# Corporative governance

Effective corporate governance is key to the successful operation of the bank. It is the most important area in improving the efficiency of the financial institution that determines the stability of development, protection of the rights and interests of shareholders, customers and other stakeholders.

The Bank's activities involve various risks. In this regard, there is a need for a comprehensive approach to corporate governance and internal control. In order to establish a clear system of internal control bank conducts a thorough and regular assessment of the nature and extent of risks.

A full-blown Corporate Governance structure exists at the Bank, which includes the superior management body – general meeting of the shareholders, the Supervisory Board of the bank with independent members, the Executive Board of the Bank and Revision Committee , 3 committees under the Executive Board and 2 Committees under the Supervisory Board, the composition of which includes the members of the Supervisory Board.

**Committees of the Supervisory Board of the Bank:**

- Audit Committee;
- Risk Oversight Committee;

**Committees of the Executive Board of the Bank:**

- Resources Management Committee;
- Credit Committee;
- Investment Committee.

**Resources Management system functions as a main factor to maintain the sustainability of the Bank and the necessary level of the profitability of banking operations. The main objectives of this Committee are as follows:**

- to assist the Executive Board of the Bank to perform its regulatory and supervisory functions in the area of the control over improvement and consolidation of the analysis system and the financial risk management;
- to determine the main areas of the financial development of the Bank by taking into account the maintenance of optimal liquidity, high profitability, minimization of financial losses and coordination the activities of the various units of the Bank in order to ensure effective liquidity management;
- to select optimal and balanced assets and liabilities structure;
- balanced management of the flow of funds

**Credit Committee is intended to maintain the decrease of the credit risk at the maximum level. The objectives of the committee are as follows:**

- to review, approve and ensure conformity of the policies and the procedures for the assets-related operations of the Bank;
- to set the limits of the credit risk in order to manage the diversification and the level of the credit risk;
- to establish control over the proper performance of all assets-related operation;
- to analyze the credit portfolio, ensure control over its quality and the level of its profitability, diversification, the making of appropriate reserves;
- to develop and take appropriate measures in order to mitigate risks.

**Investment Committee performs the following functions:**

- to analyze and assist in increasing the effectiveness of the subsidiaries' activities;
- to increase the volume of investment in order to increase the profitability;
- to carry out appropriate analysis of the investment market.

All of the structural bodies of the management are aimed at minimizing and preventing risks, which are the integral parts of banking business.

Organizational chart of JSC "Aloqabank" | pdf (110 Kb)

Structure of Share Capital | pdf (500 Kb)