

# FIBABANKA TREASURY DEPARTMENT ADOPTED A SUSTAINABLE AND TRANSPARENT APPROACH IN LINE WITH DEVELOPMENTS IN DOMESTIC AND INTERNATIONAL MARKETS.

In 2021, the FX and derivatives transaction volume and income of the Treasury Marketing Unit grew in line with Fibabanka's growth strategies.

The organizational structure of the Fibabanka Treasury Department consists of three main functions including ALM Department, Trading Department, and Treasury Marketing and Strategy Department.

- The Department aims to offer treasury products for the needs of customers with a customer-oriented approach, make a difference in the sector with its service quality, adopt a Strategy and Asset Management approach that provides support to the field and branch in terms of market fluctuation.
- Conducts trading activity to provide a fast, sustainable and competitive product pricing experience for the Fibabanka marketing and sales team and the branches.
- Follows an asset-liability approach to maintain a risk-opportunity balance by combining Sales and Trading activities in compliance with the Bank's strategy.

**The ALM Department** is responsible for the management of liquidity and the assets-liabilities. The Department provides insights and recommendations to the members of the Assets and Liabilities Committee and the Risk Committee regarding current market conditions, market expectations and potential effects as well as interest-maturity management during the determination of policies and strategies.

The Treasury Asset-Liability Management Department formulates the Bank's TL and foreign currency cash flow projections. The Unit organizes the money market, interest/money/currency swap, repo/reverse repo transactions to evaluate the liquidity surplus or to satisfy the liquidity requirement. In addition, the Unit conducts interbank market transactions by monitoring the maturity and cost structure of the balance sheet. It also determines the Bank's fund transfer pricing.

**Trading Department** is responsible for determining the prices of all Treasury transactions by monitoring domestic and international money and capital markets. The department carries out all market transactions other than those related to Assets & Liabilities Management and manages market risk. Within the framework of the limits determined by the Risk Management Department, the department aims to earn returns by holding positions in FX, bond/bill and derivative markets.

**The Treasury Marketing and Strategy Department** understands the risks and needs of Corporate, Commercial, Private Banking and High Income Segment customers and offers products for risk protection and yield enhancement. Additionally, the Department closely monitors developments in the global investment world and capital markets and shares scenarios regarding

customers' financial positions. The Department also provides customers with various services ranging from short-term cash flow management products to long-term risk management products.

The Strategy and Asset Management Unit, structured within this department informs Fibabanka customers and employees on domestic and international markets as well as macroeconomic indicators via various channels and evaluates the risks and opportunities that current financial conditions may present.

The Department prepares periodic bulletins and reports on macroeconomic indicators and meets with internal and external customers at various events.