

A. Responsibilities of Board of Directors for IFRS 9 implementation

- i. Constitution of an IFRS 9 Project Steering Committee to administer the Project;
- ii. Review and approve financial institution's transition plan for IFRS 9 implementation;
- iii. Quarterly review of the progress against the transition plan, starting from Jan 1, 2020;
- iv. Ensure smooth implementation of IFRS 9 within the timelines stipulated in the BPRD Circular No. 4 dated October 23, 2019.

B. Responsibilities of IFRS 9 Project Steering Committee

- i. Performance of initial diagnostic and quantitative impact analysis to determine gaps;
- ii. Developing a granular transition plan for the application of IFRS 9;
- iii. Periodic reporting to the Board of Directors to inform them the progress made against the IFRS 9 implementation challenges (resolution plan) and key issues that need to be addressed;
- iv. Development of appropriate staffing and training strategies required for the implementation of IFRS 9;
- v. Ensuring compliance with the requirements of SBP in respect of IFRS 9 implementation;
- vi. Assessment of the existing infrastructure and provide recommendations on the required changes or upgrades to develop expected credit loss infrastructure;
- vii. Collection of required data and other risk inputs;
- viii. Monitoring of progress against defined timelines.

The aforesaid responsibilities are not intended to be either a minimum requirements or an exhaustive list and, therefore, all other legal/regulatory requirements shall also be complied with.