 21%
- Maintain NPA ratio below 4.0%
- Maintain a strong capital base while complying with regulatory requirements

2 Augmenting customer experience



Short term

- Improve relationships with customers and customer satisfaction levels
- Improve the customer base of the Company
- Update the Company products with technological features to ensure the customer convenience
- Ensure the Company's presence in all populated areas across the country

Medium to long term

- Become the most preferred financial services provider of the country
- Digitalisation of the customer journey while facilitating fingertip information

3 Achieving execution excellence



Short term

- Maintain operational efficiency with a cost to income ratio below 40%
- Improve the relationship with business partners by collaborating with strategic tie-ups
- Maintain right mix of marketing and back-office staff to meet business requirements
- Improve the efficiency of the staff

Medium to long term

- Achieve the industry's lowest cost to income ratio
- Strengthen the workforce to meet rising competition

4 Promoting efficient resource use



Short term

- Reduce short-term maturity mismatch by raising stable funding
- Maintain operational performance in line with the risk tolerance levels stipulated within the risk appetite framework
- Maintain 40%-60% mix in the fund base between borrowings and deposit
- Maintain operational performance in line with the risk tolerance levels stipulated within the risk appetite framework

Medium to long term

- Maintain diversified funding sources while reducing both liquidity and interest rate mismatch in line with the internal limits

5 Embodying responsible stewardship



Short term

- Maintain the highest standards of compliance and ESG considerations across all operational aspects
- Invest a minimum of 1% of the Company profit and proceeds of available charity fund on societal priorities and environment conservation
- Be an environmentally friendly financial solutions provider

Medium to long term

- Continue to be a socially responsible corporate citizen by addressing national and local priorities of the local communities and environment whilst positively contributing to the achievement of SDGs.

Our strategic direction

Plotting our journey

Our strategies

To keep up with the fast pace of development in the operating environment, we understand the importance of being agile enough to constantly adapt to our surroundings while remaining true to who we are. Accordingly, we have identified five strategic imperatives to ensure that we remain future ready – able to capitalise on the opportunities and mitigate the risks that come our way.

Pursuing sustainable growth by

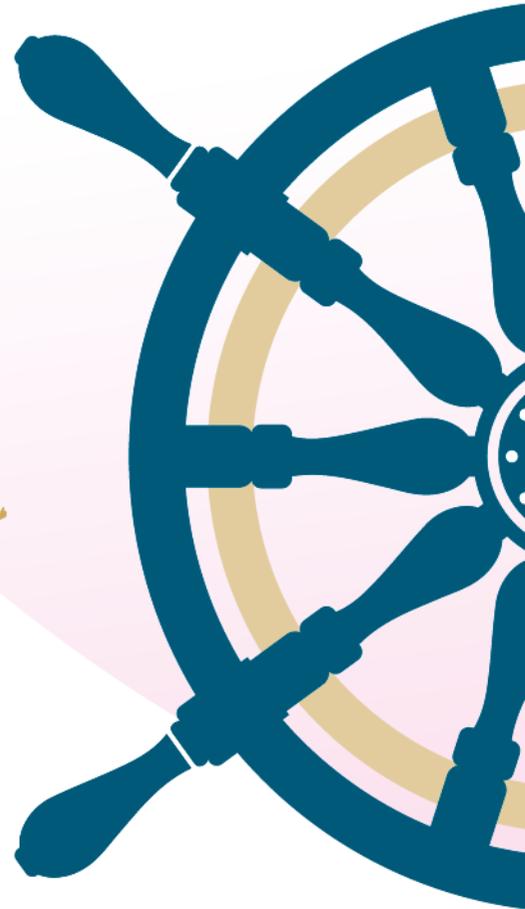


- Increasing business volumes by focussing on untapped markets
- Intensifying recovery steps with strong monitoring of customer portfolio
- Optimising group synergies
- Positioning and building corporate brand image



Embodying responsible stewardship by

- Maintaining ethical, open, and transparent business environment
- Maintaining sound corporate governance practices
- Addressing national and local societal priorities to create a sustainable shared value
- Managing and optimising our direct impact on the environment



Plotting our journey

Our strategies << **Our strategic direction**



Augmenting customer experience by

- Increasing presence through island-wide network
- Diversifying product portfolio across customer segments
- Improving life long customer relationships and satisfaction levels
- Introducing new facilities through channel migration
- Increasing customer awareness through responsible communication



Achieving execution excellence by

- Improving operational processes
- Partnering for excellence
- Attracting and retaining the best-suited talent
- Building a competent, engaged, and motivated team



Promoting efficient resource use by

- Utilising funds in an effective manner to optimise returns versus risk
- Diversifying funding sources while managing liquidity
- Reducing mismatch in maturities of assets portfolio and the funding base
- Managing capital for growth and profitability