



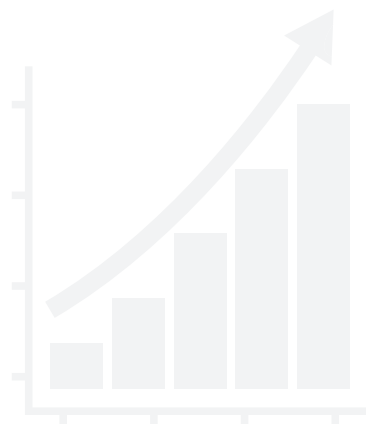
ທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ  
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



## Report on BCEL's Business Performance

For The Three-Month Period Of Quarter I

ENDED 31 March 2023



## **I. Overview of BCEL**

### **1. Vision**

BCEL has revised its long-term strategy for 2021-2025 to align with the bank's development work plan and to attain its goals and objectives under the vision of "Becoming a strong and modern bank that meets international standards".

### **2. Vision**

To achieve its vision of becoming a strong and modern bank that meets international standards, BCEL has the following key missions: developing strong corporate governance that adapts to the changing times; strengthening its financial stability and complying with Basel 2 principles; improving its IT system and technology for better banking services; managing its information system with accuracy, transparency, speed, and adherence to international standards. In addition, the bank will focus on human resources development in each aspect to be professional, and skillful in banking services to enhance the change and development of BCEL and to create the satisfaction for customers and high profitability for shareholders with sustainable value.

### **❖ Plans and Projects for 2023**

In order to develop and achieve sustainable strength to become the leading bank in terms of modern and international banking practices in the Lao PDR. BCEL has determined its development strategies covering the directions, goals, and detailed implementation plans for the year 2023, which comprise 11 Plans, and 38 Projects as follows:

- **Strategy 1: Organizational strengthening (5 Plans and 20 Projects)**

- Financial Management and the Sustainable Business Operation Enhancement: 5 projects;
- Credit Management: 5 projects.
- Empowerment and Effectiveness Enhancement of Human Resources: 4 projects.
- Create and Strengthen the Risk Management System and the Foundation of Anti-Money Laundering: 5 projects.
- International Standardize the Management Mechanism: 1 project.

- **Strategy 2: Modernization, advanced technology, and innovation enhance the business operation. A step into the digital era of the economy (3 Plans and 13 Projects)**

- Development and Management of the IT System: 6 projects.
- Management Information System and the Development and Modernization of the Statistic System to meet the international standard: 5 projects.
- The Transformation to Digital Banking: 2 projects.

- **Strategy 3: Strengthen the governance and the international standard service (3 Plans and 5 Projects)**

- The Improvement of the Accounting System and the Reporting Standard: 3 projects.
- The Improvement of the Audit System to meet the International Standard: 2 projects.
- The Development of the PCI Compliance or Payment Card Industry Data Security Standard.

## **II. Financial Position and Performance**

### **1. Lao Macro-Economy and Trends in the Future**

Lao's economy in 2023 will gradually recover with the contribution of several sectors such as natural resources, energy, and tourism. In 2023, it is anticipated that the growth will increase by 4% (IMF 2023). Also, IMF estimates that the inflation rate will fall to 14% in 2023 due to the decrease in prices of food and oil. However, macro-economy remains uncertain especially conflicts in many nations resulting in the fluctuation of goods prices. In addition, an increase in public debts, income issues, and LAK depreciation remain challenging the growth of the Lao economy in 2023.

#### **1.1. Inflation Rate**

The average inflation rate in March 2023 increased by 40,97%, which was considerably higher than the last year (March 2022) which was 8,54%. The reason for the high inflation rate was the rise of product prices such as transportation, shipping, food, and non-alcoholic beverages. Moreover, the devaluation of LAK is one of the main factors causing inflation.

#### **1.2. Exchange rate**

As of March 2023, the average exchange rate of USD in the bank was 16.876 LAK/USD, which increased by 46.22% from the previous year (11.542 LAK/USD). The average market rate was 17.361 LAK/USD, which rose by 40.57% from the previous year (12.350 LAK/USD). For THB, the average exchange rate of THB in the bank was 501,14 LAK/THB, which increased by 37,17% from the previous year. The average market rate was 505,85 LAK/THB, which rose by 35,37% from the previous year (source: the Bank of the Lao PDR). The LAK devaluation is likely to persist in the future due to external and internal factors. However, the Bank of the Lao PDR will address the problem seriously with stricter monetary measures.

#### **1.3. Import-Export and the Investment**

As of March 2023, the value of Lao PDR's imports and exports amounted to 3.133 million USD. This figure comprised approximately 1.596 million USD of exports and about 1.537 million USD of imports, resulting in a surplus of 59 million USD. Major exported products were bronzes, gold bars, tapiocas, papers and paper-made goods, iron ore, gold ore, etc. The main imported products were diesel fuel, vehicles, electric appliances and machinery, steel and steel-made goods, plastic-made goods, etc.

## **2. Highlighted updates**

In the 3rd quarter of 2023, BCEL held 2 Business Performance Review Meetings (the 2022 Business Performance Review Meeting and the 1st Quarter of the year 2023 Business Performance Review Meeting), 1 Ordinary Board of Directors Meeting, 1 Corporate Governance Committee Meeting, 1 Risk Management Committee Meeting, and 1 Audit Committee Meeting. Furthermore, the Management Team of BCEL has participated in the meeting between the Bank of the Lao PDR and commercial banks for the year 2022, the meeting with the Committee in charge of the cross-border payment service of Laos and Korea. The Management Team also approved the financial report of BCEL for the year 2022 audited by an independent audit firm that will be reported in the Shareholders' Meeting. BCEL finished reviewing the long-term strategic plan for 2021 – 2025 for the first phase which was the review of the first 2-year (2021 – 2022). BCEL finished selling the BOL's bond of the 2nd sale on 09/01/2023 and 28/02/2023. Regarding the system development, BCEL has made a go-live of BCEL's Loan Origination System of the 1st phase and the following features, a function to print out a proof of deposit, online new account opening form filling, employee statistical data collection system, Fast Track, and procurement bidding system on BCEL's official site. Additionally, there were several highlighted updates that BCEL has done, such as a new e-sticker of the road tax, and a new loan application service called M-loan on BCEL One. Regarding services, Thongpong Service Unit, Vientiane Branch, has been upgraded to Vehicle Registration & Management Center Service Unit. Nakasang Service Unit, Champasak Branch, has been renamed to Meuang Khong Service Unit. For marketing, BCEL held a VISA campaign for a 33% discount for 33 merchants and a deposit promotion for BCEL customers on Valentine's Day. Last but not least, BCEL was awarded the Lao Business Leader Award 2022 by LNCCI.

## **3. Key financial information of BCEL**

In Q1.2023, BCEL has achieved the business performance as follows:

- Assets/Liabilities: 99.462.777 million LAK, completed 99,99% of the 2023 annual plan and increased by 33,45% compared to the same period of last year.
- Loans: 42.444.287 million LAK, completed 84,80% of the 2023 annual plan and increased by 35,61% compared to the same period of last year.
- NPL rate: 3,49%.
- Deposits: 91.407.313 million LAK, exceeded 0,45% of the 2023 annual plan and increased by 35,17% compared to the same period of last year.
- Capital: 2.483.790 million LAK, completed 90,65% of the 2023 annual plan and increased by 26,21% compared to the same period of last year.
- Profit/(Loss) Before Tax: 142.689 million LAK, completed 57,08% of the 2023 annual plan.
- Profit/(Loss) After Tax: 126.194 million LAK, completed 63,10% of the 2023 annual plan.

### **III. Overview of BCEL**

- **Locations and networks**

The Bank's Head Office is located on No.01, Pangkham Street, Ban XiengNheun, Chanthabouly District, Vientiane, Lao PDR. As of 31 March 2023, the Bank has 1 Head Office, 6 joint ventures, 20 branches, 97 service units, and 11 exchange units all over the Lao PDR.

#### **Contact**

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- Fax (+856-21) 213202
- Email: bcelhqv@bcel.com.la
- Website: www.bcel.com.la

- **History of BCEL**

Banque pour le Commerce Extérieur Lao Public is operating in the form of a public company and is listed in the Lao Securities Exchange.

BCEL) was established in accordance with the Decision on Bank Establishment No. 129/BOL dated 01 November 1989. On 23 December 2010, BCEL accomplished IPO and renamed to Banque Pour Le Commerce Extérieur Lao Public according to the Enterprise Registration License No.0061/ ERO dated 10 January 2011 issued by the Department of Enterprise Registration and Management, Ministry of Industry and Commerce of the Lao PDR. The Ministry of Finance representing the Government held 80% of the total shares.

On 15 July 2011, the Ministry of Finance sold 10% of the total ordinary shares to its strategic partner named Compagnie Financière de la BRED (COFIBRED) which is a subsidiary of BRED, the largest banking society in the Banque Populaire Group—a French group of cooperative banks.

On 17 August 2017, BCEL succeeded the recapitalization by public offering and right offering to the existing shareholders. BCEL operated under the new Decision no. 21/BOL dated 13 September 2017 issued by Bank of Lao PDR. On 15 September 2017, Lao Securities Exchange certified that BCEL increased its registered capital in the amount of 355.728.500.000 LAK (71.145.700 shares) according to certificate No. 01/LSX dated 15 September 2017. At that time, BCEL also had received the new amended Business License no. 0429 dated 18 May 2018 issued by the Ministry of Industry & Commerce.

On 11 October 2019, the Lao Securities Commission Office granted BCEL permission for restructuring BCEL's shareholders structure by offering more room to the public and the existing shareholders. The purpose of the restructuring aimed to diversify the shareholders, growth, and stability strengthening. On 29 November 2019, the Lao Securities Commission Office issued a certificate endorsing the offering completion of 10% of BCEL's shares.

At present, BCEL's shareholder structure consists of 60% held by the government, domestic investors (including BCEL's employees), 30% held by foreign investors, and 10% held by BCEL's strategic partner.

The main activities of BCEL are to provide banking services including fund mobilization and deposit-taking for short-term, medium-term, and long-term organizations and individuals. The bank also provides loans for short-term, medium-term, and long-term to business units and individuals based on the loan purposes and the capability of the bank in lending; foreign exchange transactions, payment services, international trade services, bank guarantee services, precious metal trading and other banking services allowed by the Bank of the Lao PDR such as insurance broker service.

#### **Registered Capital**

The registered capital of BCEL as of 31 March 2023 is 1.038.617 million LAK (31 December 2022: 1.038.617 million LAK)

## **IV. The organizational structure of the Board of Directors, Management, and the operations of the committees supervised by the Board of Directors**

### **1. The Structure and Profiles of the Board of Directors**

#### **1.1. The Board of Directors of BCEL**

The Board of Directors of BCEL, as of 31 March 2023, consists of 8 members as follows:

<b>Name and surname</b>	<b>Position</b>	<b>Date of designation</b>
<b>Mr. Kamsouk Sundara</b>	Independent Director, Vice Chairman, Acting Chairman	29 <sup>th</sup> Oct 2021 (reappointed)
<b>Mme. Saysamone Chanthachack</b>	Director	22 <sup>nd</sup> November 2022
<b>Mr. Stephane Mangiavacca</b>	Director	29 <sup>th</sup> May 2020
<b>Mr. Pasomphet Khamtanh</b>	Director	3 <sup>rd</sup> August 2021
<b>A./Prof Mr. Thongphet Chanthanivong</b>	Independent Director	3 <sup>rd</sup> August 2021
<b>Mrs. Latdavanh Songvilay</b>	Independent Director	3 <sup>rd</sup> August 2021
<b>Mr. Sonexay Silaphet</b>	Independent Director	3 <sup>rd</sup> August 2021
<b>Mr. Viengsouk Chounthavong</b>	Director	27 <sup>th</sup> April 2018

## 1.2.The Profiles of the Board of Directors



**Khamsouk SUNDARA**  
**Vice Chairman**

**Personal Information:**

Date of Birth: 03 June 1945

Nationality: Lao

Language: Lao, English, and French

Designation: Independent Director

**Education Background:**

1993: George Town University (pew Fellowship Program) Washington D.C, United States of America.

1985: Indian Institute for Bank Management, Puna, India

1974: International Training Center, Nagoya, Japan.

1972: Trained in Economics Areas at the UN Institute of Economic Management in Bangkok, Thailand.

1969: Graduated from High School and University in Australia (Bachelor of Arts from the University of New South Wales)

**Professional Experience:**

2005: Finance and Banking Advisor at Lane Xang Minerals Limited (Subsidiary of Oxiana Group, Melbourne, Australia).

1995–1996: Advisor to the Executive Director of South East Asia constituency of the IMF, Washington D.C.

1997–2005: Bank of the Lao PDR (BOL).

1990–1994: Bank of the Lao PDR (BOL).

1976–1989 : worked at Banque Pour Le Commerce Exterieur Lao (BCEL).

1970–1975: worked at Banque de Development du Laos (BDL).



**Saysamone Chanthachack**  
**Director**

**Personal Information:**

Date of birth: 15/03/1969

Nationality: Lao

Language: Lao, English

Designation: Managing Director of BCEL

**Education Background:**

Higher Diploma of Politics Course.

2007: International Master of Business Administration, Flinders University, Australia.

1998: Master of Public Policy, Graduate School of Policy Science, Saitama University, Japan.

1993: Master of Economics, Kuban State University, Russia.

**Professional Experience:**

08/2022–Present : Managing Director, Banque Pour Le Commerce Exterieur Lao Public.

09/2021–08/2022: Chief Executive Officer, Lao Securities Exchange.

2015: Director General, Lao Securities Commission Office, Bank of the Lao PDR.

04/2010: Deputy Director General, Lao Securities Commission Office, Bank of the Lao PDR.

2009: Deputy Director General, Monetary Policy Department, Bank of the Lao PDR.

1993–1997: Officer, Monetary Policy Department, Bank of the Lao PDR.





## **Stephane MANGIAVACCA**

### **Director**

#### **Personal Information:**

Date of Birth: 11 July 1975

Nationality: French

Languages: French, English, Spanish, Chinese, and Japanese

#### **Education Background:**

1996 – 1999: Ecole Nationale Supérieure des Mines de Saint-Etienne,

- Engineering Diploma with honors
- Joined an exchange program in Environmental Engineering, University of New Brunswick in Canada
- Undergraduate and graduate classes in Economics

#### **Professional Experience:**

01/2020 – present: Head of International, BRED Banque Populaire, France

2009 – 2010: Chief Risk & Compliance Officer, BRED Banque Populaire, France

2001 – 2009: Executive at Central Audit, Banque Populaire - Natixis - Coface (now BPCE GROUP), France

1999 – 2001: French Trade Commission, French Ministry of Economy and Finance, Guangzhou, China

1999: Intern, EDF, French Company of Electricity, Lyon, France

1998: Intern, The Yokohama Rubber Company, Hiratsuka, Japan

1997: Intern, Pechiney-Aluminium, Issoire, France



**Pasomphet Khamtanh**  
**Director**

**Personal Information:**

Date of Birth: 25 May 1970

Nationality: Lao

Languages: English

Designation: Deputy Director General, Department of State-Owned Enterprises Reform and Insurance, Ministry of Finance.

**Education Background:**

08/2020-Present: Master's Degree in Economics and Business from Kyung Hee University in South Korea.

1987-1993: Bachelor's Degree in Machinery Management from Technical College, Laos.

**Professional Experience:**

08/2000-Present: Deputy Director General, Department of State-Owned Enterprises Reform and Insurance, Ministry of Finance.

2016-2020: Deputy Director General of Fiscal Policy and Legal Department, Ministry of Finance.

2013-2016: Chief of External Finance and Debt Management Department Division.

2009-2013: Chief of the Projects Chief of External Finance and Debt Management Department Division.

2007-2008: Deputy Division of Finance Statistics, Fiscal Policy Department, Ministry of Finance.

1998-2007: Staff of Budget Department, Ministry of Finance.

1994-1998: Staff of External Finance Department, Ministry of Finance.



## **Thongpheth Chanthanivong**

### **Independent Director**

#### **Personal Information:**

Date of Birth: 20 April 1962

Nationality: Lao

Languages: Lao, English

Designation: Deputy Dean of the Faculty of Economics and Business Administration, National University of Laos.

#### **Education Background:**

2018-2021: Ph.D. Candidate (Accountancy), 2021, Siphatham University, Thailand.

2019: Received CPA Certificate

1998-2000: International Business Management), at De Mons University in Belgium.

1998-2000: Master in Business Administration at AIT University in Thailand.

1996-1997: Bachelor's Degree in Business Administration, the Co-project between National Politics School and AIT University in Thailand.

1981-1985: Bachelor of Science (Mathematics and

#### **Professional Experience:**

- Vice-Dean, Faculty of Economics and Business Management (Responsible for PostGraduate Program), National University of Laos.
- Associate Professor in Business Administration (2006).
- Chairman of CPA's Curriculum, Lao Chamber of Professional Accountants, and Auditors.
- Member of Lao Chamber of Professional Accountants and Auditors Board Committees.
- Member of Lao Telecom Company's Board Committees.
- Member of Lao's Accounting System Improvement (Ministry of Finance)
- Teacher of Masters's and Bachelor's courses in the subjects: Business, Accounting, Finance and Banking, and Economics at the National University of Laos.
- Guest speakers for the MBA course at Khonekhane University, Thailand.
- Trainer on IFRS and AIS



**Latdavanh Songvilay**  
**Independent Director**

**Personal Information:**

Date of birth: 27/04/1982

Nationality. : Lao

Language: English

Position: Acting Director General of Macroeconomic Research Institute (MRI) of Lao Academy of Social and Economic Sciences (LASES)

**Education Background:**

2008–2009: Master of Public Policy from the National Graduate Institute for Policy Studies (GRIPS), Japan;

2000–2005: Bachelor's degree in Economics, National University of Laos;

2004: Exchange student course, National University of Singapore, Singapore.

**Professional Experience:**

2020–Present: Acting Director General of Macroeconomic Research Institute of Lao Academy of Social and Economic Sciences

2019–2020: Acting Director General of the Center for Macroeconomic and Economic Restructuring of the National Institute of Economic Research

2016–2019: Deputy Director General of the Center for Macroeconomic and Economic Restructuring of the National Institute of Economic Research

2015–2016: Chief of Division in National Economic Research Institute of the Ministry of Planning and Investment

2011–2015: Deputy Chief of Division in National Economic Research Institute of Ministry of Planning and Investment

2005–2011: Research Assistant at the National Economic Research Institute of the Ministry of Planning and Investment



## **Sonexay Silaphet**

### **Independent Director**

#### **Personal Information:**

Date of birth: 01/01/1977

Nationality: Lao

Language: English

Position: President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

#### **Education Background:**

2017–2021: Doctor of Philosophy Ph.D. Accountancy, Sripatum University, Thailand;

2013–2014: Master's degree in finance, Santapol Technology College;

1995–2000: Bachelor's degree in business administration, Comcenter College;

1995–1998: Higher diploma in accounting, Pakpasak Technical College;

06/2016: Member of CPA Australia;

2018: Member of LCPAA;

1999–2000: Member of Lao Institute of Chartered Public Accountants (LICPA).

#### **Professional Experience:**

05/2022–Present: President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

2015–05/2022: Vice-President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

01/2016–12/2017: Vice President of ASEAN Federation of Accountants (AFA)

01/2014–12/2015: Vice President of ASEAN Federation of Accountants (AFA)

07/2011–09/2014: Director of Ernst & Young Lao Limited

07/2008–06/2011: Senior Audit Manager of Ernst & Young Lao Limited

08/2007–06/2008: Audit Manager of Ernst & Young Lao Limited

05/2004–08/2007: Audit Manager of PricewaterhouseCoopers (Lao) Ltd

2002–05/2004: Experienced Senior Auditor of PricewaterhouseCoopers (Lao) Ltd

2000–2001: Senior Auditor of PricewaterhouseCoopers (Lao) Ltd

1998–1999: Auditor of PricewaterhouseCoopers (Lao) Ltd



## **Viengsouk Chounthavong**

### **Director**

#### **Personal Information:**

Date of Birth: 15 August 1964

Nationality: Lao

Languages: Lao, English, and Czech

Designation: Deputy Managing Director of BCEL

#### **Education Background:**

2007: 45 days Political Theory Course, Politics and Administration School

1982-1989: Master's Degree in Economics and Commerce, Czech Republic.

#### **Professional Experience:**

2019-Present: Deputy Managing Director of BCEL

2015 - 2019: Chief of Credit Administration Division, BCEL

2013–2015: Branch Manager of BCEL's Champasack Branch

2011–2013: Branch Manager of BCEL's Salavanh Branch

2010–2011: Acting Branch Manager of BCEL's Salavanh Branch

2007–2010: Acting Branch Manager of BCEL's Champasack Branch

2005–2007: Acting Deputy Branch Manager of BCEL's Champasack Branch

2003–2005: Chief of Credit Section, BCEL's Champasack Branch

2001–2002: Head of Service Division, BCEL's Champasack Branch

1996–2000: Staff of Credit Division, BCEL's Champasack Branch.

## 2. The Management Team

### 2.1. The Board of Management

The Board of Management of BCEL, as of 31 March 2023, consists of 6 members as follows:

Name and Surname	Position	Date of Designation
Mme. Saysamone Chanthachack	Managing Director	1 <sup>st</sup> August 2022
Mr. Nanthalath Keopaseuth	Deputy Director	30 <sup>th</sup> September 2014
Mr. Kongasack Souphonesy	Deputy Director	1 <sup>st</sup> May 2021
Mr. Viengsouk Chounthavong	Deputy Director	18 <sup>th</sup> February 2019
Mrs. Bouaphayvanh Nandavong	Deputy Director	1 <sup>st</sup> May 2021
Mr. Saychit Simmavong	Deputy Director	1 <sup>st</sup> May 2021

### 2.2. Biography of the Management Team



#### **Saysamone Chanthachack** **Managing Director**

##### **Personal Information:**

Date of birth: 15/03/1969

Nationality: Lao

Language: Lao, English

Designation: Managing Director of BCEL

##### **Education Background:**

Higher Diploma of Politics Course.

2007: International Master of Business Administration, Flinders University, Australia.

1998: Master of Public Policy, Graduate School of Policy Science, Saitama University, Japan.

1993: Master of Economics, Kuban State University, Russia.

##### **Professional Experience:**

08/2022–Present : Managing Director, Banque Pour Le Commerce Exterieur Lao Public.

09/2021–08/2022: Chief Executive Officer, Lao Securities Exchange.

2015: Director General, Lao Securities Commission Office, Bank of the Lao PDR.

04/2010: Deputy Director General, Lao Securities Commission Office, Bank of the Lao PDR.

2009: Deputy Director General, Monetary Policy Department, Bank of the Lao PDR.

1993–1997: Officer, Monetary Policy Department, Bank of the Lao PDR.



**Nanthalath Keopaseuth**  
**Deputy Director**

**Personal Information:**

Date of birth: 16/08/1978

Nationality: Lao

Language: Lao, English, and Chinese

Designation: Deputy Director of BCEL

**Education Background:**

2008–2010: Masters's Degree in International Trade Policy from the United States of America.

2005–2006: Certificate in International Trade from Australia,

2004–2004: Enrolled in English Training Course from Vientiane College, Lao PDR

1996–2000: Bachelor's Degree in English, National University of Laos.

**Professional Experience:**

2014–Present: BCEL Deputy Managing Director

2012–2014: Chief of Electronic Banking and Card Service Center.

2010–2012: Acting Chief of Electronic Banking and Card Service Center.

2007–2008: Acting Deputy Chief of Electronic Banking and Card Service Center.

2001–2003: Technical staff at International Remittance.

200–2001: Technical staff of Accounting Division.

2000–2001: Technical staff of Operation Center.





**Kongsack SOUPHONESY**  
**Deputy Director**

**Personal Information:**

Date of Birth : 12/11/1977

Nationality : Lao

Language : Lao, English

Designation : Deputy Managing Director of BCEL

**Education Background:**

2018 : A Higher Diploma in Political Theory and Public Administration, Vientiane Capital's  
School of Politics and Public Administration;

2021 : Master's Degree in Financial Management, National University of Laos **Professional**

**Experience:**

2021-Present : Deputy Managing Director of BCEL

03/09/2018 : Chief of Internal Audit Division, BCEL Head Office

2016-2018 : Attend Political Course at Vientiane Capital Politics and Administration  
Institution.

27/10/2014 : Chief of Luangnamtha Branch

29/04/2013 : Chief of Huaphan Branch

12/05/2010 : Chief of Huaphan Branch

20/05/2008 : Acting Deputy Chief of Huaphan Branch

13/12/2007 : Chief of Credit Section of Oudomxay Branch

2005-2007 : Acting Chief of Credit Section of Oudomxay Branch

26/05/2000 : Staff of BCEL's Oudomxay Branch



## **Viengsouk Chounthavong**

### **Deputy Director**

#### **Personal Information:**

Date of Birth: 15 August 1964

Nationality: Lao

Languages: Lao, English, and Czech

Designation: Deputy Managing Director of BCEL

#### **Education Background:**

2007: 45 days Political Theory Course, Politics and Administration School

1982-1989: Master's Degree in Economics and Commerce, Czech Republic.

#### **Professional Experience:**

2019-Present: Deputy Managing Director of BCEL

2015 - 2019: Chief of Credit Administration Division, BCEL

2013–2015: Branch Manager of BCEL's Champasack Branch

2011–2013: Branch Manager of BCEL's Salavanh Branch

2010–2011: Acting Branch Manager of BCEL's Salavanh Branch

2007–2010: Acting Branch Manager of BCEL's Champasack Branch

2005–2007: Acting Deputy Branch Manager of BCEL's Champasack Branch

2003–2005: Chief of Credit Section, BCEL's Champasack Branch

2001–2002: Head of Service Division, BCEL's Champasack Branch

1996–2000: Staff of Credit Division, BCEL's Champasack Branch.



**Bouaphayvanh Nandavong**  
**Deputy Director**

**Personal Information:**

Date of Birth : 26/11/1971

Nationality : Lao

Language : Lao, English

Designation : Deputy Managing Director of BCEL

**Education Background:**

2014 : Master Degree in Economy Management from National Politics and Administration Institution

**Professional Experience:**

2021-Present : Deputy Managing Director of BCEL

1/1/2019-2021 : Chief of Human Resources Division

2018-2019 : Acting Chief of Human Resources Division

2015-2018 : Deputy Chief of Human Resources Division

2013-2015 : Deputy Chief of Vientiane Branch

2011-2013 : Deputy Chief of Human Resources Division

1997-2009 : Staff of Human Resources Division, Head Office

1994-1997 : Staff of Admin-Finance Division

1993-1994 : Staff of BCEL's Morning Market Service Unit



## **Saychit Simmavong**

### **Deputy Director**

#### **Personal Information:**

Date of Birth : 11/02/1972

Nationality : Lao

Language : Lao, Englis, French

Designation : Deputy Managing Director of BCEL

#### **Education Background:**

2014: Master's Degree in Economy Management from the National Politics and Administration Institution.

#### **Professional Experience:**

2021-Present : Deputy Managing Director of BCEL

08/01/2018 : Chief of Admin-Finance Division

27/10/2014 : Acting Chief of Admin-Finance Division

2013-2014 : Deputy Chief of Admin-Finance Division

2007-2013 : Chief of General Administration Section, Admin-Finance Division

2000-2006 : Chief of Cheque Collection Unit, Treasury and International Service Division

1999-2000 : Chief of Sihom joint Money Exchange Unit, Service Center

1988-1999 : Chief of Money Exchange Unit at Friendship Bridge, Service Center

10/09/1995 : Staff of BCEL Head Office

### **3. Operation of the Board of Directors and the Committees of the Board of Directors**

#### **3.1.The meetings of the Board of Directors**

In 1Q2023, the Board of Directors held 1 Ordinary Meeting and approved some of the matters via circular letters as follows.

- Resolved to approve the audit result of the financial report of the year 2022 in order to propose to the shareholders' meeting for approval.
- Determined the record date of shareholder register book to determine the right of the shareholder to participate in the AGM of the Shareholders 2022.
- Approved the record date of shareholder register book to determine the right of the shareholders to receive the payment of the dividends.
- Approved the agendas in the AGM of the Shareholders for the year 2022.
- Approved the allocation of profits for the year 2022 in order to propose to the shareholders' meeting for approval.
- Approved the appointment of the Chairman of BCEL's Board of Directors in order to propose to the shareholders' meeting for approval;
- Approved the business plan for the year 2023 in order to propose to the shareholders' meeting for approval.
- Approved the selection of the independent audit firm for the year 2023 in order to propose to the shareholders' meeting for approval;
- Approved the loan applications under the approval authority of the Board of Directors for 2 customers.

#### **3.2.Risk Management Committee**

The committee has paid attention to supervising the research and development of the regulations and policies on risk management. The committee also approved the policies and regulations related to risk management and followed up on the implementation of the Basel 2 project which has been implemented since 2018. The Committee has held the meeting as regular practice as stipulated in the regulation. In 1Q2023, the Committee held 1 meeting with the following matters have been discussed:

- Acknowledged the report on the implementation of risk management and the Basel 2 project for the 4Q2022;
- Resolved on the process for seeking approval from the committee that in case of an urgent request, such a request can be made via a circular letter.

#### **3.3.Nomination & Remuneration Committee**

The Committee worked closely on the selection of high-ranking officers and executives and the organizational structure of BCEL's management from time to time. Moreover, the Committee worked on the amendment of the salary and remuneration of BCEL's employees from the working level to the C-level in accordance with BCEL's policies and with the aim of serving the best interests of BCEL and its shareholders.

### **3.4. Corporate Governance Committee**

The Committee worked closely on maintaining the business performance of BCEL, especially loan customers expansion, solving NPL, and the treasury from time to time. Besides, the Committee has followed up on the performance of the bank, the implementation of the annual plan, the long-term strategic plans, working plans, and projects. The Committee also worked on human resource development. In 1Q2023, the Committee opened 1 meeting with the following matters:

- Acknowledged the report of the business performance for the year 2022 and the report of the business performance for 1Q2023.
- Approved the business targets of the plan for the year 2023 in order to report to the Board of Directors.
- Approved the plan for organizing the BOD's meeting and the Shareholder's meeting in order to report to the Board of Directors.

### **3.5. Audit Committee**

Audit Committee supervised the area of internal audit and policymaking regarding the internal audit, the selection of an independent audit firm, and the coordination with the authorized and state auditors. The Committee also worked closely on resolving the audit findings and the recommendation of the auditor. The Committee pushed BCEL complying its accounting system along with the determined principle and regularly monitored the disclosure in accordance with the regulation of disclosure. The Committee held regular meetings as stipulated in BCEL's regulation. In the first quarter of 2023, the Committee held 1 meeting and discussed the following matters:

- Acknowledged the financial reports: the 2022 financial report (pre-audit), the Divisions and Branches' account audit report, the report on the implementation of the IFRS, the disclosure, and the 2022 report of the internal audit.
- Approved, in principle, the dividends from the profit for the year 2022 which will be 100 LAK/share which will be proposed to BOL for the execution approval and will be proposed in the BOD's meeting and the Shareholder's meeting.
- Approved, in principle, the selection of PwC as an independent auditor of BCEL for the year 2023 in order to report to the BOD's meeting and the Shareholder's meeting.

## V. Corporate Social Responsibility

### 1. Tax payment

In the 1<sup>st</sup> quarter of 2023, BCEL paid tax in the total amount of 8.346 million LAK by the following details.

	Description	1Q2023	2022
1	Profit Tax	-	5.719,72
2	Value Added Tax	541,80	3.813,74
3	Salary Tax	7.601,74	23.123,86
4	Consumption Tax	-	-
5	Offshore Corporate Profit Tax	203,27	755,72
6	Other taxes	-	6.998,84
<b>Total</b>		<b>8.346,81</b>	<b>40.411,88</b>

### 2. Corporate Social Responsibility

Along with the business operation and the other tasks implementation, the management and the staff of BCEL have greatly contributed to the work related to Corporate Social Responsibility (CSR), which has been one of the key elements in the core values of BCEL, the detail is as follows:

By applying BCEL's potential in technology and advancements, BCEL has developed a product for CSR named "BCEL OneHeart", an intermediary platform for donation that supports both the donors and the recipients. For 1Q2023, there were 3 projects: The Fund-Raising Project to support the construction of the students' dormitories at the Elementary and Secondary School of Phuhuad, Nga District, Oudomxay Province; the 20.000 LAK project; and the fundraising to support Tou Bia, the victim of the house fire incident. The donation was valued at a total of 68,52 million LAK from 1.158 donations.

Moreover, BCEL has been supporting many areas in society, such as education and sport, the healthcare sector, the victims of natural disasters, and special events of the nation, in the form of cash and materials. In 1Q2023, BCEL's support reached 27 events in a total amount of 291,42 million LAK.

**Managing Director**

  
**Saysamone CHANTHACHACK**