

Treasury Operations & Investment Policy

Fund Management & Investment Guidelines

CONFIDENTIALITY NOTICE

This document contains investment mandates and treasury control procedures. Distribution is restricted to Treasury personnel, CFO, CRO, and ALCO members only.

1. Objective

To govern the management of GDB's own funds, investments, and interbank activities under a framework that prioritizes safety, liquidity, and yield — in that order.

2. Investment Mandate

Objective

Preserve capital and ensure liquidity for operational needs.

Eligible Instruments

- Sovereign and supranational bonds (AAA–A rated)
- Investment-grade corporate debt
- Money market instruments
- Time deposits with top-tier banks

Prohibited Instruments

- Equities, derivatives, cryptocurrencies, or speculative assets
- Unrated or high-yield debt
- Structured products or synthetic instruments
- Any instrument not pre-approved by ALCO

3. Counterparty Risk Management

- Approved counterparty list vetted quarterly by the Risk & Compliance Committee
- Maximum exposure limit: 10% of Tier 1 capital per counterparty
- Collateralization required for exposures beyond USD 250,000
- Continuous monitoring of counterparty credit ratings

4. Daily Treasury Controls

- Dual authorization for all treasury transactions
- Segregation of duties between trading, settlement, and accounting functions
- Real-time monitoring via Treasury Management System (TMS)
- End-of-day reconciliation mandatory for all positions

5. FX & Hedging Operations

- Managed within defined risk limits approved by ALCO
- Only plain vanilla hedges (forwards, swaps) permitted
- Speculative positions prohibited
- All FX transactions must have underlying commercial rationale

Treasury Breach Protocol

Any deviation from investment mandate or counterparty limits must be reported to CTO immediately and to CFO/CRO within 2 hours. Emergency ALCO meeting required for material breaches (>USD 100,000 exposure).