مصرف اسيا العراق الاسلامي
للاستثمار و التمويل
ASIA ALIRAQ ISLAMIC BANK
FOR INVESTMENT AND FINANCE

Asia Iraq Islamic Bank for Investment and Finance

The Investment Committee Charter

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The Investment Committee Charter

Introduction:

It is a committee derived from the executive management consisting of three members from Asia Iraq Islamic Bank for Investment and Finance.

Purpose:

• Establish policies, limits, and directives to implement investment strategies (within the limits set by the council).
• Approve recommendations regarding individual or group investments within the powers granted by the council, or present those recommendations.

Powers:

• The Investment Committee is primarily a decision-making body aimed at executing investment decisions made by the bank within the powers granted by the council.
• All decisions are made through a simple majority vote. In case of a tie, the chairperson's vote is decisive.

Formation:

• The executive director defines the composition of the Investment Committee, which must include representatives from relevant departments.
• Other members of the management can be invited as needed, but they will not be part of the Investment Committee.

Meetings:

• The committee meets at least once a month or whenever necessary.
• Committee members meet either in person, by phone, or through document circulation.
• A majority of the members must be present for the meeting to have a quorum.
• Meetings are held after the monthly results are available for review.

Responsibilities:

The committee's responsibilities are as follows:

• Establish policies, limits, and directives to implement investment strategies (within the limits set by the council) in order to:
o Ensure the implementation of policies and procedures for increasing investments that will generate reasonable returns with acceptable risk levels, aligning with "best practices."
o Segment the investment portfolio into equity instruments and debt instruments, including treasury bills, government bonds, and components of the portfolio in foreign instruments.
o Propose buy, sell, or hold operations for the components of the investment portfolio and monitor their execution upon approval by the board of directors.

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o Review periodic indicators from the investment department or investment units and provide necessary suggestions regarding them.
o Ensure that the portfolio does not exceed acceptable risk levels.
o Ensure that the returns on investment growth are sufficient to cover the estimated risks.
o Ensure that investments are made in line with the bank's investment policy.
o Ensure that investment powers are only granted to qualified individuals.

• Review the direction of Asia Iraq Islamic Bank for Investment and Finance's portfolio—growth, formation of target markets, risk classification, content, and, when necessary, take action and adjust goals when risks become unacceptable. Also, review:
o Definitions of target markets
o Goals for forming target markets
o Risk acceptance criteria
o Risk quality classification system
o Portfolio quality goals
• Establish risk-based pricing policies.
• Provide investment guidelines and continuously monitor investments within these guidelines.
• Establish standards and formulas for provisions on doubtful debts (or investments) and write-off doubtful debts (or investments).
• Receive and approve recommendations for debt write-offs within the granted limits**.**