



# Regulations on Portfolio and Risk Management and Fight against Money Laundering Committee

Ratified on January 19, 2021

Developed by: Economic Department	Reviewed and approved by: Portfolio and Risk Management and Fight against Money Laundering Committee	Ratified by: Morteza Shahidzadeh (Chairman of the Board)  Massoud Sharifat (Deputy Chairman)  Ismail Jalili (Economic Deputy)  Hamidreza Teymouri (Banking and Credit Deputy)  Alireza Saedi (Foreign Investment Deputy)
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## Article 1: Introduction

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“Regulations on Portfolio and Risk Management and Fight against Money Laundering Committee” is a document that explains the objectives, structure, missions, and plans of this committee. This document shall be developed at the beginning of this committee and revised whenever necessary.

#### Article 2: Documents and abbreviations

The documents related to the formation of this committee include the organizational structure of the National Development Fund of Iran and notices of the Chairman of the Board of Directors (No. d/99/6/17977, December 22, 2020).

Abbreviations used in this document are as follows:

1. Fund: The National Development Fund of Iran
2. Board of Directors: Members of the Board of Directors of the National Development Fund of Iran
3. Committee: Portfolio and Risk Management and Fight against Money Laundering Committee

#### Article 3: Structure and members

1. A member of the Board of Directors and Economic Deputy
2. A member of the Board of Directors and Foreign Investment Deputy
3. Contracts, Receivables, and Monitoring Director
4. Financial Director
5. Treasurer
6. Fight against Money Laundering and Law Compliance Director
7. Risk and Portfolio Assessment Director
8. An advisor specializing in portfolio and risk management and money laundering (without the right to vote)

Note 1: Considering the breadth of the Committee's responsibilities, two working groups, namely Risk and Returns Management and Banks Evaluation and Ranking, shall operate under the supervision of the Committee.

Note 2: If necessary, the experts specializing in the meeting topics shall be invited, from among either the Fund's staff or others, to attend the meetings at the discretion of the Chairman of the Committee. It is noteworthy that the guest experts shall be directly related to the meeting topic and they have no right to vote.

#### Article 4: Responsibilities of the Committee

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1. Identification, evaluation, and monitoring indicators on risk management in the Fund and development of strategies and policies to optimize the Fund's performance in line with laws on the fight against money laundering.
2. Evaluation and management of risk and returns as well as the executive operations of total asset portfolio and revision of investment policies to develop an optimal portfolio and minimize the risk caused by foreign exchange fluctuations.
3. Evacuation and analysis of reports on resources and uses, development of the Fund's financial processes and obligations, and determination of the mechanism for the receipt of receivables from the government.
4. Monitoring, evaluating, and ranking the banks and making policy proposals regarding cooperation between the Fund and the contracting banks.
5. Evaluation of other issues emphasized by the Board of Directors or the Chairman of the Board of Directors.

#### Article 5: Workflow

1. The relevant working group shall review, evaluate, and develop the reports, procedures, and suggestions for optimizing the Fund's processes and then submit the results to the Committee.
2. The Committee shall evaluate and comment on the common issues of several Fund's management units presented by the Risk and Returns Management Working Group regarding resources and uses, receivables and obligations, the Fund's financial behavior, monitoring portfolio changes, and suggestions for modifying the portfolio's foreign exchange composition through arbitrage or the issues raised by the Banks Evaluation and Ranking Working Group regarding the Fund's asset evaluation and evaluation and ranking of banks and then submit the results to the Board of Directors.
3. The Secretariat of the Committee shall evaluate and comment on other issues directly and submit the results to the Committee.
4. Evaluation and ratification of the documents related to each of the development, implementation, and evaluation of investigations, reports, and suggestions of the Board of Directors and notification of them after applying the necessary corrections.
5. Application of information technology systems for providing access to other related areas in the Fund to take advantage of the results.

#### Article 6: Procedure for meetings and responsibilities

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1. The Economic Deputy, as the Chairman of the Committee, shall chair the meetings and monitor the good implementation of the Regulations. In the absence of the Economic Deputy, the Foreign Investment Deputy, as the Deputy Chairman, shall take the above-mentioned responsibilities.
2. The Treasurer shall be the secretary of the Committee's meetings.
3. The Committee's meetings need a quorum of two-thirds of the members, and any decision supported by the positive vote of the majority of members present shall be considered official.
4. In coordination with the Chairman of the Committee, the Secretary of the Committee shall prepare the agenda of meetings and inform the members of it at least three days before the meeting.
5. The Chairman of the Committee shall send the Committee's decisions to the Secretariat of the Board of Directors to be discussed in meetings of the Board of Directors.
6. The Committee's meetings shall be held at least once a month.

Note 3: At the suggestion of any member of the Committee, extraordinary meetings shall be held after coordination with other members of the Committee and approval of the Chairman of the Committee.

7. The secretariat of the meeting shall prepare the proceedings of all meetings of the Committee and send them to all members. Any minority opinion shall be clearly stated in the proceedings.

**Article 7:** These "Regulations", consisting of 7 articles and 3 notes, were approved by the Board of Directors on January 19, 2021, and shall be effective from the date of ratification.

Ismail Jalili	Alireza Saedi	Alireza Zamanpour	Davoud Qorashi	Reza Mohammadi	Azam Hooshangi