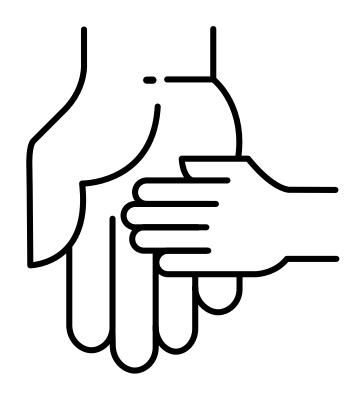


CARING FOR PEOPLE



annual report 2021



Caring for people

At EBL we have long been cultivating a caring company culture with the belief that a company that values its employees and strives for service excellence has better chance of withstanding unforeseen challenges emanating from fast evolving market, environmental or economic crisis. To us the core business of a bank is to take care of its customers by delivering service excellence. And service excellence, we believe, can only be achieved by creating shared value for the customers.

The Coronavirus pandemic in many ways was an eye opener for us. During the unprecedented crisis of the pandemic our people were in constant touch with the customers. They not only provided seamless banking services, but also emotional and mental support to our customers to stay safe and stay strong through the trying times. We have also assessed our digital readiness and provided constant and seamless remote banking services to our customers by enhancing our digital capabilities.

Our response to the pandemic was prudent, timely, simple and effective. This is a testimony to our strong caring company culture, which gives depth in our passion and resilience to live through crisis. During the crisis period, our HR and CEO personally was in constant touch with every individual of the company through daily health updates on the COVID-19 Health Screening App. Medical facilities were also provided to those who were infected.

The results have been phenomenal as reflected in our 2021 financial performance, one of the best since our inception in 1992. The chemistry of our success is deeply embedded in our caring company culture: we have demonstrated care for our people and they have in turn taken care of our customers. Together we have created a shared value for all.

CONTENTS

| Letter of Transmittal | 04 |
|-------------------------|----|
| Key Ratios | 05 |
| Core Financials | 06 |
| Operational Highlights | 08 |
| Awards and Recognitions | 10 |



ORGANIZATIONAL OVERVIEW

| Vision and Mission | 13 |
|-------------------------------|----|
| Core Values | 14 |
| Strategic Priorities | 15 |
| Corporate Directory | 16 |
| Organogram | 20 |
| Profile of Board of Directors | 22 |
| Management Committees | 30 |
| Products & Services | 36 |
| Timeline | 40 |
| Key Events 2021 | 42 |



| Chairman's Message | 46 |
|----------------------------------|----|
| Managing Director & CEO's Review | 50 |
| Directors' Report 2021 | 53 |



| Financial Highlights | 60 |
|---|----|
| Five-year Financial Progression | 60 |
| Financial Goals and Performances (Bank) | 63 |
| Horizontal & Vertical Analysis | 64 |
| Market Value Added (MVA) Statement | 66 |
| Stock Performance | 66 |
| Value Added Statement | 67 |
| Economic Value Added Statement | 68 |

| Dupont Analysis | 68 |
|--|----|
| Our Investment in the Capital Market | 69 |
| Credit Rating of EBL | 70 |
| Graphical Presentation | 71 |
| Financial Calendar | 74 |
| Glimpses from the 29 th AGM | 76 |



GOVERNANCE REPORTS

| 78 |
|-----|
| 80 |
| 82 |
| 84 |
| 86 |
| 87 |
| 89 |
| 101 |
| 113 |
| 115 |
| 116 |
| 116 |
| 116 |
| 116 |
| 118 |
| 120 |
| 121 |
| 123 |
| 129 |
| 129 |
| 130 |
| 142 |
| 145 |
| |



SUSTAINABILITY REPORT

147 Foreword Sustainability: An overview 148 Sustainability Governance 148 Sustainability Strategy 149 Key Highlights of 2021 149 - COVID-19 & EBL's Response 149 - 8R Approach to Sustainability 149 - Financial Inclusion and Diversity 150 Sustainability at EBL 151 - Economic Sustainability 151 - Environmental Sustainability 152 - Social Sustainability 154 Alignment of Sustainable Finance with SDGs 157 Way forward 157



CORPORATE SOCIAL RESPONSIBILITY

| Our Responsibility to our Society | 159 |
|--|-----|
| Our Corporate Citizenship Strategy | 159 |
| Education : Key to Social and Economic Development | 159 |
| Promoting Human Welfare | 160 |
| Disaster Management | 160 |
| Contribution to National Exchequer | 160 |
| Encouraging Women Empowerment | 161 |
| Environment-friendly Bank | 161 |
| Healthcare | 162 |
| Special COVID-19 CSR Program | 162 |
| Way forward | 162 |



MANAGEMENT DISCUSSION & ANALYSIS

| Comparative Analysis of Financial Performance | | | | |
|--|-----|--|--|--|
| Business Review | | | | |
| - Corporate Banking | 165 | | | |
| - Retail & SME Banking | 168 | | | |
| - Treasury, FI and Offshore Banking | 174 | | | |
| Performance Review of EBL Subsidiaries | 177 | | | |
| HR: Caring for People | 185 | | | |
| Operational Excellence | 191 | | | |
| ICT: Transformative Contributions towards Digital Growth | 194 | | | |
| Customer Service: Our Journey towards Excellence | 196 | | | |



FINANCIAL REPORTS

| Statement on the Integrity of Financial Statements | 200 |
|--|-----|
| Auditor's Report to the Shareholders | 201 |
| Consolidated & Separate Financial Statements | 206 |
| Financial Statements of the Subsidiaries | 293 |



SUPPLEMENTARY INFORMATION

| Branch Network | 332 |
|------------------------------------|-----|
| Notice of the 30 th AGM | 336 |
| Proxy Form | 339 |

Letter of Transmittal

All Shareholders of Eastern Bank Limited Bangladesh Bank Bangladesh Securities and Exchange Commission Registrar of Joint Stock Companies & Firms Dhaka Stock Exchange Limited Chittagong Stock Exchange Limited

Dear Sir,

Annual report of Eastern Bank Limited for the year ended 31 December 2021.

We are pleased to present before you the Bank's (EBL) Annual Report 2021 comprising the audited Financial Statements (Consolidated and Separate) for the year ended 31 December 2021 and as on that date.

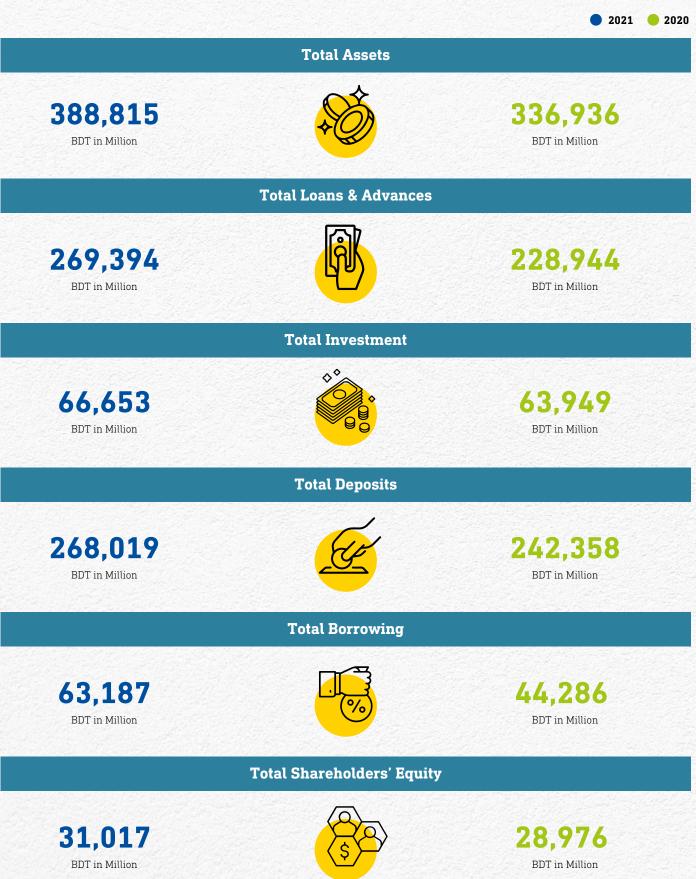
Financial Statements of 'The Bank' comprise those of EBL - Domestic Banking Operation and Offshore Banking Operation (presented separately) whereas consolidated Financial Statements comprise Financial Statements of 'The Bank' and those of its subsidiaries [EBL Securities Ltd., EBL Investments Ltd., EBL Finance (HK) Ltd. and EBL Asset Management Ltd.] presented separately. Analyses in this report, unless explicitly mentioned otherwise, are based on the financials of 'The Bank' not the consolidated financials.

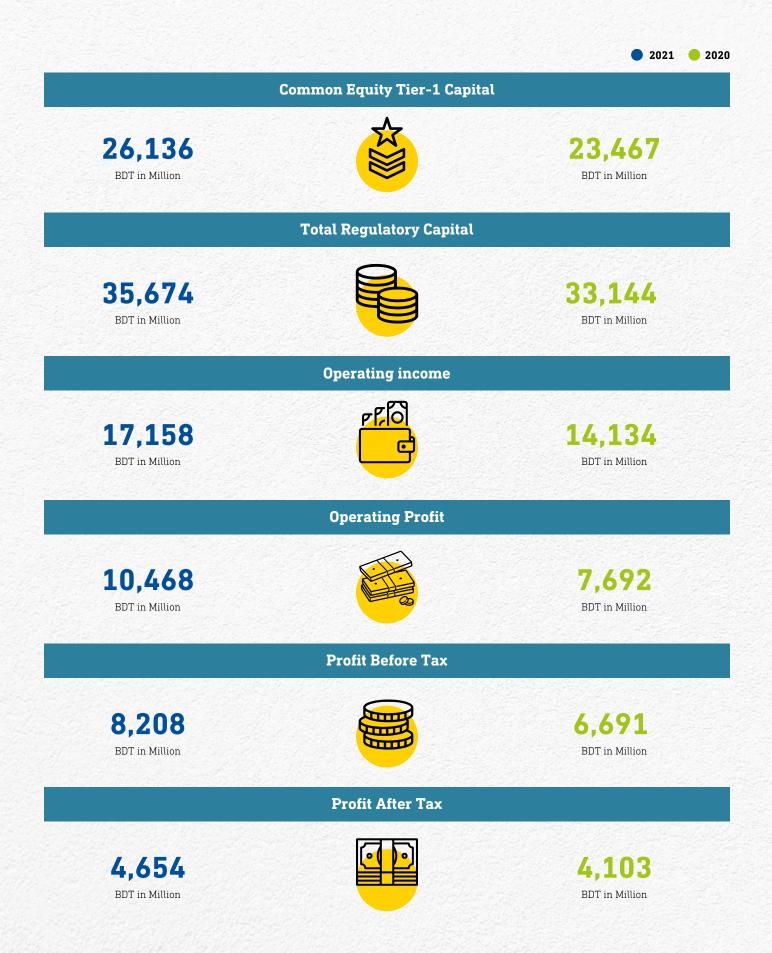
Yours Sincerely,

Md. Abdullah Al Mamun, FCS Company Secretary

| Key Ratios | | | | | | |
|------------|---------------------------------|---|-----------------------------------|-----------------------------|-----------------------------------|---|
| | ROA | 8 | ROE | <mark>୍ତ୍ରମ</mark> ୍ଭି ତ | EPS (Restated) | |
| | 2021 1.28% | | ²⁰²¹ 15.51% | | 2021 4.88 | |
| | 2020 1.22% | | ²⁰²⁰ 15.04% | | 2020 4.30 | |
| % | P/E Ratio (Restated) (Times) | 5 | CRAR | Pep | Leverage Ratio | |
| | 2021 7.89 | | ²⁰²¹ 14.08% | | ²⁰²¹ 5.69% | |
| | 2020 8.37 | | ²⁰²⁰ 15.23% | | 2020 5.97% | |
| % © | Cost To Income Ratio | | NPL Ratio | | AD Ratio | - |
| | 2021 38.99% | | ²⁰²¹ 3.70% | | ²⁰²¹ 79.69% | |
| | ²⁰²⁰ 45.58% | | 2020 2.72% | | 2020 78.82% | |
| \$ 0 6 | LCR-DB0 | | NSFR-DB0 | | NPL Coverage Ratio | |
| | ²⁰²¹ 144.97% | | ²⁰²¹ 104.40% | | ²⁰²¹ 141.31% | |
| | ²⁰²⁰ 210.90% | | ²⁰²⁰ 105.49% | | 2020 179.51% | |

Core Financials





Operational Highlights

| F <mark>Branche</mark> 2021 85 | s 2020 85 | 5 Sub-br | ranches 2020 |
|--------------------------------------|-------------------------|--|--------------------------------------|
| Agent banking 2021 46 | g outlets 2020 29 | No. of prio 2021 16 | rity centers <mark>2020</mark> 16 |
| ATMs 2021 227 | <u>2020</u> 220 | <u>2021</u> 7000 | of POS |
| No. of DROI 2021 70 | <mark>2020</mark> 67 | <mark>No. of foreign</mark> 2021 524 | correspondents 2020 512 |
| Total no. of em 2021 3,087 | 2020 3,044 | Female rep 2021 20.54% | presentation 2020 20.24% |



Awards and Recognitions

A game changer in Bangladesh's fast growing financial sector, the success of EBL comes from its continuous effort to innovate products and services, its commitment to offer service excellence and passion for performance. We believe in creating value for our customers and in the process creating value for the society.

EBL has been known for its consistent and sustainable growth over the past 29 years. We believe in working with the customer at a time and place where it is most convenient to them. We work to deliver performance with a purpose and in the journey of our delivery of performance our efforts were lauded and recognized at home and abroad. We are the most awarded financial institution in the country and the following awards speak volumes about our dedication and commitment for service excellence, responsible and ethical banking.

The Banker Award

EBL has been awarded the prestigious Bank of the Year 2021 for Bangladesh by The Banker. EBL is the first bank in Bangladesh to win the award for two consecutive years from 2020 - 2021. The award truly demonstrated a level of stability that is testament to the organizational strength.

IFC Award

In 2021 EBL has been awarded by International Finance Corporation (IFC) under World Bank Group as the Best Partner for Equipment Trade in South Asia under Global Trade Finance Program.

IFC of World Bank group recognized EBL as the Best Issuing Bank Partner and Best Trade Operations Issuing Bank Partner in South Asia in 2017.

Asiamoney Awards

Asiamoney has picked up Eastern Bank Limited as Best Domestic Bank in the 2021 Asiamoney Best Awards for Bangladesh. EBL won the award for the first time. EBL was awarded the Asiamoney Best Corporate and Investment Bank in Bangladesh for four consecutive years from 2017-2020.

International Finance Award

EBL is the only bank in Bangladesh to be awarded Fastest Growing Digital Bank of 2021 and Most Innovative Retail Bank in Bangladesh in 2019 by International Finance in the category of Banking Awards.

Bangladesh FinTech Award

EBL has won the first Bangladesh FinTech award in 2021 in the 'Fintech Innovation of the year' in banking category for EBLConnect, a solution developed by EBL ICT Division for Corporate customers.

PCI DSS Certificate

In 2021, EBL again was assessed by Network Intelligence (I) Pvt. Ltd. and they have found the Bank compliant with PCI DSS on card security. All these are a testimony to our emphasis on card security.

ADB Award

EBL has been recognized with the 2020 Leading SME Trade Bank award for its outstanding contribution in supporting small- and medium-sized enterprises in Bangladesh by Asian Development Bank (ADB).

Awards from Visa

For its performance in the product innovation and cards business, EBL won the awards in three categories - Excellence in Product Innovation, Excellence in E-commerce Acquiring Business and Excellence in Cross-Border Business for the year 2019-2020 from VISA.

ICSB National Award for Corporate Governance Excellence

Our system of corporate governance provides the basis for the responsible management, transparency of processes and compliance to regulatory bodies with a focus on sustainable value creation. Our continuous effort to adopt and adapt to international best practices in corporate governance has been recognized by Institute of Chartered Secretaries of Bangladesh (ICSB). Since inception of the award in 2013, EBL is one of the most awarded financial institutions in the category.

A Leader in Retail Banking

In retail banking EBL has emerged as an undisputed leader. EBL has won the prestigious Best Retail Bank in Bangladesh award by Singapore-based The Asian Banker for six consecutive years from 2013-18.

The London-based International Finance magazine in 2018 awarded EBL for the Best Credit Card Offering in Bangladesh.

Best Transaction Bank in Bangladesh

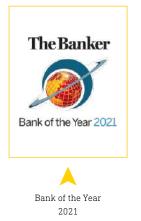
EBL was awarded the prestigious Asian Banker Business Achievement Awards 2018 held in Beijing. EBL is the only bank from Bangladesh to win Best Transaction Bank in Bangladesh Awards in two categories of Best Cash Management and Best Trade Finance.

Best Employer Brand Award

EBL received the Bangladesh Best Employer Brand Award 2019 at the 14th Employer Branding Awards ceremony. The award was given by the globally renowned Employer Branding Institute.

Superbrands Award

EBL has been recognized as a 'Superbrand' of the country for the year 2018-2020 by the Superbrands Bangladesh.





ICSB National Award for Corporate Governance Excellence



PCI DSS Certificate



Fintech Innovation of the Year - Banks





ICMAB Best Corporate Award



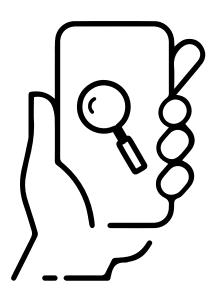
Euromoney Award



Asian Banker Best Retail Bank in Bangladesh

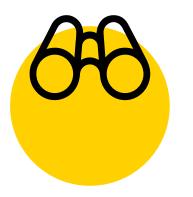


Superbrands Award



ORGANIZATIONAL OVERVIEW





Vision

To become the most valuable brand in the financial services in Bangladesh creating long-lasting value for our stakeholders and above all for the community we operate in by transforming the way we do business and by delivering sustainable growth.



We will deliver service excellence to all our customers, both internal and external.



We will ensure to maximize shareholders' value.



We will constantly challenge our systems, procedures and training to maintain a cohesive and professional team in order to achieve service excellence.



We will create an enabling environment and embrace a team based culture where people will excel.



Core Values



Service excellence

- We passionately drive customer delight.
- We use customer satisfaction to accelerate growth.
- We believe in change to bring in timely solution.

Openness

- We share business plan.
- We encourage two-way communications.
- We recognize achievements, celebrate results.



Trust

- We care for each other.
- We share knowledge.
- We empower our people.



Commitment

- We know our roadmap.
 - We believe in continuous improvement.
- We do our task before we are told.



Integrity

- We say what we believe in.
- We respect every relationship.
- We are against abuse of information power.

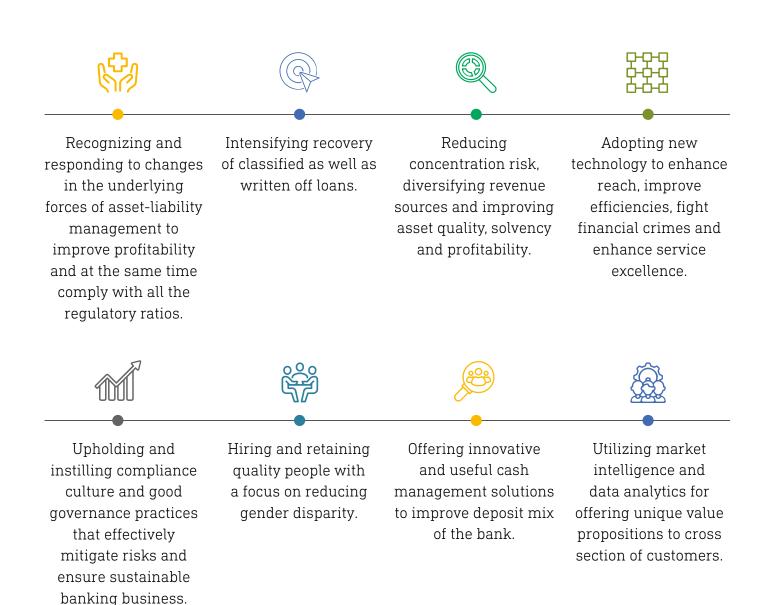


Responsible corporate citizen

- We are tax-abiding citizen.
- We promote protection of the environment for our progeny.
- We conform to all laws, rules, norms, sentiments and values of the land.



Strategic Priorities



Corporate Directory

Name of the company

Eastern Bank Limited

Legal form

A public limited company incorporated in Bangladesh on 08 August 1992 to carry out all kinds of banking businesses in and outside Bangladesh. Having taken over the businesses, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited as per BCCI Reconstruction Scheme 1992 of Bangladesh Bank, the Bank commenced its operations on 16 August 1992.

Composition of the Group EBL

| Eastern Bank Limited (Group) | | | |
|---|---|--|--|
| Bank | Subsidiaries (fully owned) | | |
| Domestic Banking Operation (DBO) | EBL Securities Limited | | |
| | (Stock dealing & brokerage) | | |
| | EBL Investments Limited | | |
| Off-Shore Banking Operation (OBO), Bangladesh | (Merchant banking operations) | | |
| Vangen Denregentative Office Myonmar | EBL Asset Management Limited | | |
| Yangon Representative Office, Myanmar | (Asset management i.e. managing mutual funds) | | |
| | EBL Finance (HK) Limited | | |
| Guangzhou Representative Office, China | (First foreign subsidiary doing trade finance and off-shore banking | | |
| | business in Hong Kong) | | |

Our core business

Corporate

A wide array of products and customized solutions is offered to corporate clients through relationship units spread out in Dhaka and Chattogram. Our offerings include but not limited to term lending, project financing, working capital financing, trade financing, cash management solutions, payroll banking, syndication, advisory services etc.

Retail & SME

It offers a wide range of deposit, loan and card products to suit dynamic and lifestyle needs of customers. It simplifies daily banking needs and satisfies lifestyle needs and aspirations of consumers by providing suitable products and services. We have also a particular focus on small businesses that aspire to grow and use our connections.

Treasury

Treasury is primarily responsible for asset-liability management and balancing and managing the daily cash flow and liquidity of the Bank. They also deal with investments in securities, foreign exchange, derivative instruments of the Bank.

Credit rating

Moody's: EBL is the first company in the country rated by Moody's, a renowned global rating agency, for the first time in March 2016. The Bank has been assigned B1 rating in January 2022 with stable outlook.

CRISL: The Bank has been awarded 'AA+' in the long-term and 'ST-1' in the short-term by Credit Rating Information and Services Limited (CRISL) in June 2021.

Manpower

| Employees | 2021 | 2020 |
|-----------|-------|-------|
| Permanent | 1,975 | 1,896 |
| Trainee | 1,112 | 1,148 |
| Total | 3,087 | 3,044 |

Board of Directors

Chairman Md. Showkat Ali Chowdhury

Directors (Other than chairman)

| Sl. | Name | Position |
|-----|----------------------------|-------------------------|
| 1. | M. Ghaziul Haque | Director |
| 2. | Mir Nasir Hossain | Director |
| 3. | Salina Ali | Director |
| 4. | Anis Ahmed | Director |
| 5. | Mufakkharul Islam Khasru | Director |
| 6. | Gazi Md. Shakhawat Hossain | Director |
| 7. | K. J. S Banu | Director |
| 8. | Zara Namreen | Director |
| 9. | Dr. Toufic Ahmad Choudhury | Independent Director |
| 10. | Ashiq Imran | Independent Director |
| 11. | Ruslan Nasir | Director |
| 12. | Ali Reza Iftekhar | Managing Director & CEO |

Company Secretary

Md. Abdullah Al Mamun, FCS

Committees of the Board of Directors

Executive committee

| S l. | Name | Status with the Bank | Status with the Committee |
|-------------|-------------------|-------------------------|---------------------------|
| 1. | Mir Nasir Hossain | Director | Chairman |
| 2. | Salina Ali | Director | Member |
| 3. | Anis Ahmed | Director | Member |
| 4. | Ali Reza Iftekhar | Managing Director & CEO | Member |

Audit committee

| Sl. | Name | Status with the Bank | Status with the Committee |
|-----|----------------------------|----------------------|---------------------------|
| 1. | Dr. Toufic Ahmad Choudhury | Independent Director | Chairman |
| 2. | Mufakkharul Islam Khasru | Director | Member |
| 3. | Gazi Md. Shakhawat Hossain | Director | Member |
| 4. | Ashiq Imran | Independent Director | Member |

Risk management committee

| Sl. | Name | Status with the Bank | Status with the Committee | |
|---------|---------------------------------------|----------------------|---------------------------|--|
| 1. | Mir Nasir Hossain | Director | Chairman | |
| 2. | Mufakkharul Islam Khasru | Director | Member | |
| 3. | Gazi Md. Shakhawat Hossain | Director | Member | |
| 4. | Zara Namreen | Director | Member | |
| 5. | Dr. Toufic Ahmad Choudhury | Independent Director | Member | |
| Secreta | Secretary: Md. Abdullah Al Mamun, FCS | | | |

Ownership composition

As on 31 December 2021, shareholding position of EBL by the directors, general public and financial institutions is presented below:

| Shareholders' group | No. of shares | % of Share holding |
|------------------------|---------------|--------------------|
| Directors | 287,911,286 | 30.18% |
| General public | 539,089,564 | 56.52% |
| Financial institutions | 126,863,617 | 13.30% |
| Total | 953,864,467 | 100.00% |

Stock exchange listing

Ordinary share of the Bank is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Shares of EBL are categorized as 'A' in both the Stock Exchanges.

Listing year

| Dhaka Stock Exchange Limited | 20 March 1993 |
|-----------------------------------|-------------------|
| Chittagong Stock Exchange Limited | 28 September 2004 |

Capital (31 December 2021)

| Authorized Capital | BDT 12,000,000,000 (face value per share: BDT 10) |
|--------------------|---|
| Paid-up Capital | BDT 9,538,644,670 (face value per share: BDT 10) |

Accounting year

1 January to 31 December

Auditors

Howladar Yunus & Co., Chartered Accountants (An independent member firm of Grant Thornton International Ltd.)

Corporate governance auditor

K.M.Hasan & Co., Chartered Accountants (An independent member firm of McMillan Woods International)

Tax consultant

ACNABIN Chartered Accountants (A network member of Bakertilly)

Legal advisors

Sadat Sarwat & Associates

Registered office & Head office

Eastern Bank Limited 100 Gulshan Avenue Dhaka-1212, Bangladesh Phone: + 88 09666777325 Swift: EBLDBDDH e-mail: info@ebl-bd.com **Web: www.ebl.com.bd**



ইবিএল ইসটা ব্যাংকিং একাউন্ট খুলুন ঘরে বসে, নিমিষেই

ভিজিট করুন ebl.com.bd/ess অথবা 👰 EBL DIA

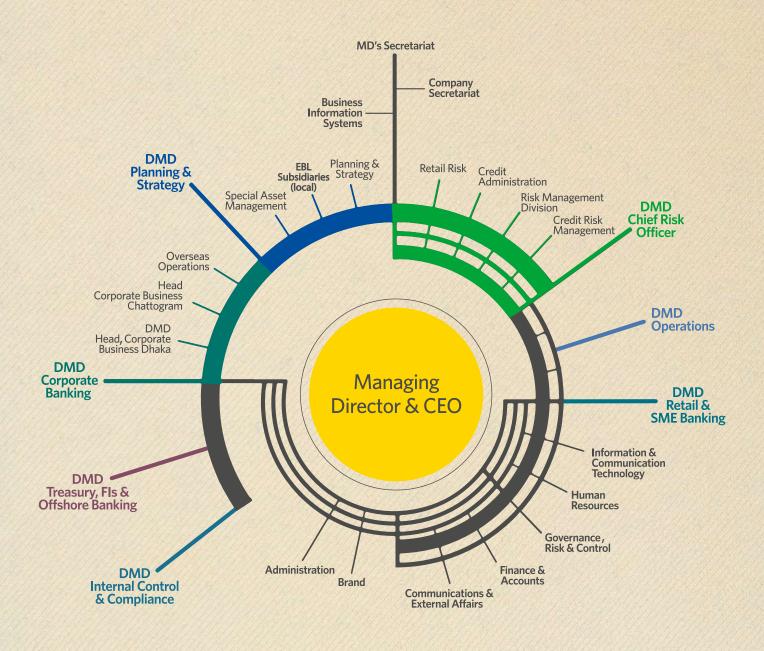
Liveliness পরীক্ষায় খোলা সবচেয়ে সুরক্ষিত ব্যাংক একাউন্ট

Eastern Bank Ltd. Simple Math®

the say contact centre 162300

Go to Contents

Organogram









CELEBRATING THE SPIRIT OF SEVEN WONDERFUL YEARS OF IMAGINE WITHOUT FEAR

Date of Inauguration: January 18, 2015 Number of Sessions: 97 Number of Leadership Lecture Series: 6 Number of Participants: 1,436 Number of Ideas: 2,500+ (Uncut)

NEST is one of the Brainchild projects of our Honorable Managing Director & CEO, Mr. Ali Reza Iftekhar.

Capacity Enhancement Center



Profile of Board of Directors



Md. Showkat Ali Chowdhury Chairman

A renowned businessman of the country, Md. Showkat Ali Chowdhury is successfully running a business conglomerate with diverse interests in ship recycling, tea plantation and production, RMG industries, real estate, agency business and engineering services, inland container depot (ICD), commercial banking, insurance and securities. He joined the Board of Eastern Bank Limited (EBL) in 1993.

He is associated with many local and international organizations including life member of SAARC Chamber of Commerce & Industry (SAARC CCI), member of Bhatiary Golf & Country Club Limited, Chittagong Press Club, Chittagong Maa O Shisu General Hospital, Chittagong Club Limited, Chittagong Seniors' Club Limited and Bangladesh Ship Breakers & Recyclers Association (BSBRA). He is the first vice president of Chattogram Metropolitan Chamber of Commerce & Industry (CMCCI). He is a graduate from the University of Chittagong.



M. Ghaziul Haque

Director

M. Ghaziul Haque joined the EBL Board in 1993 and ever since serving the Board except a brief absence of five years from 2006 to 2011. He has served as the Chairman of EBL for two terms from 2000-2006, and 2013-2018.

He graduated from Chittagong Government College under University of Dhaka in 1955 and began his career with the reputed British company Bird & Co. Ltd. and rose to the position of the Managing Director in 1976 when the company was changed to Birds Bangladesh Ltd.

In 1980, he left the company to start his business and partnered with Aquamarine Limited, a Chattogram based Shipping Company. Later, he formed a joint venture company Maersk Bangladesh Limited of Maersk Lines, Copenhagen, Denmark. He served as the Chairman of the company until 1997 with an excellent track record.

Currently, he is the Chairman of MGH Group, a sprawling conglomerate headquartered in Singapore and spanning over 21 countries in Integrated Supply Chain, Total Cargo Management (TCM) for Low Cost Carriers (LCC), Global Distribution Systems for Airlines, Cross Border Freight Trains, and Satellite Fulfilment Centre (SFC) operators, FM Radio Stations, Tea and Rubber Plantations, Food & Beverage Retail, and Retail & Commercial Banking.



Mir Nasir Hossain

irector

One of the most revered business leaders of the country, Mir Nasir Hossain has a diverse range of business interests including construction, real estate, telecom, ICT, Software Development, ceramic tiles manufacturing, banking, textile, liquefied petroleum gas (LPG) and insurance. He excelled as a student and passed his post-graduation in accounting from the University of Dhaka with flying colors. He joined EBL Board in 1993.

Mir Telecom Ltd., a business concern under his dynamic leadership, won the National Export Gold Trophy thrice in 2012-13, 2013-14 & 2016-2017 in Service Sector. He received the export trophy award from the Honorable Prime Minister of the People's Republic of Bangladesh. For his significant contributions to the industrial growth of the country, he was declared a CIP (Commercially Important Person) by the Ministry of Industries for 2012, 2013, 2017 and CIP Export 2014 & 2015 from the Ministry of Commerce.

He led the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the apex trade organization of the country, as its President from 2005 to 2007, and served the organization prudently with commitment and dedication. He held many important positions in various regional businesses and trade bodies including Senior Vice President of SAARC Chamber of Commerce and Industry (SCCI) and Vice President of Confederation of Asia Pacific Chambers of Commerce and Industry (CACCI). Currently, he is the President of Faridpur Diabetic Association and Chairman of the Governing Body of Faridpur Diabetic Association Medical College. He is the Chairman of Mir Securities Ltd.

He is the Chairman of both the Executive Committee (EC) and Risk Management Committee (RMC) of the Board of EBL and member of EBL Shariah Supervisory Committee of EBL Islamic Banking.

He is actively engaged in various social works, most notably Bangladesh Red Crescent Society as life time member.



Salina Ali Director

operation.

Salina Ali, a renowned business personality of the country, is the Chairperson of Unique Group (a leading business conglomerate in Bangladesh) having business interest in real estate, ceramic industry, hospitality & tourism, power plant, manpower export, banking services and human resources development. She is also the Chairperson of Unique Hotel and Resorts Limited and involved with The Westin Dhaka, The Sheraton Dhaka (True Five Star hotel in the country) and Hansa Residence from the beginning of its commercial

She is a member of the Executive Committee (EC) of the Board. She is also the chairman of EBL Asset Management Limited, a fully owned subsidiary of EBL.

She did her Honours and Master's in Sociology from the University of Dhaka.

She is involved in many social and philanthropic works and committed to make positive changes in the society.



Anis Ahmed

Director

Anis Ahmed, Founder and Group CEO of MGH Group, a sprawling conglomerate headquartered in Singapore and spanning over 21 countries in Integrated Supply Chain, Total Cargo Management (TCM) for Low Cost Carriers (LCC), Global Distribution Systems for Airlines, Cross Border Freight Trains, and Satellite Fulfilment Centre (SFC) operators, FM Radio Stations, Tea and Rubber Plantations, Food & Beverage Retail, and Retail & Commercial Banking, and valuable startups.

He is a member of the Executive Committee (EC) of the Board of Directors of EBL.

He earned his Bachelor of Science (Finance) from the University of Utah and MBA from Arkansas State University, USA, and began his career with A.P. Moller Maersk as an Intern at its Morristown, New Jersey Headquarters. He later joined his father's business, an A.P. Moller Maersk joint venture in Bangladesh (Maersk Bangladesh Ltd) and left after four years to establish his own start-up, MGH, named after his father M. Ghaziul Haque, current Director of EBL and Chairman of the MGH Group.

He along with his wife Suhana is the Co-Founder, Co-Chair and a Trustee member of 'Suhana & Anis Ahmed Foundation' (SAAF) and have recently launched 16 scholarships for meritorious but underprivileged students at BRAC University pursuing Computer Sciences (CSE) degrees. The SAAF's long list of initiatives include supporting Monwara Islam Tajul Islam Welfare Trusts to establish "Shailan Probeen Nibash", an old home for senior citizens; providing support to BSMMU's 31-bed Children Leukemia ward. During COVID-19 lockdown period, with SAAF's financial contributions Bidyanondo Foundation delivered staple food to over 40,000 families, approximately over 250,000 individuals in Bangladesh, and Bhalo (Valo) Kajer Hotel (Meal for Good work), a community project, delivering over 30,000 meals during the month of Ramadan in 2022.



Mufakkharul Islam Khasru Director

Mufakkharul Islam Khasru did his B.Com from Chattogram Commerce College and MBA from Institute of Business Administration (IBA), University of Dhaka.

Currently, he is the Managing Director of Finlay Properties Ltd., an affiliate of JF (Bangladesh) Ltd. Before taking up the current responsibilities at Finlay Properties in 2010, he was the CEO of SANMAR, a leading business house with diversified interests in property development, custom brokerage, stevedoring, and commodity trading.

He is a member of both the Audit Committee (AC) and Risk Management Committee (RMC) of the Board of EBL. He is also a Director of EBL Securities Limited, a fully owned Subsidiary of EBL.

He is an avid reader and has a strong impulse to travel and explore the world. A sport enthusiast, he enjoys socializing. He is an active member of a number of clubs including Chittagong Club Ltd., Bhatiary Golf & Country Club, Chittagong Boat Club, and a life member of Bangladesh Diabetic Society.



Gazi Md. Shakhawat Hossain Director

A noted business executive, Gazi Md. Shakhawat Hossain wears multiple hats. He is the Chief Executive Officer (CEO) of Unique Group and Director as well as member of the Audit Committee (AC) & NR Committee of Unique Hotel & Resorts Limited, Bay Hill Hotel & Resorts Limited, General Electric Company (BD) Limited and Unique Meghnaghat Power Limited.

He is a member of both the Audit Committee (AC) and Risk Management Committee (RMC) of the Board of EBL. He is also a Director of EBL Asset Management Limited, a fully owned subsidiary of EBL.

He obtained his Master's degree in Accounting from the University of Dhaka. He is well known for his expertise in the areas of financial reporting and management, insurance, power plant, and hospitality industry.



K.J.S Banu Director

A renowned philanthropist, Kishwar Jahan Sayeeda Banu, better known as K.J.S Banu, completed her Master's degree from the University of Dhaka in 1966. Beyond philanthropic works, she is also involved with various social development projects in Dhaka and Chattogram and has a keen interest in banking and healthcare. She joined the Social Welfare Committee of Samorita Hospital in 2000. Currently, she is the Chairman of the Abul Mansur Shaukat Ali Family Trust.

She has been actively involved with the Inner Wheel Club of Dhaka Midtown for a number of years. She has also been an active member of Gulshan Ladies Club, Uttara Ladies Club, Dhaka Ladies Club, Baridhara Diplomatic Club and Gulshan Club.

A connoisseur of art, she is popular among the arts circle for her patronage of talented and promising young artists.

She is a Director of EBL Investments Limited, a fully owned subsidiary of EBL. Previously, she was a member of the Board of Directors of EBL for a three-year term from 2003 to 2006.



Zara Namreen

Zara Namreen is currently the Executive Director of JF (Bangladesh) Limited and associated with Namreen Enterprise Limited, Z.N. Enterprise Limited and M/S. S.N. Corporation. She is a member of the Risk Management Committee (RMC) of the Board of EBL.

She did her Bachelor of Science from University of Hull, UK and Master of Science from Queen Mary University of London.

She is a member of Chittagong Club Limited.



Dr. Toufic Ahmad Choudhury Independent Director

A renowned economist, Dr. Toufic Ahmad Choudhury did his Ph.D. from Himachal Pradesh University, Shimla, India under Indian commonwealth scholarship. He is currently serving as the Director General of Bangladesh Academy for Securities Markets and also as a board member of a number of institutions including Palli Karma Sahayak Foundation (PKSF) and Institute for Inclusive Finance and Development (InM). He was Director General of Bangladesh Institute of Bank Management (BIBM) from 2010 to 2019. He also served as the General Secretary of Bangladesh Economic Association (BEA) for consecutive two terms 2010-2014.

Dr. Toufic started his professional career as a Research Associate with Bangladesh Institute of Development Studies (BIDS). In 1981 he joined Bangladesh Institute of Bank Management (BIBM) as a lecturer and became professor in 1997. He received numerous professional trainings organized by IMF Training Institute, Toronto Centre, Standard Chartered Bank, USAID and World Bank.

He is a member of EBL Shariah Supervisory Committee (EBL-SSC) of Islamic Banking. He is a member of both the Audit Committee (AC) and Risk Management Committee (RMC) of the Board of Directors of EBL. He is also a Director of EBL Asset Management Limited, a fully owned subsidiary of EBL.

An expert in financial institution management, risk management, international trade payment and finance, he has over fifty publications in national and international journals.



Ashiq Imran Independent Director

A renowned architect, Ashiq Imran is the Honorary Consul of the Russian Federation in Chattogram and a representative of Belarus Chamber of Commerce and Industry (BelCCI). He obtained his M. Arch in 1993 from Belarus National Technical University, Belarus, CIS under a scholarship program from former USSR government. He has been awarded medal of recognition for his contributions to the development of bilateral relations between Russia and Bangladesh and was instrumental in setting up a memorial in the Laldighi area of Chattogram in honor of Yuri Redkin, a Soviet Naval Officer killed in a mine-clearing operation at the port of Chattogram in 1973.

He is the elected chairman of Institute of Architects Bangladesh (IAB) for a two-year term 2021-22. Currently, he is the CEO and principal architect of the Chattogram-based architectural consulting firm Fialka.

He is associated with numerous organizations as member/adviser including member of Chittagong Chamber of Commerce and Industry (CCCI); Board member of Chattogram Development Authority; Adviser of Suchinta Bangladesh, Chattogram Division; General Secretary of Soviet Alumni Association (SAAB), Chattogram and other prestigious organizations.

He is a member of the Audit Committee (AC) of the Board of EBL. He is also a Director of EBL Investments Limited and EBL Securities Limited, both are fully owned subsidiaries of EBL.



Ruslan Nasir Director

A young and dynamic entrepreneur, Ruslan Nasir is the Deputy Managing Director of Mir Ceramic Limited and Director of Mir Holdings Limited, Mir Securities Limited and Mir Telecom Group, which includes Mir Telecom Limited, Bangla Telecom Limited, Coloasia Limited and BTS Communications Limited. Under his dynamic leadership, Mir Telecom Limited won the National Export Gold Trophy thrice in 2012-13, 2013-14 and 2016-2017 in service sector. He also won the President's Award for Industrial Development in 2019 for Mir Ceramic Ltd. & Bangabandhu Sheikh Mujib Industrial Award in 2020 for Mir Telecom Ltd. He has joined the Board of Directors of Eastern Bank Limited in 2021.

His vast experience in wide range of businesses include ceramic tiles, construction, telecom, ICT, real estate, food chain and banking.

He is also serving as the Director of Bangladesh Chamber of Industries (BCI) and sits on the board of Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA).

He did his MBA from Rotman School of Management, University of Toronto, and a Bachelor of Engineering, Electrical and Electronic Engineering from Carleton University, Canada.

His philanthropic works include social development projects of Faridpur Diabetic Association and patronage of a number of hospitals and orphanages.

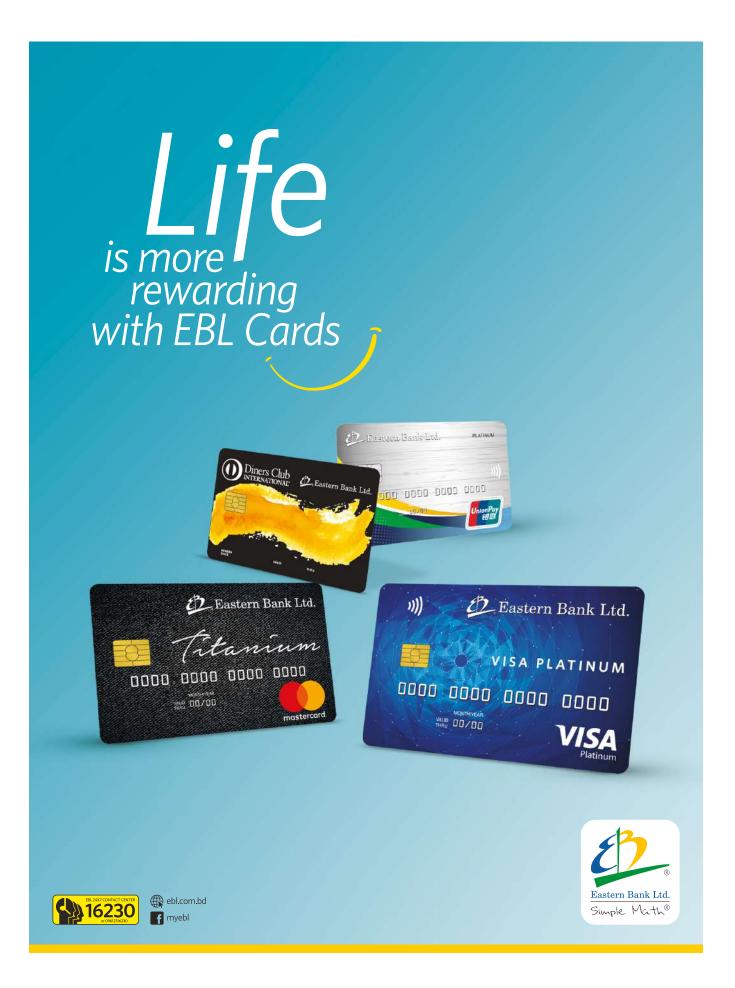


Ali Reza Iftekhar Managing Director & CEO

The longest serving Managing Director of the banking industry, Ali Reza Iftekhar is an ardent promoter of sustainable growth. As the Managing Director & CEO of EBL, he has successfully introduced international best practices and ethical banking and transformed the organization into a leading financial brand in the country. Under his leadership, the bank has achieved many a laurel including the Bank of the Year awarded by the Banker Magazine for two consecutive years, Best Retail Bank in Bangladesh awarded by The Asian Banker for six consecutive years 2013 - 2018; Euromoney Best Bank in Bangladesh for three consecutive years, Asiamoney Best Corporate and Investment Bank of Bangladesh for four consecutive years, FinanceAsia Best Bank of Bangladesh in 2017 and 2019, the IFC Global Award for the Best Partner for Working Capital Systemic Solution; ICSB National Award for Corporate Governance Excellence; the Best Financial Institution 2010 at the DHL-Daily Star Bangladesh Business Award.

He has led the Association of Bankers, Bangladesh (ABB), a forum of managing directors of Bangladesh's scheduled banks, for two terms 2020-21 and 2014-2015.

An achiever throughout his career spanning over three decades, he was awarded CEO of the Year 2012 at Asian HR Leadership Award held in Dubai.



Management Committees

MANCOM











Ali Reza Iftekhar Managing Director & CEO Ahmed Shaheen DMD & Head of Corporate Banking

Muhammad Mustafa Haikal Hashmi DMD & Head of ICC & CAMLCO Mahmoodun Nabi Chowdhury DMD & Chief Risk Officer **M.Khurshed Alam** DMD & Head of Planning & Strategy



Mehdi Zaman DMD & Head of Treasury, Offshore Banking & FI



Riad Mahmud Chowdhury DMD & Head of Corporate Business, Dhaka



Mahiuddin Ahmed DMD & Head of Operations



M.Khorshed Anowar DMD & Head of Retail & SME Banking



S.M. Akhtaruzzaman Chwodhury Head of Governance, Risk & Control









Iftekhar Uddin Chowdhury Head of Special Asset Management

Masudul Hoque Sardar Chief Financial Officer

Zahidul Haque Chief Technology Officer

Ashraf -Uz- Zaman Head of Corporate Business, Chattogram



Monjurul Alam Head, Human Resources

Md. Abdul Matin Head of CRM

Md. Maskur Reza Head of Business Information Systems

Md. Abdullah Al Mamun Company Secretary

MANCOM

| SL NO | Name | Designation | Status in Committee |
|-------|--------------------------------|---|---------------------|
| 1 | Ali Reza Iftekhar | Managing Director & CEO | Chairman |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Member |
| 4 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Member |
| 5 | M. Khurshed Alam | DMD & Head of Planning & Strategy | Member |
| 6 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 7 | Riad Mahmud Chowdhury | DMD & Head of Corporate Business, Dhaka | Member |
| 8 | Mahiuddin Ahmed | DMD & Head of Operations | Member |
| 9 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 10 | S.M. Akhtaruzzaman Chwodhury | SEVP & Head of Governance, Risk & Control | Member |
| 11 | Iftekhar Uddin Chowdhury | SEVP & Head of Special Asset Management | Member |
| 12 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 13 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 14 | Ashraf -Uz- Zaman | SEVP & Head of Corporate Business, Chattogram | Member |
| 15 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 16 | Md. Abdul Matin | SEVP & Head of CRM | Member |
| 17 | Md. Maskur Reza | EVP & Head of Business Information Systems | Member |
| 18 | Md. Abdullah Al Mamun | SVP & Company Secretary | Member |

Extended Management Team (EMT)

| SL NO | Name | Designation | Status in Committee |
|-------|------------------------------------|---|----------------------------|
| 1 | M. Khurshed Alam | DMD & Head of Planning & Strategy | Chairman |
| 2 | Major Md. Abdus Salam, psc, (Retd) | SEVP & Head of Cash Management, Corporate Banking | Member |
| 3 | Md. Obaidul Islam | SEVP & Head of Relationship Unit, Corporate Banking | Member |
| 4 | Mahdiar Rahman | SEVP & Head of Relationship Unit, Corporate Banking | Member |
| 5 | Md. Mokaddas | SEVP & Head of Trade Operations | Member |
| 6 | Syed Zulkar Nayen | SEVP & Head of Business, Retail & SME Banking | Member |
| 7 | Ahsan Ullah Chowdhury | SEVP & Head of Digital Financial Services | Member |
| 8 | Ziaul Karim | SEVP & Head of Communications & External Affairs | Member |
| 9 | Kamal Mustaba Ali | EVP & Head of Administration | Member |
| 10 | Md. Rezaul Karim | EVP & Head of ICT Operations | Member |
| 11 | Md. Zahid Hossain | EVP & Head of Service Delivery | Member |
| 12 | Rasheedul Huque | EVP & Head of Service & Business Quality and BPM | Member |
| 13 | Sajjad Kabir Md. Shariful Alam | EVP & Head of Core Banking System | Member |
| 14 | Mohammed Moinul Islam | EVP & Deputy Head of Special Asset Management | Member |
| 15 | Tasnim Hussain | EVP & Head of Asset, Retail & SME Banking | Member |
| 16 | Md. Maskur Reza | EVP & Head of Business Information Systems | Member |
| 17 | Farzana Ali | SVP & Branch Area Head, Dhaka | Member |
| 18 | Mohammad Salekeen Ibrahim | SVP & Head of SME Business | Member |
| 19 | Istiak Ahmed | SVP & Branch Area Head, Outstation | Member |
| 20 | A. K. M. Zakir Hossein | SVP & Head of Credit Administration | Member |
| 21 | G. K. Salauddin Ahmed | SVP & Head of Retail Risk | Member |
| 22 | Sarmin Atik | SVP & Head of Liability & Wealth Management | Member |
| 23 | Bidhan Barua | SVP & Senior Manager, CRM | Member |
| 24 | Saiful Islam | SVP & Head of Risk Management | Member |
| 25 | Md. Syedul Islam | SVP & Head of Audit | Member |
| 26 | Md. Shahjahan Ali | SVP & Head of Compliance & Deputy CAMLCO | Member |
| 27 | Md. Muyeed Hasnayen | SVP & Head of Cards Operations | Member |
| 28 | Riyadh Ferdous | VP & Head of Brand | Member |
| 29 | Nahid Farzana | VP & Head of Cards Business | Member |
| 30 | Shah Muntasin Mujtaba | VP & Head of Markets & Sales | Member |
| 31 | Rajan Kumer Saha | VP & Head, Financial Planning, Reporting & Analysis | Member & Secretary General |
| 32 | Sujan Barua | VP & Head, Statutory Financial Reporting & Portfolio Management | Member |
| 33 | Amin Md. Mehedi Hasan | VP & Head of Digital Banking | Member |
| 34 | Faisal M. Fathe - Ul Islam | VP & Head of M-Commerce & E-Commerce | Member |
| 35 | Md. Riyad Hossain | SAVP & Head, People's Acquisition | Member |

Asset Liability Committee (ALCO)

| SL NO | Name | Designation | Status in Committee |
|-------|----------------------|---|---------------------|
| 1 | Ali Reza Iftekhar | Managing Director & CEO | Chairman |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member Secretary |
| 4 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 5 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 6 | Saiful Islam | SVP & Head of RMD | Member |
| 7 | Md. Talhatul Islam | AVP & Senior Manager, ALM Desk, Treasury | Member |

Executive Risk Management Committee (ERMC)

| SL NO | Name | Designation | Status in Committee |
|-------|--------------------------------|---|---------------------|
| 1 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Chairman |
| 2 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Co-Chairman |
| 3 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 4 | Md. Khurshed Alam | DMD & Head of Planning & Strategy | Member |
| 5 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 6 | Mahiuddin Ahmed | DMD & Head of Operations | Member |
| 7 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 8 | S.M. Akhtaruzzaman Chwodhury | SEVP & Head of Governance, Risk & Control | Member |
| 9 | Iftekhar Uddin Chowdhury | SEVP & Head of Special Asset Management | Member |
| 10 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 11 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 12 | Md. Abdul Matin | SEVP & Head of CRM | Member |
| 13 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 14 | A. K. M. Zakir Hossein | SVP & Head of Credit Administration | Member |
| 15 | Saiful Islam | SVP & Head of RMD | Member Secretary |

Purchase Committee (PC)

| SL NO | Name | Designation | Status in Committee |
|-------|-----------------------|--|---------------------|
| 1 | M. Khurshed Alam | DMD & Head of Planning & Strategy | General Secretary |
| 2 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 3 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 4 | Kamal Mustaba Ali | EVP & Head of Administration | Member |
| 5 | Md. Maskur Reza | EVP & Head of Business Information Systems | Member |
| 6 | Md. Abdullah Al Mamun | SVP & Company Secretary | Member |

Credit Risk Management Committee (CRMC)

| SL NO | Name | Designation | Status in Committee |
|-------|--------------------------|---|---------------------|
| 1 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Chairman |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 4 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 5 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 6 | Iftekhar Uddin Chowdhury | SEVP & Head of Special Asset Management | Member |
| 7 | Md. Abdul Matin | SEVP & Head of CRM | Member Secretary |
| 8 | Saiful Islam | SVP & Head of RMD | Member |

Sustainable Finance Committee (SFC)

| SL NO | Name | Designation | Status in Committee |
|-------|--------------------------------|--|---------------------|
| 1 | M. Khurshed Alam | DMD & Head of Planning & Strategy | Chairperson |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Member |
| 4 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 5 | Riad Mahmud Chowdhury | DMD & Head of Corporate Business, Dhaka | Member |
| 6 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 7 | Iftekhar Uddin Chowdhury | SEVP & Head of Special Asset Management | Member |
| 8 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 9 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 10 | Ashraf -Uz- Zaman | SEVP & Head of Corporate Business, Chattogram | Member |
| 11 | Md. Abdul Matin | SEVP & Head of CRM | Member Secretary |
| 12 | Syed Zulkar Nayen | SEVP & Head of Business, Retail & SME Banking | Member |
| 13 | Ahsan Ullah Chowdhury | SEVP & Head of Digital Financial Services | Member |
| 14 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 15 | Ziaul Karim | SEVP & Head of Communications & External Affairs | Member |
| 16 | Kamal Mustaba Ali | EVP & Head of Administration | Member |
| 17 | A. K. M. Zakir Hossein | SVP & Head of Credit Administration | Member |
| 18 | Saiful Islam | SVP & Head of RMD | Member |
| 19 | Mohammad Salekeen Ibrahim | SVP & Head of SME Business | Member |

Supervisory Review Process (SRP) Team

| SL NO | Name | Designation | Status in SRP Team |
|-------|--------------------------------|---|--------------------|
| 1 | Ali Reza Iftekhar | Managing Director & CEO | Chairman |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Member |
| 4 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Member |
| 5 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 6 | Mahiuddin Ahmed | DMD & Head of Operations | Member |
| 7 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 8 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 9 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 10 | Md. Abdul Matin | SEVP & Head of CRM | Member |
| 11 | Saiful Islam | SVP & Head of RMD | Member Secretary |

BASEL Implementation Unit (BIU)

| SL NO | Name | Designation | Status in BIU |
|-------|--------------------------------|---|------------------|
| 1 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Chairman |
| 2 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Member |
| 3 | Mehdi Zaman | DMD & Head of Treasury, Offshore Banking & FI | Member |
| 4 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member Secretary |
| 5 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 6 | Md. Abdul Matin | SEVP & Head of CRM | Member |
| 7 | Saiful Islam | SVP & Head of RMD | Member |

ICT Steering Committee

| Sl No | Name | Designation | Status in Committee |
|-------|--------------------------------|--|---------------------|
| 1 | Ali Reza Iftekhar | Managing Director & CEO | Chairman |
| 2 | Ahmed Shaheen | DMD & Head of Corporate Banking | Member |
| 3 | Muhammad Mustafa Haikal Hashmi | DMD & Head of ICC & CAMLCO | Member |
| 4 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Member |
| 5 | M. Khurshed Alam | DMD & Head of Planning & Strategy | Member |
| 6 | Mahiuddin Ahmed | DMD & Head of Operations | Member |
| 7 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 8 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 9 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 10 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 11 | Md. Maskur Reza | EVP & Head of Business Information Systems | Member Secretary |

ICT Security Committee

| Sl No | Name | Designation | Status in Committee |
|-------|--------------------------|--|---------------------|
| 1 | Zahidul Haque | SEVP & Chief Technology Officer | Chairman |
| 2 | Md. Rezaul Karim | EVP & Head of ICT Operations | Member |
| 3 | Ahmed Akhter Imam | SVP & Head of Payment Systems | Member |
| 4 | Muyeed Hasnayen | SVP & Head of Cards Operations | Member |
| 5 | Sabera Sultana Mili | VP & Head of Branch Operation & Support | Member |
| 6 | Ashraf-Un-Newaz Arkesh | VP & Head of Infrastructure & System | Member |
| 7 | Amin Md. Mehedi Hasan | VP & Head of Digital Banking | Member |
| 8 | Faisal M. Fathe-ul Islam | VP & Head of M-Commerce & E-Commerce | Member |
| 9 | Sarwar Al Ahmed | VP & Unit Head, Products & e-Channels, Corporate Banking | Member |
| 10 | Muhammad Abul Kalam Azad | VP & Head of Information Security & Compliance | Member Secretary |
| 11 | Hasan Riaz | SAVP & Head of Operations Control | Member |
| 12 | Rashedul Islam | SAVP & Head of Audit - Unit 3 | Member |
| 13 | Md. Amanallah Majumder | SAVP & Sr. Manager-Data Management, ICT | Member |
| 14 | Sanjida Farhana Oishe | AVP & Manager-Fintech Engagement, ICT | Member |

ICT Risk Management Committee

| Sl No | Name | Designation | Status in Committee | |
|-------|---------------------------------|--|---------------------|--|
| 1 | Zahidul Haque | SEVP & Chief Technology Officer | Chairman | |
| 2 | Md. Abdul Awal | EVP & Head of Monitoring | Member | |
| 3 | Sajjad Kabir Md. Shariful Alam | EVP & Head of Core Banking System | Member | |
| 4 | Rasheedul Huque | EVP & Head of Service & Business Quality and BPM | Member | |
| 5 | A. K. M. Zakir Hossein | SVP & Head of Credit Administration Mem | | |
| 6 | Saiful Islam | SVP & Head of Risk Management Me | | |
| 7 | Sanjit Kumar Dutta | SVP & Head of Digital Banking Technology Men | | |
| 8 | Tapash Chakraborty | VP & Head of Property & Premises Management | Member | |
| 9 | Md.Mazedul Hoque Chowdhury | SAVP & Senior Manager, Network Management | Member | |
| 10 | Khandaker Muhammad Shamsul Huda | FAVP & Head of Cards Account Services | Member | |
| 11 | A.K.M. Mustafizul Haque | AVP & Manager, Information Security & Compliance | Member Secretary | |

Cost Olympic Committee (COC)

| Sl No | Name | Designation | Status in Committee |
|-------|----------------------|---|---------------------|
| 1 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | President |
| 2 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 3 | Syed Zulkar Nayen | SEVP & Head of Business Meml | |
| 4 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 5 | Kamal Mustaba Ali | EVP & Head of Administration Mem | |
| 6 | Md. Maskur Reza | EVP & Head of Business Information Systems | Member Secretary |
| 7 | Iftikhar Imam | SVP & Head of Inbound Business & China Desk | Member |
| 8 | Muyeed Hasnayen | SVP & Head of Cards Operations | Member |
| 9 | Riyadh Ferdous | VP & Head of Brand | Member |

Central Compliance Committee (CCC)

| Sl No | Name | Designation | Status in Committee |
|-------|--------------------------------|--|---------------------|
| 1 | Muhammad Mustafa Haikal Hashmi | DMD, Head of ICC & CAMLCO | Chairman |
| 2 | Mahmoodun Nabi Chowdhury | DMD & Chief Risk Officer | Member |
| 3 | Riad Mahmud Chowdhury | DMD & Head of Corporate Business, Dhaka | Member |
| 4 | Mahiuddin Ahmed | DMD & Head of Operations | Member |
| 5 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 6 | S.M Akhtaruzzaman Chowdhury | SEVP & Head of Governance, Risk & Control | Member |
| 7 | Zahidul Haque | SEVP & Chief Technology Officer | Member |
| 8 | Md. Mokaddas | SEVP & Head of Trade Operations | Member |
| 9 | Ahsan Ullah Chowdhury | SEVP & Head of Digital Financial Services | Member |
| 10 | Monjurul Alam | SEVP & Head, Human Resources | Member |
| 11 | Md. Abdul Awal | EVP & Head of Monitoring | Member |
| 12 | Md. Shahjahan Ali | SVP & Head of Compliance & Deputy CAMLCO | Member Secretary |
| 13 | Md. Muyeed Hasnayen | SVP & Head of Cards Operations | Member |
| 14 | Muhammad Abul Kalam Azad | VP & Head of Information Security & Compliance | Member |

Integrity Committee

| SL NO | Name | Designation | Status in Committee |
|-------|----------------------|--|-----------------------------|
| 1 | M. Khurshed Alam | DMD & Head of Planning & Strategy | Chairman & Focal Point |
| 2 | M. Khorshed Anowar | DMD & Head of Retail & SME Banking | Member |
| 3 | Masudul Hoque Sardar | SEVP & Chief Financial Officer | Member |
| 4 | Ziaul Karim | SEVP & Head of Communications & External Affairs | Member |
| 5 | Monjurul Alam | SEVP & Head, Human Resources | Member & Deputy Focal Point |
| 6 | Farzana Ali | SVP & Branch Area Head Dhaka | Member |

Products & Services



Retail & SME Banking

Deposit Products

Retail Accounts

Savings Account

EBL Classic Savings EBL Power Savings EBL Max Saver EBL Premium Savings EBL Platinum Plus Savings EBL 50+ Savings EBL Women's Savings EBL RFCD

Current Account

EBL Current Account EBL Current Plus

DPS Account

EBL Confidence EBL Millionaire Scheme EBL Millionaire Women DPS EBL Kotipoti EBL Multiplier

EBL Fixed Deposit

EBL Repeat FD EBL 50+ FD EBL Fixed Deposit Extra Value Fixed Deposit EBL Earn First FD EBL Super FD EBL Super FD Repeat

Business Accounts

Current Account Current Deposits FCY Account Export Retention Quota EBL Ovilashi

SND Account Short Notice Deposit EBL Shubidha EBL Super HPA

DPS Account EBL Equity Builder

Fixed Deposit Account

EBL Fixed Deposit Extra Value Fixed Deposit EBL Alo EBL Diamond EBL Super FD EBL Repeat

EBL Self Service (ESS) Hub

Open Account, FD or DPS from anywhere

INSTA Banking

Open Instant account using e-KYC from anywhere in the world.

Retail Loan Products

EBL Executive Loan EBL Women's Loan EBL Assure

SME Loan Products

EBL Business Solution EBL Cash Credit Stimulus Fund for CMSMEs EBL Uddipon EBL Auto Loan

EBL Home Loan

EBL Home Credit

EBL Utkorsho EBL Mukti EBL Nobodoy

EBL Asha

(Fast Loan)

(Fast Cash)

EBL Two Wheeler Loan EBL Fast Loan EBL Fast Cash EBL Education Finance pack Mortgage Loan Payment Protection

EBL Udoy EBL Utpadon EBL Agrim EBL Projukti EBL Krishi EBL E-Loan/Cash EBL Business Wonder Startup Explorer

NRB & Expat Products

NRB Deposit Products

EBL Global EBL NFCD EBL Shonchoy EBL Paribar

Remittances

Remitted fund can be disbursed through EBL branches, and smart remit card NRB Loan Products
Personal Secured Loan

Personal Secured Credit

EBL Expat

EBL Expat is a 360 degree banking solution that is perfect for any Foreign National currently working in Bangladesh. EBL Expat FCY Account EBL Expat LCY Account

Investment

Wage Earners Development Bond (WEDB) US Dollar Investment Bond (USDIB) US Dollar Premium Bond (USDPB)

Payroll Banking Services

Executive Account – For Salary Disbursement EBL Visa Payroll Card – Smart Expense Card EBL Salary Shield – Employee Insurance Scheme EBL Connect – Secured Digital Platform for Salary disbursement

Priority Banking Service

EBL Priority offers a wide range of attractive propositions and personalized services, adding value to the premium customer base of the bank.

| Student Banking Products & Services | | | | | | | |
|--|---|---|--|--|--|--|--|
| EBL Junior EBL Child Future Plan | EBL Campus Account EBL Aspire | EBL Student File Services | | | | | |
| င့်စွာနှိ Supply Chain Finance | | | | | | | |
| Supplier Finance (Overdraft/Short Term Loan) | Dealer Finance (Term loan/Overdraft/Short Term Loan) | EBL Shomonnoy (working capital finance product for suppliers and dealers of large corporate houses) | | | | | |
| Digital Banking | | | | | | | |
| Skybanking App EBL 365 EBL Contact Center with Phone Banking facility | Skybanking Web EBL Dropbox EBL SMS Banking & SMS Alert Service EBL DIA | Payment Solution EBL Web Chat Missed Call Alert Service | | | | | |
| O Agent Banking | | | | | | | |

All types of Account Opening Cash Deposit and Cash Withdrawal Fund Transfer within EBL Fund Transfer to Other Bank Inward Foreign Remittance Disbursement Utility Bill Payment Card Bill Payment Payment of Salary Debit Card and Cheque Book Request & Delivery Balance Inquiry Loan & Credit Card Application etc.

Cards

EBL Credit Cards

EBL Visa Classic Credit EBL Visa Gold Credit EBL Visa Platinum Credit EBL Visa Women Platinum Credit EBL Visa Signature Lite Credit

EBL Visa Signature Acci-Shield Credit EBL Visa Infinite Credit EBL Mastercard Titanium Credit EBL Mastercard World Credit EBL Diners Club International Credit EBL UnionPay International Platinum Credit

EBL Corporate Credit Card

Revolving loan facilities for corporate houses to manage company's local and global travel & entertainment expenses

EBL Debit Cards EBL Visa Classic Debit EBL Visa Platinum Debit EBL Visa Women Platinum Debit EBL Visa Signature Debit EBL Visa Priority Signature Debit EBL Visa Infinite Debit EBL Visa Business Debit EBL Visa Global Debit EBL Visa Payroll Debit EBL Visa Junior Debit EBL Mastercard Titanium Debit EBL Mastercard World Debit EBL Mastercard Payroll Debit EBL Mastercard Payroll Debit EBL Mastercard Women Platinum Debit EBL UnionPay International Classic Debit

EBL Prepaid Cards

EBL Visa Lifestyle Prepaid EBL Visa Payroll Prepaid EBL Visa Hajj Prepaid EBL Mastercard Aqua Prepaid EBL Diners Club International Global Prepaid EBL UnionPay International Dragon Prepaid

Co-branded Cards

EBL Visa Bangladesh Army Platinum Credit

EBL Visa Bangladesh Air Force Platinum Credit EBL Visa Bangladesh Navy Platinum Credit EBL Visa Meena Bazar Platinum Credit EBL Mastercard Shwapno Titanium Credit EBL Mastercard BASIS Titanium Credit EBL Mastercard Rotary Titanium Credit EBL Mastercard JCI Titanium Credit EBL Mastercard Oil & Gas Credit EBL Visa BAT Co-brand Corporate Credit EBL Visa Bangladesh Foreign Service Association Signature Credit EBL Diners Club International Vroom Credit EBL Visa Oil & Gas Credit EBL Visa Flight Expert Credit

EBL Visa GHC Credit EBL Visa Wholesale Credit EBL Visa Marks & Spencer Credit EBL Visa Ministry of Textiles and Jute Credit EBL Visa Bangladesh **Communication Satellite** Company Limited Credit EBL Visa Bangladesh Doctors Foundation Credit EBL Visa Bangladesh Doctors Foundation Prepaid EBL Visa Healthcare Pharmaceuticals Prepaid EBL Visa GPL Employee Payroll Prepaid Card EBL Visa Unilever Prepaid EBL Visa ACCA Prepaid EBL Visa Grameenphone Express Prepaid EBL Visa BATA Prepaid EBL Visa Netizen Prepaid EBL Visa Wholesale Prepaid EBL Mastercard BASIS Prepaid EBL Mastercard Robi Smart Prepaid EBL Mastercard Berger Prepaid EBL Mastercard Novo Air Prepaid EBL Mastercard Rotary Prepaid EBL Mastercard DHL One Prepaid EBL Banglalink Payroll Prepaid Others

Facilities

EBL ZIP (Zero% Installment Plan) EBL EasyCredit EBL Want2Buy



Money Market Products

- Call money
- Term money
- Re-purchase agreement
- Reverse repo
- Commercial paper
- Foreign exchange swap
- Foreign currency placement

Fixed Investment Products

- Government Securities to Inter-Bank
- Government securities to
 customers
 - T-Bond to foreign individuals, investors & institutions
 - Sub-Ordinated Bond
 - EBL Fixed income

Foreign Exchange Products

- Inter-Bank spot in major currency pairs
- Customer spot in major
 currency pairs
- Foreign remittance

Derivative Products

- Forward contract
- Interest rate swap (IRS)

Corporate Banking

Cash Management Solutions F~7

- Nationwide Collection Services (NCS)
- Payment Transfer Services (PTS)
- EBL Cheq Pro

- Cash Pick-up & Delivery Service •
- Mobile Financial Service (MFS) •
- EBL Connect

- Commercial Payments & Solutions (CPS)
- Utility Bills Collection
 - EBL SPEED

H **Working Capital Solutions**

Funded Facilities

- Import Loan
- Demand Loan
- Manufacturers Demand Loan
- Overdraft
- Time Loan
- Packing Credit
- Local Documentary Bill Purchased (LDBP)

- Foreign Documentary Bill Purchased (FDBP) .
- EDF Loan

Non-Funded Facilities

Letter of Credit (Cash/Back to Back)

- Sight LC •
- Usance/ Deferred LC
- Structured LC

Guarantee (Open ended/Close ended)

- Performance Guarantee
- Bid Bond
- Advance Payment Guarantee
- **Retention Bond**
- Security Bond

9 6 **Bridge Financing**

• To finance temporary funded requirement for onward conversion to other facilities.

| Long-term Financing | | |
|--|----------------------------|--------------------|
| Term Loan (Normal/ Amortized/ Capitalized) | • Term Loan (IPFF) | • Term Loan (LTFF) |
| Offshore Financing | | |
| Foreign Currency Financing: | Demand Loan | • Term Loan |
| • Import Loan | Bill Discounting/Financing | • Guarantee |
| Structured Financing | | |

- Local and Foreign Currency Syndicated Term Financing
- Syndicated Working Capital Financing
- Multilateral Financing
- Advisory Services
- . Trustee and Agency Services .
- Arranging Debt (Bonds/Commercial Paper)
- Preference Shares
- Export Credit Agency (ECA) Backed Financing

Organizational Overview

Timeline

1997

08 August

Incorporated.

16 August Commenced banking

operations.

20 March Listed with

Dhaka Stock Exchange Ltd.

1993

2003

17 July Launched online banking services across all the branches.

19 May

2004

Commenced operations of Offshore Banking Operations in Bangladesh.

28 September Listed with Chittagong Stock Exchange Ltd.

09 November

2006

Partnered with ADB under Trade Finance Facilitation Program (TFFP) to receive guarantee and revolving credit facility.

01 December

EBL was awarded the prestigious Bank of the Year 2021 for Bangladesh by The Banker.

January 17 EBL was awarded by International Finance Corporation (IFC) under World Bank Group as the Best Partner for Equipment Trade in South Asia under Global Trade Finance Program.

27 November

EBL won the first Bangladesh FinTech award in 2021 in the 'Fintech Innovation of the year-Banks' category for EBLConnect, a solution developed for corporate customers.

28 October

EBL was awarded 'Leading SME Trade Bank' by ADB in the year 2020 for its outstanding contribution in supporting small and medium-sized enterprises (SMEs) in Bangladesh.

02 December

EBL was awarded 'Bank of the Year 2020' for Bangladesh by The Banker.

01 April EBL was awarded the Best Corporate and Investment Bank in Bangladesh for four consecutive years from 2017-2020 by Asiamoney.

15 October

EBL was awarded for its performance in the product innovation and cards business from VISA in three categories - Excellence in Product Innovation, Excellence in E-commerce Acquiring Business and Excellence in Cross-Border Business for the year 2019-2020.

08 September

2019

EBL won the Bangladesh Best Employer Brand Award 2019 at the 14th Employer Branding Awards ceremony by the globally renowned Employer Branding Institute.

15 December

EBL won the prestigious 'ICMAB Best Corporate Award 2018' securing first position in the Private Commercial Bank Category.

16 December

EBL won the 'Most Innovative Retail Bank – Bangladesh 2019' by the International Finance Magazine.





2009

30 December

Established 'EBL Investments Limited', a fully owned subsidiary to do merchant banking operations (License received in January 2013).

in 2012.

2010

01 March

Acquired 60% shares

of a brokerage house

'LRK Securities Limited'

renamed afterwards as

'EBL Securities Limited'

and was acquired fully

04 April Became first bank in Bangladesh to implement 'Universal Banking System (UBS)', world's one of the renowned core banking solutions.

2011)

09 January

Incorporated 'EBL Asset Management Limited', a fully owned subsidiary of the Bank to manage funds especially mutual funds.

25 June

Adjudged the Best Financial Institution 2010 at the DHL-Daily Star Bangladesh Business Award, one the most prestigious awards in Bangladesh.

28 November

'EBL Finance (HK) Limited', the fully owned first foreign subsidiary of EBL incorporated with Hong Kong authority.

2014

31 July

EBL received 'Global Brand Excellence Awards' from The World Brand Congress in 'Brand Revitalization' category in recognition of EBL's sustainability in innovative branding.

2018

24 June

EBL moved into its permanent home at 100 Gulshan Avenue, Dhaka. This is a state-of-the-art intelligent building and also an architectural landmark of the city.

18 July

EBL repeated the performance in 2018 by winning Euromoney Best Bank in Bangladesh award for the third consecutive year.

10 November

EBL won the gold award at the 'ICSB National Award for Corporate Governance Excellence 2017' in the 'Banking Companies' category by the Institute of Chartered Secretaries of Bangladesh (ICSB).

22 March Adjudged the 'Best Retail Bank in Bangladesh' for 2018 consecutively for six years by The Asian Banker.

24 May

As a first Bangladeshi Bank, EBL won Best Transaction Bank in Bangladesh award in two categories: 'Best Cash Management Bank' and 'Best Trade Finance Bank' at the prestigious Asian Banker Business Achievement Awards 2018.

28 December

EBL launched country's first Artificial Intelligence (AI) - based banking chatbot titled 'EBL DIA' (EBL Digital Interactive Agent) - where anyone can interact/chat with an AI-based Chat Robot on social media platform.

21 March

2016

2012

25 September

EBL CEO awarded

by World HRD Congress

'CEO of The Year'

and World Brand

Congress hosted by

Asian Confederation

of Businesses in Dubai.

EBL as a first Bangladeshi Bank was assigned long-term rating Ba3 with a stable outlook by Moody's, one of the top international rating agencies.

01 October

EBL achieved PCI DSS certification for implementing global information security standard from world's cybersecurity leader NCC Group, UK.

18 January

2015

A Capacity Enhancement Center named 'EBL Nest' started its journey as an idea generation and innovation center with a tagline 'Imagine without Fear'.

Key Events 2021







British High Commissioner visits EBL Head Office

Turkish Ambassador visits EBL Head Office

Japanese Ambassador visits EBL Head Office



Launching of Agent Banking outlet at Bagmara, Cumilla



Partnership signing with BRAC to

carry out special COVID-19 CSR



Visit to Chairman of BEZA



Opening Ceremony of EBL Badminton Tournament 2021



Annual Risk Conference 2021



Seminar on 'Banking Support for Bangladesh-Japan Trade and Business Growth' jointly organized by EBL and JETRO







EBL signs payroll service agreement with First Dhaka Elevated Expressway (FDEE) Company Limited

EBL organises Training on Sustainable Finance

Meeting with BPC Chairman



Meeting with Managing Director of DESCO



Signing of co-brand card agreement

with Bangladesh Doctors' Foundation

(BDF)





Signing with Labaid Cancer Hospital and Super Speciality Center for discount on health care services for EBL cardholders



Meeting with Managing Director of Bangladesh India Friendship Power Company (Pvt.) Ltd. (BIFPL)



EBL launches Japan Business Desk



Card Based New Corporate Collection Product ePay signing Ceremony with Alpha Islami Life Insurance Ltd.







STEWARDSHIP



Chairman's Message



66

At EBL, we have adopted best international corporate governance practices to cultivate a culture of accountability, integrity, transparency, and sound financial management, which ultimately leads to overall sustainable business and financial performance.

Dear shareholders,

On behalf of the Board of Directors of EBL, I welcome you all to the 30th Annual General meeting of the company and have the privilege of presenting before you the Annual Report and audited financial statements of the Bank for the year 2021.

When Coronavirus pandemic made everything look bleak, we managed to emerge from the situations with renewed strength. As the chair of the Board, it gives me immense pleasure to share with you the resilience and agility that we have demonstrated during the most trying times and achieved our organizational objectives of delivering excellence.

Economic outlook

Over the past two years COVID-19 continued to wreak havoc on overall economic activities. After being slowed down in 2020, global economy gained momentum at a moderate pace as global coverage of vaccination increased and the pandemic was better handled in 2021. Though global economy grew by 5.9% in 2021 (based on IMF report), it has been anticipated that rising inflation, geopolitical tensions, and social unrest may further restrict global economic growth to 4.4% in 2022. Therefore, a delay in quicker revival of economic activities is on the cards.

Resilience and stability

While COVID-19 has made this a difficult year for everyone, we feel proud about how we rose to the challenge of pivoting the business to new heights. We have demonstrated our financial integrity, maintaining profitability throughout the year. We were on track to deliver a solid financial performance which is a testimony to the level of our courage and determination, depth of passion and resilience.

EBL recorded a significant growth of 13.44% in profit after tax (PAT) to BDT 4,654 million in 2021 along with 38.99% cost to income ratio riding on prudent asset-liability management. The bank has closed the year with 3.70% NPL, way below the industry average of 7.93%. Our sound financial performance has been reflected in the key profitability ratios including ROA and ROE of 1.28% and 15.51% respectively and improved earnings per share (EPS) of BDT 4.88 (Solo basis) in 2021 compared to BDT 4.30 in 2020. Our focus on attaining balance sheet growth, maintaining asset quality, mobilization of stable deposits, and rationalizing costs have been well reflected in our overall performance.

Digitizing customer experience

The pandemic has forced our customers to embrace digital banking over physical one. In previous year we increased our digital options which have enabled us to broaden our digital footprint and provide seamless customer service. Digitization has helped in improving customer experience through better connectivity in a comprehensive manner. We have invested in technology in 2021, as we continued to drive change in the way we approach technology across the organization and ultimately improve the customer experience making it efficient and simple.

Today customers are shifting away from cash usage towards contactless payments as customers adapt to and embrace the lowtouch environment necessitated by the pandemic. EBL's effort to constantly meet customers' needs has been recognized through International Finance Award as EBL is the only bank in Bangladesh to be awarded Fastest Growing Digital Bank of 2021.

Caring for our people

Caring for people is at the core of our human-resource related activities. We believe in employee diversity and inclusion, training and development, and employee engagement with the brand. Our people is one of our core strengths. We believe in connecting with people to win loyalty, employee engagement and motivation leading to strong corporate culture. We have established warmth of openness in our work culture, which helps our team to stay motivated in a high- performance environment.

During COVID-19 pandemic, our people have been our absolute priority. We increased employee engagement to keep them assured, motivated and aligned with our goals. We also took all-out measures to keep our employees safe, and ensured the WHO and government health guidelines at our offices to prevent COVID-19 and facilitated remote working as a part of our people's safety policy to ensure maximum care for our employees.

Upholding good governance practices

We believe corporate governance is at the heart of responsible leadership which is crucial in winning the trust of stakeholders. At EBL, we have adopted best international corporate governance practices to cultivate a culture of accountability, integrity, transparency, and sound financial management, which ultimately leads to overall sustainable business and financial performance. We have proactively supported establishing simple and efficient processes focusing on compliance with relevant regulations. Over the years, we are putting our efforts in setting up transparent set of rules and controls in which every stakeholders will have commensurate incentives. These efforts have been recognized by the ICMAB Best Corporate Award and the ICSB National Award for Corporate Governance Excellence.

Investing in the community we operate

As a good corporate citizen, we believe in investing to the community we operate by actively supporting initiatives aimed at making positive changes and impacting lives. We believe, our long-term success depends on the progress of the community and the people we serve. Over the years we have been engaged in responsible investment in various social activities related to education, healthcare, sports, art, and culture which demonstrates our interest in wider social issues.

To strengthen youth confidence and help them to grow as skilled workforce, we have been offering scholarship to meritorious but disadvantaged students of University of Dhaka. We have also allocated our CSR expenditure in emergency disaster relief, impacting lives of disadvantaged people and women empowerment. Considering the impact of COVID-19, in 2021 we carried out special CSR program on healthcare and societal contribution to mitigate the impact of pandemic.

Energizing for growth

EBL has been constantly evolving: we have been challenging ourselves to bring innovative products and services to the market and honing our core strengths to transform ourselves into a more agile and futureready organization. To cater to the evolving needs of stakeholders and to ensure best customer service, we are open to embrace emerging technology and flexible to adopt evolving business models, and whatever we do we put customers at the center of our every strategy.

Our efforts have been recognized by Bangladesh FinTech Award in 2021 for developing a solution for corporate customers and by VISA for Excellence in Product Innovation, Excellence in E-commerce Acquiring Business and Excellence in Cross-Border Business.

Dividend

In line with relevant BB circulars, the board has proposed 12.5% cash dividend and 12.5% stock dividend for the year 2021. We always give utmost importance to maintain a fine balance between consistency of dividend payment and strengthening the capital base for sustainable business growth. We make our decision to distribute dividend based on in-depth assessment of organization's earning capacity and growth prospects in compliance with various regulatory conditions.

Vote of thanks

The uncertainty and despair induced by global Coronavirus pandemic continued in 2021 as well but to a lesser degree. Our performance in 2021 reaffirmed our strength and the resilience of our portfolio. In 2022, as we are gearing to recovery drive, we must continue to remain alert to the situation and respond timely. We must also, at the same time, strive for excellence in our risk and controls, and to serve our clients. The board will continue to oversee and work closely with management in striking the right balance between growth potentials and the risk controls.

I would like to thank team EBL for their great personal dedication and passion to perform as a team and specially the Managing Director and CEO Ali Reza Iftekhar, who led the team from the front to achieve our objectives. We are grateful to regulators, especially Bangladesh Bank and Bangladesh Securities and Exchange Commission for their constant support and prudent guidance in delivering excellence.

Md. Showkat Ali Chowdhury Chairman of the Board of Directors



Payment of govt. fees through Automated Challan System (ACS) of EBL

All Branches of EBL & EBL Skybanking





Fastest collection & execution of fund transfer with money receipt



Quick & innovative solution through direct correspondence with MoF, BB and NBR





Real-time deposit in govt. exchequer with confirmation copy



'Pick and Drop' service for corporate clients (if required)



Supervision and support of in-house VAT/Tax professionals



QR Code authenticated challan



Managing Director & CEO's Review



The big picture

It is perhaps the first time since World War II that the entire world was thrown into uncertainties by the rapid surge of the coronavirus throughout 2020 and most part of 2021. With nations around the world focused on controlling the spread of the virus, global trade and economic activities took a back seat in many parts of the world. However, injecting sufficient liquidity in the system accompanied by lower market interest rate regime, ensuring stability in both the local and foreign currency markets, strong inward remittance growth, healthy foreign exchange reserve have been key ingredients in the process of economic recovery for Bangladesh. Timely and prudent government initiatives including lockdown measures, financial stimulus package for businesses, timely COVID-19 vaccine rollout program were commendable. The result: Bangladesh economy grew by 6.94 % in FY 2021. We are also expecting restoration of full normalcy in lives and livelihood and required flow of fund with appropriate cautions for overall price and financial stability to a V-shaped recovery from the pandemic.

Putting up a solid performance

EBL delivered a solid financial performance in 2021 recording commendable profit growth despite numerous external challenges. The bank's profit after tax (solo basis) increased by 13.44% to BDT 4,653.86 million, reflecting prudent ALM practice and cost efficiency. Net Interest Income (NII) saw a growth of 30.87% riding on 17.67% loan portfolio expansion as the bank sought new client acquisition and performed better in corporate segments. Fees and commissions income also grew by 7.70%, a testimony to our focus on expanding trade services, foreign

66

Our readiness to adapt to challenging times was amply rewarded as we successfully transformed crisis into opportunity for innovation and service excellence. Our aim is to leverage our combined strengths in banking to offer holistic and seamless solutions across business segments.

exchange income and card operations. The asset expansion of 15.40% in 2021 was propelled by loan growth of 17.67% and investment growth of 4.23% to reach BDT 388,814.71 million. The bank's ability to grow its deposit base by 10.59% compared to previous year is an evidence to its strong brand value and customer convenience, offered through a multi-channel strategy. Our intense focus on asset quality drove the bank to achieve NPL ratio of 3.70% at the end of 2021, far below the industry average. We have taken proactive measures to stem the influx of NPL through tightening underwriting and approval mechanisms and strengthening collections and monitoring drive. The bank's return on average equity improved to 15.51% in 2021, from 15.04% the preceding year signifying our focus on growing shareholders' value. We have been working closely with the regulators to ensure compliance in every aspect of governance and will continue to do. Our focus has always been to conduct businesses prudently

keeping ourselves within regulatory framework. To illustrate the point, our capital to risk-weighted assets ratio (CRAR) has been maintained well above the regulatory minimum. At the year-end 2021, bank's CET-1 ratio and CRAR stood at 10.31% and 14.08% respectively. Key regulatory ratios of the bank namely AD ratio (79.69% \leq 87%), CRAR (14.08% \geq 12.5%), LCR (144.97% \geq 100%), NSFR (104.40% >100%), leverage ratio (5.69% \geq 3%), MCO (14.51% \leq 16.5%) and capital market exposure (22.20% \leq 25%) clearly show our commitment to stakeholders. EBL's longstanding reputation for compliance is one of our most important intangible assets, which we are committed to uphold and nourish.

(For details, please go to the sections: stakeholders' information, management discussion and analysis, risk management report and notes to the financial statements of this annual report.)

Towards a digital transformation

Digital innovations are transforming economies and financial ecosystems. COVID-19 pandemic accelerated the requirements of digital products and services and spurred the rapid development of our digital capabilities. Customers are now demanding banking that is simple, functional, reliable, and seamless. New opportunities for business growth abound as do new risks to data security and compliance, among others. Strengthening digital capabilities is our key priority in the fast evolving market scenario. We are upgrading our core banking system from its earlier version to a newer one and continuously trying to embrace new initiatives to increase operational efficiency through automation and by introducing new service features in the existing banking service channels and enhancing transaction security to give our customers comfort and reliable banking experience.

Towards cost-efficiency

Change from within to improve profitability essentially means improved operational efficiency and productivity. With the banking industry facing low margins and hefty compliance investments, we need to remain vigilant and keep costs well under control and become more cost-efficient. Our focus on process efficiencies and productivity improvements amidst expansions enabled the bank to achieve remarkable improvement in cost-to-income ratio to 38.99% in 2021 from 45.58% the year before. In the coming days, we aim to focus more on cost rationalization to ensure eco-friendly operational environment, minimum wastage, committed human resource with positive mindset to deliver good for the company.

Commitment to sustainability

Sustainable finance is what we aspire to and in order to achieve that we pay our undivided attention to efficient cost management, consistent productivity improvements through seamless coordination across businesses and support units, and focus on broadening our banking horizon to deliver sustained performance in this constantly changing business environment. We finance businesses that invest in renewable energy and simply advise our employees to turn off lights after office hours, use daylight instead of electric lights, reduce usage of plastics, turn off all air conditioning after 7 p.m., move towards paperless office work, manage water consumption, plant trees, and encourage green practices, all of these have been the mainstay of our green banking endeavors. We believe that every modest 'GREEN' move today will go a long way towards creating a greener future, and that each of us can contribute towards creating a better tomorrow.

Supporting our customers

Our key priority in 2021 during the testing times of pandemic was to give our customers comfort and greater peace of mind by offering debt moratoriums, customised repayment plans and access to concessionary funding. We invested our time and energy to bring about digital transformation at process level so that customers can do their necessary banking remotely and seamlessly. Listening to customer feedback coming through social media and other digital channels during the lockdown period was crucial to improve and design better products and services for our customers. We are committed and continuously working towards offering the best possible banking experience to our customers.

Putting people first

At EBL, we consider our people as our greatest asset and biggest brand. Offering jobs is not where our engagement with our people ends. We provide enabling environment for our people to excel and optimize their true potential. Our HR slogan has long been: 'We do not offer jobs, we shape careers.' Skill development, right work-life balance, empathy for colleagues and customers are some of the core values that define EBL culture for caring for people. We help our people to chart a sustainable career path through mentorship and close monitoring of career growth by applying modern performance management system. Our efforts to inspire our people is not only limited to mentoring or skill development initiatives. We have designed several employee engagement programs as well to inspire our people to pursue their latent talents in photography, singing, and cooking. For us EBL is an extended family of our people where they connect with the company not just professionally but also emotionally. We instil a culture of high ethical standards and norms in the bank, and empower our people to lead the company as responsible citizen in future.

Looking ahead

The unprecedented challenges thrown by COVID-19 pandemic made us harness the power of digital technology. In our efforts to make banking services remotely available to our customers, we have introduced many forward-looking and innovative technology to offer seamless and hassle-free services during the pandemic. Our readiness to adapt to challenging times was amply rewarded as we successfully transformed crisis into opportunity for innovation and service excellence. 2021 brought us a sense of renewed optimism and we are excited about the opportunities presented by the country's economic recovery. Our aim is to leverage our combined strengths in banking to offer holistic and seamless solutions across business segments. Strengthening our digital capabilities and customer centricity are central to this agenda as we expand beyond traditional solutions to offer innovative and competitive offerings to drive customer acquisition and deepen relationships with our customers. As the banking sector is compelled to adjust to the low-interest rate environment, we seek to drive increased operational efficiencies to build a leaner, more responsive organisation while increasing contributions from fees-based income and other reliable sources.

Acknowledgements

I would like to extend my appreciation and gratitude to the Chairman of the Board of Directors for his sagacity and stewardship and the entire Board of Directors for their invaluable feedbacks, continued support, and trust in me and my team. I am deeply indebted to the Governor and officials of Bangladesh Bank and other regulatory bodies for their prudent guidance and timely support. A special word of thanks to the management and employees at all levels of the bank for their dedication and commitment in driving the company forward. Finally, I would like to place on record my deepest appreciation to our valued shareholders, customers, business partners and other stakeholders for being loyal to us during the most trying times of coronavirus pandemic and supportive to help us deliver excellence.

laan

Ali Reza Iftekhar Managing Director & CEO

Directors' Report 2021

The Board of Directors is pleased to welcome you all to the 30th Annual General Meeting (AGM) of the Bank and present before you the Annual Report along with the Audited Financial Statements for the year 2021. A review of business and financial performance and the underlying forces affecting those have been briefly pointed out.

Global economic outlook

Over the past two years COVID-19 pandemic continued to wreak havoc on lives and livelihood and disrupted the global financial stability. Year 2021 started with new uncertainties as pandemic resurged in some parts of the world with outbreak of the Delta variant which eventually impeded the pace of global economic recovery. However, global economy has gained momentum at a moderate pace, partly attributable to incremental coverage of vaccination and better management of the pandemic. Rising energy prices and supply chain disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. All these have put pressure on quicker revival of economic activities to the full scale. IMF projected global economy to grow 5.9% in 2021 and expects to moderate to 4.4% in 2022.

Geopolitical tensions and social unrest relating to Russia-Ukraine war is threating to imperil energy supply, international trade, and policy cooperation thus resulting in elevated food and energy prices. Soaring commodity prices, sweeping financial sanctions and the potential for a ban on energy imports from Russia all these are threatening to stumble the global economy, weakened by the COVID-19 pandemic, still struggling to gain momentum.

| Particulars | 2021 | 2022 p | 2023 p |
|---|------|--------|--------|
| World | 5.9 | 4.4 | 3.8 |
| Advanced Economies | 5.0 | 3.9 | 2.6 |
| Other Advanced Economies | 4.7 | 3.6 | 2.9 |
| USA | 5.6 | 4.0 | 2.6 |
| Euro Area | 5.2 | 3.9 | 2.5 |
| Emerging Market and Developing Economies | 6.5 | 4.8 | 4.7 |
| China | 8.1 | 4.8 | 5.2 |
| India | 9.0 | 9.0 | 7.1 |

GDP growth (year- on- year, in percent)

Source: IMF World Economic Outlook Update (January 2022); p for projection.

A brief overview of Bangladesh economy

Bangladesh economy has showed its resilience in 2021. With timely implementation of stimulus packages, continued fiscal and monetary policy supports, hefty remittance inflows, declining COVID-19 infection rate, and increasing coverage of vaccination helped country's economy to walk in the path of recovery from the COVID-19 fallout. As a result, country's economic growth recovered faster attaining 6.94% GDP growth in FY 2021 from 3.45% in FY 2020 largely driven by activities in the agriculture and industry sectors. To support investment and employment generating activities in the recovery process, Bangladesh Bank continued its efforts in line with expansionary monetary policy stance for FY 2022.

Following FY 2020, agriculture sector remained resilient and showed solid performance in FY 2021 growing by 3.17%. Industry sector strongly rebounded and grew by 10.29% in FY 2021 after a slower growth of 3.61% in previous fiscal year. To boost the production and generate employment, government and Bangladesh Bank continued to provide policy support, including sector specific stimulus packages and various refinance schemes, which resulted in higher growth performance. Service sector activities started rebounding in FY 2021 and continued gaining momentum in FY 2022.

COVID-19 had pushed down the credit growth in the FY 2021. However, private sector credit started to grow as the external trade started picking up since early FY 2022. As import of capital machinery increased along with vaccine payment started and international travels resumed, US dollar slightly appreciated against Bangladeshi taka. Between June-December of 2021, value of Taka depreciated by 1.16% in terms of US dollar and was quoted at Tk. 85.8 at the end of 2021.

Driven by non-food components, point to point CPI inflation exhibited an upward trend reaching at 6.05% in December 2021. Twelve month average CPI inflation was 5.55% in December 2021 which is slightly higher than the target of 5.30% for FY 2022. Country's gross foreign exchange reserves stood at USD 46.15 billion at the end of December 2021 compared to USD 43.17 billion of last year.

Even though the import and export grew substantially, the import growth was higher compared to export earnings which resulted in higher trade deficit of the country. Meanwhile, country's current account deficit deteriorated further in the first half of FY 2022 due to higher import payment obligations along with lower inflow of remittances. Current account deficit stood at USD 8.18 billion during July-December in FY 2022 against USD 3.52 billion surplus in July-December in FY 2021.

Bangladesh Securities and Exchange Commission (BSEC) and the Government of Bangladesh took a number of initiatives to boost investors' confidence in the capital market. Moreover, the central bank undertook several policy measures under the stimulus package which helped in amplifying liquidity in the market, building investors' confidence and stabilizing the capital market.

Banking industry in 2021

Bangladesh banking industry features state-owned commercial banks (SCBs) and local and foreign private commercial banks (PCBs) with a marked difference in service quality, profitability and financial soundness indicators (governance, asset quality, capital adequacy etc.). Since the COVID-19 pandemic, the banking sector has been playing a crucial role to channelize stimulus packages to priority sectors for maintaining the vibrancy of the economic activities.

The overall banking sector showed mixed performances in September-December 2021 as reflected by a fall in the ratio of non-performing loans (NPLs) to total loans, a moderation in capital to risk-weighted asset ratio (CRAR), a growth in banks advances, widening in provision shortfall, a rise in profitability, and maintenance of adequate liquidity in the banking industry.

The burden of default loans of the banks became even heavier in 2021 despite certain forbearance measures allowed by the central bank to help businesses withstand the shock of the pandemic. The ratio of gross NPLs to total loans stood at 7.93% at the end of 2021 from 8.12% at September 2021 but increased from 7.66% at the end of 2020. This huge pileup of bad loans may choke the credit supply channel of the economy with due repercussions on the resilience of the private sector.

Private sector credit growth which faced sluggishness started to pick momentum in the last quarter of 2021. Domestic loan grew by 12.37% at the end of December 2021 against 9.91% at the end of December 2020. The spread between the weighted average interest rate on advances and deposits of banking industry was 3.19% at the end of December 2021.

To prevent the asset-liability mismatch due to the recent declining trend in banks' deposit rate, Bangladesh Bank issued a circular regarding rationalization of deposit rate of scheduled banks where banks were instructed to determine deposit rate (with period of three months and above) not below the average inflation rate of previous three months. Given the liquidity surplus in the banking system following the easy monetary regime in the pandemic period, Bangladesh Bank mopped up some excess liquidity from the banking system in H1, FY 2022 to rationalize the liquidity condition. Growing trend of private sector credit growth also contributed to reduce excess liquidity. Advance-Deposit Ratio (ADR) of the banking industry stood at 73.15% in December 2021 which was 72.08% as at the end-September 2021, reflecting rising demand for loans as the economy returns to normalcy.

The capital to risk-weighted assets ratio (CRAR) moderated to 11.08% as of December 2021 compared to 11.22% in September 2021 and 11.64% at the end of December 2020, mostly driven by weaker asset quality of state owned banks. The central bank has instructed the scheduled banks to increase the leverage ratio gradually to 4% by 2026 from 3%.

Profitability of the banking sector improved in 2021 compared to 2020 as reflected by a rise in net profit and return on equity (RoE). Net Profit in the banking industry increased from BDT 52.79 billion

in 2020 to BDT 57.78 billion in 2021. Return on equity modestly increased to 4.44% in 2021 from 4.28% in 2020, although return on asset (RoA) remained unchanged at 0.25%.

The banking sector, as a whole, maintained the required level of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) and other liquidity ratios i.e. Liquidity Coverage ratio (LCR), Net Stable Funding Ratio (NSFR) as on 31 December 2021.

Some important initiatives taken by Bangladesh Bank in 2021 are as follows:

- Raising loan margin ratio to 70:30 for purchasing digital devices (laptop/ computer/ mobile/ tab) under consumer finance from the previous ratio of 30:70.
- Implementation of government's stimulus package of BDT 10 billion for the pandemic-affected tourism sector.
- Instruction to rationalize deposit rate with period of three months and above, not below inflation rate, due to recent declining trend in banks deposit rate.
- Implementation of Basel III in Bangladesh: increasing leverage ratio gradually to 4% by 2026 from current 3% level.
- Guidelines regarding dividend declaration against shareholding of a bank.
- Relaxing loan classification criteria: minimum 15% of the installments payable against the loan from January 2021 to December 2021 is repaid by 31 December 2021.
- A detailed policy regarding treatment of Non-Banking Assets.
- Instruction to verify Financial Statements submitted by borrowers using the Document Verification System (DVS) of the Institute of Chartered Accountants of Bangladesh (ICAB).
- Refinance scheme of BDT 30 billion for agriculture sector.
- Instruction to provide at least 15% of CMSME loans to women entrepreneurs by 2024.
- Refinance scheme of BDT 5 billion for low income group people holding bank accounts of Tk. 10, 50, 100.
- Instruction to buildup own startup fund by transferring 1% of net profit for 5 years from 2021-2025.
- Instruction to run Special CSR activities (1% of PAT) under Corporate Social Responsibility (CSR) of banks to mitigate COVID-19 crisis.

Economy and business outlook 2022

The global economy is recovering from the COVID-19 outbreak, though the recovery process is uneven among countries. World Bank projects that the Bangladesh economy will grow by 6.4% in FY 2022 due to improvement in domestic demand and resumption of export items. Despite excess liquidity and depressed private sector credit growth, BB is expected to continue the expansionary and accommodative monetary policy for recovery, as a key priority, of economy from the slowdown.

It is expected that since the economic activities are being rebounded in recent periods after a significant improvement of COVID-19 situation in the country, it would subsequently ease the pressure on excess liquidity, increasing private sector credit growth by strengthening economic activities. Here, Bangladesh Bank's policy is to let flow the funds to the productive sectors, including agriculture, SMEs, export-oriented industries and the informal sector, which have been hit hard by the pandemic. Providing adequate supply of credit to productive and manufacturing sectors would help faster recovery of economic activities and achievement of the growth target in FY 2022.

However, Bangladesh economy has been facing some pressures in FY 2022 regarding inflation mainly due to commodity price hike in the international market. With a steep fall in remittance inflows and escalation of import payments for various infrastructure projects of government along with upward trend in global food and oil prices, the deficit in current account balance is likely to increase in near future. However, current account balance may improve if export earnings continue to rebound on the back of continued global economic recovery in near-term. Therefore, Bangladesh Bank remains vigilant for taking appropriate policy measures on the development of exchange rate depreciation and inflation expectation. Both exports and imports are growing fast. Demand for workforce has grown in the countries that are main sources of wage-earners' remittances for Bangladesh.

Financial performance highlights of EBL

Banking industry passed a challenging year in terms of governance, capital adequacy, profitability and soundness in 2021 along with adverse effect of COVID-19 pandemic. Despite intensified challenges, EBL managed its portfolio efficiently closing the year 2021 with an NPL of 3.70% (2.72% in 2020) which is lower than that of industry average (7.93% as of December 2021).

Our primary focus in 2021 was on efficient balance sheet management, upholding service excellence, recovery of classified and written off loans, mobilization of stable deposits, and rationalizing costs. A brief review of financial performances of the Bank (solo) are as follows:

- Net interest income (NII) which contributed 45% of total operating income increased by 31% in 2021 compared to last year (interest income decreased by 18% and interest expense decreased by 39%).
- Non-interest income which contributed rest 55% increased by 21% mainly due to increase of income from investment by 21% and income from commission, exchange and brokerage by 8% in 2021 compared to 2020.
- Compared to last year, operating income increased by 21% and operating expense increased marginally by 4%. As a consequence, operating profit of the Bank increased by 36% and reached at BDT 10,468 million in 2021. EBL reached at this ten thousand million profit club for the very first time since its inception.
- Total provision increased by 126% in 2021 compared to last year. General provision increased as funded and non-funded loan outstanding both increased in 2021. Moreover, last year Bangladesh Bank had a provision relaxation on consumer finance from 5% to 2% which led to provision release. In addition, we have maintained special general provision of BDT 153 million for COVID-19 to comply with regulatory requirement. Due to loan classification forbearance allowed by Bangladesh Bank in 2020, requirement for specific provision decreased for that year. Also, recovery from write off loan was lesser in 2021 (BDT 363 million in 2021 compared to BDT 726 million in 2020). These two reasons have caused Specific provision to increase by 120%. In 2021, BDT 391 million other provision was released mainly due to provision release for quoted securities as market price increased.
- Total tax provision increased by 37% in 2021 compared to last year mainly due to increase in revenue and lesser income from zero (income from govt. securities) and concessional tax rate (dividend income, amortization gain, etc.) buckets in 2021.
- Finally Bank's profit after tax (PAT) increased by BDT 551 million or 13% in 2021 compared to 2020.

Following table summarizes comparative financial performance of EBL both as a Group and as the Bank:

| | | | | | | BDT in million |
|--|--------|--------|---------|--------|--------|----------------|
| Particulars | Gro | Group | | Bank | | % Change |
| Particulars | 2021 | 2020 | (Group) | 2021 | 2020 | (Bank) |
| Net interest income (NII) | 7,935 | 6,052 | 31% | 7,761 | 5,930 | 31% |
| Non-interest income | 9,908 | 8,515 | 16% | 9,397 | 8,203 | 15% |
| Total operating income | 17,842 | 14,567 | 22% | 17,158 | 14,134 | 21% |
| Total operating expense | 6,977 | 6,672 | 5% | 6,690 | 6,441 | 4% |
| Operating profit (Profit before provision and tax) | 10,866 | 7,895 | 38% | 10,468 | 7,692 | 36% |
| Specific provision | 1,762 | 928 | 90% | 1,683 | 765 | 120% |
| General provision | 815 | (274) | 397% | 815 | (274) | 397% |
| Special general provision for COVID-19 | 153 | 602 | -75% | 153 | 602 | -75% |
| Other provision [charged/(released)] | (396) | (101) | 290% | (391) | (92) | 327% |
| Total provisions | 2,334 | 1,155 | 102% | 2,260 | 1,001 | 126% |
| Profit before tax for the year | 8,531 | 6,740 | 27% | 8,208 | 6,691 | 23% |
| Tax provision for the year | 3,731 | 2,560 | 46% | 3,554 | 2,588 | 37% |
| Profit after tax (PAT) | 4,800 | 4,180 | 15% | 4,654 | 4,103 | 13% |
| Earnings per share (EPS) (restated) | 5.03 | 4.38 | 15% | 4.88 | 4.30 | 13% |

DDT in million

ROA and ROE have slightly increased in 2021 due to higher growth of PAT compared to growth of equity. Cost to income ratio has sharply come down to 38.99% (came below 40% after a long period of time) mainly due to increase of operating income by 21% whereas operating expense has increased marginally by 4%. The Capital to risk weighted assets ratio (CRAR) has decreased to 14.08% in 2021 from 15.23% in 2020. Following table presents some of the key financial ratios:

| Particulars | Ba | nk |
|---|-----------|-----------|
| Falliculars | Year 2021 | Year 2020 |
| Return on average equity (PAT/Average Equity) | 15.51% | 15.04% |
| Return on average assets (PAT/Average Assets) | 1.28% | 1.22% |
| Cost to income ratio (operating expense/ operating income) | 38.99% | 45.58% |
| Capital to risk weighted assets ratio (CRAR) | 14.08% | 15.23% |
| NPL ratio | 3.70% | 2.72% |
| EPS (BDT) (2020 restated) | 4.88 | 4.30 |
| Price to book value ratio (restated) | 118.40% | 118.51% |

Appropriation of profit

Profit after tax (PAT) of the Bank stands at BDT 4,654 million during the year including net deferred tax income of BDT 301 million out

of which BDT 294 million arises on specific provision made against Bad/Loss loans and cannot be distributed as dividend as per BRPD Circular No.11 dated 12 December 2011 of Bangladesh Bank. BDT 1,421 million needs to be transferred to statutory reserve in 2021 to equalize statutory reserve with paid-up capital of the Bank. Thus, cumulative profit available for distribution stands at BDT 2,939 million out of which the Board of Directors recommended 12.5 % cash dividend and 12.5 % stock dividend amounting to BDT 2,385 million for the year 2021.

Utilization of proposed stock dividend

Stock dividend has been recommended to strengthen the capital base of the Bank in order to support projected business growth and also to improve certain regulatory ratios.

Capital adequacy status under Basel III

Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within the comfort zone against the requirement of 12.5% (Minimum total capital ratio plus capital conservation buffer) and ended at 14.08% as on 31 December 2021. For details please see Market Discipline (Basel III) section of this annual report.

History of raising capital

As on the reporting date (31-12-2021), the Bank had paid up capital of BDT 9,538,644,670 of of which 86.44% was raised through stock dividend. The history of raising paid up capital to BDT 9,538.64 million as of year-end 2021 is presented below:

| AGM Date | Particulars No. of Shares* Volume in Taka | | Volume in Taka | Cumulative Paid up Capital in BDT |
|-----------------|---|-------------|----------------|--------------------------------------|
| 9 December 1993 | As per MOA & AOA | 60,000,000 | 600,000,000 | 600,000,000 |
| 5 August 2001 | 20% Bonus Share | 12,000,000 | 120,000,000 | 720,000,000 |
| 8 December 2003 | 15% Bonus Share | 10,800,000 | 108,000,000 | 828,000,000 |
| 12 June 2007 | 25% Bonus Share | 20,700,000 | 207,000,000 | 1,035,000,000 |
| 25 May 2008 | 34% Bonus Share | 35,190,000 | 351,900,000 | 1,386,900,000 |
| 25 May 2008 | Right Share 2:1 at Par | 69,345,000 | 693,450,000 | 2,080,350,000 |
| 28 April 2009 | 20% Bonus Share | 41,607,000 | 416,070,000 | 2,496,420,000 |
| 30 March 2010 | 17% Bonus Share | 42,439,140 | 424,391,400 | 2,920,811,400 |
| 30 March 2011 | 55% Bonus Share | 160,644,627 | 1,606,446,270 | 4,527,257,670 |
| 28 March 2012 | 35% Bonus Share | 158,454,018 | 1,584,540,180 | 6,111,797,850 |
| 19 May 2016 | 15% Bonus Share | 91,676,967 | 916,769,670 | 7,028,567,520 |
| 27April 2017 | 5% Bonus Share | 35,142,837 | 351,428,370 | 7,379,995,890 |
| 23 May 2019 | 10% Bonus Share | 73,799,958 | 737,999,580 | 8,117,995,470 |
| 30 May 2021 | 17.5% Bonus Share | 142,064,920 | 1,420,649,200 | 9,538,644,670 |

*Face value per share of BDT 10 has been considered in all the cases to conform to comparability.

Status of asset quality

As on 31 December 2021, NPL ratio of the banking industry stood at 7.93% which was 7.66% in December 2020. The NPL ratio of EBL was 3.70% at the end of 2021 which was 2.72% at the end of 2020. The status of unclassified and classified loan of the Bank is as follows:

BDT in million

| Particulars | 2021 | 2020 | % Change | |
|---------------------------------|---------|---------|-------------|--|
| Unclassified loans: | 259,415 | 222,717 | 16.48% | |
| Standard (Including staff loan) | 257,387 | 220,984 | 16.47% | |
| Special Mention Accounts (SMA) | 2,028 | 1,733 | 17.02% | |
| Classified loans: | 9,979 | 6,226 | 60.26% | |
| Sub-standard (SS) | 925 | 1,033 | -10.41% | |
| Doubtful (DF) | 604 | 287 | 110.13% | |
| Bad/loss (BL) | 8,450 | 4,906 | 72.22% | |
| Total loans | 269,394 | 228,944 | 17.67% | |
| NPL % | 3.70% | 2.72% | | |

Management discussion and analysis

A separate section titled "Management discussion and analysis" has been presented in this annual report. Under this section, a comparative analysis of financial performance (2017-2021) of the Bank has been presented with analytics. A brief highlight of EBL business units namely Corporate Banking, Retail & SME Banking and Treasury, FI and Offshore Banking has been presented along with strategic outlook. In pursuance of an inorganic growth route and to open up diversified earnings stream, EBL established or acquired four subsidiaries, all of them fully owned, till the reporting date i.e. 31 December 2021. A brief review of subsidiaries business during 2021 also has been presented under this section.

Internal control system

Robust internal control system helps EBL to ensure achieving goals and aspirations sustainably. This control system also ensures that the Bank complies with local laws and regulations as well as policies, plans, internal and external rules, guidelines and procedures, and subsequently decrease the risk of unexpected loss or damage to the Bank. The Board has delegated the responsibility of overall supervision of internal control system to Audit Committee of the Board. The key functionalities that have been established in reviewing adequacy and integrity of the system of internal control are as follows:

- Different committees have been formed consisting of relative stakeholders with expertise on the subject matter to assist the Board in guiding the Bank's operation in line with corporate mission, vision and strategies.
- The internal audit department of the Bank checks for compliance with policies and procedures and the effectiveness of the internal control system on regular basis and highlights significant findings in respect of any non-compliance.

- The Audit Committee of the Board reviews the internal control findings identified by the Internal Audit of the Bank, Inspection Team of Bangladesh Bank, External Auditors and Management, and evaluates the adequacy and effectiveness of the risk management and internal control systems.
- The Board of Directors holds meetings at suitable intervals with senior management, internal auditors, external auditors and the Audit Committee for evaluating the effectiveness of internal control system and provides necessary guidance.
- The internal audit department has direct access to the Audit Committee as and when required to ensure submission of internal audit findings to the Audit Committee without any management intervention.
- Self-Assessment of Anti-Fraud Internal Controls is carried out on half-yearly basis and is sent to Bangladesh Bank as per requirement of DOS Circular Letter No. 10 dated 09 May 2017 issued by BB after receiving compliance confirmation from respective stakeholder

Risk management

The Risk Management Committee (RMC) of the Board reviews and monitors the overall risk management system of the Bank and updates to the Board from time to time. Risk management functions are subject to continuous scrutiny of Internal Control & Compliance Division (ICCD) and supervision of Risk Management Division (RMD) to ensure appropriateness and integrity of the risk management mechanism.

The risk management system of EBL has been described in **"Risk Management Report"** section of this annual report. The major areas focused by RMC in 2021 have been presented in **"Report of the Risk Management Committee of the Board"** section of this annual report. Also the major areas focused by ERMC in 2021 have been described in **"Report of the Executive Risk Management Committee"** section of this annual report.

Financial reporting

- Proper books of account as required by law have been maintained by EBL.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements.
- Accounting estimates and underlying assumptions are made on reasonable ground applying prudent judgment, and are reviewed on an ongoing basis.
- The Financial Statements (FS) of the Bank are prepared in accordance with applicable International Financial Reporting Standards (IFRSs) and relevant circulars/instructions issued by Bangladesh Bank (BB) and any departure from IFRS due to BB regulation has been adequately disclosed in the notes to the FS.
- A discussion on related party transactions has been stated in the 'Corporate Governance Report' and a statement with amount of related party transactions has been presented in the Annexure C1 of the FS 2021.

- Being responsible for preparation and fair presentation of the FS, the management of the Bank asserts that the FS prepared by the management as at and for the year ended 31 December 2021 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity.
- There is no significant doubt upon the Bank's ability to continue as a going concern. EBL has neither intention nor the need to liquidate or curtail materially the scale of its operations. Hence, the financial statements of the Bank have been prepared on going concern basis and the Bank will continue to operate for the foreseeable future.

Compliance with corporate governance guidelines

As a responsible corporate citizen, EBL duly complied with the provisions of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission (BSEC). The compliance status of EBL on the said guidelines has been presented in the section 'Corporate Governance Report'. Also, K.M. HASAN & CO., Chartered Accountants, has certified the compliance status of EBL on the BSEC's corporate governance guidelines during 2021 which has been mentioned at the end of 'Corporate Governance Report'.

CSR activities

Being a socially responsible corporate citizen, EBL engaged in a number of CSR activities throughout the year, including a number of donations towards charitable causes.

- We have donated BDT 50 million to Prime Minister's Relief & Welfare Fund for providing PPE/Testing Kits/Respiratory equipment to fight COVID-19 pandemic through Bangladesh Association of Banks (BAB).
- We have spent BDT 41.1 million to combat against COVID-19 pandemic as part of special COVID-19 CSR program as per Bangladesh Bank's direction.

- We donated BDT 10 million to the Prime Minister's Relief and Welfare Fund for providing financial assistance to the affected people at Pirgonj in Rangpur due to communal violence.
- Donated 75,000 pieces (costing BDT 22.11 million) of blankets to Prime Minister's Relief & Welfare Fund through BAB for distribution among cold-hit people. EBL has donated another 8,935 pieces of blankets (costing BDT 2.64 million) to distribute among cold affected people across the country.
- We have given BDT 4.5 million as scholarship to the students of University of Dhaka for their outstanding academic performance through Dhaka University Alumni Association (DUAA).
- Donated BDT 3.75 million to BIBM for construction of proposed 15 storied RCC building of BIBM.

Contribution to national exchequer

EBL regularly pays corporate tax on time, sometime even before it falls due if demanded by the tax authority. We also deposit excise duty, withheld tax and VAT to govt. exchequer on time deducted from customers, employees' salary as well as on bills from third parties including vendors. During the calendar year 2021, we contributed BDT 6,912 million to national exchequer as tax, VAT and excise duty. We paid advance corporate tax of BDT 2,285 million while deposited withheld tax of BDT 3,497 million, VAT of BDT 694 million and Excise Duty of BDT 436 million during the year 2021.

On behalf of the Board of Directors

Md. Showkat Ali Chowdhury Chairman of the Board of Directors Dhaka, 16 April 2022





STAKEHOLDERS'



Financial Highlights

| | | | | | E | BDT in million |
|--|---------|---------|------------|---------|---------|----------------|
| Particulars | | Group | | Bank | | |
| Particulars | 2021 | 2020 | Change (%) | 2021 | 2020 | Change (%) |
| Performance During the Year | | | | | | |
| Net interest income | 7,935 | 6,052 | 31.11% | 7,761 | 5,930 | 30.87% |
| Non interest income | 9,908 | 8,515 | 16.36% | 9,397 | 8,203 | 14.55% |
| Operating income | 17,842 | 14,567 | 22.49% | 17,158 | 14,134 | 21.40% |
| Operating profit | 10,866 | 7,895 | 37.62% | 10,468 | 7,692 | 36.08% |
| Profit after tax | 4,800 | 4,180 | 14.83% | 4,654 | 4,103 | 13.44% |
| Net operating cash flow | 13,453 | 6,025 | 123.29% | 13,339 | 977 | 1265.79% |
| Year End Financial Position | | | | | | |
| Loans and advances | 271,602 | 230,545 | 17.81% | 269,394 | 228,944 | 17.67% |
| Investment | 68,901 | 66,016 | 4.37% | 66,653 | 63,949 | 4.23% |
| Deposits | 267,448 | 241,295 | 10.84% | 268,019 | 242,358 | 10.59% |
| Shareholders' equity | 31,639 | 29,449 | 7.44% | 31,017 | 28,976 | 7.04% |
| Total assets | 392,187 | 339,508 | 15.52% | 388,815 | 336,936 | 15.40% |
| Information Per Ordinary Share | | | | | | |
| Earmings per share (BDT) (restated) | 5.03 | 4.38 | 14.83% | 4.88 | 4.30 | 13.44% |
| Price earning ratio (times) (restated) | 7.65 | 8.21 | -6.87% | 7.89 | 8.37 | -5.72% |
| Net asset value per share (BDT) (restated) | 33.17 | 30.87 | 7.44% | 32.52 | 30.38 | 7.04% |
| Market price per share (BDT) | 38.50 | 36.00 | 6.94% | 38.50 | 36.00 | 6.94% |
| Net operating cash flow per share (BDT) (restated) | 14.10 | 6.32 | 123.29% | 13.98 | 1.02 | 1265.79% |
| Ratios(%) | | | | | | |
| Capital to RWA ratio (CRAR) (as per Basel III) | 13.87% | 15.03% | -7.73% | 14.08% | 15.23% | -7.55% |
| Non performing loans | 3.81% | 2.92% | 30.79% | 3.70% | 2.72% | 36.20% |
| Cost to income ratio | 39.10% | 45.80% | -14.62% | 38.99% | 45.58% | -14.44% |

Five-Year Financial Progression

| | | | | BDT in millio | | | | |
|--|---------|---------|---------|---------------|---------|--|--|--|
| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 | | | |
| Balance Sheet Metrics | | | | | | | | |
| Authorised capital | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | | | |
| Paid up capital | 9,539 | 8,118 | 8,118 | 7,380 | 7,380 | | | |
| Reserve and Surplus | 21,478 | 20,858 | 17,449 | 15,586 | 14,206 | | | |
| Shareholders' equity | 31,017 | 28,976 | 25,567 | 22,966 | 21,586 | | | |
| Borrowing | 63,187 | 44,286 | 50,821 | 46,732 | 50,998 | | | |
| Deposits | 268,019 | 242,358 | 240,164 | 199,629 | 167,348 | | | |
| Other liabilities | 26,593 | 21,316 | 18,611 | 13,124 | 13,434 | | | |
| Total Liabilities and Shareholders' Equity | 388,815 | 336,936 | 335,163 | 282,451 | 253,068 | | | |
| Cash in hand and bank | 34,938 | 28,702 | 48,647 | 33,297 | 32,152 | | | |
| Investment in govt. securities | 41,229 | 50,518 | 31,928 | 22,222 | 19,480 | | | |

BDT in million

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Investment | 66,653 | 63,949 | 39,797 | 27,720 | 24,361 |
| Loans and advances | 269,394 | 228,944 | 232,051 | 209,306 | 184,027 |
| Fixed assets | 7,632 | 7,711 | 7,349 | 6,637 | 5,923 |
| Non-banking assets | - | 106 | 109 | 134 | 134 |
| Total assets | 388,815 | 336,936 | 335,163 | 282,451 | 253,068 |
| Contingent liabilities and other commitment | 141,831 | 104,060 | 99,781 | 117,629 | 101,278 |
| Earning assets | 354,216 | 307,845 | 299,607 | 254,115 | 227,008 |
| Earning assets to total assets | 91.10% | 91.37% | 89.39% | 89.97% | 89.70% |
| Statutory liquidity reserve ratio (SLR) (at close of the year) | 17.86% | 21.84% | 13.97% | 13.79% | 14.83% |
| Cash reserve ratio (CRR) (at close of the year) | 5.22% | 4.56% | 5.63% | 5.69% | 7.33% |
| Liabilities to shareholders' equity (times) | 11.54 | 10.63 | 12.11 | 11.30 | 10.72 |
| Interest bearing assets | 339,012 | 292,937 | 292,905 | 247,935 | 221,798 |
| Income Statement Metrics | | | | | |
| Net interest income (excluding investment income) | 7,761 | 5,930 | 8,159 | 7,506 | 5,745 |
| Income from investments | 6,089 | 5,049 | 2,752 | 2,318 | 3,415 |
| Fees, commission, brokerage and other operating income | 3,308 | 3,155 | 3,687 | 3,315 | 3,241 |
| Operating income | 17,158 | 14,134 | 14,597 | 13,139 | 12,401 |
| Operating expense | 6,690 | 6,441 | 6,387 | 5,995 | 5,605 |
| Operating profit (profit before provision and tax) | 10,468 | 7,692 | 8,210 | 7,144 | 6,796 |
| Provision charged for loans, investment and other assets (net off w/off recovery) | 2,260 | 1,001 | 1,954 | 2,558 | 2,739 |
| Profit before tax (PBT) | 8,208 | 6,691 | 6,256 | 4,586 | 4,057 |
| Profit after tax (PAT) | 4,654 | 4,103 | 4,008 | 3,081 | 2,405 |
| Capital Metrics | ., | ., | ., | | _, |
| Total Risk weighted assets (RWA) | 253,388 | 217,654 | 207,437 | 202,655 | 165,435 |
| Minimum Capital Requirement (MCR) | 25,339 | 21,765 | 20,744 | 20,266 | 16,544 |
| Tier-1 Capital | 26,136 | 23,467 | 20,719 | 18,908 | 16,943 |
| Tier-2 Capital | 9,538 | 9,678 | 9,850 | 5,740 | 6,358 |
| Total Regulatory capital (Tier 1 and Tier 2) | 35,674 | 33,144 | 30,569 | 24.648 | 23,302 |
| Capital surplus | 10,335 | 11,379 | 9,825 | 4,382 | 6,758 |
| Tier - 1 Capital to RWA | 10,000 | 10.78% | 9.99% | 9.33% | 10.24% |
| Tier - 2 Capital to RWA | 3.76% | 4.45% | 4.75% | 2.83% | 3.84% |
| Capital to risk weighted assets ratio (CRAR) | 14.08% | 15.23% | 14.74% | 12.16% | 14.09% |
| Leverage Ratio | 5.69% | 5.97% | 5.28% | 5.26% | 5.59% |
| Liquidity Metrics | 5.0770 | 5.7770 | 5.2070 | J.2070 | 5.5770 |
| Liquid Assets | 60,090 | 66,510 | 52,124 | 38,606 | 33,306 |
| Short-term liabilities | 181,903 | 162,969 | 181,728 | 150,150 | 123,160 |
| Liquid assets to total deposits | 22.42% | 27.44% | 21.70% | 19.34% | 123,100 |
| Liquid assets to short-term liabilities | 33.03% | 40.81% | 28.68% | 25.71% | 27.04% |
| AD Ratio - Domestic Banking Operation (DBO) | | | | | |
| Government securities to total loan ratio | 74.71% | 74.13% 22.07% | 77.20% 13.76% | 83.08% 10.62% | 83.06% 10.59% |
| Maximum Cumulative Outflow (MCO) | 14.51% | | 15.27% | 15.31% | |
| Liquidity Coverage Ratio (LCR) - DBO | 14.51% | 13.51% 210.90% | 338.22% | 127.67% | 15.64% 113.35% |
| Net Stable Funding Ratio (NSFR) - DBO | 104.40% | 105.49% | | | |
| Asset Quality Metrics | 104.40% | 100.47% | 114.45% | 104.07% | 102.82% |
| Non performing / classified loans (NPLs) | 9,979 | 6,226 | 7,771 | 4,926 | 4,600 |
| Non performing / classified toans (NPLS) | 3.70% | 2.72% | 3.35% | 2.35% | 2.50% |
| | | | | | |
| | | | | | 72.72% |
| Total Loans and Advances to Total Assets Large Loan Exposure | 69.29% 116,449 | 67.95% 80,388 | 69.24% 104,833 | 74.10% 116,955 | |

BDT in million

| Total SME loan 33,554 34,534 31,366 18,712 18,72 SME Loan to total loan 12,44% 15,04% 13,526 64,4% 10,17 SME Loan to total loan 12,44% 15,04% 13,526 64,4% 10,17 Specific provision for loans (cumulative) 8,562 7,47% 4,002 4,118 67,47 Specific provision for loans (cumulative) 8,562 7,47% 4,002 4,118 67,47 Specific provision for loans (cumulative) 8,562 7,47% 10,37% 12,37% | | | | | ועם | |
|---|---|---------|------------|---------|------------|---------|
| SME Loan to total loan 12.46% 15.08% 13.52% 8.94% 10.17 General provision for lons (cumulative) 6.538 3.778 3.530 3.290 2.94 Specific provision for loans (cumulative) 8.552 7.49% 6.009 4.13 4.3 NPL coverage ratic (Specific provision + General Provision) / Gross NPL 14.131% 179.51% 120.42% 150.39% 159.23% Dense and advances 0.747% -1.34% 0.027% 12.94% 120.42% 150.39% 129.24% 120.42% 150.39% 129.24% 120.42% 1 | Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
| General provision for loans (cumulative) 6.538 3.478 3.360 3.290 2.96 Specialic provision for loans (cumulative) 6.562 7.499 6.009 4.113 4.79 Procenceg real (Specific provision + General Provision) / Gross NPL 14.1.315 179.515 120.42% 150.39% 159.52° Brainess Growth Metrics 10.57% 0.5118 10.87% 137.16% 4.118 4.97% 19.29% Impart 44.55% -1.19% 4.318 6.11% 29.30% 7.296 SER Contribution 188 183 141 71 15 Cerdit Rating Construction of the set of th | Total SME loan | 33,554 | 34,534 | 31,366 | 18,712 | 18,722 |
| Specific provision for loans (cumulative) 8.562 7.499 6.009 4,118 4.37 NPL coverage ratio (Specific provision / Gross NPL 14.118 179.51% 120.42% 159.32% Business Growth Metrics 10.57% 0.01% 0.031% 19.29% 12.92% Deposits 10.57% 0.91% 0.031% 19.29% 19.29% Deposits 10.57% 0.74% 5.31% 29.30% -0.06% 7.13% 30.20% 7.25 CSR Contribution 18 18 151 57.1 ST-1 ST-2 ST-1 <td< td=""><td>SME Loan to total loan</td><td>12.46%</td><td>15.08%</td><td>13.52%</td><td>8.94%</td><td>10.17%</td></td<> | SME Loan to total loan | 12.46% | 15.08% | 13.52% | 8.94% | 10.17% |
| Difference 141.31% 179.51% 120.42% 150.39% 159.52' Business Growth Metrics | General provision for loans (cumulative) | 5,538 | 3,678 | 3,350 | 3,290 | 2,960 |
| Basiness Growth Metrics Usans and advances 17.67% 1.54% 10.87% 13.74% 21.00% Deposits 10.69% 0.91% 20.31% 12.72% 12.24% 12.8% 6.51% 22.93% 22.2% 12.6% 12.25% 12.2% 12.6% 12.2% 12.8% 6.51% 22.93% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.8% 12.28% 12. | Specific provision for loans (cumulative) | 8,562 | 7,499 | 6,009 | 4,118 | 4,379 |
| Laans and advances 17.67% -1.34% 10.87% 13.74% 21.00' Deposits 10.59% 0.91% 40.31% 12.24% 12.24% Deposits 0.455% -1.19% -4.31% 5.51% 22.30' Export 29.39% -9.06% 7.13% 30.20% 7.25' CACRI RAID 18 183 141 7.1 IST CACRI RAID AA+ AA+ AA+ AA AA Short Torm (Local) AA+ AA+ AA AA AA Short Torm (Local) Stable S | NPL coverage ratio (Specific provision + General Provision) / Gross NPL | 141.31% | 179.51% | 120.42% | 150.39% | 159.52% |
| Deposits 10.89% 0.91% 20.31% 19.29% 19.29% Import 64.55% -1.19% 4.31% 65.15% 27.30% Export 29.39% -9.06% 7.13% 30.20% 7.23% SSR Contribution 188 141 71 15 Credit Rating | Business Growth Metrics | | | | | |
| Import 64.55% -1.19% 4.31% 6.51% 29.30% Export 29.39% -0.06% 7.13% 30.20% 7.25% SCR Contribution 188 183 141 71 15 Credit Rating 188 183 141 71 15 Credit Rating AA+ | Loans and advances | 17.67% | -1.34% | 10.87% | 13.74% | 21.00% |
| Export 29.39% -9.06% 7.13% 30.20% 7.25' CSR Contribution 188 183 141 71 15 Credit Rating | Deposits | 10.59% | 0.91% | 20.31% | 19.29% | 19.29% |
| SR contribution 188 183 141 71 15 Credit Rating Number of the state of the sta | Import | 64.55% | -1.19% | -4.31% | 6.51% | 29.30% |
| Credit Rating AA+ < | Export | 29.39% | -9.06% | 7.13% | 30.20% | 7.25% |
| Lang Tarm (Local) AA AA+ AA+ AA+ AAA+ AAA+ Short Tarm (Local) ST-1 ST-1 ST-1 ST-1 ST-2 ST-3 Outlook (Local) Btal Developing Stable Developing Stable Stable Stable Stable Stable Stable Developing Deve | CSR Contribution | 188 | 183 | 141 | 71 | 151 |
| Short Term (Local) ST-1 ST-1 ST-1 ST-1 ST-1 ST-2 ST-1 Outlook (Local) Stable Developing Stable S | Credit Rating | | | | | |
| Dutlook (Local) Stable Developing Stable | Long Term (Local) | AA+ | AA+ | AA+ | AA+ | AA+ |
| B1 B1< | Short Term (Local) | ST-1 | ST-1 | ST-1 | ST-2 | ST-2 |
| Tade Business and Remittance Metrics Export 161,647 124,926 137,379 128,235 98,49 Import (LC) 260,172 158,110 160,011 167,211 156,699 Guarantee 12,236 12,601 7,572 17,664 12,600 Remiltance 12,236 1,793 31,902 44,551 42,371 26,35 Efficiency Ratios 1 1551% 1,52% 1,383 1141 1533 Return on average assets (ROA) 1,28% 1,93% 1,05% 1,47% 1,533 Cumulative recovery from written off loans 4,295 3,932 3,206 2,571 2,14 Cumulative recovery from written off loans 15,754 15,618 13,465 9,83 Cumulative recovery ratio 27,26% 25,13% 23,81% 19,09% 1,457 Number of permanent employees 1,975 1,866 1,892 1,715 1,59 Employee (permanent employees income) 18,18% 14,72% 13,54% 12,04% 1,427 | Outlook (Local) | Stable | Developing | Stable | Stable | Stable |
| Export 161,647 124,926 137,379 128,235 98,49 Import (LC) 260,172 158,110 160,011 167,218 156,99 Guarantee 12,236 12,601 7.572 17.644 12,263 Remittance 21,793 31,902 48,551 42,371 26,352 Efficiency Ratios 1.98% 1.93% 1.95% 1.67% 1.533 Return on average rasets (ROA) 1.28% 1.84% 1.141 1.6451 13,645 1.833 1.141 Return on average assets (ROA) 1.28% 1.30% 1.15% 1.045 1.645 1.3465 1.948 1.445 <td>Global Rating (Moody's)</td> <td>B1</td> <td>B1</td> <td>B1</td> <td>Ba3</td> <td>Ba3</td> | Global Rating (Moody's) | B1 | B1 | B1 | Ba3 | Ba3 |
| Import (LC) 260,172 158,110 160,011 167,218 156,99 Guarantee 12,236 12,601 7,572 17,664 12,635 Efficiency Ratios 21,793 31,902 48,551 42,371 26,355 Efficiency Ratios 1,93% 1,95% 1,65% 153,33% 11,411 Return on average risk weighted assets 1,93% 1,95% 1,65% 13,83% 11,414 Return on average assets (ROA) 1,28% 1,22% 1,30% 1,15% 1,044 Cumulative written off loans 4,295 3,932 3,206 2,571 2,14 Cumulative recovery from written off loans 1,574 15,618 13,465 13,465 9,83 Cumulative recovery ratio 27,26% 25,18% 23,81% 19,09% 21,855 Cost of fund (interest expense / simple average borrowing and deposits) 2,73% 4,76% 5,58% 5,30% 4,355 Nei Profit Margin (PAT/Gross income) 18,18% 14,27% 13,54% 12,010% 11,421 10,43% | Trade Business and Remittance Metrics | | | | | |
| Guarantee 12,236 12,601 7,572 17,664 12,601 Remittance 21,773 31,902 48,551 42,371 26,35 Efficiency Ratios 1,95% 1,95% 1,67% 1,533 Return on average raik wighted assets 1,96% 1,52% 13.83% 11,417 Return on average assets (ROA) 1,28% 1,22% 1,30% 1,15% 1.044 Cumulative vectorery from written off loans 4,295 3,932 3,206 2,571 2,14 Cumulative recovery ratio 27,26% 25,18% 23,81% 19,09% 21,865 Number of permanent employees 1,975 1,876 1,872 1,757 1,644 Scot of fund (interest expense / simple average borrowing and deposits) 2,73% 4,76% 5,58% 5,30% 4,355 Net Profit Margin (PAT/Gross income) 18,18% 14,72% 13,54% 12,01% 11,42? Weighted average interest rate of loon (year-end) (B) 3,25% 3,70% 6,16% 5,564% 5,064 | Export | 161,647 | 124,926 | 137,379 | 128,235 | 98,493 |
| Remittance 21,793 31,902 48,551 42,371 26,35 Efficiency Ratios | Import (LC) | 260,172 | 158,110 | 160,011 | 167,218 | 156,994 |
| Efficiency Ratios Return on average risk weighted assets 1.98% 1.93% 1.95% 1.67% 1.53 Return on average equity (ROE) 15.51% 15.04% 16.52% 13.83% 11.41 Return on average equity (ROE) 1.28% 1.22% 1.30% 1.15% 1.04 Cumulative recovery from written off loans 4.295 3.932 3.206 2.571 2.14 Cumulative recovery ratio 15.754 15.618 13.465 19.09% 21.857 Number of permanent employees 1.975 1.896 1.892 1.715 1.59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.42% Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47% Spread (C = A - B) 4.04% 4.55% 3.60 3.55 3.64 5.56% 5.666 | Guarantee | 12,236 | 12,601 | 7,572 | 17,664 | 12,609 |
| Return on average risk weighted assets 1.98% 1.93% 1.95% 1.67% 1.533 Return on average equity (ROE) 15.51% 15.04% 16.52% 13.83% 11.419 Return on average assets (ROA) 1.28% 1.22% 1.30% 1.15% 1.044 Cumulative recovery from written off loans 4.295 3.932 3.206 2.571 2.14 Cumulative recovery ratio 27.26% 25.18% 23.81% 19.09% 21.855 Number of permanent employees 1.975 1.866 1.892 1.715 15.56 Employee (permanent) growth (in %) 4.17% 0.21% 10.33% 7.55% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.42% Weighted average interest rate of daposits (year-end) (B) 3.25% 3.70% 6.18% 5.54% 5.06% Spread (C = A - B) 4.04% 4.52% 4.67% | Remittance | 21,793 | 31,902 | 48,551 | 42,371 | 26,358 |
| Return on average equity (ROE) 15.51% 15.04% 16.52% 13.83% 11.41 Return on average assets (ROA) 1.28% 1.22% 1.30% 1.15% 1.044 Cumulative recovery from written off loans 4.295 3.932 3.206 2.571 2.14 Cumulative written off loans 15.754 15.618 13.465 13.465 9.83 Cumulative recovery ratio 27.26% 25.18% 23.81% 19.09% 21.857 Number of permanent employees 1.975 1.876 1.892 1.715 1.59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.27% 13.54% 12.10% 11.427 Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% | Efficiency Ratios | | | | | |
| Return on average asses (ROA) 1.28% 1.22% 1.30% 1.15% 1.044 Cumulative recovery from written off loans 4.295 3.932 3.206 2.571 2.14 Cumulative written off loans 15.754 15.618 13.465 13.465 9.83 Cumulative recovery ratio 27.26% 25.18% 23.81% 19.09% 21.85% Number of permanent employees 1.975 1.896 1.892 1.715 1.59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.423 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 3.39 3.40 3.38 3.50 3.55 Operating Income per Employee 5.30 </td <td>Return on average risk weighted assets</td> <td>1.98%</td> <td>1.93%</td> <td>1.95%</td> <td>1.67%</td> <td>1.53%</td> | Return on average risk weighted assets | 1.98% | 1.93% | 1.95% | 1.67% | 1.53% |
| Cumulative recovery from written off loans 4.295 3.932 3.206 2.571 2.14 Cumulative written off loans 15.754 15.618 13.465 13.465 9.83 Cumulative recovery ratio 27.26% 25.18% 23.81% 19.09% 21.855 Number of permanent employees 1.975 1.896 1.892 1.715 1.59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.359 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.429 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47 Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Maragement Efficiency Metrics 0 3.39 3.40 | Return on average equity (ROE) | 15.51% | 15.04% | 16.52% | 13.83% | 11.41% |
| Cumulative written off loans 15,754 15,618 13,465 13,465 9,83 Cumulative recovery ratio 27,26% 25,18% 23,81% 19,09% 21,855 Number of permanent employees 1,975 1,896 1,892 1,715 1,59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.359 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.429 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47 Meagement Efficiency Metrics 3.70% 6.16% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 9 7.45 7.72 7.66 7.7 Operating Income per Employee 3.39 3.40 3.38 3.50 3.5 | Return on average assets (ROA) | 1.28% | 1.22% | 1.30% | 1.15% | 1.04% |
| Cumulative recovery ratio 27.26% 25.18% 23.81% 19.09% 21.857 Number of permanent employees 1.975 1.896 1.892 1.715 1.59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.422 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47% Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Maagement Efficiency Metrics 0 3.39 3.40 3.38 3.50 3.5 Operating nocme per Employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.663% | Cumulative recovery from written off loans | 4,295 | 3,932 | 3,206 | 2,571 | 2,148 |
| Number of permanent employees 1,975 1,896 1,892 1,715 1,59 Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.422 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47% Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.066 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Maagement Efficiency Metrics 0 3.25% 3.70% 6.16% 7.7 7.66 7.7 Operating Income pet Employee 8.69 7.45 7.72 7.66 7.7 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 4 | Cumulative written off loans | 15,754 | 15,618 | 13,465 | 13,465 | 9,832 |
| Employee (permanent) growth (in %) 4.17% 0.21% 10.32% 7.59% 0.633 Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.355 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.422 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.475 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 0 3.25% 3.70% 6.16% 5.54% 5.069 Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics 11.42% 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% <t< td=""><td>Cumulative recovery ratio</td><td>27.26%</td><td>25.18%</td><td>23.81%</td><td>19.09%</td><td>21.85%</td></t<> | Cumulative recovery ratio | 27.26% | 25.18% | 23.81% | 19.09% | 21.85% |
| Cost of fund (interest expense / simple average borrowing and deposits) 2.73% 4.76% 5.58% 5.30% 4.357 Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.429 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.479 Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.069 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 0 3.39 3.40 3.38 3.50 3.5 Operating Income per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics 10 3.628.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) <td>Number of permanent employees</td> <td>1,975</td> <td>1,896</td> <td>1,892</td> <td>1,715</td> <td>1,594</td> | Number of permanent employees | 1,975 | 1,896 | 1,892 | 1,715 | 1,594 |
| Net Profit Margin (PAT/Gross income) 18.18% 14.72% 13.54% 12.10% 11.429 Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.479 Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.069 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 9 7.45 7.72 7.66 7.7 Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating Cost per Employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.209 Capital Market Metrics 10 3.628.41 4.169.64 3.648.23 2.677.4 Investment in Capital Market including Special Fund 4.260.10 3.628.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 22.20% | Employee (permanent) growth (in %) | 4.17% | 0.21% | 10.32% | 7.59% | 0.63% |
| Weighted average interest rate of loan (year-end) (A) 7.29% 8.22% 10.83% 10.44% 9.47% Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.06% Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.41% Management Efficiency Metrics 7.72 7.66 7.7 Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics Investment in Capital Market including Special Fund 4,260.10 3,628.41 4,169.64 3,648.23 2,677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% <td>Cost of fund (interest expense / simple average borrowing and deposits)</td> <td>2.73%</td> <td>4.76%</td> <td>5.58%</td> <td>5.30%</td> <td>4.35%</td> | Cost of fund (interest expense / simple average borrowing and deposits) | 2.73% | 4.76% | 5.58% | 5.30% | 4.35% |
| Weighted average interest rate of deposits (year-end) (B) 3.25% 3.70% 6.16% 5.54% 5.069 Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 0 3.39 7.45 7.72 7.66 7.7 Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics 1 1 2 2 2 3.64% 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.44% Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10%< | Net Profit Margin (PAT/Gross income) | 18.18% | 14.72% | 13.54% | 12.10% | 11.42% |
| Spread (C = A - B) 4.04% 4.52% 4.67% 4.90% 4.419 Management Efficiency Metrics 0 | Weighted average interest rate of loan (year-end) (A) | 7.29% | 8.22% | 10.83% | 10.44% | 9.47% |
| Management Efficiency Metrics Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics Capital Market including Special Fund 4.260.10 3.628.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.449 Capital Market Exposure (solo) 22.20% 22.03% 22.10% 23.159 | Weighted average interest rate of deposits (year-end) (B) | 3.25% | 3.70% | 6.16% | 5.54% | 5.06% |
| Operating Income per Employee 8.69 7.45 7.72 7.66 7.7 Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics Investment in Capital Market including Special Fund 4.260.10 3.628.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.44% Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.15% | Spread (C = A - B) | 4.04% | 4.52% | 4.67% | 4.90% | 4.41% |
| Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.209 Capital Market Metrics 36.28.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.449 Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.159 | Management Efficiency Metrics | | | | | |
| Operating Cost per Employee 3.39 3.40 3.38 3.50 3.5 Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.209 Capital Market Metrics 36.28.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.449 Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.159 | Operating Income per Employee | 8.69 | 7.45 | 7.72 | 7.66 | 7.78 |
| Operating profit per employee 5.30 4.06 4.34 4.17 4.2 Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics Capital Market including Special Fund 4.260.10 3.628.41 4.169.64 3.648.23 2.677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.44% Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.15% | | | | | | |
| Cost to income ratio 38.99% 45.58% 43.76% 45.63% 45.20% Capital Market Metrics | | | | | | |
| Capital Market Metrics Investment in Capital Market including Special Fund 4,260.10 3,628.41 4,169.64 3,648.23 2,677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.449 Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.159 | | | | | | |
| Investment in Capital Market including Special Fund 4,260.10 3,628.41 4,169.64 3,648.23 2,677.4 Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.44% Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.15% | | 38.77% | 40.08% | 43./0% | 40.03% | 40.20% |
| Capital Gain and dividend income 510.61 134.12 170.71 351.83 511.7 Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.449 Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.159 | | 10101 | 0.400.44 | | 0 / / 0 22 | 0.455 |
| Return on Investment (ROI) in capital market (Gross) 12.95% 3.44% 4.37% 11.12% 19.44% Capital Market Exposure (solo) 22.20% 22.03% 22.63% 22.10% 23.15% | | | | | | |
| Capital Market Exposure (solo) 22.20% 22.03% 22.10% 23.15% | Capital Gain and dividend income | 510.61 | 134.12 | 170.71 | 351.83 | 511.74 |
| | Return on Investment (ROI) in capital market (Gross) | 12.95% | 3.44% | 4.37% | 11.12% | 19.44% |
| Capital Market Exposure (Consol) 37.47% 37.46% 36.85% 41.78% 40.45% | Capital Market Exposure (solo) | 22.20% | 22.03% | 22.63% | 22.10% | 23.15% |
| | Capital Market Exposure (Consol) | 37.47% | 37.46% | 36.85% | 41.78% | 40.45% |

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---------|---------|---------|---------|---------|
| Share Based Metrics | | | | | |
| Earnings per share (EPS) in BDT (Not restated) | 4.88 | 5.05 | 4.94 | 4.17 | 3.26 |
| Operating profit per share in BDT (Not restated) | 10.97 | 9.48 | 10.11 | 9.68 | 9.21 |
| Market price per share (BDT) as on close of the year at DSE | 38.50 | 36.00 | 33.20 | 36.00 | 51.10 |
| Price earning ratio (times) | 7.89 | 7.12 | 6.72 | 8.62 | 15.68 |
| NAV (book value) per share in BDT (Not restated) | 32.52 | 35.69 | 31.49 | 31.12 | 29.25 |
| Market capitalization (at close of year) | 36,724 | 29,225 | 26,952 | 26,568 | 37,712 |
| Market price to NAV per share (times) | 1.18 | 1.01 | 1.05 | 1.16 | 1.75 |
| Dividend Payment Metrics | | | | | |
| Dividend (%) | 25.00 | 35.00 | 15 | 30 | 20 |
| Cash (%) | 12.50 | 17.50 | 15 | 20 | 20 |
| Stock (%) | 12.50 | 17.50 | _ | 10 | - |
| Dividend per share (DPS) | 2.50 | 3.50 | 1.50 | 3.00 | 2.00 |
| Dividend Cover (times) | 1.95 | 1.44 | 3.29 | 1.39 | 1.63 |
| Dividend Payout ratio (DPS / EPS) | 51.24% | 69.26% | 30.38% | 71.86% | 61.38% |
| Dividend Yield (%) | 6.49% | 9.72% | 4.52% | 8.33% | 3.91% |
| Unclaimed Dividend Amount | 31.59 | 83.54 | 73.41 | 68.34 | 57.37 |
| Other Information (Actual Figure) | | | | | |
| Number of branches | 85 | 85 | 85 | 85 | 84 |
| Number of sub-branches | 5 | 5 | 3 | - | - |
| Number of agent banking outlets | 46 | 29 | 26 | 2 | - |
| Number of CDMs | 70 | 67 | 61 | 59 | 54 |
| Number of ATMs | 227 | 220 | 207 | 200 | 200 |
| No. of ATM Booths | 214 | 208 | 198 | 188 | 188 |
| Number of deposit accounts | 666,591 | 631,516 | 620,793 | 569,552 | 532,208 |
| Number of loan Accounts | 169,153 | 163,913 | 163,795 | 180,548 | 222,986 |
| Number of foreign correspondents | 524 | 512 | 489 | 592 | 522 |

Financial Goals and Performances (Bank)

| Financial Goals and Performances (Bank) | Goals 2022 | Actual 2021 | Actual 2020 |
|--|-----------------|-------------|-------------|
| Capital to risk weighted assets ratio (CRAR) | 15% Plus | 14.08% | 15.23% |
| Return on average equity (ROE) | 15% Plus | 15.51% | 15.04% |
| Return on average assets (ROA) | 1.2% Plus | 1.28% | 1.22% |
| Cost to income ratio | Less than 40% | 38.99% | 45.58% |
| NPL (%) | Less than 3.50% | 3.70% | 2.72% |
| Year-end deposits (BDT million) | 313,839 | 268,019 | 242,358 |
| Year-end loans and advances (BDT million) | 308,319 | 269,394 | 228,944 |

Horizontal Analysis

Balance Sheet

| | 20 | 21 | 20 | 20 | 20: | 19 | 20: | 18 | 20 | 17 |
|---|---------|----------|---------|---------|---------|---------|---------|---------|---------|----------|
| Particulars | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% |
| Property and Assets | | I | | | | I | | I | | |
| Cash in hand and balances with Bangladesh Bank and its agent bank(s) | 18,669 | 18.92% | 15,699 | -20.27% | 19,690 | 20.52% | 16,338 | 14.08% | 14,321 | 17.40% |
| Balances with other banks and financial institutions | 16,270 | 25.12% | 13,003 | -55.09% | 28,957 | 70.75% | 16,959 | -4.89% | 17,831 | 31.38% |
| Money at call and short notice | 1,573 | 2522.00% | 60 | -89.90% | 594 | 100.00% | - | - | - | -100.00% |
| Investments | 66,653 | 4.23% | 63,949 | 60.69% | 39,797 | 43.57% | 27,720 | 13.79% | 24,361 | 13.58% |
| Loans and advances | 269,394 | 17.67% | 228,944 | -1.34% | 232,051 | 10.87% | 209,306 | 13.74% | 184,027 | 21.00% |
| Fixed assets | 7,632 | -1.02% | 7,711 | 4.92% | 7,349 | 10.73% | 6,637 | 12.06% | 5,923 | -0.29% |
| Other assets | 8,624 | 15.54% | 7,464 | 12.81% | 6,616 | 23.50% | 5,357 | -17.21% | 6,471 | 13.77% |
| Non banking assets | - | -100.00% | 106 | -2.91% | 109 | -18.86% | 134 | 0.00% | 134 | -13.00% |
| Total Assets | 388,815 | 15.40% | 336,936 | 0.53% | 335,163 | 18.66% | 282,451 | 11.61% | 253,068 | 19.83% |
| Liabilities and Equity | | | | | | | | | | |
| Borrowing from banks, financial institutions and agents | 63,187 | 42.68% | 44,286 | -12.86% | 50,821 | 8.75% | 46,732 | -8.36% | 50,998 | 30.56% |
| Deposits and other accounts | 268,019 | 10.59% | 242,358 | 0.91% | 240,164 | 20.31% | 199,629 | 19.29% | 167,348 | 19.29% |
| Other liabilities | 26,593 | 24.76% | 21,316 | 14.53% | 18,611 | 41.81% | 13,124 | -0.10% | 13,137 | 16.58% |
| Total Liabilities | 357,798 | 16.18% | 307,960 | -0.53% | 309,596 | 19.31% | 259,485 | 12.10% | 231,482 | 21.44% |
| Shareholders' Equity | | | | | | | | | | |
| Paid-up capital | 9,539 | 17.50% | 8,118 | 0.00% | 8,118 | 10.00% | 7,380 | 0.00% | 7,380 | 5.00% |
| Statutory reserve | 9,539 | 17.50% | 8,118 | 0.00% | 8,118 | 10.00% | 7,380 | 0.00% | 7,380 | 5.55% |
| General reserve | 603 | 0.00% | 603 | 0.00% | 603 | 0.00% | 603 | 364.23% | 130 | 0.00% |
| Other reserve | 2,360 | -33.55% | 3,552 | 17.21% | 3,031 | 2.21% | 2,965 | -19.34% | 3,676 | 0.18% |
| Surplus in profit and loss account | 8,975 | 4.56% | 8,584 | 50.66% | 5,697 | 22.85% | 4,638 | 53.58% | 3,020 | 9.73% |
| Total Shareholders' Equity | 31,017 | 7.04% | 28,976 | 13.33% | 25,567 | 11.33% | 22,966 | 6.40% | 21,586 | 4.93% |
| Total Liabilities and Shareholders' Equity | 388,815 | 15.40% | 336,936 | 0.53% | 335,163 | 18.66% | 282,451 | 11.61% | 253,068 | 19.83% |
| Total Off-balance Sheet Items | 141,831 | 36.30% | 104,060 | 4.29% | 99,781 | -15.17% | 117,629 | 16.14% | 101,278 | 34.01% |

Profit and Loss Account

| | 20 | 2021 | | 20 | 20: | 19 | 20 |)18 | 20 | 17 |
|---|---------|---------|----------|----------|----------|---------|----------|-----------|---------|---------|
| Particulars | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% | BDT 'M | Δ% |
| Interest Income | 16,206 | -17.60% | 19,667 | -15.09% | 23,164 | 16.86% | 19,821 | 37.66% | 14,399 | 6.30% |
| Interest paid on deposits and borrowings | (8,445) | -38.52% | (13,737) | -8.45% | (15,005) | 21.84% | (12,315) | 42.30% | (8,654) | 7.96% |
| Net Interest Income | 7,761 | 30.87% | 5,930 | -27.31% | 8,159 | 8.69% | 7,506 | 30.66% | 5,745 | 3.89% |
| Non-interest Income | 9,397 | 14.55% | 8,203 | 27.41% | 6,439 | 14.30% | 5,633 | -15.37% | 6,656 | 11.83% |
| Total operating income | 17,158 | 21.40% | 14,134 | -3.18% | 14,597 | 11.10% | 13,139 | 5.96% | 12,401 | 8.01% |
| Total operating expenses | 6,690 | 3.86% | 6,441 | 0.85% | 6,387 | 6.54% | 5,995 | 6.96% | 5,605 | 10.71% |
| Profit before provisions | 10,468 | 36.08% | 7,692 | -6.31% | 8,210 | 14.92% | 7,144 | 5.13% | 6,796 | 5.88% |
| Provision for loans and off- balance sheet exposures | 2,652 | 142.57% | 1,093 | -16.64% | 1,311 | -40.06% | 2,188 | -21.18% | 2,775 | 21.33% |
| Other provision | (391) | 327.09% | (92) | -114.27% | 643 | 73.43% | 370 | -1114.64% | (37) | -86.42% |
| Total provisions | 2,260 | 125.68% | 1,001 | -48.74% | 1,954 | -23.62% | 2,558 | -6.61% | 2,739 | 35.68% |
| Profit before tax for the year | 8,208 | 22.67% | 6,691 | 6.95% | 6,256 | 36.42% | 4,586 | 13.05% | 4,057 | -7.79% |
| Total provision for taxation | 3,554 | 37.31% | 2,588 | 15.13% | 2,248 | 49.36% | 1,505 | -8.88% | 1,652 | -5.23% |
| Profit after tax for the year | 4,654 | 13.44% | 4,103 | 2.36% | 4,008 | 30.10% | 3,081 | 28.11% | 2,405 | -60.85% |

Vertical Analysis

Balance Sheet

| | 20 | 21 | 20 | 20 | 20 | 19 | 20 | 18 | 2017 | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Particulars | BDT 'M | Mix (%) |
| Property and Assets | | | | | | | | | | |
| Cash in hand and balances | | | | | | | | | | |
| with Bangladesh Bank and its agent bank(s) | 18,669 | 4.80% | 15,699 | 4.66% | 19,690 | 5.87% | 16,338 | 5.78% | 14,321 | 5.66% |
| Balances with other banks and financial institutions | 16,270 | 4.18% | 13,003 | 3.86% | 28,957 | 8.64% | 16,959 | 6.00% | 17,831 | 7.05% |
| Money at call and short notice | 1,573 | 0.40% | 60 | 0.02% | 594 | - | - | - | - | 0.00% |
| Investments | 66,653 | 17.14% | 63,949 | 18.98% | 39,797 | 11.87% | 27,720 | 9.81% | 24,361 | 9.63% |
| Loans and advances | 269,394 | 69.29% | 228,944 | 67.95% | 232,051 | 69.24% | 209,306 | 74.10% | 184,027 | 72.72% |
| Fixed assets | 7,632 | 1.96% | 7,711 | 2.29% | 7,349 | 2.19% | 6,637 | 2.35% | 5,923 | 2.34% |
| Other assets | 8,624 | 2.22% | 7,464 | 2.22% | 6,616 | 1.97% | 5,357 | 1.90% | 6,471 | 2.56% |
| Non banking assets | - | - | 106 | 0.03% | 109 | 0.03% | 134 | 0.05% | 134 | 0.05% |
| Total Assets | 388,815 | 100.00% | 336,936 | 100.00% | 335,163 | 99.82% | 282,451 | 100.00% | 253,068 | 100.00% |
| Liabilities and Equity Borrowing from banks, financial | | | | | | | | | | |
| institutions and agents | 63,187 | 16.25% | 44,286 | 13.14% | 50,821 | 15.16% | 46,732 | 16.55% | 50,998 | 20.15% |
| Deposits and other accounts | 268,019 | 68.93% | 242,358 | 71.93% | 240,164 | 71.66% | 199,629 | 70.68% | 167,348 | 66.13% |
| Other liabilities | 26,593 | 6.84% | 21,316 | 6.33% | 18,611 | 5.55% | 13,124 | 4.65% | 13,137 | 5.19% |
| Total Liabilities | 357,798 | 92.02% | 307,960 | 91.40% | 309,596 | 92.37% | 259,485 | 91.87% | 231,482 | 91.47% |
| Shareholders' Equity | | | | | | | | | | |
| Paid-up capital | 9,539 | 2.45% | 8,118 | 2.41% | 8,118 | 2.42% | 7,380 | 2.61% | 7,380 | 2.92% |
| Statutory reserve | 9,539 | 2.45% | 8,118 | 2.41% | 8,118 | 2.42% | 7,380 | 2.61% | 7,380 | 2.92% |
| General reserve | 603 | 0.16% | 603 | 0.18% | 603 | 0.18% | 603 | 0.21% | 130 | 0.05% |
| Other Reserve | 2,360 | 0.61% | 3,552 | 1.05% | 3,031 | 0.90% | 2,965 | 1.05% | 3,676 | 1.45% |
| Surplus in profit and loss account | 8,975 | 2.31% | 8,584 | 2.55% | 5,697 | 1.70% | - | 1.64% | 3,020 | 1.19% |
| Total Shareholders' Equity | 31,017 | 7.98% | 28,976 | 8.60% | 25,567 | 7.63% | 22,966 | 8.13% | 21,586 | 8.53% |
| Total Liabilities and Shareholders' Equity | 388,815 | 100.00% | 336,936 | 100.00% | 335,163 | 100.00% | 282,451 | 100.00% | 253,068 | 100.00% |
| Total Off-balance Sheet Items | 141,831 | 36.48% | 104,060 | 30.88% | 99,781 | 29.77% | 117,629 | 41.65% | 101,278 | 40.02% |

Profit and Loss Account

| Particulars | 2021 | | 2020 | | 20: | 19 | 20 | 18 | 20: | 17 |
|---|---------|---------|----------|---------|----------|---------|----------|---------|---------|---------|
| | BDT 'M | Mix (%) | BDT 'M | Mix (%) | BDT 'M | Mix (%) | BDT 'M | Mix (%) | BDT 'M | Mix (%) |
| Interest Income | 16,206 | 63.30% | 19,667 | 70.57% | 23,164 | 78.25% | 19,821 | 77.87% | 14,399 | 68.39% |
| Interest paid on deposits and borrowings | (8,445) | -32.98% | (13,737) | -49.29% | (15,005) | -50.69% | (12,315) | -48.38% | (8,654) | -41.10% |
| Net Interest Income | 7,761 | 30.31% | 5,930 | 21.28% | 8,159 | 27.56% | 7,506 | 29.49% | 5,745 | 27.28% |
| Non-interest Income | 9,397 | 36.70% | 8,203 | 29.43% | 6,439 | 21.75% | 5,633 | 22.13% | 6,656 | 31.61% |
| Total operating income | 17,158 | 67.02% | 14,134 | 50.71% | 14,597 | 49.31% | 13,139 | 51.62% | 12,401 | 58.90% |
| Total operating expenses | 6,690 | 26.13% | 6,441 | 23.11% | 6,387 | 21.58% | 5,995 | 23.55% | 5,605 | 26.62% |
| Profit before provisions | 10,468 | 40.88% | 7,692 | 27.60% | 8,210 | 27.73% | 7,144 | 28.07% | 6,796 | 32.28% |
| Provision for loans and off-balance sheet exposures | 2,652 | 10.36% | 1,093 | 3.92% | 1,311 | 4.43% | 2,188 | 8.59% | 2,775 | 13.18% |
| Other provision | (391) | -1.53% | (92) | -0.33% | 643 | 2.17% | 370 | 1.46% | (37) | -0.17% |
| Total provisions | 2,260 | 8.83% | 1,001 | 3.59% | 1,954 | 6.60% | 2,558 | 10.05% | 2,739 | 13.01% |
| Profit before tax for the year | 8,208 | 32.06% | 6,691 | 24.01% | 6,256 | 21.13% | 4,586 | 18.02% | 4,057 | 19.27% |
| Total provision for taxation | 3,554 | 13.88% | 2,588 | 9.29% | 2,248 | 7.59% | 1,505 | 5.91% | 1,652 | 7.85% |
| Profit after tax for the year | 4,654 | 18.18% | 4,103 | 14.72% | 4,008 | 13.54% | 3,081 | 12.10% | 2,405 | 11.42% |

Market Value Added (MVA) Statement

Market value added statement reflects the company's performance evaluated by the market through the share price. This amount is derived from the difference between market capitalization and book value of the shares outstanding. It signifies the enhancement of financial solvency as perceived by the market.

Market Value Added statement as at 31 December

| Particulars | 2021 | 2020 |
|---|-------------|-------------|
| Face Value per share (BDT) | 10.00 | 10.00 |
| Market value per share (BDT) | 38.50 | 36.00 |
| Number of shares outstanding | 953,864,467 | 811,799,547 |
| Total market capitalization (BDT million) | 36,724 | 29,225 |
| Book value of paid up capital (BDT million) | 9,539 | 8,118 |
| Market value added (BDT million) | 27,185 | 21,107 |

Stock Performance

| | | DSE | | | | Total Volume | |
|--------|------------|-----------|--------------------------|------------|-----------|--------------------------|--------------|
| Month | Month High | Month Low | Total Volume (Number) | Month High | Month Low | Total Volume (Number) | on DSE & CSE |
| Jan-21 | 39.90 | 35.70 | 7,021,558 | 41.00 | 34.90 | 48,871 | 7,070,429 |
| Feb-21 | 37.60 | 33.70 | 9,902,849 | 38.90 | 33.40 | 63,986 | 9,966,835 |
| Mar-21 | 37.90 | 36.00 | 1,554,299 | 37.50 | 34.60 | 24,440 | 1,578,739 |
| Apr-21 | 39.80 | 36.50 | 7,873,610 | 42.00 | 36.00 | 447,011 | 8,320,621 |
| May-21 | 39.80 | 33.50 | 14,349,400 | 40.90 | 31.10 | 2,345,625 | 16,695,025 |
| Jun-21 | 37.20 | 33.60 | 16,950,068 | 37.90 | 31.00 | 10,326,251 | 27,276,319 |
| Jul-21 | 35.60 | 34.20 | 8,924,979 | 36.10 | 34.20 | 146,081 | 9,071,060 |
| Aug-21 | 37.80 | 35.40 | 10,630,124 | 37.70 | 34.50 | 206,305 | 10,836,429 |
| Sep-21 | 41.60 | 36.90 | 20,778,986 | 42.00 | 36.80 | 310,603 | 21,089,589 |
| Oct-21 | 39.40 | 36.90 | 8,648,160 | 40.00 | 37.00 | 201,145 | 8,849,305 |
| Nov-21 | 40.40 | 37.90 | 6,619,255 | 40.80 | 37.60 | 159,718 | 6,778,973 |
| Dec-21 | 39.00 | 36.50 | 5,423,595 | 39.90 | 36.10 | 2,851,635 | 8,275,230 |

Price-Volume Movement of EBL

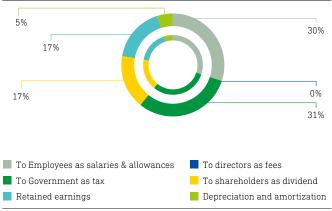


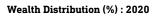
Value Added Statement

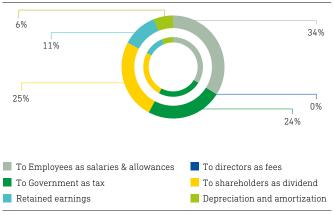
Value added is the wealth accretion made by Eastern Bank Limited through providing banking and other financial services in 2021 for its employees, directors, government and shareholders in the form of salaries & allowances, remuneration, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

Value added for the year ended 31 December

| Particulars | 2021 | 2020 |
|--------------------------------------|-----------------|------------------|
| Wealth creation | | |
| Revenue from Banking Services | 16,206,209,303 | 19,667,413,756 |
| Less: Cost of services & supplies | (9,684,982,008) | (15,384,963,879) |
| Value added by the Banking Services | 6,521,227,295 | 4,282,449,877 |
| Non-banking income | 9,396,917,887 | 8,203,407,398 |
| Provision for loans & other assets | (2,260,138,385) | (1,001,489,340) |
| Total Wealth Creation | 13,658,006,797 | 11,484,367,935 |
| Wealth distribution | | |
| Employees & Directors | | |
| Employees as salaries & allowances | 4,128,981,013 | 3,949,920,340 |
| Directors as fees | 2,771,554 | 2,717,506 |
| Government | 4,166,731,276 | 2,742,358,803 |
| Corporate tax | 3,553,815,784 | 2,588,228,698 |
| Service tax/ Value added tax | 162,469,518 | 137,745,141 |
| Municipalties/ local taxes | 14,189,964 | 14,189,964 |
| Excise duties | 436,256,010 | 2,195,000 |
| Shareholders | | |
| Dividend to shareholders | 2,384,661,168 | 2,841,298,415 |
| Retention for future business growth | | |
| Retained earnings | 2,269,203,559 | 1,261,264,639 |
| Depreciation and amortization | 705,658,227 | 686,808,233 |
| Total Wealth Distribution | 13,658,006,797 | 11,484,367,935 |







Wealth Distribution (%) : 2021

Economic Value Added Statement

Economic Value Added (EVA) is the measure of financial performance of an organization. It is based on the principle that since a company's management employs equity capital to earn a profit; it must pay for the use of this equity capital. This management tool is useful to shareholders in particular and other stakeholders in general to take decision for increasing wealth.

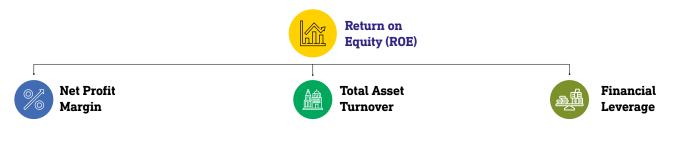
EVA is equal to Profit after Tax (PAT) plus the provision for loans & other assets less written off during the year minus cost of equity where cost of equity is the opportunity cost that the shareholders forego. This cost of equity is calculated considering the risk free rate based on weighted average rate of 10 years Treasury bond issued by Bangladesh Government plus 2% risk premium. EBL management is committed to maximize wealth of its shareholders and other equity providers.

EVA statement for the year ended 31 December

| Particulars | 2021 | 2020 |
|---|----------------|----------------|
| Shareholders' equity | 31,016,575,398 | 28,975,579,670 |
| Add: Accumulated provision for loans & advances and other assets | 14,710,275,983 | 12,190,479,881 |
| Capital Employed | 45,726,851,381 | 41,166,059,551 |
| Average Capital Employed / Shareholders' equity | 43,446,455,466 | 34,181,311,729 |
| Earnings | | |
| Profit after tax | 4,653,864,726 | 4,102,563,054 |
| Add:Provision for loans & advances and other assets charged during the year | 2,260,138,385 | 1,001,489,340 |
| Less: Written off loans during the year | 12,265,692 | - |
| Net earnings | 6,901,737,419 | 5,104,052,393 |
| Cost of equity: | | |
| Average cost of equity (Based on weighted average rate of 10 years treasury bond issued | 9.42% | 7.81% |
| by the Bangladesh Government) plus 2% risk premium | | |
| Capital charge (Cost of average equity) | 4,092,656,105 | 2,669,560,446 |
| Economic Value Added | 2,809,081,314 | 2,434,491,947 |

DuPont Analysis

DuPont Analysis is another extended tool to examine the Return on Equity (ROE) of a company in details by analysing Net Profit Margin, Asset Turnover, and Financial Leverage. It gives a broader view to the management in earnings of shareholders' equity breaks down the ROE to analyze how corporate can increase the return for their shareholders.



| Particulars | | 2021 | 2020 |
|-------------------------------|---------------------------------|--------|--------|
| Net Profit Margin (in %) | PAT / Total Income | 18.18% | 14.72% |
| Total Asset Turnover (in %) | Total Income / Average Assets | 7.06% | 8.29% |
| Return on Asset (in %) | PAT / Average Assets | 1.28% | 1.22% |
| Financial Leverage (in times) | Average Assets / Average Equity | 12.10 | 12.32 |
| Return on Equity (in %) | PAT / Average Equity | 15.51% | 15.04% |

The affirmative change of all components of DuPont analysis denotes the positive impact on Return on Equity. In 2021, the perfomance of the bank was better compared to previous year in all parameters except total asset turnover due to lower growth of total income.

BDT in million

Our Investment in the Capital Market

The capital market of Bangladesh passed a vibrant year in 2021 bouncing back from a sluggish trend that continued over the last couple of years. This positive trend was marked by good average turnover, increased market capitalization, deepening initiative for bond market and enforcement of certain governance measures. DSE Price Index rose by 1,354 points (25%) to 6,756 as on 30 December 2021 compared to 5,402 as on 31 December 2020 despite market volatility and scrip-wise price corrections in the last few months since September 2021.

Several joint initiatives by Bangladesh Securities and Exchange Commission and Bangladesh Bank including structural changes i.e. regulatory policies and reforms, allowing investment under special fund of BDT 200 cr. each for banking companies, introducing SME platform for raising paid-up capital of small-cap companies, forcing directors to maintain 30 per cent joint shareholding, guarding against any capital market non-compliant activities and abolishment of over-the-counter market boosted the investors' confidence in the market.

Return on investment from capital market

EBL ensured a good return from the capital market which was the second highest in the history of EBL after the year 2010. This wonderful performance was made possible for the judicious guidance from the BoD of the bank, well defined strategies and effective execution by the skilled Investment Committee. This helped the Bank to get the best possible return from the capital market.

| | | DD1 III IIII(II0II | |
|---|--------|--------------------|--|
| Particulars | 2021 | 2020 | |
| Investment (average) | 3,944 | 3,899 | |
| Gain from sale of Shares & MFs (Net off Loss) | 341 | 39 | |
| Dividend Income | 169 | 95 | |
| Return on Investment | 12.95% | 3.44% | |

Exposure in capital market (solo)

EBL kept capital market investment exposure within the regulatory limit (i.e. 25%) and complied with regulatory guidelines given by Bangladesh Bank for investment under special fund.

| | | BDT in million |
|---|--------|----------------|
| Particulars | 2021 | 2020 |
| Total of capital components | 24,820 | 21,933 |
| Exposure in capital market | 5,510 | 4,833 |
| Exposure (in percentage) | 22.20% | 22.03% |
| Exposure in capital market under Special Fund | 1,020 | - |

EBL will focus more to diversify and rebalance the existing portfolio to maintain a healthy portfolio as well as generate adequate return complying the prescribed rules and limit set by regulators.

Credit Rating of EBL

Local (CRISL)

| Date of Rating : June 17, 2021 | Valid up to: June 16, 2022 | | |
|--------------------------------|----------------------------|------------|--|
| | Long Term | Short Term | |
| Surveillance Rating | AA+ | ST-1 | |
| Outlook | Stable | | |

Rationale

CRISL has reaffirmed EBL's long term rating to "AA+" and short term rating to "ST-1". This has been done on the basis of operational and financial performance of the Bank along with all its relevant quantitative and qualitative information and other prevailing factors through an in-depth analysis.

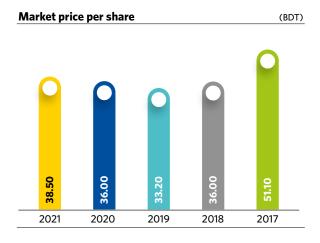
The above ratings have been assigned on the basis of its financial performance, asset quality, capital adequacy, liquidity, risk management practice, portfolio management, compliance and governance practice, robustness of IT infrastructure & IT risk management, HR development practice and above all EBL's strategy to address future contingency. While assigning the rating, CRISL also factored the operational performance and fund management efficiency of the Bank through its capital market subsidiaries.

Over the years, EBL has established itself as one of the leading private commercial banks in the country with established leadership in corporate banking with growing focus on SME, emerging corporate and consumer business.

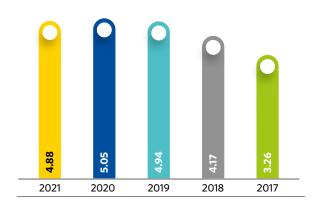
International (Moody's)

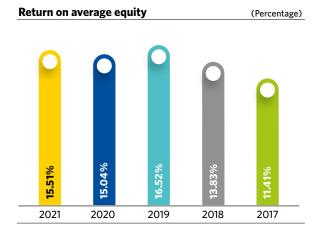
EBL is the first company in the country rated by Moody's, a renowned global rating agency, for the first time in March 2016. The Bank has been assigned B1 rating in January 2022 with stable outlook. As per Moody's expectation, Bank's asset quality and profitability will remain better than those of its peers, supported by prudent risk management, while capital will be stable at a moderate level in the next 12-18 months.

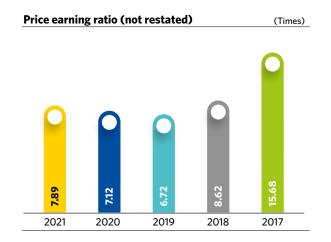
Graphical Presentation



Earnings per share (not restated)



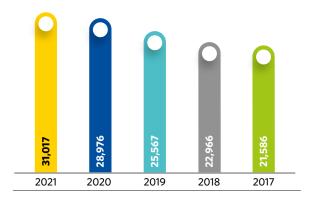


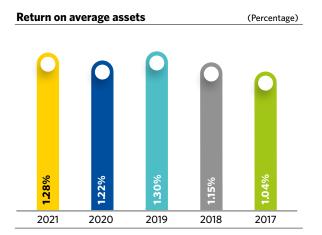


Shareholders' equity

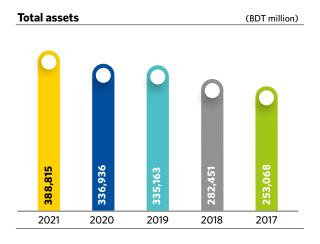
(BDT)

(BDT million)



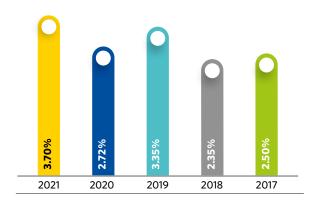


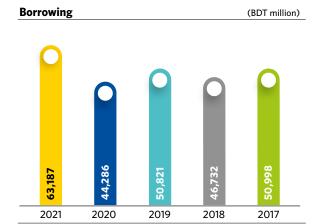
Graphical Presentation

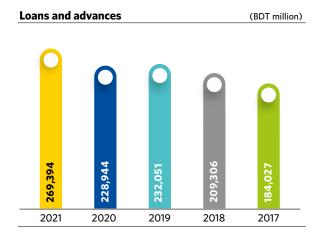


Non Performing Loan

(percentage)



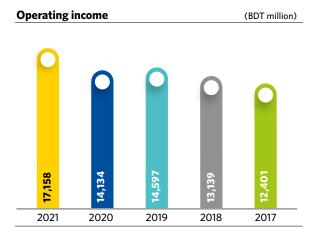




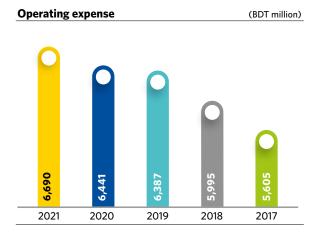
 Deposits
 (BDT million)

 60
 82
 1910
 87

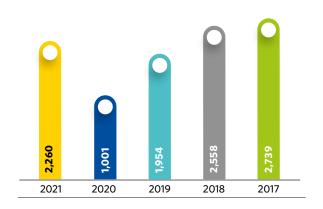
 2021
 2020
 2019
 2018
 2017



Graphical Presentation



Total provision charged

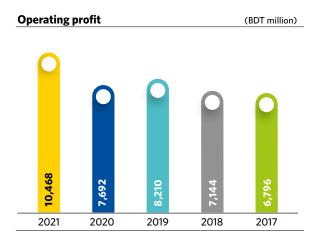


(BDT million)

 Profit after Tax
 (BDT million)

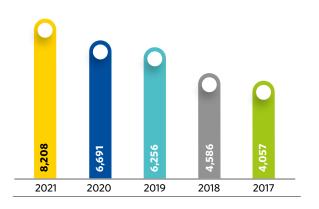
 6 6 7 6 7 6 7 6 7 6 7 6 7 7 7 7 7 7 7 7 8 6 8 6 8 6 7 7 8 7 8 7 8 7 8 8 8 7 8 9 8 9 1 1 1 1 1

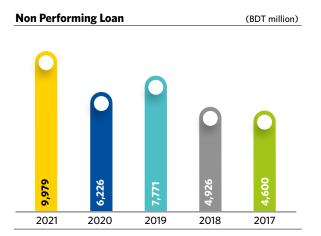
 <



Profit before tax

(BDT million)





Financial Calendar

Quarterly results

| Particulars | Submission Date to BSEC |
|--|-------------------------|
| Un-audited financial statements for the 1 st Quarter ended on 31 March 2021 | 09 May 2021 |
| Un-audited financial statements for the 2 nd Quarter ended on 30 June 2021 | 28 July 2021 |
| Un-audited financial statements for the 3 rd Quarter ended on 30 September 2021 | 28 October 2021 |

Dividend

| 29 th Annual General Meeting | Notice Date | 28 April 2021 | |
|---|----------------------|-------------------------------|--|
| Declared 17.50% Cash Dividend & issuance of 17.50% Stock Dividend | Record Date | 05 May 2021 | |
| for the Year ended 31 December 2020 | Record Date | | |
| 29 th Annual General Meeting | Held on | 30 May 2021 | |
| Disbursement of Cash & Stock Dividend | Date of Disbursement | 01 June 2021 (Cash Dividend), | |
| DISDUISEMENT OF CASH & STOCK DIVIDEND | Date of Dispursement | 09 June 2021 (Stock Dividend) | |

Tax on dividend income

Stock dividend is tax exempted for shareholder. In compliance with Section 54 and Section 56 of Income Tax Ordinance 1984, at the time of paying cash dividend to a shareholder, EBL shall deduct tax on the amount of such dividend, in the following manner:

- If the shareholder is a resident or non-resident Bangladeshi person other than a company, tax at the rate of 10 (ten) percent where the person receiving such dividend furnishes his twelve-digit E-TIN to EBL or 15 (fifteen) percent where the person receiving such dividend fails to furnish his twelve-digit E-TIN to EBL.
- If the shareholder is a company (resident/non-resident Bangladeshi), tax at the rate of 20%.
- If the shareholder is a non-resident company, fund or trust, tax at the rate of 20%.
- If the shareholder is any other person not being a company, fund or trust (non-resident), tax at the rate of 30%.

Tax on capital gain

Capital gain arising from transfer or sale of government securities is tax exempted. Capital gain arising from transfer or sale of securities of public limited companies listed with stock exchanges is taxable at the rate of 10%.

Charge of tax on stock dividend

As per Section 16F of Income Tax Ordinance 1984, if in an income year, the amount of stock dividend declared or distributed exceeds the amount of cash dividend declared or distributed or without declaration or distribution of any cash dividend by EBL, tax shall be payable at the rate of 10 (ten) percent on the whole amount of stock dividend declared or distributed in that income year.

Charge of tax on retained earnings & reserves, surplus etc.

As per sec 16G of Income Tax Ordinance 1984, if in an income year, the total amount transferred to retained earnings or any fund, reserve or surplus, called by whatever name, by EBL exceeds 70 (seventy) percent of the net income after tax, tax shall be payable at the rate of 10 (ten) percent on the total amount so transferred in that income year.

Stock details

| Particulars | DSE | CSE |
|----------------------------------|-------------|-------------|
| Stock Symbol | EBL | EBL |
| Company Code | 148 | 22025 |
| Listing Year | 1993 | 2004 |
| Market Category | А | А |
| Electronic Share | Yes | Yes |
| Market Lot (Nos) | 1 | 1 |
| Face Value (Taka) | 10 | 10 |
| Total Number of Securities (Nos) | 953,864,467 | 953,864,467 |

Information sensitive to share price

| Particulars | Date of disclosure |
|--|--------------------|
| Corporate disclosure upon approval of annual audited financial statements 2020, recommendation of dividend, record date for dividend entitlement of the 29th AGM (30.05.2021) of EBL | 12 April 2021 |
| Corporate disclosure of 1 st quarter financial information (un-audited) of EBL ended on 31 March 2021 | 06 May 2021 |
| Corporate disclosure of 2 nd quarter financial information (un-audited) of EBL ended on 30 June 2021 | 27 July 2021 |
| Corporate disclosure of 3 rd quarter financial information (un-audited) of EBL ended on 30 September 2021 | 27 October 2021 |
| Corporate disclosure of results of revaluation of all the plots of land of EBL | 28 December 2021 |

Officials at investors' relation department

Shareholders of EBL may contact/communicate to the officials of Share Department for Share related issues. The address of the Investors' Relation Department is as follows:

Share Department

Eastern Bank Limited (EBL) Z Tower (6th Floor) Holding No.04, Road No. 132 Gulshan-1, Dhaka-1212. Fax: 880-2-9892353 E-mail: sharedepartment@ebl-bd.com Telephone: 9892260 (Direct) Mobile No. 01819-412340

Accessibility of annual report 2021

Annual Report 2021 and other information about EBL is available on EBL's website www.ebl.com.bd. EBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited for their reference.

Glimpses from the 29th AGM



Md. Showkat Ali Chowdhury, Chairman of the Board of Directors of EBL, presides over the 29th AGM of the Bank through digital platform. EBL directors M. Ghaziul Haque, Mir Nasir Hossain, Salina Ali, Anis Ahmed, Mufakkharul Islam Khasru, Gazi Md. Shakhawat Hossain, K. J. S Banu, Zara Namreen, Ashiq Imran. Ali Reza Iftekhar, Managing Director & CEO and Md. Abdullah Al Mamun, Company Secretary are also seen.



Prayers offered in memory of the deceased shareholders at the $29^{\rm th}\,AGM$ of EBL



Chairman of EBL Md. Showkat Ali Chowdhury addressing the shareholders during the $29^{\rm th}\,\rm AGM$



MD & CEO of EBL Ali Reza Iftekhar responds to the queries of shareholders at the $29^{\rm th}\,{\rm AGM}$



Company Secretary of EBL Md. Abdullah Al Mamun gives his welcome speech at the $29^{\rm th}\,\rm AGM$



A shareholder gives his feedback on the performance of EBL.



A shareholder presents his analysis of 2020 performance of EBL



A shareholder gives his detail review analysis on overall performance of the bank.





GOVERNANCE REPORTS



Directors' Responsibility Statement

Among other oversight responsibilities, Board of Directors (BoD) has to ensure that the Financial Statements of the Bank and its subsidiaries are prepared in accordance with applicable International Financial Reporting Standards (including International Accounting Standards), relevant provisions of the Companies Act 1994, Bank Company Act 1991, rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), listing rules of relevant stock exchanges and other applicable laws, rules and regulations.

In compliance with section 184 of Companies Act 1994, the Annual Report which is presented in the Annual General Meeting (AGM) has a separate section as 'Directors' Report 2021' that contains, among others, a review of the following issues:

- State of the Bank's affairs: A review of financial performance and position has been presented in the Directors' Report 2021 and Management Discussion and Analysis (MD&A) section with relevant analytics.
- Any recommended reserve in the balance sheet: An amount of BDT 1,420.65 million has been transferred to 'Statutory Reserve' to equalize with the paid up capital as per section 24 of Bank Company Act 1991.
- **Recommended dividend:** The Board has recommended 12.5% cash dividend and 12.5% stock dividend for the completed year 2021.
- Any event after balance sheet date which may affect company's financial condition: None.
- Any change in Bank's activities, subsidiaries' activities etc.: No major change in strategy and actions in the Bank and Subsidiaries experienced in 2021.

In compliance with BSEC Corporate Governance Code dated 03 June 2018 the Directors of the Bank hereby highlights following issues, among others, in their report as prescribed:

- Industry outlook and possible future developments in the industry: A brief review in this regard has been presented in the Directors' Report 2021.
- Segment-wise or product-wise performance: Business-wise performance has been presented in the MD&A section.
- **Risks and concerns:** A detailed discussion regarding risks and management of the same has been presented in "Risk Management Report" section of this annual report.
- **Discussion on operating performance:** A brief description has been presented in "Financial Performance Highlights of EBL" part of the Directors' Report 2021.
- Discussion on continuity of any extra-ordinary gain or loss: In last five years, EBL has not experienced any extra-ordinary gain or loss. EBL's Five Year Progression presented in the "Stakeholders' Information" section will provide detailed information to support this.

- Basis for related party transactions and a statement of all related party transactions: The basis for related party transactions has been stated in the "Corporate Governance Report" and a statement of related party transactions has been presented in the Annexure C1 of the Financial Statements 2021.
- Utilization of proceeds from public issues, rights issues and/ or through any other instruments: Since taking over the businesses, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited, EBL did not raise any capital through public issues except a Right Issue in 2009. However, the Bank raised BDT 2,500 million and BDT 5,000 million through issuance of 7-year nonconvertible subordinated bonds in 2015 and 2019 respectively. The proceeds were utilized to generate liquidity and provide additional cushion in light of Capital to Risk Weighted Assets Ratio of the Bank.
- Deterioration of financial results after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.: Refer to the earlier paragraph, the Bank issued Right Share in 2009 but after that financial results of the Bank did not deteriorate.
- Explanation of variances between quarterly and annual financial performance: No major variances have been observed between quarterly and annual performance.
- **Remuneration to directors including independent directors:** Remuneration provided to directors has been presented in the Corporate Governance Report and Note 32 and Note 33 to the Financial Statements.
- The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity: The financial statements prepared by the management as at and for the year ended 31 December 2021 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity. The external auditors i.e. Howladar Yunus & Co., Chartered Accountants also provided their opinion on the same by issuing an unqualified audit report.
- Maintenance of proper books of account: Proper books of account as required by law have been kept by EBL. The external auditors i.e. A Howladar Yunus & Co., Chartered Accountants also provided their opinion on the same in point (IV) of "Report on other legal and regulatory requirements" of their audit report.
- Consistent application of appropriate accounting policies and estimates in preparation of financial statements: Appropriate accounting policies have been consistently applied in preparation of the financial statements of the Bank and the accounting estimates are based on reasonable and prudent judgment. Estimates and underlying assumptions are reviewed on an ongoing basis and any revision to these are recognized in the period in which the estimate is revised and in any future period affected.

- Following International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh, in preparation of financial statements and any departure there from has been adequately disclosed: Details description including disclosure of departures has been presented in Note 2.1 to the Financial Statements 2021.
- The system of internal control is sound in design and has been effectively implemented and monitored: A brief description in this regard has been presented in the 'Internal control system' paragraph under Directors' Report 2021.
- Protection of interest of minority shareholders and effective means of redress: The Bank is operated in accordance with the Articles of Association and all applicable laws and regulations of the land to ensure the greater interest of all the shareholders of the Bank. The Bank is committed about sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders. However, any complaint, received at AGM or throughout the year, from any shareholders, is resolved lawfully in time.
- Significant doubts upon the Bank's ability to continue as a going concern: None.
- Explanations to significant deviations from the last year's operating results: Significant deviations of operating results in 2021 have been adequately discussed in the Directors' Report 2021 and MD&A section.
- Summarization of last five year's key operating and financial data: Please see 'Five-Year Progression of EBL' in the section of Stakeholders' Information.
- **Declaration of dividend or not:** Declared 12.5% cash dividend and 12.5% stock dividend for the year 2021.
- Declaration of bonus share or stock dividend as interim dividend: No bonus share or stock dividend was declared as interim dividend in 2021.
- Number of Board meetings and directors' attendance in 2021: Please see 'Board meeting and attendance' section under Corporate Governance Report.

- **The pattern of shareholdings:** Please see Corporate Governance Report and note 14.1 of the Notes to the Financial Statements 2021.
- Brief resume of the directors and nature of their expertise in specific functional areas: Brief profile of directors and their representation in other companies have been presented in 'Board of Directors' section of this report and Annexure C of the Financial Statements 2021.
- Management's discussion and analysis signed by CEO/ MD: Please see 'Managing Director & CEO's Review' and 'Management Discussion and Analysis' section of this annual report.
- **Certification by the CEO and CFO:** The certification of MD & CEO and CFO has been presented at the beginning of Financial Reports section of this annual report.
- Certificate on compliance of corporate governance code: The certificate issued by K.M. HASAN & CO., Chartered Accountants, has been presented at the end of Corporate Governance Report.

To adhere to good corporate governance practices, the Bank has been complying with the corporate governance code issued by BSEC (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018). EBL's compliance status to the said prescribed practices is presented in Corporate Governance Report.

The Directors, to the best of their knowledge and information, hereby confirm that the Annual Report 2021 together with the Directors' Report and the Financial Statements have been prepared in compliance with applicable governing acts, rules, regulations, guidelines and laws of various regulatory bodies including Bangladesh Bank and BSEC.

On behalf of the Board of Directors

Md. Showkat Ali Chowdhury Chairman of the Board of Directors

Report of the Audit Committee

Audit Committee of the Board

The Audit Committee (AC) was formed as a subcommittee of the Board of Directors to protect the interest of related stakeholders by engaging in systematic and continuous review, monitoring and assessment of organizational performance against evolving regulatory requirements. Main objectives of Audit Committee are:

- To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board.
- To review the financial reporting process and the system and effectiveness of internal control process.
- To assess effectiveness of overall processes and procedures for monitoring compliance with laws and regulations and own code of business conduct and to check compliance status of inspection report of Bangladesh Bank.

Composition and Qualifications of Audit Committee:

| SL No. | Name | Status with | Status with the | Educationa | Meeting |
|--------|----------------------------|----------------------|-----------------|-----------------------------------|------------|
| 51 NO. | Mame | the Bank | Committee | Qualification | Attendance |
| 1. | Dr. Toufic Ahmad Choudhury | Independent Director | Chairman | Ph. D, Master in Economics | 2/2 |
| 2. | Mufakkharul Islam Khasru | Director | Member | MBA (IBA) | 6/7 |
| 3. | Gazi Md. Shakhawat Hossain | Director | Member | M.com (Accounting) | 7/7 |
| 4. | Ashiq Imran | Independent Director | Member | Master of Science in Architecture | 7/7 |

N.B. Dr. Toufic Ahmad Choudhury, Independent Director, joined EBL Board on 22 September 2021.

The Company Secretary acts as the Secretary of the Audit Committee of the Board.

Roles and Responsibilities of the Audit Committee

The roles and responsibilities of the Audit Committee have been defined in line with the relevant provisions of Corporate Governance Guidelines/Notification issued by BB and BSEC, two paramount regulators for the Bank, and other best practices of governance. Some important roles and responsibilities are highlighted below:

a) Internal Control

- Evaluate whether management is adhering to appropriate risk management, compliance and governance practices and have clear understanding of their respective roles and responsibilities.
- Review whether arrangements are made by the management for developing and maintaining a suitable Management Information System (MIS).
- Monitor whether suggestions made by internal and external auditors to improve internal control practices have been duly implemented by the management.
- Review the existing risk management policy and procedures to improve health and efficiency of loan portfolio.
- Review the corrective measures taken by the management as regards to the reports relating to fraud-forgery, deficiency in internal control or other similar issues detected by internal and external auditors and inspectors from the regulators and inform the Board on a regular basis.

b) Financial Reporting

- Review, before submission to the Board for approval, periodic financial statements to determine whether they are complete and consistent with applicable accounting and reporting standards set by respective governing bodies and regulatory authorities.
- Consult with management and external/statutory auditors to review annual financial statements or any other ad-hoc financial reports before their finalization.

c) Internal Audit

- Monitor/evaluate whether internal audit functions are truly independent.
- Review the activities, structure and style of conduct of internal audit functions to ensure that no unjustified restrictions or limitations are imposed.
- Review and assess the annual internal audit plan.
- Review the efficiency and effectiveness of internal audit function.
- Review and ensure that appropriate recommendations are made by internal auditors to remove irregularities, if any, and duly acted upon by concerned personnel in running the affairs of the Bank.

d) External Audit

 Make recommendations to the Board, to be put to shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the Bank's external auditors. The Committee shall oversee the selection process of new auditors and shall investigate any issue that might have led auditors to resign.

- Oversee the relationship with the external auditors including:
 - Approval of their remuneration i.e. fees for audit or nonaudit services.
 - Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements.
 - Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditors and the Bank (other than in the ordinary course of business).
- Meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once in a year, without management being present, to address of any issues arising from the audit.
- Review the findings and recommendations made by the external auditors for removal of irregularities, if any, are duly acted upon by the management.

e) Compliance with existing laws and regulations

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, Securities Regulators and other bodies) and internal circular/instructions/policy/regulations approved by the Board and have been duly complied with by the management.

f) Miscellaneous

- The AC is to submit 'Compliance Report' on quarterly basis to the Board mentioning any errors and irregularities, fraud and forgery and other anomalies pointed by Internal and External Auditors and Inspection Team from Bangladesh Bank.
- The AC is to submit evaluation report relating to internal and external auditors of the Bank to the Board.
- This Committee is to supervise other assignments delegated by the Board and evaluate its own performance regularly.

Meetings of the Audit Committee

Bangladesh Bank has suggested banks to hold at least 4 meetings in a year. The Audit Committee of EBL held 7 (Seven) meetings in 2021 and had detailed discussions and review sessions with the Head of Audit, Head of Internal Control & Compliance, External Auditors regarding their findings and remedial suggestions on various issues that need improvement. The AC instructed management to follow those remedial suggestions and monitored accordingly. Meeting dates are as follows:

| SL No. | Meetings Date of Meeti | |
|--------|---|---------------|
| 01 | 129 Audit Committee Meeting 27 January 2021 | |
| 02 | 130 Audit Committee Meeting 14 March 2021 | |
| 03 | 131 Audit Committee Meeting | 12 April 2021 |
| 04 | 132 Audit Committee Meeting 06 May 2021 | |

| SL No. | Meetings | Date of Meeting |
|--------|-----------------------------|------------------|
| 05 | 133 Audit Committee Meeting | 27 July 2021 |
| 06 | 134 Audit Committee Meeting | 27 October 2021 |
| 07 | 135 Audit Committee Meeting | 28 December 2021 |

Major areas dealt with by Audit Committee in 2021

- Reviewed Bangladesh Bank comprehensive inspection report of Eastern Bank Limited (Head Office) as on 30 June 2020 and its subsequent compliance thereof.
- Reviewed the appointment of external auditors and corporate governance auditors for the year 2021.
- Reviewed the annual financial statements for the year ended 31 December 2020 and un-audited quarterly financial statements of EBL for the year 2021 before submission to the Board for consideration.
- Reviewed Management Letter on the Bank for the year ended 31 December 2020 submitted by the External Auditors, A. Qasem & Co., Chartered Accountants and its subsequent compliance thereof.
- Reviewed the Annual Health Report of EBL 2020.
- Reviewed exceptions summary reports on Quarterly Operation Report (QOR) and Loan Documentation Checklist (LDCL).
- Reviewed and approved the risk based internal audit plan-2022 of EBL and its subsidiaries.
- Reviewed the compliance status of core risks of EBL and related risk level of branches, departments and subsidiaries of EBL.
- Reviewed the compliance status of Bangladesh Bank surprise inspection reports and comprehensive inspection reports on branches.
- Reviewed some important polices and guidelines of the Bank such as internal control and compliance policy, money laundering & terrorist financing risk assessment policy, dividend distribution policy, fraud & theft risk prevention and management policy, audit policy & process guidelines, procurement and disposal policy etc.
- Reviewed the reflection of current market value of all the lands of EBL upon revaluation.

The Minutes of the Audit Committee meetings containing various suggestions and recommendations to the management are duly placed to the Board for ratification on regular basis.

On behalf of the Audit Committee,

Dr. Toufic Ahmad Choudhury Chairman, Audit Committee of the Board

Report of the Risk Management Committee (RMC) of the Board

In compliance with BRPD Circular No. 11 dated 27 October 2013, the Board of Directors (BoD) formed the Risk Management Committee (RMC) of the Board on 07 November 2013 which was last reconstituted by the Board on 30 May 2021. The objective of the committee is to ensure risk governance; overseeing, directing and setting policies and reducing probable risks arising during implementation of policies, procedures and strategies.

Composition and qualifications

All members of RMC are Non-Executive Directors. The qualification of members, their status in RMC and attendance in the meetings are noted below:

| SL No. | Name | Status with the Bank | Status with the Committee | Educational Qualification | Meeting Attendance |
|--------|----------------------------|-------------------------|------------------------------|--|-----------------------|
| 1 | Mir Nasir Hossain | Director | Chairman | M.Com (Accounting) | 5/5 |
| 2 | Mufakkharul Islam Khasru | Director | Member | MBA (IBA) | 5/5 |
| 3 | Gazi Md. Shakhawat Hossain | Director | Member | M.Com (Accounting) | 5/5 |
| 4 | Zara Namreen | Director | Member | Master of Science in Business Finance | 2/5 |
| 5 | Dr. Toufic Ahmad Choudhury | Independent Director | Member | Ph. D, Master in Economics | 2/2 |

N.B. Dr. Toufic Ahmad Choudhury, Independent Director, joined EBL Board on 22 September 2021.

The Company Secretary acts as the Secretary of RMC of the Board of Directors.

Roles and Responsibilities of RMC

The roles and responsibilities of RMC have been framed in line with the provisions of BRPD Circular No. 11 dated 27 October 2013 and other best practices. Some important roles and responsibilities are highlighted below:

- It is the responsibility of RMC to identify and assess risks and guide management to formulate strategies for minimizing/ controlling risks. The committee (RMC) reviews the risk management policy and modifies the same as required from time to time.
- In order to mitigate risks, RMC ensures that a suitable risk governance structure is in place. Separate management committees have been formed and monitored by RMC to ensure compliance with risk management guidelines related to credit risk, operational risk, foreign exchange risk, internal control and compliance risk, money laundering risk and information and communication technology risk.
- RMC has to review the risk management policy and guidelines of the Bank at least once a year, make necessary modifications as per requirement and submit the same to the Board of Directors for consideration. Besides, the committee reviews the loan portfolio and takes necessary initiatives to modify the same as per requirement.
- The committee monitors implementation status of risk management policy of the Bank and examines whether remedial measures have been taken to minimize credit risk, market risk and operational risk.

- The committee reviews various decisions and recommendations made by different risk committees of management for onward submission to Board of Directors.
- The committee complies with different directives/guidelines as issued by Regulators from time to time.

Meetings of the RMC

Bangladesh Bank advised RMC to hold at least 4 meetings in a year. In line with the same, RMC held 5 (Five) meetings during 2021 and had detailed discussions and review sessions with the management regarding their findings, observations and recommendations on various issues of interest and concern. Meeting dates were as follows:

| SL | Meetings Date of Meeting | | |
|-----|---------------------------------|-----------------------------|--|
| 01. | RMC Meeting 01 25 February 2021 | | |
| 02. | RMC Meeting 02 | RMC Meeting 02 08 July 2021 | |
| 03. | RMC Meeting 03 | ting 03 29 August 2021 | |
| 04. | RMC Meeting 04 | 30 September 2021 | |
| 05. | RMC Meeting 05 | 14 December 2021 | |

Major areas focused by RMC in 2021

Major issues and areas of interest dealt with by RMC during 2021 are noted below:

• Reviewed concerning accounts which may have been classified if payment deferral option/classification pause had

not been in place during this pandemic. It advised to increase monitoring and supervision for timely collection of scheduled EMIs to prevent forward flow.

- Reviewed monthly Risk Management Reports, half yearly Comprehensive Risk Management Reports (CRMR) and recommendations of ERMC (Executive Risk Management Committee) made during December 2020 to November 2021 and with certain directions endorsed the same for onward submission to Bangladesh Bank (BB).
- Reviewed Stress Test Reports from quarter ending December 2020 to quarter ending September 2021 and endorsed the same for onward submission to BB.
- Reviewed ICAAP (Internal Capital Adequacy Assessment Process) and SRP (Supervisory Review Process) return of EBL for the year 2020 and submitted to Board of Directors for consideration.
- Reviewed Comprehensive Risk Management Ratings of EBL for December 2020 and June 2021, upon review the Committee endorsed the management strategy to mitigate the identified risks as highlighted in those rating reports.
- Reviewed risk performance against approved Risk Matrix (Key Risk Indicators) for the year ending December 2020, half year ending June 2021 and month ending position from January to November 2021.
- Reviewed the reports on Risk Management Policies of EBL and effectiveness of risk management functions in the Bank for the year 2020.
- Reviewed and endorsed Bank's risk appetite/internal limits for 2021 on major risk areas to place towards Board of Directors for approval.
- Reviewed periodically Top 50 credit exposure (Group) of EBL in terms of limit offered to counterparties and advised management to closely monitor the account performance and to pay special attention to the vulnerable accounts.
- Reviewed and approved Bank's Risk Matrix for the year 2022 with appropriate Management Action Triggers (MAT).

- RMC highly focused on collection and recovery from delinquent assets and reviewed implementation status of the strategies adopted in meetings. Throughout the year RMC regularly monitored position of classified, special mention, writtenoff and compromised settlement accounts, recovery status therefrom and progress in the law suits.
- Reviewed compliance relating to maintaining loan loss provisions (both general and specific) of the bank for last 5 years.
- Reviewed fact finding reports on randomly selected corporate and commercial segment customers that are either classified or under stay order or written off during last 10 years.
- Reviewed EBL's credit portfolio in RMG sector; aggregate exposure in that sector as well as exposure in RMG, Textile and others (accessories) separately and also reviewed performance of knit, woven and denim category separately with focus on the COVID-19 fallout on the performance of the individual borrower of this sector.
- Reviewed existing credit monitoring process to strengthen existing process and developed a mechanism to trigger oversights (if any) during due diligence and monitoring process for immediate management attention.
- Reviewed and approved Enterprise Risk Management (ERM) Guideline, Model Control policy, Terms of Reference of Executive Risk Management Committee (ERMC) of the Bank.

The Minutes of RMC Meetings containing various suggestions and recommendations to the management were placed to the Board of Directors subsequently for ratification.

On behalf of RMC,

would

Mir Nasir Hossain Chairman of the Risk Management Committee (RMC)

Report of the Asset Liability Committee (ALCO)

Asset-Liability Committee (ALCO) consists of senior officials of the Bank who takes decision regarding various issues related to Bank's assets-liability management in order to earn adequate returns complying applicable regulatory ratios. ALCO's strategies, policies, and procedures are aligned with the goals, objectives, and risk tolerances of the Board. This committee meets at least once in every month to analyze, review and formulate strategy to manage the balance sheet. Details of composition of ALCO are stated in the section of 'Management Committees'.

ALM (Asset-liability management) desk

ALM desk prepares the ALCO pack, ALCO meeting minutes, and circulate the approved minutes. Moreover, monitoring

developments of local and international market and updating ALCO about the changes in the market are responsibilities of ALM desk. In addition, ALM desk is also responsible for monitoring risk sensitive assets and liabilities, preparation of cash flow and balance sheet forecast, interest rate forecast and spread calculation, managing liquidity and market risk of the Bank and understanding the market dynamics i.e. competition, potential target markets etc. for expansion of the business.

Meetings of the ALCO

Generally ALCO meeting takes place in every month but if required, ALCO chairman may call unscheduled emergency meetings. The responsibilities of ALCO are defined in the ALM policy of the Bank.

| Major areas | Roles and responsibilities |
|---------------------------|---|
| ALCO management & | Retain records of ALCO meetings and monitoring the implementation status of the actions taken in ALCO |
| reporting | meetings. |
| | • Reviewing the interest rate risk and liquidity risk status of the Bank and focusing on action plan to achieve |
| | goals. |
| | • Assessing liquidity gap and interest-rate risk. |
| | • Holding a formal meeting (usually once in a month). Informal meetings are held on requirement basis. |
| | • Monitoring and discussing the status and results of decisions taken in the previous ALCO. |
| | Confirmation of last ALCO Minutes. |
| | • Reporting ALCO minutes to the Board along with market commentary and latest ALM indicators. |
| Balance sheet planning | Preparing forecasted balance sheet. |
| | • Discussing innovative ideas to boost growth at minimum risk per unit of return. |
| | • Reviewing the decisions taken by investment committee and actions of money market, fixed income trading |
| | desk to capture the short term trading and interest rate arbitrage opportunities. |
| | • Setting up annual plan and reviewing it on quarterly basis. |
| | Decision making on choosing ideal yield curve for fund transfer pricing. |
| Core asset-liability | Interest income projections. |
| management | Interest rate sensitivity analysis. |
| | Concentration of different asset classes based on liquidity concern in the balance sheet. |
| | Reviewing limits on structural gap in LCY & FCY on annual basis and |
| | ensuring compliance with the limits on monthly basis. |
| | Developing parameters for the pricing and maturity distribution of |
| | deposits, loans and investments. |
| | Net interest margin on current balance sheet and forecasted balance sheet. |
| Liquidity risk management | Liquidity management strategy |
| | Setting up limits that guide liquidity management of the Bank and |
| | ensuring compliance on regular basis. |
| | • Dependency on volatile liability and ensuring funding diversification. |
| | Managing lending of funds. |
| | Liquidity management under stress situation |
| | • Complying predesigned contingency funding plan. |
| | • Review contingency funding plan on regular interval. |
| | • Monitoring liquidity ratios and their skewedness towards contingency situation described in the |
| | contingency funding plan. |

Roles and responsibilities of ALCO

| Major areas | Roles and responsibilities | |
|--------------------|---|--|
| Interest rate risk | • Setting interest rate forecast on annual basis and reviewing it at least on quarterly basis. However, in | |
| management | dynamic or abnormal market condition, ALCO should review interest rate forecast on monthly basis. | |
| | Monitoring compliance with interest rate risk limits. | |
| | • Devising strategy to hedge interest rate risk and continue growth unless it falls beyond the risk appetite or | |
| | regulatory framework. | |
| Fund transfer | • Formulating transfer pricing system and policy. | |
| pricing | • Fixing the yield curve. | |
| | • Measuring customer wise and business segment wise profitability. | |

Major areas focused by ALCO in 2021

- Investment in other banks Tier-II subordinate bond.
- Taking advantage from Money market Liquidity.
- Focusing on alternative investment such as perpetual bond and zero coupon bond.

On behalf of the Asset-Liability Committee

5 leans

Ali Reza Iftekhar Managing Director & CEO Chairman of the Asset-Liability Committee

Report of the Executive Risk Management Committee (ERMC)

Enterprise Risk Management Committee (ERMC) of EBL sets out a clear goal to be a risk-mitigated bank and creates a risk aware culture to supervise proper and timely identification, measurement and mitigation of risks exposed by the Bank in a comprehensive manner. ERMC is responsible for the Bank's overall risk management functions. In a nutshell, ERMC articulates our risk appetite and risk limits.

Composition of the Committee

The chairman of the committee is Chief Risk Officer (CRO). Head of ICC & CAMLCO plays the role of acting-chairman and Head of Risk Management Division (RMD) acts as the Member Secretary of the committee. Other members of this committee are: Head of Corporate Banking, Head of Planning & Strategy, Head of Governance, Risk & Control, Head of CRM, Head of Treasury, FIs & Offshore Banking, Chief Technology Officer, Head of Operations, Chief Financial Officer, Head of Retail & SME Banking, Head of Credit Administration, Head of Special Asset Management and Head of Human Resources. Details of composition of ERMC are stated in the section of 'Management Committees'.

Meetings of ERMC

ERMC meeting takes place in every month but if required, chairman may call unscheduled emergency meetings. In absence of Chairman, Head of ICC & CAMLCO presides the meeting. Terms of Reference (TOR) approved by Risk Management Committee (RMC) of the Board describes the responsibilities of ERMC. Presence of at least two-third members in the meeting is necessary to fulfill the quorum. If any member remains out of office for any pre-set obligations, medical grounds, on leave etc., the member nominates an alternate member as representative.

Roles and responsibilities of the Committee

- Accountability and responsibility of ERMC is limited to the extent of submission of its recommendations or reports to competent authority (MD & CEO or RMC of the Board). If any decision is taken on the basis of those recommendations, ERMC is to supervise for timely and effective implementation through respective department/division.
- 2. Review and recommendation of suitable risk assessment and management policies, methodologies, guidelines and procedures/manuals in line with Bangladesh Bank guidelines for identification, measurement and monitoring of risks.
- The Committee is to supervise assessment and maintenance of adequate capital and provision to support risk-taking. The Committee through RMD is also to review and recommend maintenance of supervisory capital as part of Supervisory Review Process (SRP) in addition to regulatory capital.

- The Committee is to provide direction and assistance for developing an effective and efficient information system/ MIS and data management capabilities to support the risk management functions of the Bank.
- 5. The Committee is to determine general principles for identifying, measuring, managing, and reporting the bankwide existing and potential risks (Credit, Market, Liquidity and Funding, Operational, Reputational, Business, Environmental, ICT etc.) and recommend appropriate recommendations to control and mitigate those risks.
- 6. The Committee is to do a periodic review of the Key Risk Indicators (KRIs) of all the departments/divisions across the bank and advise corrective actions to departments/divisions where there is any deviation.
- 7. The Committee is to oversee status of all risks annually on a systematic manner to keep risk exposures within the limits set by the Board, ensure adequate control over risks earning reasonable risk adjusted returns.
- ERMC is authorized to ask for information or explanations on any risk related issues in any format (including presentation) from any individual/unit/department/division of the Bank. In such case respective respondents shall provide requisite information accurately and timely.
- 9. ERMC is to ensure arrangement of Annual Risk Conference of the Bank.

Major areas focused by ERMC in 2021

- Successfully organized Annual Risk Conference -2021 and implemented the decisions taken in the meeting.
- Reviewed risk management related policies and endorsed for submission to the RMC of the Board/ Audit Committee.
- Reviewed all risk related reports (CRMR, RMR, KRI, Stress Test etc.) throughout the year and adopted suitable mitigating measures.
- Escalated unresolved issues to MANCOM and ensured the compliance.
- Introduced ICT data management policy.
- Ensured periodic follow up of different risk sectors.

On behalf of the Executive Risk Management Committee.

UN Des Clanston

Mahmoodun Nabi Chowdhury Deputy Managing Director & CRO Chairman of the ERMC

Dividend Distribution Policy of EBL

The Dividend Distribution Policy of EBL prescribes a set of principles/guidelines in relation to declaration and payment of dividend and matters incidental thereto or connected therewith. The said policy is formulated for ensuring proper distribution of declared dividend (final/interim) to the shareholders of the Bank. The Audit Committee (AC) of the Board reviewed the policy in its 130 Meeting dated 14 March 2021 which was finally approved by the Board of Directors in its 686 Meeting held on 24 March 2021.

Major highlights of the Dividend Distribution Policy are as follows:

Procedure for payment of dividends

Dividend would be recommended by the Board of Directors based on the Audited Financial Statements of the Bank. All requisite approvals and clearances, where necessary shall be obtained before the declaration of dividend. Dividend shall be approved by the Shareholders at an Annual General Meeting (AGM) on the basis of recommendation of the Board of Directors but no dividend shall exceed the amount recommended by the Directors.

No dividend shall be paid other than out of profits of the year or any other undistributed profits of the Bank. No dividend shall be declared out of the capital reserve account or the revaluation reserve account or any unrealized gain or out of profit earned prior to the incorporation of the company, if any, or through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.

Interim dividend

The Board of Directors of the Bank shall take decisions with regard to recommending interim dividend for the shareholders on the basis of audited financial statements and declaring the shareholders who shall be entitled to such dividend. No stock or bonus entitlement shall be declared as interim dividend.

The Board of Directors may from time to time pay to the shareholders such interim dividend as appears to the Board of Directors to be justified by the profits of the Bank. The decision about recommending interim dividend and entitlement for such dividend cannot be changed.

Final dividend

The Board of Directors of the Bank shall recommend final dividend for the shareholders on the basis of annual audited financial statements and declare the shareholders who shall be entitled to such dividend.

The decision about recommending or not recommending final dividend and entitlement for such dividend, if recommended, shall be taken after considering the interim dividend already distributed and cannot be changed prior to holding of the AGM.

In case of declaration of stock dividend for the year, the Bank shall explain the reason for declaring stock dividend and utilization of such retained amount as capital (stock dividend) shall be disclosed in the annual report.

Entitlement to dividend

The Shareholders whose names would appear in the Register of Members of the Bank and/or in the Depository on the 'Record Date' would be entitled to receive the interim dividend of the Bank.

The Shareholders whose names would appear in the Register of Members of the Bank and/or in the Depository on the 'Record Date' would be eligible to join the AGM and entitled to receive the annual/ final dividend of the Bank.

Payment of dividend

EBL shall pay off the interim dividend to the entitled shareholders, within 30 (thirty) days of record date. EBL shall pay off the final dividend to the entitled shareholders, within 30 (thirty) days from the date of approval by shareholders in AGM.

Cash dividend

Cash dividend shall be distributed in the following manner and procedures:

- Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of EBL.
- EBL shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholders in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN).
- EBL may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN.
- Upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, EBL shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- In case of non-availability of bank account information or if not possible to distribute cash dividend through BEFTN or electronic payment system, EBL shall issue cash dividend warrant and shall send it by post to the shareholders.

• EBL shall maintain detailed information of unpaid or unclaimed cash dividend and rationale thereof, as per BO account (number-wise or name-wise or folio number-wise) of the shareholders, and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/annually) as a separate line item 'Unclaimed Dividend Account'. EBL shall publish the year-wise summary of its unpaid or unclaimed cash dividend in the website.

Stock dividend

EBL shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholders, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL). EBL shall follow the provisions of প্ৰবিধান 46 of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus shares.

EBL shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

- EBL shall send at least 3 (three) reminders to the entitled shareholders.
- The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to the issuer.

- Any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.
- EBL shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).
- Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholders is established.

Payment of unclaimed or unpaid cash dividend and stock dividend

EBL shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force. EBL shall follow the rules & regulations of the regulators issued from time to time regarding payment of unclaimed or unpaid cash dividend and stock dividend to the entitled shareholders.

Submission of dividend distribution compliance report

EBL shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specified format issued by the regulator(s) within stipulated time of completion of dividend distribution to the entitled shareholders.

Corporate Governance Report

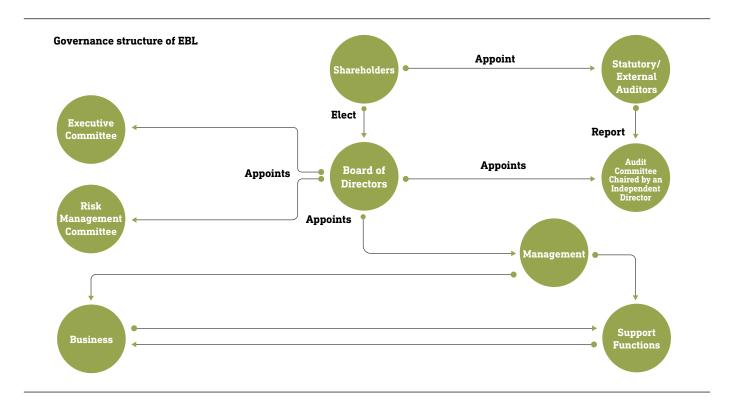
Corporate governance

Good governance is a key to proper functioning and sustainable operations of the banking sector as well as overall economy of a country. Banks play an important role in the economy by intermediating funds from savers and depositors to activities that help drive economic growth. Banks' safety and soundness, therefore, are the key to financial stability, and the way they conduct their businesses, therefore, is of paramount importance. Good governance ensures sustainable growth by way of maintaining an equitable balance while meeting varied expectations from diverse stakeholders. The primary objective of corporate governance, therefore, is to safeguard stakeholders' interest on a sustainable basis. Good governance is manifested through adherence to ethical business norms, a firm commitment to values and compliance with applicable laws and regulations, while enhancing shareholders value.

Governance structure of the Bank

Board of Directors occupies the center stage of overall governance practice of EBL and is responsible for establishing an appropriate governance structure in the Bank while the shareholders' role is to appoint the suitable directors and the auditors.

The Board of Directors plays a pivotal role in shaping governance structure and practices through their choice of strategy and leadership to drive the Bank to growth path. Design and implementation of governance mechanism including selection and appointment of members of sub-committees of Board and senior management rests primarily on the Board. The onus of setting strategic pursuits and goals of the company is also on the Board. The management of EBL as an extended wing of the Board executes policies and procedures set by the Board for the greater interest of shareholders and other stakeholders. The risk management and overall support functions of the Bank has been designed and kept fully independent from Business to guard against any unforeseen events that undermine the brand value of the Bank.



Governance practices of the Bank

Principles of good governance are embedded in the core values of EBL, a Bank that strongly believes in inclusive and sustainable growth. As a locally incorporated bank, two key regulators-Bangladesh Bank (Central Bank of Bangladesh) and Bangladesh Securities and Exchange Commission (BSEC) play a major role in shaping governance structure and practices of the Bank. However, the Bank's corporate governance philosophy encompasses not only regulatory and legal requirements but also various internal rules, policies, procedures and best practices of local and global banks. As a responsible corporate citizen, the Bank is committed to sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders. The corporate governance philosophy of the Bank is based on the following principles:

- Creating value for all stakeholders without compromising ethical principles.
- Ensuring fairness and equitable treatment of all stakeholders, including employees and shareholders.
- Compliance with all applicable laws, rules and regulations and their inherent spirit.
- Ensuring transparency and accountability, and maintaining a full disclosure policy with the motto 'when in doubt, disclose'.
- Embracing a trusteeship model in which management is the trustee of the shareholders' wealth and not the owner.
- Establishing a sound system of risk management and internal controls with adequate safeguards and early warning systems.

Structure of the Board

According to Clauses 94 of the Articles of Association of EBL, the Board of Directors (BoD) currently comprises 13 directors among whom 12 (ten) are Non-executive directors including the Chairman and 1 (one) is the Managing Director (Ex-Officio). The Board of Directors appointed 2 (two) Independent Directors as prescribed in the BSEC Corporate Governance Guidelines and Section 15 of Bank Company Act 1991.

Policy on appointment of Directors

Directors are appointed following relevant provision/clause of Companies Act 1994, Bank Company Act 1991, Corporate Governance Guidelines of BSEC and Bangladesh Bank, and Articles of Association of the Bank.

The BoD consists of noted entrepreneurs and business professionals having experience and acumen in diverse range of businesses and operations. Collectively they have enriched the Board with the knowledge and expertise in banking and finance, IT, accounting, economics, marketing, administration, and architecture. Their rich and diverse backgrounds have given the Board a vantage point in directing and monitoring the Bank to achieve its desired objectives.

Retirement and election of Directors

According to Clauses 105 & 106 of the Articles of Association of EBL, following Directors retired and being eligible were re-elected in the 29th Annual General Meeting (AGM) held on 30 May 2021.

| SL. | Name of Director | Mode of Change |
|-----|--|-------------------|
| 1. | M. Ghaziul Haque | Re-elected |
| 2. | Salina Ali (Representing Borak Real Estate Ltd.) | Re-elected |
| 3. | Gazi Md. Shakhawat Hossain (Representing Purnima Construction (Pvt.) Ltd. | Re-elected |

As per Clauses 105 & 106 of the Articles of Association of the Bank, 3 (three) Directors shall retire by rotation from the office of the BoD in the 30th AGM and all of them are eligible for re-election.

Non-Executive Directors

All the Directors of EBL including the Chairman are Non-Executive Directors except the Managing Director & CEO.

Independent Directors

EBL encourages effective representation of independent directors in its Board to infuse diverse knowledge and core competencies relevant to banking business. In compliance with relevant Corporate Governance Code (CGC), the BoD has appointed 02 (two) independent directors subsequently approved by the shareholders at the Annual General Meeting (AGM). The independent directors being conversant in the field of financial, regulatory and corporate laws enjoy full freedom to carry out their assigned roles. With them they have brought in more than 10 years of corporate management/ professional experiences for meaningful contribution to the BoD.

Board meeting and attendance

The Board of Directors holds meetings on regular basis: usually twice in a month but emergency meetings are called as and when required. Management provides information, references and detailed working papers for each item of agenda to all the Directors well ahead of time fixed for the BoD meeting for consideration. In the meeting, the Chairman of the BoD allocates sufficient time for the Directors to consider each item of the agenda and allow them to discuss, inquire, and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities. During the year 2021, a total 24 Board Meetings were held; the attendance records are as follows:

| SL. . | Name | Position | No. of Meetings attended |
|--------------|---------------------------|----------|--------------------------|
| 1. | Md. Showkat Ali Chowdhury | Chairman | 23/24 |
| 2. | M. Ghaziul Haque | Director | 18/24 |
| 3. | Mir Nasir Hossain | Director | 21/24 |
| 4. | Salina Ali | Director | 23/24 |
| 5. | Anis Ahmed | Director | 16/24 |
| 6. | Mufakkharul Islam Khasru | Director | 23/24 |

| SL | Name | Position | No. of Meetings attended |
|-----|----------------------------|-------------------------|--------------------------|
| 7. | Gazi Md. Shakhawat Hossain | Director | 19/24 |
| 8. | K.J.S Banu | Director | 23/24 |
| 9. | Zara Namreen | Director | 21/24 |
| 10. | Dr. Toufic Ahmad Choudhury | Independent Director | 7/7 |
| 11. | Ashiq Imran | Independent Director | 23/24 |
| 12. | Ruslan Nasir | Director | 5/7 |
| 13. | Ali Reza Iftekhar | Managing Director & CEO | 23/24 |

N.B: Dr. Toufic Ahmad Choudhury and Ruslan Nasir joined EBL Board on 22 September 2021.

The Directors who could not attend the meeting(s) were granted leave of absence by the Board.

Attendance of CFO, Head of ICC and CS in Board Meeting

Chief Financial Officer (CFO), Head of Internal Control & Compliance (ICC) and the Company Secretary (CS) of the Bank attend the meetings of the Board of Directors, provided that the CFO, Head of ICC and/or the CS do not attend such part of a meeting which involves consideration of an agenda item relating to their personal matters.

Ownership composition

As on 31 December 2021 the Directors of EBL held 30.18% of total shares whereas Financial Institutions and General Public held 13.30% and 56.52% respectively:

| Sl. | Composition | 31-12-2 | 2021 | 31-12-2 | 2020 |
|-----|------------------------|-------------------|-------------------|-------------------|-------------------|
| э. | SI. Composition | No of Shares Held | % of total shares | No of Shares Held | % of total shares |
| 1 | Directors | 287,911,286 | 30.18% | 245,030,885 | 30.18% |
| 2 | General Public | 539,089,564 | 56.52% | 479,452,756 | 59.06% |
| 3 | Financial Institutions | 126,863,617 | 13.30% | 87,315,906 | 10.76% |
| | | 953,864,467 | 100.00% | 811,799,547 | 100.00% |

Directors' shareholding status

In compliance with BSEC Notification dated 21 May 2019, all the eligible directors (other than Independent Directors) of EBL have been holding required percentage of shares individually (minimum 2%) as well as jointly (minimum 30%).

Shareholding structure of directors is as follows:

| SL. | Name Position | | 31-12 | 31-12-2021 | | | |
|-----|--|-------------------------|-------------------|-------------------|--|--|--|
| SL. | Name | Position | No of shares Held | % of total shares | | | |
| 1 | Md. Showkat Ali Chowdhury | Chairman | | | | | |
| | Representing Namreen Enterprise Ltd. | | 37,813,170 | 3.97% | | | |
| 2 | M. Ghaziul Haque | Director | 30,629,546 | 3.21% | | | |
| 3 | Mir Nasir Hossain | Director | | | | | |
| | Representing Mir Holdings Ltd. | | 28,482,069 | 2.99% | | | |
| 4 | Salina Ali | Director | | | | | |
| | Representing Borak Real Estate Ltd. | Director | 45,753,178 | 4.79% | | | |
| 5 | Anis Ahmed | Director | | | | | |
| | Representing MGH Healthcare Limited | | 19,456,848 | 2.04% | | | |
| 6 | Mufakkharul Islam Khasru | Director | | | | | |
| | Representing ZS Holding Ltd. | | 19,082,000 | 2.00% | | | |
| 7 | Gazi Md. Shakhawat Hossain | Director | | | | | |
| | Representing Purnima Construction (Pvt) Ltd. | | 43,037,197 | 4.51% | | | |
| 8 | K. J. S. Banu | Director | 25,493,278 | 2.67% | | | |
| 9 | Zara Namreen | Director | | | | | |
| | Representing Namreen Power Limited | | 19,082,000 | 2.00% | | | |
| 10 | Ruslan Nasir | Director | | | | | |
| | Representing Coloasia Limited | | 19,082,000 | 2.00% | | | |
| 11 | Dr. Toufic Ahmad Choudhury | Independent Director | - | - | | | |
| 12 | Ashiq Imran | Independent Director | - | - | | | |
| 13 | Ali Reza Iftekhar | Managing Director & CEO | - | - | | | |
| | Total | | 287,911,286 | 30.18% | | | |

Shareholding of CEO, CS, CFO, Head of ICC and top 5 Salaried Executives

Please refer to Note 14.1 to the Financial Statements of 2021.

Separation of Chairman and Chief Executive Officer Roles

In compliance with Bangladesh Bank BRPD Circular No. 11 and Circular Letter No. 18 dated 27 October 2013 and Clause 1(4) of BSEC Corporate Governance (CG) Code dated 03 June 2018, we report that the Chairman of the Board has been elected from among the non-executive Directors and there are clear and defined roles and responsibilities of the Chairman and the Chief Executive Officer.

The Chairman of the Board approves the agenda of the Board meetings, assisted by the Managing Director and the Company Secretary. Regular agenda items include approving credits beyond CEO's authority and aspects of the Bank's corporate strategy, financial performance, core risks and credit policy, corporate governance, CSR and organizational structure, human resources policy, customer service strategies, procurement policy, etc.

On the other hand, CEO, being the Head of management team, is accountable to the Board and its Committees to run and manage

the Bank in accordance with the prescribed policies, principles and strategies established by the Board and rules, regulations and guidelines from the Central Bank, BSEC and other regulatory authorities. Management's primary responsibilities are to:

- Manage the operation of the Bank safeguarding interest of customers and other stakeholders in compliance with the highest standards of ethics and integrity;
- Implement the policies and strategic direction established by the Board;
- Establish and maintain a strong system of internal controls;
- Ensure Bank's compliance with applicable legal and regulatory requirements.

Roles and responsibilities of the Board of Directors

The major roles and responsibilities of the Board, among others, are to set the vision, mission and policies of the Bank and to determine the goals, objectives and strategies to ensure efficient utilization of the Bank's resources. The roles and responsibilities of the Board of Directors are outlined below (but not limited to) in compliance with Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013:

| Major roles and responsibilities | Brief Particulars |
|----------------------------------|---|
| Work planning and strategic | • Determine the objectives and goals and chalk out strategies and work plans. |
| management | • Making strategies relating to structural change and reformation for enhancement of |
| | institutional efficiency and other relevant policy matters. |
| | • Analyze/monitor the development of implementation of the work plans. |
| | • Set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below |
| | the CEO, and have it evaluated from time to time. |
| Credit and risk management | • Formulate policies, strategies, procedures etc. in respect of appraisal of loan proposal, |
| | sanction, disbursement, recovery, reschedule and write-off under the purview of the |
| | existing laws, rules and regulations. |
| | • Distribute the power of sanction of loan among the CEO and his subordinate executives as |
| | much as possible. |
| | • Frame policies for risk management and monitor the compliance of the guidelines of |
| | Bangladesh Bank regarding key risk management. |
| Internal control management | • To be vigilant on the internal control system of the bank in order to attain and maintain |
| | satisfactory qualitative standard of its loan portfolio. |
| | • Establish such an internal control system so that the internal audit process can be |
| | conducted independently from the management. |
| | • Review the reports submitted by its audit regarding compliance of recommendations |
| | made in internal and external audit reports and the Bangladesh Bank inspection reports. |
| Human resources management and | • Framing policies relating to recruitment, promotion, transfer, disciplinary measures, |
| development | human resources development etc. and service rules. |
| | • In no way involve themselves or interfere into or influence over any administrative affairs |
| | including recruitment, promotion, transfer and disciplinary measures as executed under |
| | the set service rules. |
| | • Carrying out recruitment, promotion, transfer and punishment of the officers immediate |
| | two tiers below the CEO in compliance with the service rules. |
| | • Attention to the development of skills of bank's staff in different fields of its business |
| | activities including prudent appraisal of loan proposals, and adoption of modern electronic |
| | and information technologies and introduction of effective Management Information |
| | System (MIS). |
| | Compose Code of Ethics for every tier and promote healthy code of conducts for developing |
| | a compliance culture. |

| Major roles and responsibilities | Brief Particulars |
|---|--|
| Financial management | • Finalize and approve annual budget and periodic financial statements. |
| | • Review/monitor the positions in respect of bank's income, expenditure, liquidity, non- performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures. |
| | • Frame policies and procedures for bank's purchase and procurement activities and accordingly approve the distribution of power for making such expenditures. Decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business to be adopted with the approval of the Board. |
| | • Review whether an Asset-Liability Committee (ALCO) has been formed and is working as per Bangladesh Bank guidelines. |
| Appointment of Chief Executive Officer (CEO) | • Appoint an honest, efficient, experienced and suitable CEO or Managing Director with the approval of Bangladesh Bank. |
| Formation of supporting committees | • Form an executive committee, an audit committee and a risk management committee with the directors. Board can't form any other permanent, temporary or sub- committee except the mentioned three committees. |

Responsibilities of the Chairman of the Board

To set out the following responsibilities, BRPD Circular No. 11 dated 27 October 2013 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC on 03 June 2018 has been taken into consideration.

The overall responsibilities of the Chairman are to:

- Ensure that the Board sets and implements the Bank's direction and strategy effectively.
- Act as the Bank's lead representative, explaining aims and policies to the shareholders.
- Ensure no participation in or interference into the administrative or operational and routine affairs of the Bank.

The specific responsibilities of the Chairman, among others, are to:

- Provide overall leadership to the Board, setting vision and driving innovation, working closely with the CEO.
- Take a leading role in determining the composition and structure of the Board which will involve regular assessment of the:
 - size of the Board,
 - quality of interaction, harmony and involvement of the Directors.
- Set the Board's Agenda and plan Board Meetings.
- Chair all Board Meetings, directing debate towards consensus.
- Ensure that the Board receives appropriate, accurate, timely and clear information.
- Chair the AGM and other Shareholders' Meetings to foster effective dialogue with shareholders.
- Ensure that the views of shareholders are communicated to the Board as a whole.

- Work with Chairman of Board Committees.
- Conduct (if required) on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board.

Roles and Responsibilities of CEO, CFO, CS and Head of ICC

The Board of Directors of EBL clearly defines and approves the respective roles, responsibilities and duties of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Control & Compliance (ICC).

To set out the following responsibilities of CEO, BRPD Circular Letter No. 18 dated 27 October 2013 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC on 03 June 2018 has been taken into consideration.

- In terms of financial, business and administrative authorities vested upon him by the BoD, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and business targets by means of business plan and its efficient implementation and prudent administrative and financial management.
- The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging routine functions of the Bank.
- At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO shall point out if there is any deviation from the Bank Company Act 1991 and other relevant laws and regulations.
- The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act 1991 or of other laws/regulations.
- The recruitment and promotion of all staffs of the Bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved 'EBL people management policy'.

 The authority relating to transfer and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him. Besides, under the purview of the 'EBL people management policy' approved by the BoD, he shall nominate officers for training and other related issues.

Appointment of CFO, Head of ICC and CS

The Bank appointed a Chief Financial Officer, a Head of Internal Control & Compliance and a Company Secretary as per the policy of the Bank and other regulatory laws and regulations. They are well conversant in the field of financial, regulatory and corporate laws to carry out their assigned responsibilities.

Independence of Non-Executive Directors

All the Non-Executive Directors enjoy full freedom to carry out their coveted responsibilities. They attend Board meetings regularly and participate in the deliberation and discussions effectively. They get actively involved in setting strategic direction but do not participate in or interfere into the administrative or operational or routine affairs of the Bank. However, they ensure confidentiality of the Bank's agenda papers, discussions at the Board/Committee Meetings, Notes and Minutes.

Annual appraisal of the Board's performance

At AGM shareholders critically appraise the performance of the Board and evaluate financial position and performance of the Bank, its adequacy and effectiveness of internal control system and overall governance mechanism. The shareholders also ask questions and make queries to the BoD during AGM and the Chairman of BoD gives a patient hearing and responds to all their queries.

The performance of the Board is appraised based on certain parameters such as shareholder return, share price, return on capital employed, earnings per share etc. of the Bank. The attendance of Directors and their active participation in the meeting on various agenda is ensured in every Board meeting. The Board approves annual budget each year and monitors the variance quarterly to ensure achievement of the target. The Board's performance is greatly dependent on the achievement of budgeted target. Besides, the performance reports of supporting committees of the Board are also placed in the Board meeting through which the performance of the Board members are regularly assessed.

Annual evaluation of MD & CEO by the Board

The Board of Directors of EBL clearly defines and approves the roles, responsibilities and duties of Chief Executive Officer (CEO). Based on these assigned responsibilities, BoD makes annual evaluation of MD & CEO. Furthermore, the performance evaluation of MD & CEO is done by the Board through various reports featuring financial position and performance and:

- Compliance status of various assignments given by the Board to CEO and his team from time to time.
- Variance analysis of Budget vs. Actual result and steps taken by CEO to achieve the budgeted target.

 Among the financial parameters, NPL ratio, Growth of Loan & Deposit, Cost to Income Ratio, Loans write off and its recovery, Capital to Risk Weighted Assets Ratio, Credit to Deposit Ratio etc. are the common ones.

Training of Directors

Training of Directors includes providing training and information on the latest update related to banking business such as relevant laws, policy guidelines, circulars, rules and regulations issued by the regulatory authorities; so that they can effectively discharge the responsibilities. Sometimes special discussion sessions are arranged with the experts on highly technical and complex issues. They also participate in the programs and seminars organized by various professional bodies at home and abroad on business, economic, technical, professional and corporate governance issues.

Directors' knowledge and expertise in Finance and Accounting

Two Directors in the Board obtained post-graduation major in Accounting from the University of Dhaka having requisite expertise in the field of accounting and finance. Other Directors, majority of whom are either successful entrepreneurs or seasoned professionals, are also well conversant in the field of business, economics and administration.

Compliance with corporate governance guidelines

The status of compliance of Corporate Governance Code issued by BSEC have been presented in page no. 101-111. K.M. HASAN & CO. Chartered Accountants, duly certified the compliance status of corporate governance code and issued a report which is presented in page no. 112.

Vision, Mission and Strategy of the Bank

- The vision and mission statement of the Bank approved by the Board of Directors is presented in page no. 13 of this report. The said statements are also disclosed in Bank's website and other related publications.
- Strategic priorities which are time to time directed by the Board have been presented in page no. 15 of this annual report.
- Our sector wise business objectives, strategies, priorities and future business outlooks have been elaborately described in "Management Discussion and Analysis" section of this report.

Board Committees and their responsibilities

To ensure good governance in bank management, Bangladesh Bank issued a circular (BRPD Circular No. 11 dated 27 October 2013) allowing banks to form maximum three committees or subcommittees of the Board.

To ensure proper accountability and transparency, EBL has three Board committees namely Executive Committee, Audit Committee and Risk Management Committee to oversee and direct the operations, performance and strategic direction of the Bank. The composition of the said Board Committees is presented in "Corporate Directory" section of this annual report.

Executive Committee (EC)

 Appointment and composition: In Compliance with Section 15 Kha (2) of Bank Company Act 1991 and BRPD Circular No. 11 dated 27 October 2013, the Board of Directors of EBL has reconstituted the Executive Committee (EC) of the Board in 2021 with four members (maximum limit is seven members). None of them are the members of Audit Committee of the Board. The Company Secretary acts as the secretary of the committee.

The EC is comprised of 3 (three) Non–Executive Directors and Managing Director & CEO of the Bank. Details of EC members are stated in "Corporate Directory" section of this annual report.

Meeting and responsibilities of EC: The EC of a larger sized BoD usually acts as a proxy for full BoD; attends a meeting with short notice and takes decisions to ensure smooth flow of banking businesses. However, any decision taken by the committee has to be subsequently ratified by the full Board. There was only 1 (one) Executive Committee (EC) meeting held during the year 2021.

Audit Committee (AC)

The Audit Committee of the Board carries out its functions based on the Terms of Reference (ToR) approved by the Board and is accountable to the Board of Directors. To make the quorum of the AC meeting at least 01 (one) Independent Director has to be present. The Company Secretary acts as the secretary of the committee.

- **Appointment and composition:** In compliance with Bangladesh Bank BRPD Circular No.11 dated 27 October 2013 and BSEC's Corporate Governance Code dated 03 June 2018, Audit Committee (AC) of EBL Board has been re-constituted by the BoD from time to time to review and oversee company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing laws, rules and regulations etc. independently. Details of AC members are stated in "Corporate Directory" section of this annual report.
- **Chairman of the AC:** Chairman of the AC is an Independent Director who performs his duties with full freedom.
- **Members are Non-Executive Directors:** All members of the AC are Non-executive Directors. No Executive of the Bank is eligible to become a member of the AC. Also, no member of EC is nominated as the member of the AC.
- **Qualification of members of AC:** All members of the AC are financially literate and two members have post-graduation degree in Accounting and Business Administration. Moreover, all members of the AC have reasonable knowledge on banking business, its operations, and risks involved in it.
- Terms of Reference (ToR) of AC: The ToR of the AC has been framed in line with the provisions of BRPD Circular No. 11 dated 27 October 2013, Corporate Governance Code issued by BESC on 03 June 2018, and other best practice corporate governance guidelines and standards. Some important roles and responsibilities of AC as per ToR have been described in "Report of the Audit Committee" section of this report.
- Internal Control & Compliance Division's Access to AC: Heads of Internal Control & Compliance (ICC) and Internal Audit have

direct access to the AC as and when required. In addition, the AC meets the Head of ICC and the Head of Internal Audit at least once in a year, without management being present, to discuss their remit and any issues arising from the internal audits carried out.

- **Objectives and activities of the AC:** The AC regularly reviews the internal control system of the Bank and the quarterly, half yearly and annual financial statements of the Bank before submission to the Board for consideration. The objectives and activities of the AC have been described in **"Report of the Audit Committee"** section of this annual report.
- **Meeting of the Audit Committee:** The Audit Committee of EBL held 7 (seven) meetings in 2021 and had detailed discussions and review sessions with the Head of ICC, Head of Internal Audit, External Auditors regarding their findings, observations and suggestions with corrective measures. The AC instructed the management to follow those suggestions and monitored accordingly from time to time.

The Minutes of the Audit Committee Meetings containing various suggestions and recommendations to the Management and the Board are placed to the Board for ratification on a regular basis. The major areas focused by the AC during the year 2021 have been presented in **"Report of the Audit Committee"** section of this annual report.

Risk Management Committee (RMC)

Appointment and composition: In Compliance with BRPD Circular No. 11 dated 27 October 2013, the Board of Directors of EBL has formed a three-member Risk Management Committee (RMC) of the BoD on 07 November 2013 and was last reconstituted with five members in May 2021. The RMC has been formed to minimize probable risks arisen during implementation of Board approved policies, procedures and strategies. The RMC is entrusted to examine and review whether management is properly working on identification, management and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operational risk, interest rate risk and liquidity risk and keeping adequate provision and capital against the said risks.

All five members of this RMC are Non-Executive Directors; details of RMC members are stated in "Corporate Directory" section of this annual report.

- Roles and responsibilities of RMC: It is the responsibility of RMC to identify and assess risk and guide management to formulate action plans for minimizing/controlling of risk. The committee reviews the risk management policy and modify the same as per requirement. Some important roles and responsibilities of RMC have been described in "Report of the Risk Management Committee of the Board" section of this report.
- Activities of RMC: Major activities of RMC in 2021 have been described in "Report of the Risk Management Committee of the Board" section of this report.
- Meeting of the RMC: The committee is required to conduct

at least four meetings in a year although it can be more as per requirement. The committee may call the CEO, Chief Risk Officer (CRO) or any executive to attend the committee meeting. The RMC held 5 (five) meetings during 2021 and had detailed discussions and review sessions with the CRO regarding their findings, observations and recommendations on issues of Bank affairs that need improvement. The major areas focused by the RMC during 2021 have been presented in **"Report of the Risk Management Committee of the Board"** section of this report.

Benefits provided to Directors and Managing Director

According to the Circulars and Guidelines issued by Bangladesh Bank, banks in Bangladesh can only provide the following facilities to the Directors:

- **Chairman:** The Chairman of the Board of Directors may be provided an office chamber, a private secretary, an office assistant, a telephone in office, a full time car and a mobile phone to be used within country. The Chairman of EBL did not accept any support staff and private secretary and any mobile phone from the Bank.
- **Directors:** Directors are entitled to fees and other benefits for attending the Board/sub-committee (EC/AC/RMC) meetings (The benefits provided to Directors of EBL have been mentioned in Note 33 to the Financial Statements).
- Managing Director & CEO: Managing Director is paid salary, allowances and other facilities according to his service contract approved by the Board and Bangladesh Bank (the benefits provided to MD & CEO of EBL have been mentioned in Note 32 to the Financial Statements).

EBL has fully complied with Bangladesh Bank Circulars and Guidelines.

Establishment and review of Internal Control System

EBL has a sound system of internal control to safeguard stakeholders' interest. The Board of Directors having ultimate responsibility of its operations has delegated to the Audit Committee for review of the adequacy and effectiveness of the system of internal control.

A review of internal control system has been presented in **"Directors' Report"** of this annual report.

Risk management

The Risk Management Division (RMD) is responsible to oversee, monitor and report all risks in line with the risk appetite set by the Risk Management Committee (RMC) of the Board. The RMC of the Board reviews and monitors the overall risk management system of the Bank and updates to the Board from time to time. Risk management functions are subject to continuous scrutiny of the Internal Control & Compliance Division (ICCD) to ensure appropriateness and integrity of the risk management practices.

The risk management system of EBL has been described in "Risk Management" section of this report. Also the roles and

responsibilities of RMC and major areas focused by RMC in 2021 have been presented in **"Report of the Risk Management Committee of the Board"** section of this report.

Appointment of external auditors

The shareholders of EBL in the 29th AGM held on 30 May 2021 appointed Howladar Yunus & Co., Chartered Accountants, as the statutory auditors for the year 2021.

Services not provided by external auditors

In compliance with the provision 7 of BSEC Corporate Governance Code, we declare that Howladar Yunus & Co., Chartered Accountants, was not engaged in any of the following services during 2021 while conducting statutory audit:

- Appraisal or valuation services or fairness opinions.
- Financial information system design and implementation.
- Book-keeping or other services related to accounting records or financial statements.
- Broker-dealer services.
- Actuarial services.
- Internal audit services or special audit services.
- Audit/certification services on compliance of corporate governance code issued by BSEC.
- Any service that the Audit Committee determines.
- Any other service that creates conflict of interest.

No partner or employee of Howladar Yunus & Co., Chartered Accountants, nor any family members of them held any share of EBL during the tenure of their audit assignment.

Highlights on Central Bank inspections

Crucial role of Central Bank Inspection is well recognized in the persistently changing global banking structure which includes observing and scrutinizing the condition of the banks and their compliance with laws and regulation. Bangladesh bank conducted a comprehensive inspection in 2021 covering Head Office, some branches, core risks and departments of EBL similar to every year. Bangladesh Bank had 11 inspection reports during 2021. Our compliance status was very good regarding observations of inspection reports. Response on major issues had been provided in timely manner. The Board instructed management to comply with Bangladesh Bank's recommendations precisely.

Related party transactions

The Bank in its ordinary course of business undertook financial transactions with some entities or persons that fall within the definition of 'Related Party' as contained in IAS 24 (Related Party Disclosures) and relevant provisions of Bank Company Act 1991 and Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. As on the reporting date, the Bank had funded and non-funded exposures with its subsidiaries, non-funded exposures to some current and ex-directors and credit card limit to some of its Directors. Besides,

the Bank had procured some goods and services from the entities of related parties during 2021. Please refer to Annexure C1 of financial statements for details of related party transactions.

Code of conduct and ethical guidelines

EBL has separate Code of Conduct and Ethical Guidelines for the Board and employees of the Bank. The Code of Conduct outlines the values, ethical principles and expected behaviors for all EBL employees. Highlights of our Code of Conduct and Ethical Guidelines are as follows:

- **Prevent money laundering and transaction structuring:** Employees shall comply with local laws and regulations on money laundering and prevention of fraud. Any suspicious behavior of customers shall be reported immediately.
- **Bribery:** It is contrary to the code to offer, promise and authorize either directly or indirectly, to pay any other person any financial or other advantage in order to secure an improper advantage, or direct business to any other person or entity.
- **Borrowings:** An employee shall not borrow money from any customer or employees of the Bank or from person(s) likely to have dealings with the Bank.
- **Avoid conflict of interest:** Employees shall not use their position in the Bank for personal gain or to obtain benefits for themselves and members of their families or friends.
- **Outside employment:** Employees are not allowed to be employed elsewhere while they are with the Bank as full-time employees. Employees are not allowed to join the management of any company in order to avoid conflict of interests.
- Speculation in stocks: Employees and their dependents shall not speculate/trade in stocks, shares, securities or commodities of any description nor be connected with the formation or management of a joint-stock company.
- **Participation in political activities:** An employee shall not directly or indirectly participate in any political activities during employment with the Bank.
- **Representation to Directors:** An employee shall not make any personal representation to Directors of the Bank. All representations must be addressed to the Managing Director through proper channel.
- Acceptance of Gift: Money shall never be accepted as a gift. It is not allowed to accept gifts for the purpose of influencing on a decision.
- **Habitual lateness:** Habitual lateness is not acceptable in EBL and it is considered to be an offense. If the employee continues to be late at office that will warrant immediate disciplinary action.
- **Honesty and integrity:** An employees must act honestly and with integrity at all times. He/she must act fairly and equitably when dealing with the public, customer and other employees.
- **Password sharing:** Any user ID and password provided by the Bank to any employee shall be maintained with highest confidentiality. All employees of EBL shall take reasonable

precautions to keep their user ID(s) and password(s) secure.

• **Customer complaints:** All employees shall give priority in resolving customer complaints quickly, fairly and record them accordingly. They shall exude empathy by responding to the customers' feelings. Employees will solve the problem in a right way.

Compliance of code of conduct and ethical guidelines

The Board of Directors complies with all applicable laws and regulations of the land and with the Memorandum and Articles of Association and the policies of the Bank adopted by the Board from time to time.

All the employees are committed to adhere to the Code of Conduct and are expected to demonstrate highest level of ethical standards. They are also expected to undertake at all times to comply with or adhere to all applicable laws and regulations of the country, policies and instructions of the Bank, wherever they operate.

Board's review on disaster recovery plan

A carefully evaluated and measured Disaster Recovery Plan (DRP) is mandatory for a technology-driven organization like EBL to respond to and recover from catastrophic incidents like earthquakes, hurricanes, tornados, floods, fires, etc., and disruptive incidents like power outage, connectivity failure etc. EBL has a DRP in place to outline comprehensive and consistent actions that need to be taken before, during, and after a disaster. There are two Disaster Recover Sites (DRS) in EBL. In addition, we monitor the power usage effectiveness (PUE) on a frequent basis to simultaneously ensure cost savings and business stability. Finally, the Bank meticulously conducts a Disaster Recovery Drill every year to review whether the plan will be sufficient if the data center fails. This first-hand experience enables us to take necessary measures in a timely and effective manner so that the critical business activities and other essential operations can run seamlessly.

Board's policy on ICT governance

ICT governance of EBL is an integral part of its enterprise governance that mandates the workforce to follow a set of policies and procedures so that the ICT strategy aligns with the overall business strategies, ICT assets are used responsibly, and ICT risks are addressed effectively. Thus, the Board of Directors has approved Information Security Policy and ICT Risk Management Policy.

The Board policies on ICT governance specifies the followings objectives:

- Future technological capabilities and risks should be taken into consideration.
- ICT strategies should reflect overall organizational strategies. Sufficient budget should be allocated to ICT to ensure that the agreed objectives are met.
- ICT resources should be appropriately used, and proper monitoring should be in place.
- Acquisition of ICT assets should be documented appropriately,

and the required capabilities should be placed for managing these resources.

By implementing IT governance, EBL reduces costs and increases job efficiency, thus obtaining the most out of ICT investments.

Effective anti-money laundering and anti-terrorism program

EBL has set tone at the top by adopting Zero Tolerance stand against money laundering and terrorist financing. The Board and senior management have given utmost priority to Anti-Money Laundering and Anti-Terrorism Program. To build a vigorous antimoney laundering and anti-terrorism program, EBL has deployed necessary resource and manpower.

Central Compliance Committee (CCC) has been reconstructed with 14 important department/division heads so that they can actively contribute in AML/CFT compliance program. Triple C is chaired by CAMLCO who is responsible for overall AML & CFT Compliance of the bank. A dedicated department "Anti Money Laundering Department (AMLD)", headed by Deputy CAMLCO, acts as executive arm of Triple C.

The roles of Central Compliance Committee (Triple C) are defining and developing AML /CFT compliance policies, strategies & programs aligned with international and national standards and regulations and evaluate the same time to time, supervising the effective implementation of AML/CFT annual program of Anti Money Laundering Department (AMLD) jointly with CAMLCO, meeting at least quarterly to review policies, assessing overall compliance status of the Bank and issue directives in this regard, submitting half yearly Reports to MD & CEO on progress of implementation of AML/CFT related measures with recommendations, directing AMLD to issue instructions for adherence by branches and departments relating to policy and procedures on KYC/CDD/EDD, Transaction Monitoring/Screening, etc. and nominating Branch Anti Money Laundering Compliance Officers (BAMLCOs)/ Department Anti Money Laundering Compliance Officers (DAMLCOs) having requisite skill sets, experience and rank. Triple C meetings have been executed quarterly and decisions taken in these meetings have been implemented timely. Specialized trainings have been arranged for BAMLCOs/DAMLCOs for AML/CFT measures.

AMLD has on-boarded an automated sanction screening and transaction monitoring software (AML System Velocity) to establish a robust monitoring system. Currently, eight sanction lists; UN, OFAC SDN, OFAC non-SDN, EU, UK, Canadian, Australian and a local sanction list are incorporated in the system for sanction screening. Moreover, 60 transaction monitoring rules and 58 transaction monitoring reports are incorporated in transaction monitoring system to identify suspicious/unusual transactions. To put it in a nutshell, AML System Velocity has enhanced monitoring, reporting, and escalation of suspicious transactions.

In compliance with BFIU Circular No 24 dated 10 December 2019, EBL has introduced Board approved "EBL Prevention of Trade Based Money Laundering Policy" (in short TBML Policy) to bring the trade transactions under greater scrutiny.

Whistleblowing and anti-fraud program

Whistleblowing and Anti-fraud program is a tool for bank to fight against fraud-forgery and corruption. EBL has been encouraging whistleblowing for any unusual misdeed or offence observed by employees. As per Speak up Policy of EBL, employees are encouraged, guided and protected for blowing whistle against any unusual activities they may encounter. Whistleblower can report his/her concern in person, in writing, via email or over telephone and anonymity of that person are maintained.

To develop an environment that assist in preventing Fraud, including misappropriation, abuse & corruption and theft risks across the Bank, EBL has prepared and implemented Fraud and Theft Risk Prevention and Management Policy. This policy has outlined the measures to prevent fraud and theft to safeguard the bank.

Internal Control & Compliance Division (ICCD) under supervision of Head of ICC establishes and maintains an effective internal control system throughout the Bank with respect to Fraud/Theft risk. In addition, ICCD conducts surprise audit or investigations along with regular audit as instructed by the Board or Audit Committee of the Bank and submits reports with observations and recommendations to the Audit Committee at regular interval.

Compliance with secretarial standards

The Institute of Chartered Secretaries of Bangladesh (ICSB) has framed and issued Secretarial standards to streamline and standardize the diverse secretarial practices. ICSB recognizing the need for integration, harmonization and standardization of diverse secretarial practices, has constituted the Secretarial Standard on Board (SSB) for implementation of Secretarial Standards of Board of Directors (BSS-1), Secretarial Standards on General Meeting (BSS-2), Secretarial Standard on Minutes (BSS-3) and Secretarial Standard on Dividend (BSS-4) with the objective of formulating Bangladesh Secretarial Standards.

The Board of Directors of EBL in the Board Meeting held on 27 December 2017 discussed and accorded approval to the Management's proposal for adopting the Bangladesh Secretarial Standards (BSS) of ICSB.

Governance of Board of Directors of subsidiary companies

EBL has fully complied with the following provisions of BSEC Corporate Governance Code regarding governance of Board of Directors of Subsidiary Companies:

- At least one Independent Director of EBL is a Director on the Board of the subsidiary Company.
- The minutes of the Board meetings of the subsidiary companies are being placed for review in the following Board meeting of EBL.
- The Board of Directors of EBL reviews the affairs of the subsidiary companies and it has been duly stated in minutes of the respective Board meeting.

• The Audit Committee of EBL reviews the Financial Statements, in particular the investments made by the subsidiary companies.

Human capital

Employee first is the bracing motto of EBL. Our core brand has always been our employees, appreciated for their passion to perform. For us employees are the best brand. Our Human Resources Department is also the first in Bangladesh to achieve ISO certification for its commitment to quality HR Practice in People Management.

The details discussion on the Bank's Human Capital has been presented in **"HR: Caring for People"** section under **"Management Discussion & Analysis"** of this report.

Communication with stakeholders

Communication with shareholders: The assigned desk under Company Secretariat plays an important role to make effective communication with its shareholders and other stakeholders. Shareholders and other stakeholders of the Bank may contact to this Department during office hour for any sort of information and queries. Common services include but not limited to allow or rejection of transfer or transmission of shares, issue of duplicate certificates, allotment of shares issued from time to time, opening and operation of bank accounts for payment of dividend, redemption of paper shares and the listing of securities on stock exchanges etc. Furthermore, EBL provides updated information in its website from time to time for the shareholders and other stakeholders of the Bank.

Policy on ensuring participation of shareholders at AGM:

To ensure effective participation of shareholders in AGM, EBL publishes notice of AGM in daily newspapers with necessary details within reasonable time-frame. The AGM normally takes place in a well-known place and at convenient time. Annual reports are circulated as per provision of Companies Act 1994 and related Notification issued by BSEC, so that shareholders would get sufficient time to go through the report and freely provide their valuable comments and suggestions in the AGM. During COVID-19 Pandemic, EBL convenes its AGM by using Digital Platform in order to avoid large gathering by ensuring voting and other rights of shareholders.

The Glimpses of the 29th AGM have been presented in "Stakeholders Information" section of this annual report.

Redressal of shareholders complaints: Any complaint, received at AGM or throughout the year, related to transfer and transmission of shares, non-receipt of Annual Reports, and dividends timely and other share related matters is resolved lawfully in time.

The Company Secretary of EBL plays the role as a Chief Compliance Officer in handling any such issue related to our shareholders, investors etc.

Environmental and social obligations

We believe that every small "GREEN" step taken today would go a long way in building a greener future. As an environment responsive Bank we initiated Go Green campaign. EBL is the first Bank to claim refinance from the Central Bank for carbon credits. A detailed description regarding environmental and social obligation has been presented in **"Sustainability Report"** and **"Corporate Social Responsibility"** sections of this Annual Report.

Internal Controls: the watchdog of transparency and accountability

Internal control is a process, effected by a bank's Board of Directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. Internal control is a process, rather than a structure. It is not a separate activity disconnected from the rest of business activities, rather is an integral part of those activities. It is a dynamic, continuing series of activities planned, implemented and monitored by the Board of Directors and management at all levels within an organization.

Internal Control & Compliance Division (ICCD) of EBL is committed to consistently meeting organizational goals for operational effectiveness and efficiency, accurate reporting, and compliance with laws, regulations and policies. Internal control system is comprised of all of the financial, operational and other control systems which are used across all areas within the Bank. Generally, employees at the department-level are primarily responsible for internal control in their departments and hence, participation of every individual is vital. Prime responsibilities of ICCD are to ensure monitoring, follow-up, independent evaluation and timely reporting to management levels systematically in order to ensure that all the bank activities are performed in accordance with applicable policies, methods, instructions and limits.

ICCD monitors, examines and reviews the control activities of the various departments of the Bank on an on-going basis to assess the effectiveness of the controls and recommend corrective actions where required. Internal control facilitates effectiveness and efficiency of operations, reduces the risk of asset loss, and helps to ensure compliance with laws and regulations.

Preventive control measures are prioritized and are designed to deter the occurrence of an undesirable event. Detective controls are designed to identify operational weaknesses and help taking corrective actions. Control activities normally cover all key areas of the Bank and address items such as organizational structures, committee compositions and authority levels, officer approval levels, access controls (physical and electronic), audit programs, monitoring procedures, remedial actions, and reporting mechanisms. These control measures help Bank to identify potential risk issues before exposing wide open to it.

Despite of tireless effort, ICCD can provide only reasonable assurance - not absolute assurance regarding the achievement of objectives. Collective effort of the Bank can corroborate compliance culture, drive toward its objectives and the achievement of its mission, and minimizes surprises along the way. **Structure of ICCD:** As per the 'Guidelines on Internal Control & Compliance in Banks' issued by Bangladesh Bank vide BRPD Circular No. 06 dated 04 September 2016, the Head of ICCD is reporting to the Managing Director & CEO. However, the Head of Audit, despite being a part of ICCD, is reporting directly to and is responsible to the Audit Committee of the Board.

Depending on the size and complexity of operations of the Bank, ICCD of EBL comprises of four departments namely: Audit, Monitoring, Compliance, and Legal.



Audit department: Audit Department of EBL is applying risk based internal audit methodology for doing their audit functions. Under risk-based internal audit, the focus shifts from the full-scale transaction testing to risk identification, prioritization of audit areas and allocation of audit resources in accordance with the risk assessment. The key role of Internal Audit is to independently and objectively evaluate and report on the effectiveness of bank's risk management, control, and governance processes. Internal Audit of EBL is conducted based on Annual Audit Plan structured on a risk based approach and approved by the Audit Committee of the Board to provide vital information about risks and controls to assist the management in the following ways:

- Identifying gap in different business and operational policies and procedures of EBL.
- Identification of breach in policy and procedures against internal and regulatory policies & procedures.
- Assessment of qualitative and quantitative risk of the business.
- Recommending remedial course of actions, where necessary.

The internal audit department of EBL is independent from the internal control process in order to avoid any conflict of interest and it is given appropriate standing within the Bank to carry out its assignments. The management of EBL ensures that the internal audit staff performs their duties with objectivity and impartiality.

Results and status of internal audit in 2021: In 2021, audit department conducted audit of all of the 85 branches as planned. The audit of 34 departments/divisions and 2 subsidiaries was conducted as against planned audit of 44 departments and 4 subsidiaries of the Bank. Due to pandemic, audit of some departments and subsidiaries could not be conducted as per audit plan. After finalization of audit report, audit rating is calculated based on audit findings as well as EBL Audit Policy & Guidelines. Those Audit ratings are informed to the Branch/Department/ Division with audit report.

Major audit findings include, but not limited to, different types of operational lapses due to human error, non-compliance of internal policies or circulars, lack of thorough knowledge about relevant laws and regulations etc. The deficiencies identified during the audits are notified to the appropriate level (business/support heads) and significant audit findings are reported to the Managing Director & CEO and to the Audit Committee of the Board.

In 2021, most of the branches, divisions/departments got satisfactory audit rating. Followings are the highlights of 2021 and projection for 2022:

| Year | No. of Branches | No. of divisions/ departments | No. of subsidiaries | No. of Information System audit |
|----------------|--------------------|-------------------------------------|------------------------|--|
| 2021 (Planned) | 85 | 44 | 4 | - |
| 2021 (Actual) | 85 | 34 | 2 | - |
| 2022 (Planned) | 85 | 34 | 4 | 40 |

Monitoring department: Monitoring of key risks is a part of the daily activities of the Bank as well as periodic evaluations of the business lines and support units. The frequency of monitoring diverse activities of our Bank is determined by considering the associated risks and the frequency and nature of deviations occurring in the operating environment.

The Monitoring Department ensures overall efficacy of EBL's internal control mechanism on a perpetual basis through monitoring of departments and branches of EBL. Monitoring of key risk areas as well as evaluating the effectiveness of operational process of those areas of the Bank is a part of the daily activities of this department. They work on mitigating the identified lapses and escalate the unresolved issues to the appropriate Management level and to the Audit Committee of the Board of Directors where applicable, with specific recommendations.

Monitoring consists of the following interrelated elements:

- Establishing a better control and compliance culture within EBL;
- Risk recognition, assessment and mitigation;
- Implementation of control activities and segregation of duties;
- Information and communication; and
- Operational activities and corrective measure for deficiencies.

Some of the major tools and functions used by monitoring department are:

- Off-site Supervision through system generated reports and archives.
- Implementation status of all policy/ process guideline/ internal and external circulars/ management instructions etc.
- GAP analysis to introduce new policy/control tools for various departments.
- Departmental Control Function Checklists (DCFCL) for department/branch.
- Quarterly Operations Report (QOR) monitoring.
- Loan Documentation Checklist (LDCL)
- Prime Risk Indicator (PRI).

- Branch/department spot check/ surprise check etc.
- Counterparty limit (Banks and NBFIs) and Dealers' limits.
- Value at risk (VaR), exchange position limit, forward swap gap limit, CRR & SLR.
- Self-assessment of anti-fraud internal controls report to Bangladesh Bank as per DOS-10.

All monitoring functions are adequately documented and reported on a timely basis to the appropriate level of management.

Compliance department: Compliance department is entrusted with the responsibility of upholding compliance culture throughout the Bank by following certain rules, regulations, guidelines and policies issued by regulators and by the Bank itself. This department ensures compliance of obligatory laws, rules, and guidelines in every units of the Bank and provides required guidance. This department maintains liaison with regulators at all levels and notify the concerned units/departments regarding the regulatory changes.

Some major functions of this department are as follows:

- Work as contact point of Bangladesh Bank and other regulators.
- Ensure proper implementation of all regulatory policies of Bangladesh Bank.
- Respond to queries of Bangladesh Bank and ensure meticulous compliance of their recommendations.

- Ensure compliance of internal and external audit observations and follow-up, if necessary.
- Ensure compliance of various queries of regulatory body's like- Tax Authority, Anti-Corruption Commission, Ministry of Finance, Law enforcing agencies and other regulators.
- Advice and guide departments and branches in resolving various compliance issues.
- Checking whether the appropriate policies include (a) top level review, (b) appropriate activity controls for different departments and divisions, (c) system of approval and authorizations, (d) appropriate segregation of duties and personnel are not assigned with conflicting responsibilities.

Legal department: Legal department of ICCD safeguards the Bank by ensuring legal support to all of its branches and departments. It performs drafting, vetting and streamlining of various agreements and contracts for all business and support functions of the Bank. It is addressing all the legal issues/disputes relating to recovery of loan from defaulted customers. It deals with the cases filed against the Bank pending in the Supreme Court of Bangladesh and its subordinated courts, e.g. Judge Courts, Magistrate Courts, and Courts under Vokta Adhikar Ain. It also ensures appropriate legal assistance on a diverse range of substantive and procedural questions of law. It performs drafting, vetting and streamlining of various agreements, contracts, policies, guidelines, process manual and operational manual for all business and support functions of the Bank.

BSEC Code of Corporate Governance: Our Compliance Status

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/ 207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969 is as follows (as per Annexure-C):

Compliance Status (Put √ in the Condition Title appropriate column) Remarks No. Not Complied complied 1. **Board of Directors** 1(1) Size of the Board of Directors $\sqrt{}$ The total number of members of the Company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty). 1(2) **Independent Directors** 1(2) (a) At least one-fifth (1/5) of the total number of Directors in the Company's $\sqrt{}$ Board shall be Independent Directors. 1(2) (b) Independent Director means a Director-1(2)(b)(i)Who does not hold any Share in the Company or holds less than One $\sqrt{}$ Percent (1%) Shares of the total Paid-Up Shares of the Company;

Report under Condition No. 9.00:

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|------------------|--|---|-----------------|---------|
| | | Complied | Not complied | |
| 1(2)(b)(ii) | Who is not a Sponsor of the Company or is not connected with | | complica | |
| | the Company's any Sponsor or Director or Nominated Director or | | | |
| | Shareholder of the Company or any of its Associates, Sister Concerns, | | | |
| | Subsidiaries and Parents or holding entities who holds one percent | | | |
| | (1%) or more shares of the total paid-up shares of the Company on the | | | |
| | basis of family relationship and his or her family members also shall | \checkmark | | |
| | not hold above mentioned shares in the Company: | | | |
| | Provided that spouse, son, daughter, father, mother, brother, sister, son- | | | |
| | in-law and daughter-in-law shall be considered as family members; | | | |
| 1(2)(b)(iii) | Who has not been an executive of the Company in immediately | , | | |
| | preceding 2 (two) financial years; | \checkmark | | |
| 1(2)(b)(iv) | Who does not have any other relationship, whether pecuniary or | 1 | | |
| | otherwise, with the Company or its Subsidiary or Associated Companies. | \checkmark | | |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) | , | | |
| | Holder, Director or Officer of any Stock Exchange; | √ | | |
| 1(2)(b)(vi) | Who is not a Shareholder, Director excepting Independent Director | | | |
| | or officer of any member or TREC Holder of Stock Exchange or an | \checkmark | | |
| | Intermediary of the Capital Market; | | | |
| 1(2)(b)(vii) | Who is not a partner or an executive or was not a partner or an executive | | | |
| | during the preceding 3 (three) years of the concerned Company's | | | |
| | Statutory Audit firm or Audit Firm engaged in Internal Audit Services | \checkmark | | |
| | or audit firm conducting special Audit or Professional certifying | | | |
| | compliance of this Code. | | | |
| L(2)(b)(viii) | Who is not Independent Director in more than 5 (five) listed Companies. | \checkmark | | |
| 1(2)(b)(ix) | Who has not been convicted by a Court of competent jurisdiction as a | | | |
| | defaulter in payment of any loan or any advance to a Bank or a Non- | \checkmark | | |
| | Bank Financial Institution (NBFI). | | | |
| 1(2) (b) (x) | Who has not been convicted for a Criminal Offence involving moral | , | | |
| | turpitude. | \checkmark | | |
| 1(2) (c) | The Independent Director (s) shall be appointed by the Board and | , | | |
| | approved by the Shareholders in the Annual General Meeting (AGM); | \checkmark | | |
| 1(2) (d) | The post of Independent Director (s) cannot remain vacant for more | \checkmark | | |
| | than 90 (ninety) days; and | | | |
| 1(2)(e) | The tenure of office of an Independent Director shall be for a period of 3 | \checkmark | | |
| | (three) years, which may be extended for 1 (one) tenure only. | v | | |
| 1(3) | Qualification of Independent Director | | | |
| 1(3)(a) | Independent Director shall be a knowledgeable individual with | | | |
| | integrity who is able to ensure compliance with financial laws, | 1 | | |
| | regulatory requirements and corporate laws and can make meaningful | ~ | | |
| | contribution to the business. | | | |
| 1(3)(b) | Independent Director shall have following qualifications: | | | |
| 1(3)(b)(i) | Business Leader who is or was a Promoter or Director of an unlisted | | | |
| | Company having minimum paid-up capital of Tk.100.00 million or any | | | |
| | listed Company or a member of any national or international chamber | \checkmark | | |
| | of commerce or business association; or | | | |

| Condition | Title | (Put 🗸 | nce Status / in the te column) | Remarks |
|----------------------------------|---|---------------|--------------------------------------|--|
| No. | | Complied | Not complied | |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than | | complica | |
| | Chief Executive Officer or Managing Director or Deputy Managing | | | |
| | Director or Chief Financial Officer or Head of Finance or Accounts or | | | |
| | Company Secretary or Head of Internal Audit and Compliance or Head | | | N/A |
| | of Legal Service or a candidate with equivalent position of an unlisted | | | |
| | Company having minimum paid up capital of Tk.100.00 million or of a listed Company; or | | | |
| 1(3)(b)(iii) | Former official of the Government or Statutory or Autonomous or | | | |
| | Regulatory Body in the position not below 5th Grade of the National Pay | | | 27.14 |
| | Scale, who has at least educational background of Bachelor Degree in | | | N/A |
| | economics or commerce or business or law; or | | | |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or | , | | |
| | Commerce or Business Studies or Law; or | \checkmark | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High | | | |
| | Court Division of Bangladesh Supreme Court or a Chartered Accountant | | | |
| | or Cost and Management Accountant or Chartered Financial Analyst | | | N/A |
| | or Chartered Certified Accountant or Certified Public Accountant | | | IN/A |
| | or Chartered Management Accountant or Chartered Secretary or | | | |
| | equivalent qualification; | | | |
| 1(3)(c) | The Independent Director shall have at least 10 (ten) years of | 1 | | |
| | experiences in any field mentioned in clause (b); | \checkmark | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed | | | N/A |
| | subject to prior approval of the Commission. | | | IN/A |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director | or or Chief E | xecutive Of | ficer |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing | | | |
| | Director (MD) and/or Chief Executive Officer (CEO) of the Company shall | \checkmark | | |
| | be filled by different individuals; | | | |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of | | | |
| | a listed Company shall not hold the same position in another listed | \checkmark | | |
| | Company; | | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non- | \checkmark | | |
| | executive Directors of the Company; | ~ | | |
| 1(4)(d) | The Board shall clearly define respective Roles and Responsibilities | | | |
| | of the Chairperson and the Managing Director and/or Chief Executive | \checkmark | | |
| | Officer; | | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining | | | |
| | Members may elect one of themselves from non-executive Directors as | | | |
| | Chairperson for that particular Board's Meeting; the reason of absence | \checkmark | | |
| | of the regular Chairperson shall be duly recorded in the Minutes of the | | | |
| | Board Meeting. | | | |
| | The Directors' Report to Shareholders | | | |
| 1(5) | | \checkmark | | |
| 1(5) 1(5)(i) | An industry outlook and possible future developments in the industry; | | 1 | |
| | | \checkmark | | Please refer to MD&A Section |
| 1(5)(i) 1(5)(ii) | The segment-wise or product-wise performance; | √ | | Please refer to MD&A Section |
| 1(5)(i) | The segment-wise or product-wise performance; Risks and concerns including internal and external risk factors, threat | \checkmark | | Please refer to MD&A Section |
| 1(5)(i) 1(5)(ii) | The segment-wise or product-wise performance; | \checkmark | | Please refer to MD&A Section Discussion on interest |
| 1(5)(i) 1(5)(ii) 1(5)(iii) | The segment-wise or product-wise performance; Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | \checkmark | | Discussion on interest income, expense, operating |
| 1(5)(i) 1(5)(ii) 1(5)(iii) | The segment-wise or product-wise performance; Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit | \checkmark | | Discussion on interest |

| Condition | Title | (Put 🗸 | nce Status / in the te column) | Remarks |
|----------------|--|--------------|--------------------------------------|--------------------------------|
| No. | Inte | | Not | Reinarks |
| | | Complied | complied | |
| 1(5)(vi) | A detailed discussion on related party transactions along with | | | Please refer to Annexure C |
| | a statement showing amount, nature of related party, nature of | \checkmark | | & C1 |
| | transactions and basis of transactions of all related party transactions; | | | & CI |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, | | | |
| | rights issues and/or any other instruments; | | | No such instance |
| 1(5)(viii) | An explanation if the financial results deteriorate after the Company | | | |
| | goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), | | | No such instance |
| | Rights Share Offer, Direct Listing, etc.; | | | |
| 1(5)(ix) | An explanation on any significant variance that occurs between | | | |
| _(-)() | Quarterly Financial performances and Annual Financial Statements; | \checkmark | | |
| 1(5)(x) | A statement of remuneration paid to the Directors including | | | |
| 1(0)(X) | Independent Directors; | \checkmark | | Please refer to Note 33 of FS. |
| 1(5)(xi) | A statement that the financial statements prepared by the Management | | | |
| 1(0)(X1) | of the issuer Company present fairly its state of affairs, the result of its | \checkmark | | |
| | | V | | |
| 1(Г)() | operations, cash flows and changes in equity; | | | |
| 1(5)(xii) | A statement that proper books of account of the issuer Company have | \checkmark | | |
| 1/5)/) | been maintained; | | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently | | | |
| | applied in preparation of the financial statements and that the | \checkmark | | |
| | accounting estimates are based on reasonable and prudent judgment; | | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or | | | Departure has been |
| | International Financial Reporting Standards (IFRS), as applicable | | | adequately explained in |
| | in Bangladesh, have been followed in preparation of the financial | \checkmark | | Note 2.1 to the Financial |
| | statements and any departure there from has been adequately | | | |
| | disclosed; | | | Statements. |
| 1(5)(xv) | A statement that the system of internal control is sound in design and | , | | |
| | has been effectively implemented and monitored; | \checkmark | | |
| 1(5)(xvi) | A statement that minority Shareholders have been protected from | | | |
| | abusive actions by, or in the interest of, controlling Shareholders acting | \checkmark | | Please refer to Directors' |
| | either directly or indirectly and have effective means of redress; | | | Responsibility Statement |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer | | | |
| | Company's ability to continue as a going concern, if the issuer Company | | | No doubts upon EBL's ability |
| | is not considered to be a going concern, the fact along with reasons | \checkmark | | to continue as a going |
| | there of shall be disclosed; | | | concern. |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating | | | |
| 1(3)(XVIII) | results of the issuer Company shall be highlighted and the reasons | | | |
| | | \checkmark | | |
| 1(Г)() | thereof shall be explained; | | | |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding | \checkmark | | |
| 1(Г)() | 5 (five) years shall be summarized; | | | |
| 1(5)(xx) | An explanation on the reasons if the issuer Company has not declared | | | N/A |
| 1(5)() | dividend (cash or stock) for the year; | | | |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend | | | N/A |
| 4 (5) () | has been or shall be declared as interim dividend; | | | |
| 1(5)(xxii) | The total number of Board meetings held during the year and | \checkmark | | |
| 4 (5) () | attendance by each Director; | | | |
| 1(5)(xxiii) | A Report on the pattern of Shareholding disclosing the aggregate | | | |
| | number of Shares (along with name-wise details where stated below) | | | |
| | held by: | | 1 | 1 |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties | \checkmark | | |
| | (name-wise details); | | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial | | | Please refer to Note 14.1 of |
| | Officer, Head of Internal Audit and Compliance and their spouses and | \checkmark | | |
| | minor children (name-wise details); | | | the FS. |

| Condition | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|----------------|---|---|-----------------|--|
| No. | | Complied | Not complied | |
| 1(5)(xxiii)(c) | Executives; and | 1 | Joniphou | Please refer to Note 14.1 of |
| | | \checkmark | | the FS. |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the | \checkmark | | Please refer to Note 14.1 of |
| 1(5)(xxiv)(a) | Company (name-wise details); A brief Resume of the Director; | 1 | | the FS. |
| | Nature of his or her expertise in specific functional areas; and | √ , | | |
| | | \checkmark | | |
| | Names of companies in which the person also holds the Directorship and the membership of committees of the Board; | \checkmark | | Please refer to Annexure C of the FS. |
| 1(5)(xxv) | A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations | | | Please refer to Managing |
| | along with a brief discussion of changes in the financial statements, | \checkmark | | Director & CEO's Review and |
| | among others, focusing on: | | | MD & A Section. |
| 1(5)(xxv)(a) | Accounting Policies and estimation for preparation of Financial | , | | |
| | Statements; | √ | | |
| 1(5)(xxv)(b) | Changes in accounting policies and estimation, if any, clearly describing | | | |
| | the effect on financial performance or results and financial position as | \checkmark | | |
| 1/[)/)/) | well as cash flows in absolute figure for such changes; | | | |
| 1(5)(xxv)(c) | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for | | | |
| | current financial year with immediate preceding five years explaining | \checkmark | | |
| | reasons thereof: | | | |
| 1(5)(xxv)(d) | Compare such financial performance or results and financial position | , | | |
| | as well as cash flows with the peer industry scenario; | \checkmark | | |
| 1(5)(xxv)(e) | Briefly explain the financial and economic scenario of the country and | 1 | | |
| | the globe; | \checkmark | | |
| 1(5)(xxv)(f) | Risks and concerns issues related to the financial statements, | \checkmark | | |
| 1(5)(xxv)(g) | explaining such risk and concerns mitigation plan of the Company; and Future Plan or Projection or forecast for Company's operation, | | | |
| 1(3)(XXV)(9) | performance and financial position, with justification thereof, i.e., | \checkmark | | |
| | actual position shall be explained to the Shareholders in the next AGM; | V | | |
| 1(5)(xxvi) | Declaration or Certification by the CEO and the CFO to the Board as | , | | |
| | required under condition No. 3(3) shall be disclosed as per Annexure-A ; | \checkmark | | |
| 1(5)(xxvii) | The Report as well as certificate regarding compliance of conditions of | | | |
| | this Code as required under condition No. 9 shall be disclosed as per | \checkmark | | |
| | Annexure-B and Annexure-C. | | | |
| 1(6) | Meetings of the Board of Directors | 1 | 1 | 1 |
| 1(6) | The Company shall conduct the Board Meetings and record the Minutes | | | |
| | of the Meetings as well as keep required Books and records in line with | | | |
| | the provisions of the relevant Bangladesh Secretarial Standards (BSS) | ./ | | |
| | as adopted by the Institute of Chartered Secretaries of Bangladesh | | | |
| | (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | | | |
| 1(7) | Code of Conduct for the Chairperson, other Board members and Chief | Executive (| Officer | |
| 1(7) (a) | The Board shall lay down a Code of Conduct, based on the | -recuire (| | |
| 1(//(d) | recommendation of the Nomination and Remuneration Committee | | | |
| | (NRC) at condition No. 6, for the Chairperson of the Board, other Board | | | |
| | Members and Chief Executive Officer of the Company; | | | |
| 1(7)(b) | The Code of Conduct as determined by the NRC shall be posted on the | | | Please refer to the Condition |
| | website of the Company. | | | No. 6 |

| Condition | Title | (Put 🗸 | nce Status / in the te column) | Remarks |
|--------------|--|--------------|--------------------------------------|------------------------------|
| No. | Inte | Complied | Not | Remarks |
| • | | | complied | |
| 2. | Governance of Board of Directors of Subsidiary Company | 1 | 1 | T |
| 2(a) | Provisions relating to the composition of the Board of the holding | | | |
| | Company shall be made applicable to the composition of the Board of | \checkmark | | |
| 2(b) | the subsidiary Company; At least 1 (one) Independent Director on the Board of the holding | | | |
| 2(0) | Company shall be a Director on the Board of the subsidiary Company; | \checkmark | | |
| 2(c) | The Minutes of the Board meeting of the subsidiary Company shall | | | |
| (- <i>)</i> | be placed for review at the following Board meeting of the Holding | | | |
| | Company: | v | | |
| 2(d) | The Minutes of the respective Board meeting of the holding Company | | | |
| | shall state that they have reviewed the affairs of the subsidiary | | | |
| | Company; | | | |
| 2(e) | The Audit Committee of the holding Company shall also review the | | | |
| | Financial Statements, in particular the investments made by the | \checkmark | | |
| | subsidiary Company. | | | |
| 3. | Managing Director (MD) or Chief Executive Officer (CEO), C | hief Finar | ncial Offic | er (CFO), Head of Intern |
| | Audit and Compliance (HIAC) and Company Secretary (CS) | | | |
| 3(1) | Appointment | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive | | | |
| 0(1)(d) | Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) | | | |
| | and a Head of Internal Audit and Compliance (HIAC); | v | | |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer | | | |
| - (-) () | (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head | | | |
| | of Internal Audit and Compliance (HIAC) shall be filled by different | | | |
| | individuals; | | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any | , | | |
| | executive position in any other Company at the same time; | \checkmark | | |
| 3(1)(d) | The Board shall clearly define respective Roles, Responsibilities and | 1 | | |
| | Duties of the CFO, the HIAC and the CS; | \checkmark | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from | | | |
| | their position without approval of the Board as well as immediate | \checkmark | | |
| | dissemination to the Commission and Stock Exchange (s). | | | |
| 3(2) | Requirement to attend Board of Directors' Meetings | | | |
| 3(2) | The MD or CEO, CS, CFO and HIAC of the Company shall attend the | | | |
| | meetings of the Board: Provided that the CS, CFO and/or the HIAC | 1 | | |
| | shall not attend such part of a meeting of the Board which involves | \checkmark | | |
| | consideration of an agenda item relating to their personal matters. | | | |
| 3(3) | Duties of Managing Director (MD) or Chief Executive Officer (CEO) and | Chief Fina | ncial Office | r (CFO) |
| 3(3)(a) | The MD or CEO and CFO shall certify to the Board that they have | | | |
| | reviewed Financial Statements for the year and that to the best of their | | | |
| | knowledge and belief: | | | |
| 3(3)(a)(i) | Financial Statements do not contain any materially untrue statement or | | | |
| | omit any material fact or contain statements that might be misleading; | \checkmark | | |
| | and | | | |
| 3(3)(a)(ii) | Financial Statements together present a true and fair view of the | | | |
| | Company's affairs and are in compliance with existing accounting | \checkmark | | Please refer to the Statemer |
| | standards and applicable laws; | | | on Integrity of FS by MD & |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best | | | CEO and CFO |
| | of knowledge and belief, no transactions entered into by the Company | | | |
| | during the year which are fraudulent, illegal or in violation of the code | √ | | |
| | of conduct for the Company's Board or its members; | | | - |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the | \checkmark | | |
| | Annual Report. | v | | |

| Condition | Title | (Put 🗸 | nce Status / in the te column) | Remarks |
|-----------------|---|--------------|--------------------------------------|-------------------------------|
| No. | | Complied | Not complied | |
| 4. | Board of Directors' Committee | | Jompticu | |
| 4(i) | Audit Committee; and | √ | | |
| 4(ii) | Nomination and Remuneration Committee. | V | | Please refer to the Condition |
| | | - | | No. 6 |
| 5. | Audit Committee | [| | |
| 5(1) | Responsibility to the Board of Directors | | | |
| 5(1)(a) | The Company shall have an Audit Committee as a Sub-Committee of the Board; | \checkmark | | |
| 5(1)(b) | The Audit Committee shall assist the Board in ensuring that the | | | |
| | Financial Statements reflect true and fair view of the state of affairs | \checkmark | | |
| | of the Company and in ensuring a good monitoring system within the | Ň | | |
| | business; | | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the | \checkmark | | |
| 5(2) | Audit Committee shall be clearly set forth in writing. | | | |
| | | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | \checkmark | | |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be | | | |
| | non- executive Directors of the Company excepting Chairperson of the | \checkmark | | |
| F(0)() | Board and shall include at least 1 (one) Independent Director ; | | | |
| 5(2)(c) | All members of the Audit Committee should be 'Financially Literate' | , | | |
| | and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | \checkmark | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is | | | |
| 0(1)(u) | any circumstance causing any Committee member to be unable to hold | | | |
| | office before expiration of the term of service, thus making the number | | | |
| | of the Committee members to be lower than the prescribed number of | , | | |
| | 3 (three) persons, the Board shall appoint the new Committee member | \checkmark | | No such instance |
| | to fill up the vacancy immediately or not later than 1 (one) month | | | |
| | from the date of vacancy in the Committee to ensure continuity of the | | | |
| | performance of work of the Audit Committee; | | | |
| 5(2)(e) | The Company Secretary shall act as the secretary of the Committee; | \checkmark | | |
| 5(2)(f) | The Quorum of the Audit Committee meeting shall not constitute | 1 | | |
| | without at least 1 (one) Independent Director. | ~ | | |
| 5(3) | Chairperson of the Audit Committee | | | |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director ; | | | |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the | | | |
| | remaining members may elect one of themselves as Chairperson | | | |
| | for that particular meeting, in that case there shall be no problem of | 1 | | |
| | constituting a quorum as required under condition No. 5(4)(b) and the | | | |
| | reason of absence of the regular Chairperson shall be duly recorded in | | | |
| 5(3)(c) | the Minutes. | | | |
| U(3)(C) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): | \checkmark | | |
| 5(4) | Meeting of the Audit Committee | | | |
| 5(4) 5(4)(a) | The Audit Committee shall conduct at least four meetings in a financial | | | |
| | year: | \checkmark | | |
| 5(4)(b) | The Quorum of the meeting of the Audit Committee shall be constituted | | | |
| | in presence of either two members or two third of the members of | ./ | | |
| | the Audit Committee, whichever is higher, where presence of an | v | | |
| | Independent Director is a must. | | | |

| Condition | Title | | nce Status / in the te column) | Remarks | |
|-----------------------------|--|--------------|--------------------------------------|--------------------------------------|--|
| No. | | Complied | Not complied | | |
| 5(5) | Role of Audit Committee | | comptieu | | |
| 5(5)(a) | Oversee the financial reporting process; | √ | | | |
| 5(5)(b) | Monitor choice of accounting policies and principles; | | | | |
| | | \checkmark | | | |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | ./ | | | |
| 5(5)(d) | Oversee hiring and performance of external auditors; | \checkmark | | | |
| 5(5)(e) | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for | | | | |
| 5(5)(f) | approval or adoption; Review along with the management, the annual financial statements before submission to the Board for approval; | √ | | | |
| 5(5)(g) | Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | \checkmark | | | |
| 5(5)(h) | Review the adequacy of internal audit function; | \checkmark | | | |
| 5(5)(i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report; | | | | |
| 5(5)(j) | Review statement of all related party transactions submitted by the management; | √ | | | |
| 5(5)(k) | Review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | \checkmark | | | |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | | | | |
| 5(5)(m) | Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or | | | No such event | |
| 5(6) | prospectus approved by the Commission. Reporting of the Audit Committee | | | | |
| | | | | | |
| 5(6)(a) | Reporting to the Board of Directors | | | | |
| 5(6)(a)(i) 5 (6)(a) (ii) | The Audit Committee shall Report on its activities to the Board. The Audit Committee shall immediately Report to the Board on the following findings, if any: | | | | |
| 5(6)(a)(ii)(a) | Report on Conflicts of Interests; | _ | | No such instance | |
| | Suspected or presumed fraud or irregularity or material defect identified in the Internal Audit and compliance process or in the Financial Statements; | | | No such instance | |
| 5(6)(a)(ii)(c) | Suspected infringement of Laws, Regulatory compliances including Securities related Laws, Rules and Regulations; and | - | | No such instance | |
| | Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | - | | No such instance | |
| 5(6)(a)(ii)(d) 5(6)(b) | Any other matter which the Audit Committee deems necessary shall be | - | | No such instance No such instance | |

| Condition | Title | Compliance Status (Put√in the appropriate column) | | Remarks |
|-----------|---|---|-----------------|--|
| No. | | Complied | Not complied | |
| 5(7) | Reporting to the Shareholders and General Investors | | comptieu | |
| | | | | |
| | Report on activities carried out by the Audit Committee, including any | / | | |
| | report made to the Board under condition No. 5(6)(a)(ii) above during | | | |
| | the year, shall be signed by the Chairperson of the Audit Committee and | | | |
| | disclosed in the annual report of the issuer Company. | | | |
| 6. | Nomination and Remuneration Committee (NRC) | | | Not applicable for Banking Company as per guidelines of |
| 6(1)(a) | The Company shall have a Nomination and Remuneration Committee | | | Bangladesh Bank. |
| 0(1)(0) | (NRC) as a sub- committee of the Board; | - | | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria | | | |
| 0(1)(D) | or policy for determining qualifications, positive attributes, experiences | | | |
| | and independence of Directors and top level executive as well as a | | | |
| | policy for formal process of considering remuneration of Directors, top | | | |
| | level executive; | | | |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in | | | |
| 0(1)(C) | writing covering the areas stated at the Condition No. 6(5) (b). | - | | |
| 6(2) | Constitution of the NRC | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an | | | |
| 0(Z)(a) | | - | | |
| 6(2)(b) | independent director; All members of the Committee shall be non-executive Directors; | | | |
| | | - | | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | - | | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | - | | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member | | | |
| | of the Committee or in any other cases of vacancies, the board shall fill | | | |
| | the vacancy within 180 (one hundred eighty) days of occurring such | - | | |
| | vacancy in the Committee; | | | |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external | | | |
| | expert and/or member(s) of staff to the Committee as advisor who | | | |
| | shall be non-voting member, if the Chairperson feels that advice or | - | | |
| | suggestion from such external expert and/or member(s) of staff shall | | | |
| | be required or valuable for the Committee; | | | |
| 6(2)(g) | The Company secretary shall act as the secretary of the Committee; | - | | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance | | | |
| | of at least an independent director; | - | | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any | | | |
| | remuneration for any advisory or consultancy role or otherwise, other | - | | |
| | than Director's fees or honorarium from the Company. | | | |
| 6(3) | Chairperson of the NRC | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of | | | |
| | the Committee, who shall be an independent director; | - | | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members | _ | _ | |
| | may elect one of themselves as Chairperson for that particular meeting, | | | |
| | the reason of absence of the regular Chairperson shall be duly recorded | - | | |
| | in the minutes; | | | |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting | | | |
| | (AGM) to answer the queries of the Shareholders: | - | | |
| 6(4) | Meeting of the NRC | | | • |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | | | |

| Condition | | | ice Status / in the | | |
|---------------|---|--------------|------------------------|---------|--|
| No. | Title | appropriat | te column) | Remarks | |
| | | Complied | Not complied | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting | | complied | | |
| | upon request by any member of the NRC; | - | | | |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence | | | | |
| | of either two members or two third of the members of the Committee. | | | | |
| | whichever is higher, where presence of an independent director is | - | | | |
| | must as required under condition No. 6(2)(h); | | | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in | | | | |
| 0(4)(u) | the minutes and such minutes shall be confirmed in the next meeting | | | | |
| | of the NRC. | - | | | |
| 6(5) | Role of the NRC | | I I | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board | | | | |
| | and to the Shareholders | - | | | |
| 6(5)(b) | NRC shall oversee, among others, the following matters and make | | | | |
| | report with recommendation to the Board: | | | | |
| 6(5)(b)(i) | Formulating the criteria for determining qualifications, positive | | | | |
| | attributes and independence of a Director and recommend a policy | | | | |
| | to the Board, relating to the remuneration of the directors, top level | | | | |
| | executive, considering following: | | | | |
| 6(5)(b)(i)(a) | The level and composition of remuneration is reasonable and sufficient | | | | |
| | to attract, retain and motivate suitable Directors to run the Company | - | | | |
| | successfully; | | | | |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets | | | | |
| | appropriate performance benchmarks; | - | | | |
| 6(5)(b)(i)(c) | Remuneration to Directors, top level executive involves a balance | | | | |
| | between fixed and incentive pay reflecting short and long-term | | | | |
| | performance objectives appropriate to the working of the Company and | - | | | |
| | its goals; | | | | |
| 6(5)(b)(ii) | Devising a Policy on Board's diversity taking into consideration age, | | | | |
| | gender, experience, ethnicity, educational background and nationality; | - | | | |
| 6(5)(b)(iii) | Identifying persons who are qualified to become Directors and who | | | | |
| | may be appointed in top level executive position in accordance with the | | | | |
| | criteria laid down, and recommend their appointment and removal to | - | | | |
| | the Board; | | | | |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of Independent | | | | |
| | Directors and the Board; | - | | | |
| 6(5)(b)(v) | Identifying the Company's needs for employees at different levels | | | | |
| | and determine their selection, transfer or replacement and promotion | - | | | |
| | criteria; | | | | |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the Company's | | | | |
| | human resources and training policies; | - | | | |
| 6(5)(c) | The Company shall disclose the nomination and remuneration policy | | | | |
| | and the evaluation criteria and activities of NRC during the year at a | - | | | |
| | glance in its annual report. | | | | |
| 7. | External or Statutory Auditors | | 11 | | |
| 7 (1) | The issuer Company shall not engage its external or statutory auditors | | | | |
| - | to perform the following services of the Company, namely: | | | | |
| 7(1)(i) | Appraisal or valuation services or fairness opinions; | | | | |
| 7(1)(ii) | Financial Information Systems design and implementation; | | | | |
| | | \checkmark | | | |
| 7(1)(iii) | Book-Keeping or other services related to the accounting records or | \checkmark | | | |
| | | | | | |
| 7(1)(iv) | financial statements; Broker-Dealer Services; | √ | | | |

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|------------------|--|---|-----------------|---------|
| | | Complied | Not complied | |
| 7(1)(v) | Actuarial Services; | \checkmark | | |
| 7(1)(vi) | Internal Audit services or special audit services; | \checkmark | | |
| 7(1)(vii) | Any service that the Audit Committee determines; | \checkmark | | |
| 7(1)(viii) | Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | | | |
| 7(1)(ix) | Any other service that creates conflict of interest. | \checkmark | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company. | , | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the Shareholders. | | | |
| 8. | Maintaining website by the Company | | | |
| 8(1) | The Company shall have an Official Website linked with the website of the Stock Exchanges. | \checkmark | | |
| 8(2) | The Company shall keep the website functional from the date of listing. | \checkmark | | |
| 8(3) | The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | | | |
| 9. | Reporting and Compliance of Corporate Governance | | | |
| 9(1) | The Company shall obtain a Certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | \checkmark | | |
| 9 (2) | The Professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the Annual General Meeting. | \checkmark | | |
| 9 (3) | The Directors of the Company shall state, in accordance with the Annexure-C attached, in the Directors' report whether the Company has complied with these conditions or not. | | | |



কে. এম. হাসান এন্ড কোং Hometown Apartments (8th & 9th Floor) K. M. HASAN & CO. **Chartered Accountants**

87, New Eskaton Road, Dhaka-1000 Phone: 222221564, 222221457, Fax: 88-02-222225792 E-mail : info@kmhasan.com.bd website: www.kmhasan.com.bd



McMillan Woods International Professionalism at the forefront

Report to the Shareholders of Eastern Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Eastern Bank Limited (EBL) for the year ended on 31st December 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the bank. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any conditions of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- a) The bank has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except those mentioned in the statement of compliance status;
- b) The bank has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the bank as required under the Companies Act, 1994, the Securities Laws and other relevant laws;
- d) The governance of the bank is highly satisfactory.

Place: Dhaka Dated: 31 March 2022

For K. M. HASAN & CO. **Chartered Accountants**

Md. Shahidul Islam FCA Partner



Going Concern and Viability

Key financial indicators

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---------------------------------------|--------|--------|--------|--------|--------|
| Return on average assets | 1.28% | 1.22% | 1.30% | 1.15% | 1.04% |
| Return on average equity | 15.51% | 15.04% | 16.52% | 13.83% | 11.41% |
| Cost to income ratio | 38.99% | 45.58% | 43.76% | 45.63% | 45.20% |
| Capital to risk weighted assets ratio | 14.08% | 15.23% | 14.74% | 12.16% | 14.09% |
| NPL ratio | 3.70% | 2.72% | 3.35% | 2.35% | 2.50% |
| EPS (BDT) (Not restated) | 4.88 | 5.05 | 4.94 | 4.17 | 3.26 |

Good governance practices

Board of Directors of EBL plays a pivotal role in shaping governance structure and practices through their choice of strategy and leadership to drive the Bank to growth path. The management of EBL as an extended wing of the Board executes policies and procedures set by the Board for the greater interest of shareholders and other stakeholders. Our well-functioning Board of Directors provides appropriate support to our CEO and his team with the foresight and seasoned judgments to carry the business on the right track even in a pandemic situation. We uphold strong and effective corporate governance practices to cultivate a culture of integrity, transparency, sound financial management, which ultimately leads to overall sustainable business and financial performance. The management of EBL proactively supports establishing simple and efficient processes focusing on compliance with relevant regulations which will help in sustainable value creation. These efforts have been recognized by the ICMAB Best Corporate Award and the ICSB National Award for Corporate Governance Excellence.

Consistency in higher dividend payment

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|--------------------|-------|------|------|------|------|
| Dividends: | | | | | |
| Cash dividend (%) | 12.50 | 17.5 | 15 | 20 | 20 |
| Stock dividend (%) | 12.50 | 17.5 | - | 10 | - |
| Total (%) | 25 | 35 | 15 | 30 | 20 |

While we give top priority in protecting shareholders' interest, we also give utmost importance in maintaining fine balance between consistency of dividend payment and strengthening the capital base for sustainable business growth. EBL's consistent dividend payment considering growth prospects in compliance with various regulatory conditions shows Bank's long-term vision and firm commitment to its shareholders.

Capital management

| Particulars | 2021 | 2020 |
|-----------------------------|--------|--------|
| Minimum capital requirement | 25,339 | 21,765 |
| Maintenance of capital | 35,674 | 33,144 |
| Surplus | 10,335 | 11,379 |
| CRAR | 14.08% | 15.23% |

The Bank has been maintaining adequate capital above its regulatory requirement. Minimum capital requirement of the Bank as of 31 December 2021 is BDT 25,339 million whereas EBL maintained BDT 35,674 million that led to CRAR 14.08% of which core capital to RWA is 10.31% and supplementary capital to RWA is 3.77 % that indicates how efficiently EBL manages its capital and constantly works on it to create strong capital base and meet up regulatory requirements.

Data security

Foundation of banking lies in nurturing trust and credibility. As the transaction system moves more towards cashless, now it is very crucial for us to ensure that all the matters of cybersecurity are in right place to protect data and privacy. We have taken several preventive controls to safeguard the Bank from data breach. To provide customers with the comfort and reliability to use digital channels for transactions, our all-out effort to maintain transactional security is undefeated. Our PCI-DSS certification for consecutive six years recognizes our constant

effort to minimize vulnerabilities in cardholder data domain for providing reliability to customers for using our payment cards. Our achievement of ISO/IEC 27001:2013 certification for the third time in a row recognizes our compliance with Information Security Management Systems (ISMS), a risk management framework developed jointly by ISO and IEC.

Regulatory compliance

EBL is one of the most compliant banks in the industry. We do business complying with applicable laws, rules and regulations. Following key ratios set by Bangladesh Bank are properly complied with.

| Ratios | Regulatory limit | 2021 | Status |
|--------------------------------|------------------|---------|----------|
| AD ratio | ≤87% | 79.69% | Complied |
| MCO (DBO) | ≤16.5% | 14.51% | Complied |
| LCR (DB0) | ≥100% | 144.97% | Complied |
| NSFR (DBO) | >100% | 104.40% | Complied |
| Capital market exposure (Solo) | ≤25% | 22.20% | Complied |
| Leverage ratio (Solo) | ≥3% | 5.69% | Complied |

Credit rating

CRISL has reaffirmed long term rating "AA+" and short-term rating to "ST-1" to EBL on 17 June 2021. The rating indicates fundamentals of the Bank such as good profitability, good liquidity, Basel-III compliant capital adequacy (with strong core capital), diversified business portfolio, good non-funded business, good market image, sound IT infrastructure, experienced top management etc. Even during the pandemic, the Bank showed its resilient performance.

Strong brand image

EBL is known for its consistent and sustainable growth over the years. Our continuous effort to offer innovative service and products along with service excellence has made us a strong financial brand in the market. Recognition from various local and international bodies validates this. To name a few, Bank of the Year for two consecutive years 2020-2021 by The Banker, Best Partner for Equipment Trade in South Asia under Global Trade Finance Program by IFC, Best Domestic Bank in the 2021 by Asiamoney, Fintech Innovation of the year for 2021 by FinTech, ICMAB Best Corporate Award, Superbrands Award for 2018-2020 by the Superbrands Bangladesh etc. Also, EBL is also well-accepted by the multi-lateral Institutions such as- DEG, FMO, ADB, IFC, PROPERCO etc. for its proven track record of success.

We care for our people

Satisfied employees have higher productivity and provide better customer service. EBL has created an equitable, accessible and discrimination free working environment which provides equal opportunity, ensures work life balance, creates employee engagement, helps in personal development, and offers health and safety for its employees which in return increases Bank's productivity and reduces conflict between employees and management. This has eventually reduced turnover with enhanced loyalty; certainly towards the Bank. Our people truly hold the flagship of the Bank and they try to provide finest service to our customers that has created long lasting bondage. As a part of recognition, EBL has received Bangladesh Best Employer Brand Award by the globally renowned Employer Branding Institute.

Customer service excellence

We provide convenient and standardized customer service consistently. We are committed to maintain and enhance our service excellence through maximum use of technology and other innovations. As we realized that digitization was going to change country's entire banking landscape, we adequately equipped us to emerge among the leaders in digital banking. It has helped us in improving customer experience through better connectivity in a comprehensive manner. We always encourage our customers to share their experience with us so that we can understand customer needs and meet up customers' expectations. This helps us in creating and maintaining strong bondage with our customers.

In a nutshell, there is no significant doubt upon the Bank's ability to continue as a going concern. EBL has neither intention nor the need to liquidate or curtail materially the scale of its operations. Hence, the financial statements of the Bank have been prepared as per going concern basis and the Bank will continue to operate for the foreseeable future.

From The Desk of Chief Risk Officer

The ability to manage risks is a core competency of EBL and is supported by our risk-aware culture and risk management approach. The Bank meticulously manages risks as it aims to create maximum value for our shareholders, clients, employees and communities.

An important component of EBL's risk management approach is to ensure that major and emerging risks, as they evolve, are identified, managed, and incorporated into existing risk assessment, measurement, monitoring and escalation processes and addressed in the risk frameworks and policies. These practices are intended to ensure that a forward looking risk assessment is maintained by management in the course of business development and as part of the execution of ongoing risk oversight responsibilities.

EBL's risk management practices detect, examine and monitor threats to the Bank's strategic plan through regular analysis of major risks under various scenarios. The aim is to identify and understand relevant internal and external threats that could undermine our profitability, solvency and strategy.

Major risks for EBL include credit, operational, market, reputational and liquidity risk. Since EBL is exposed to a variety of risks, we have well-constructed risk management mechanisms, and we meticulously follow Government regulations to achieve our objectives. Risk management tools such as policies, guidelines, measurement, monitoring and reporting are there to mitigate the risks.

The potential impacts of these risks on our balance sheet, profitability and business continuity are assessed through portfolio reviews and various risk measurement tools. We look after the risks through our risk measurement methods such as Value at Risk (VaR), Gap analysis, Duration analysis etc. Stress tests are also used to test the resilience of EBL's strategic plans. We measure the risks and take necessary steps accordingly. These tools help EBL mitigate risks and boost profitability. The results of these tests indicate that the currently available capital and liquidity reserves, in combination with available mitigation measures, would allow us to absorb the impact of these risks if they were to materialize as envisaged.

EBL rigorously follows a robust risk management framework where we follow the three lines of defense model. Each of the three lines of defense plays distinct roles in EBL's broader governance framework. Bank's risk management framework is applied enterprise-wide and consists of three key elements: risk governance, risk appetite, and risk management tools.

Additionally, we have several committees consisting of members from our Management and honorable Board of Directors. Risk Management Committee (RMC) of Board is there to ensure that the Bank-wide risks are managed within the risk strategy and appetite established by the Board of Directors. Executive Risk Management Committee (ERMC) is there to monitor integrated risk management across the Bank.

EBL's risk management aligns planned risk taking approach with the Bank's risk appetite, while being in line with the available capital and liquidity. This framework thus safeguards bank's reputation, operational continuity and earnings and at the same time expedites growth opportunities.

UN Clar Clan Sling

Mahmoodun Nabi Chowdhury DMD & Chief Risk Officer

Risk Management Report

Risk Management at EBL

EBL's Risk Management function is key to making sure EBL remains a robust, safe and sustainable bank that helps people and businesses prosper.

In 2021, our priority was safeguarding the interests of our stakeholders while attaining sustainable portfolio growth and mitigating the economic and financial impact of the COVID-19 crisis.

EBL supported clients by providing liquidity, credit facilities and payment deferrals and various refinancing and government aid programs aimed to relieve the economic consequences of the pandemic.

EBL's risk management, compliance and control model contributes to sustainable growth.

Key initiatives by EBL in 2021

Considering global and national risk trends, EBL took the following initiatives in 2021 to mitigate risks without hindering growth potential:

• EBL has taken several initiatives to support the clients. Extension of maturity of loans, extension of credit limits, extension of documentation deferral, payment pause of installment are such initiatives among others. All these steps were taken for the survival of the clients' business and hence it has reduced credit risk.

- Ensured fast tracking of approval process for CMSMEs with consciously taken credit policy exceptions for the greater good. It supports business during COVID-19 pandemic and EBL disbursed stimulus packages to the CMSMEs over the allocated quota from central bank.
- Initiating clearer segmentation to identify potential vulnerable industries / customer clusters and accordingly modifying risk mitigation processes. Also, initiating impact estimation under various scenarios to determine potential provision needs.
- Digitalizing documentation process to reduce lead time of credit appraisal and disbursement.
- Continuing work from home culture in cases of COVID-19 surges and Government enforced lockdowns, ensuring full vaccination of EBL employees and strict adherence to social distancing norms to maintain the operational continuity by minimizing the threat of the pandemic.
- Identifying, assessing and controlling the environmental risk.

Risk Management framework

EBL's objective is to create sustainable value in the interests of the shareholders, employees and other stakeholders of the bank. EBL's risk management framework contributes to this by aligning planned risk taking approach with the bank's risk appetite, while being in line with the available capital and liquidity. This framework thus safeguards bank's reputation, operational continuity and earnings without hindering growth opportunities.



EBL's organizational structure follows the **Three Lines of Defense ("3LoD")** model with a clear definition of roles and responsibilities for all risk types.

- The First Line of Defense ("First LoD") refers to those roles in the Bank whose activities generate risks, whether financial or non-financial, and who own and are accountable for these risks. Management control is the First LoD. The First LoD manages these risks within the defined risk appetite, establishes an appropriate risk culture, and adheres to the risk type frameworks defined by the Second Line of Defense ("Second LoD").
- The Second Line of Defense ("Second LoD") refers to the roles in the Bank which define the risk management framework for specific risk types. Risk control and compliance oversight functions established by EBL management are the Second LoD. The second line independently assesses and monitors the implementation of the risk frameworks and adherence to the risk appetite, and acts as an advisor to the First LoD on how to identify, assess and manage risks.
- **The Third Line of Defense ("Third LoD")** is the Independent Audit and Assurance, which is accountable for providing independent and objective assurance on the adequacy of the design, operating effectiveness and efficiency of the risk management system and systems of internal control.

FIRST LoD

Businesses and functions that originate risks. It adheres to all risk management policies and procedures, making sure risks fit within risk frameworks and other limits.





SECOND LoD

The Risk Control and Compliance functions form the second line of defense to provide independent oversight and challenge to risk management decisions from the first line. THIRD LoD

The Internal Audit function is independent to assure senior management about the quality and effectiveness of internal controls, risk management and governance systems, assisting in safeguarding bank's value, solvency and reputation.

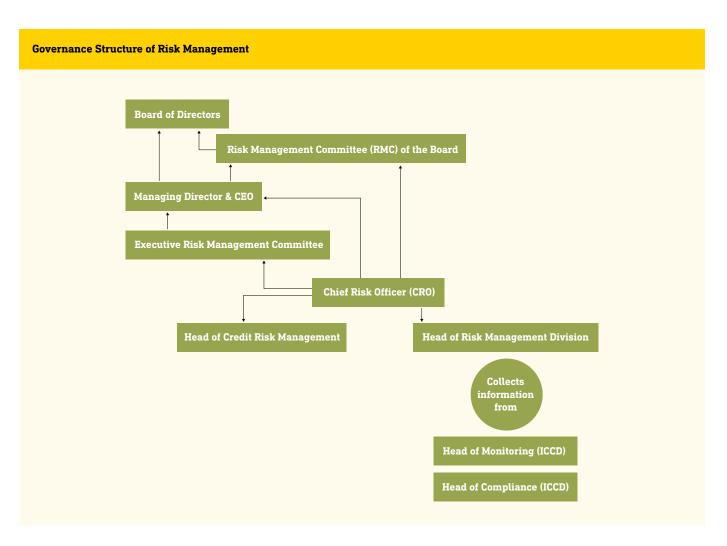


Risk Management outline in EBL

- Each of the three lines of defense plays distinct roles in EBL's broader governance framework.
- Every employee in EBL is to act accordingly and consistently with our risk appetite, risk management standards and values.
- The Management approved risk appetite is cascaded and adhered to across all dimensions of the Bank, with appropriate consequences in the event of a breach.
- Within EBL's Risk Management Framework, Risks are first identified and assessed. Then, risks are actively managed via appropriate risk mitigation and effective internal control systems.
- Risks are measured and escalated with accurate, complete and timely data using approved models.
- Regular stress tests are carried out against adverse scenarios and appropriate crisis response planning are thus established.

The risk management framework is applied enterprise-wide and consists of three key elements:

- 1. Risk Governance
 - a. Risk management governance structure
 - b. Risk management committees
 - c. Risk culture
- 2. Risk Appetite
- 3. Risk Management Tools



Risk Management committees

| Committees | Key objectives | Represented by |
|---------------------------|--|---|
| Risk Management | To ensure that the Bank wide risks are managed | Chaired by Mir Nasir Hossain. |
| Committee (RMC) of the | within the risk strategy and appetite established by | Gazi Md. Shakhawat Hossain, Mufakkharul Islam |
| Board | the Board of Directors. | Khasru, Zara Namreen and Dr. Toufic Ahmad |
| | | Choudhury (Independent Director) are members of the |
| | | committee. All of them are Board members of EBL. |
| Executive Risk Management | To monitor activities of the risk management | Chaired by DMD & Chief Risk Officer. |
| Committee (ERMC) | division responsible for integrated risk | |
| | management across the Bank. | Planning & strategy, Risk Management, Treasury, |
| | | Business Heads, Operations, CRM, HR, IT, Finance, |
| | | Internal Control & Compliance are members. |
| ICT Steering Committee | Provides guidance related to risks, funding or | IT, Risk Management, HR, Credit Administration, |
| | sourcing to achieve ICT strategic goals. Monitors | Operations, Finance and Internal Control & |
| | and evaluates ICT projects implementation and | Compliance are members. |
| | achievements against ICT strategic plan. | |

| Committees | Key objectives | Represented by |
|----------------------------|---|--|
| Asset Liability Committee | To maintain a balance between liquidity and | Chaired by Managing Director & CEO. |
| (ALCO) | profitability of the Bank containing liquidity risk | Deputy Managing Director, Business Heads, Risk |
| | and interest rate risk at desired level. | Management, Treasury, Finance are members. |
| Supervisory Review Process | Implementation of Pillar-II of BASEL III as per | Chaired by Managing Director & CEO. |
| (SRP) Team | requirement of Bangladesh Bank. Regulatory | DMD & CRO, Operations, IT, Treasury, Finance, Risk |
| | requirements to be the minimum standards to | Management are members. |
| | establish. | |
| Credit Risk Management | Review of Bank's credit risk appetite, tolerance | Chaired by DMD & Chief Risk Officer. |
| Committee | and strategy considering current and prospective | Business Heads, Risk Management, Finance and |
| | macroeconomic and financial environment. | Credit Risk Management are members. |
| Sustainable Finance | Formulate, review and update all policies and | Chaired by Deputy Managing Director - Planning & |
| Committee | guidelines relating to sustainable finance. | strategy. |
| | | Business Heads, Risk Management, Finance, Credit |
| | | Risk Management, HR, Admin and Communication |
| | | are members. |

Role of the Board

EBL's operations in home and abroad are steered in line with the goals and policies set by the Board. The role of the Board is vastly important for establishing the overall strategies and policies relating to risk concentration, risk management and conduct of business in line with distinct risk parameters.

The Board is responsible for establishing proper business policies encompassing appropriate and effective risk management, as well as compliance with regulatory requirements and internal guidelines. The Board has established the Risk Management Committee (RMC) as the central forum for policy making, review and decision making on all risk related matters of the Bank. The RMC meets at least once in every quarter. It also delegates some of its duties to Executive Risk Management Committee (ERMC).

Risk Management Committee (RMC) of the Board supervises:

- Identification and assessment of Bank's risks and guide management to formulate the strategies.
- Implementation of effective risk governance culture.
- Periodic review and approval of Bank's risk management policy.
- Implementation of risk management policy.
- Bank's environmental & social risk management.

Risk culture of EBL

EBL's strong risk culture covers all risks to promote socially responsible management that supports long-term sustainability. The risk culture is built upon:

Accountability: EBL promotes a strong risk culture where every employee must fully understand and take a holistic view of the risks which could result from their actions, understand the consequences and manage them appropriately against our risk appetite. EBL expects employees to exhibit behaviors that support a strong risk culture in line with our Code of Conduct.

Tone from the top: This expectation continues to be reinforced through communications, campaigns and mandatory training courses for all EBL employees. In addition, our Board members and senior management frequently communicate the importance of a strong risk culture to support a consistent tone from the top.

Training: EBL constantly reinforces risk culture by providing effective and informative mandatory and non-mandatory training modules for all employees, as well as presentations and other training media on a variety of risk management topics.

Compensation: Programs are structured to discourage behavior not aligned with the Bank's values or EBL's GAP Policy, Code of Conduct and to ensure that such behaviors are not rewarded.

Centralized Decision Making: The members of senior and executive management committees are responsible for the review, approval and monitoring of transactions and the related risk exposures (whether global or local) including business unit heads and senior risk officers.

Reporting: Reputational and operational risk dashboards and other key metrics are monitored and reported. The Bank also seeks out employee feedback through a variety of surveys.

EBL's relationship with its subsidiaries

Our subsidiaries' risk management, compliance and control models are aligned with frameworks established by the group's Board of Directors. Their own Boards reinforce them in line with respective market conditions and regulations.

Risk Appetite

Risk appetite is the amount and type of risk an organization is prepared to pursue or take, in order to attain the objectives of the organization and those of its shareholders and stakeholders.

EBL's risk appetite framework consists of a risk capacity, risk appetite statement and key risk appetite measures. Application of

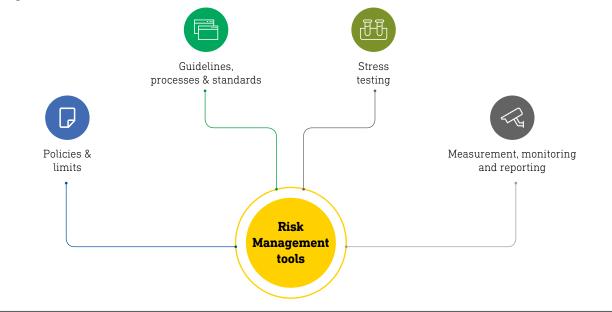
the risk appetite statement and monitoring of the key risk appetite measures help to ensure the Bank stay within appropriate risk boundaries. Bank's credit risk appetite further defines the Bank's risk appetite with respect to lending, counterparty credit risk, and other credit risks (such as investments).



| Risk Appetite Criteria | Annotito | EBL's position | |
|---|--|----------------|---------|
| Risk Appetite Criteria | Appetite - | 2021 | 2020 |
| | Credit risk | | |
| Non-Performing Loans (NPL) | Less than 3.75% | 3.70% | 2.72% |
| Aggregate on and off balance sheet exposure on customers internally rated (CRGM) between 1-5 | More than 60% | 82.88% | 85.47% |
| Exposure to obligor/s exceeding single borrower exposure limit | Less than 15% | 0.06% | 0.00% |
| Large loan concentration | Less than 56% | 33.28% | 32.10% |
| Loan concentration on top 20 borrowers | Less than 30% | 23.10% | 25.83% |
| Off balance sheet exposure as percentage of total assets | Less than 45% | 36.48% | 30.90% |
| Percentage of portfolio with credit rating | More than 65% | 82.88% | 78.42% |
| | Market risk | | |
| Impact on net interest income due to change in interest rate | Less than 10% | 3.91% | 2.77% |
| Value at Risk (VAR) | Less than Tk. 10 million | 0.3 | 0.2 |
| Concentration on top 10 depositors | Less than 20% | 10.51% | 7.15% |
| Capital Market exposure | Less than 25% | 22.20% | 22.03% |
| | Liquidity risk | | |
| Advance to Deposit Ratio (AD) | Less than 87% | 79.69% | 78.82% |
| Liquidity Coverage Ratio (LCR) | 100% or more | 144.97% | 210.90% |
| Net Stable Funding Ratio (NSFR) | More than 100% | 104.40% | 105.49% |
| Maximum Cumulative Outflow (MCO) | Less than 16.5% | 14.51% | 13.51% |
| (| Dperational risk | | |
| Internal fraud | 0.20% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| External fraud | 0.80% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Employment practice and workplace safety | 0.10% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Clients, products, and business practice | 0.10% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Damage to physical assets | 0.20% of last 3 years' avg. operating profit | 0.00% | 0.00% |

| Risk Appetite Criteria | Appetite | EBL's position | |
|---|--|----------------|--------|
| Nisk Appente cinena | Арренке | 2021 | 2020 |
| Business disruption and system failure | 0.15% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Execution, delivery and process management | 0.45% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Overall operational risk | 2% of last 3 years' avg. operating profit | 0.00% | 0.00% |
| Capital management | | | |
| Capital to risk weighted assets (RWA) ratio (CRAR) | More than 12.50% | 14.08% | 15.23% |
| Leverage ratio | More than 3% | 5.69% | 5.97% |
| Tier 1 Capital ratio (including Capital Conservation Buffer) | More than 8.5% | 10.31% | 10.78% |
| Stress test (Impact on capital under combined minor shock) | More than 10.0% | 10.12% | 11.88% |

Risk Management Tools



Policies and limits

Policies

Industry best practices and regulatory requirements are also factored into the policies. Policies are guided by the Bank's risk appetite and set the limits and controls within which the Bank and its subsidiaries can operate.

- Key risk policies are approved by the Board of Directors.
- Management level risk policies/instructions manuals associated with processes such as credit instruction manual and new products initiations are approved by senior executive management and/or key risk committees.

Limits

Controls risk-taking activities within the tolerances established by the Board and senior executive management. Limits also establish accountability for key tasks in the risk-taking process and establish the level or conditions under which transactions may be approved or executed.

Guidelines, processes and standards

Guidelines

Guidelines ensure the Bank has the appropriate knowledge of clients, products, and markets and that it fully understands the risks associated with the business it underwrites. Guidelines may change from time to time, due to market or other circumstances. Risk taking outside of guidelines usually requires approval of the Bank's Managing Director & CEO.

Processes

The activities are associated with identifying, evaluating, documenting, reporting and controlling risk.

Standards

Standards are developed on an enterprise-wide basis, and documented in a series of policies, manuals and handbooks under the purview of Risk Management Division.

Stress_testing

Stress testing programs at enterprise level allow the Bank to estimate the potential impact on income, capital and liquidity of significant changes in market conditions, credit environment, liquidity demands, or other risk factors. The development, approval and on-going review of the Bank's stress testing programs are subject to Bangladesh Bank's updated guidelines and instructions. Stress testing report is prepared on quarterly basis and presented to the Risk Management Committee of the Board.

Risk assessment, monitoring and reporting

Risk Assessment and Measurement

The Bank uses models for different purposes including estimating the value of transactions, measuring risk exposures, determining credit risk ratings and parameters, and calculating economic and regulatory capital. The use of quantitative risk methodologies and models is balanced by a strong governance framework and includes the application of sound and experienced judgment.

Regular monitoring

The Bank ensures that business activities are within approved limits or guidelines, and are aligned with the Bank's strategies and risk appetite. Breaches, if any, of these limits or guidelines are reported to senior management, risk committees, and/or the Board depending on the limit or guideline.

Risk reports

Aggregate measures of risk across products and businesses are used in compliance with policies, limits, and guidelines. They also provide a clear statement of the amount, types, and sensitivity of the various risks in the Bank's portfolio. Senior management and the Board use this information to understand the Bank's risk profile and the performance of the portfolios.

Risk measurement methods

Value at Risk (VaR)

VaR is a statistical method of measuring potential loss due to market risk based on a common confidence interval and time horizon. The

Analysis of stress testing results

Bank calculates VaR daily using a 95% confidence level, and a oneday holding period for its trading portfolios. This means that once in every 100 days, the trading positions are expected to lose more than the VaR estimate. The Bank calculates general market risk VaR using historical simulation based on 6 months market data.

Figures in BDT Million

| Particulars | 2021 | 2020 | 2019 |
|--------------------|------|------|------|
| Approved VaR limit | 10 | 10 | 10 |
| Actual VaR | 0.3 | 0.2 | 0.2 |

Foreign exchange VaR remains well within the approved VaR limit.

Gap analysis

Through Gap analysis, EBL assess the interest rate sensitivity of repricing mismatches in the Bank's non-trading operations. Interest rate sensitive assets, liabilities and off-balance sheet instruments of the Bank are assigned to defined time periods based on expected re-pricing dates.

Duration analysis

With that analysis, EBL measures the relative sensitivity of the value of these instruments to changing interest rates (the average term to re-pricing), and it reflects how changes in interest rates will affect the Bank's economic value, that is, the present value of equity.

Control of foreign exchange activities

- (a) Organizational controls to ensure that there exists a clear and effective segregation of duties among those persons who initiate foreign exchange transactions and those persons who are responsible for operational functions.
- (b) Procedural controls to ensure that:
 - i. Transactions are fully recorded in the records and accounts of the Bank;
 - ii. Transactions are promptly and correctly settled; and
 - iii. Unauthorized dealing is promptly identified and reported to management;

| | | 2021 | | | 2020 | | |
|--------------------------------|--------|----------|--------|--------|----------|--------|--|
| Particulars | Minor | Moderate | Major | Minor | Moderate | Major | |
| Shock applied by the bank | 1% | 2% | 3% | 1% | 2% | 3% | |
| Interest rate | (0.76) | (1.53) | (2.29) | (0.65) | (1.30) | (1.95) | |
| CRAR after interest rate shock | 13.32% | 12.55% | 11.79% | 14.58% | 13.92% | 13.27% | |
| Shock applied by the bank | 5% | 10% | 15% | 5% | 10% | 15% | |
| Currency depreciation | (0.00) | (0.01) | (0.01) | (0.01) | (0.02) | (0.03) | |
| CRAR after exchange rate shock | 14.07% | 14.07% | 14.07% | 15.22% | 15.21% | 15.20% | |
| Shock applied by the bank | 10% | 20% | 40% | 10% | 20% | 40% | |
| Equity shock | (0.86) | (1.73) | (3.53) | (0.49) | (0.99) | (2.01) | |
| CRAR after equity shock | 13.22% | 12.35% | 10.55% | 14.73% | 14.23% | 13.22% | |

Risk mitigation approaches

Principal risk types at a glance

| Risk types | Governing documentation | Application to risk appetite limits/ tolerances |
|-----------------------------|---|--|
| Credit risk | Credit policy manual, credit instruction manual, risk appetite | Exposure to a single customer or group of related parties. Industry concentrations (exposure and risk adjusted concentration limits). |
| Market risk | Asset liability management policy, Foreign exchange risk management policy and Treasury mid-office operating guideline. | Various VaR limits, stress test results, equity and debt investment exposures. Structural interest rate and foreign exchange exposure. Duration analysis. |
| Liquidity and funding risk | Asset liability management policy, Fund transfer pricing policy. | Hold appropriate levels of unencumbered high quality liquid assets that can be readily sold or pledged; Limits to control the maximum net cash outflow over specified short-term horizon; and Diversification of funding by source, type of depositor, instrument, term. |
| Operational risk | Internal control & compliance policy, fraud & theft risk prevention & management policy, Information Communication Technology ICT security policy, outsourcing policy, AML policy, People management policy | Systematic identification, measurement, mitigation and monitoring of operational risk, Minimization of residual operational risk; and Expressed quantitatively by an aggregate loss limit. |
| Reputational risk | Customer service & complaints management policy | • Low tolerance for reputational, legal, or taxation risk arising from business activities, initiatives, products, services, transactions or processes, or from a lack of suitability of products for clients. |
| Environmental & social risk | Credit policy manual, Credit instruction manual | • Ensuring that projects are developed in a socially responsible manner. |
| Strategic risk | Risk appetite, annual budget, strategic planning | • It links the Bank's risk appetite framework with the enterprise strategy, business line strategies and corporate function strategies. |

Credit Risk Management:

Credit risk refers to a potential financial loss from the default or credit quality deterioration of a customer or other third party with whom EBL has a contractual obligation. It is our most important risk in terms of exposure and capital consumption.

Effective management of credit risk requires the establishment of an appropriate credit risk culture. Board of Directors, either directly or through the Risk Committee (of the Board), reviews and approves the Bank's credit risk appetite annually and credit policy manual triennially.

The objectives of the Credit Risk Appetite are to ensure that:

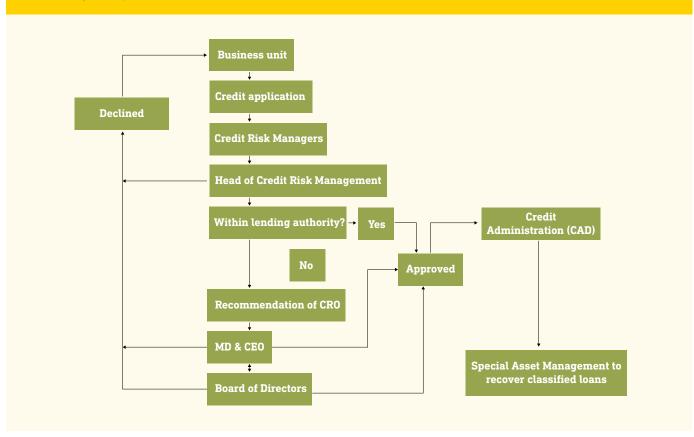
• Target markets and product offerings are well defined at both the enterprise-wide and business line levels;

• Risk parameters for new underwritings and for the portfolios as a whole are clearly specified;

Credit Risk Policy articulates the credit risk management framework, including:

- Key credit risk management principles;
- Delegation of authority;
- Counterparty risk management for trading and investment activities;
- Aggregate limits, beyond which credit applications must be escalated to the Board for approval; and
- Single borrower/aggregation exposures, beyond which a summary of exposures must be reported to the Board.

Credit management process



Credit Risk Management during COVID-19 pandemic period:

During the COVID-19 pandemic, to help the clients and foster their economic resilience, the credit-related actions EBL took include:

- Providing credit facilities to proven customers in pandemic. EBL increased lending to customers through usual loan approval procedures and based on internal assessments and ratings, while facilitating Government aid programs like Stimulus as well.
- Granting payment deferrals on outstanding loans, under the BB guidelines.

Accordingly, these moratoria are not considered to be automatic indicators for identifying these measures as forbearance. Likewise, moratoria have not been considered by themselves as an automatic trigger to conclude that a significant increase in credit risk has occurred. The Bank regularly reviews loans under moratoria to estimate and monitor loan performance before and after the expiration of granted repayment extensions.

The severity of the pandemic's effects varied significantly in industries. Consequently, EBL set out to identify ones that could be more affected to focus credit risk management process.

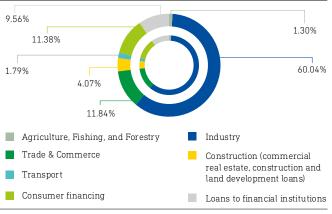
EBL has prepared Collections & Recoveries across its footprint to deal with the expected impact on portfolios once support measures expired.

Credit risk management specifically focused on quantifying expected credit losses as a result of the macroeconomic shock, running analyses of the deterioration of our customers' credit quality and other potential collective measurements.

Industry and sector wise loan concentration scenario:

Credit portfolio has registered a growth of 17.67 percent in 2021. More than 60 percent of the portfolio is concentrated in industry sector within which 53 percent of the portfolio is concentrated in large industry. The second biggest concentration is in Trade & Commerce sector with a concentration of around 12 percent closely followed by consumer finance sector which is 11.38 percent.

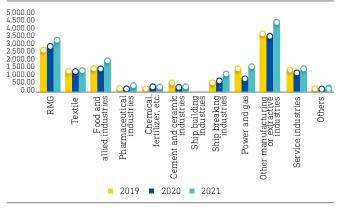




Industry Concentration:

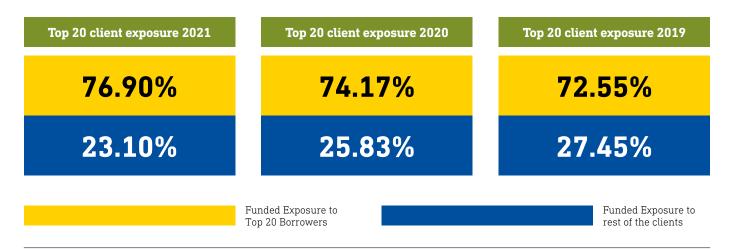
The concentration in industries is the highest in terms of the entire portfolio (60.04%). According to the guideline provided by the central bank if we segregate the industry sector into the twelve sectors we can see, other manufacturing & extractive industries has the highest concentration (28.04 percent) followed by RMG (21.77 percent). The exposure in other manufacturing sector is mainly in steel industry where EBL increased its exposure among the top clients. Industrial loans amount increased nearly by BDT 2,250 crore between June and December 2021. As economic activities are reviving in somewhat normal condition after lifting of the lockdown, EBL has increased exposure to previously tested clients with good credit background.

Industry Concentration



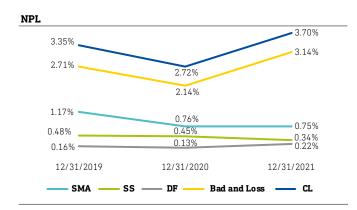
Concentration among top borrowers:

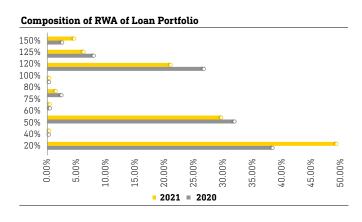
Bank's fund based exposure to top 20 customers is about 23.10% of total loans and advances. To maintain a sustainable portfolio with steady growth, the bank has been diversifying its loan portfolio as evident from the following chart:



Asset Quality:

Both amount and ratio of classified loans increased in 2021 from the position a year ago. Present NPL ratio increased to 3.70% in December 2021 which was 2.72% in December 2020. NPL is the key challenge for not only EBL but also for the banking industry in recent times. Bank's NLP has increased in 2021 due to global and nation-wide pandemic and lockdown situations which still prevailed in 2021. However, present NPL is still within Bank's risk appetite of 3.75%.





| Particulars | 2021 | 2020 | 2019 |
|---|--------|--------|--------|
| % of rated loans to total eligible loans for rating | 82.88% | 78.42% | 83.55% |

Percentage of rated portfolio increased year on year by 446 basis points and amount of rated portfolio increased by 14.40 percent.

Loan Portfolio under Stressed Scenario:

| | 2021 | | | 2020 | | |
|--|----------------|--------------------|---------|--------|----------|--------|
| Particulars | Minor | Moderate | Major | Minor | Moderate | Major |
| Shock applied by the bank | 3% | 9% | 15% | 3% | 9% | 15% |
| CRAR due to Increase in NPL | 12.04% | 7.58% | 2.24% | 13.28% | 9.01% | 3.78% |
| Shock applied by the bank | 10% | 20% | 40% | 10% | 20% | 40% |
| CRAR due to Decrease in value of collateral taken against loans and advances | 13.99% | 13.90% | 13.71% | 15.14% | 15.05% | 14.88% |
| Shock applied by the bank | 5% | 10% | 15% | 5% | 10% | 15% |
| CRAR due to Negative Shifting of NPL | 13.88% | 11.70% | 11.49% | 15.07% | 13.91% | 13.72% |
| Shock applied by the bank | 3% | 9% | 15% | 3% | 9% | 15% |
| CRAR due to If some sectors become classified | 13.42% | 12.10% | 10.75% | 14.63% | 13.34% | 12.22% |
| Shock applied by the bank | 3 | 7 | 10 | 3 | 7 | 10 |
| CRAR due to If some large borrowers become classified | 8.91% | 4.67% | 2.19% | 10.58% | 6.10% | 3.96% |
| Combir | ned credit ris | k result (after sh | lock) | | | |
| CRAR after combined credit shock | 11.74% | 5.02% | (0.71%) | 13.03% | 7.51% | 1.92% |

Capital to Risk weighted Assets Ratio (CRAR) stays well above the regulatory requirement in most stressed scenarios as evident from the above table.

Credit Risk Mitigation – Collateral / Security

Collateral values are accurately identified at the outset and throughout the tenure of a transaction by using standard evaluation methodologies. The frequency of collateral valuations is also increased when early warning signals of a borrower's deteriorating financial condition are identified.

Bank procedures require verification including certification by Bank officials during initial, annual, and periodic reviews that collateral values/ margins/etc. have been assessed and, where necessary, steps have been taken to mitigate any decreased collateral values.

About 50.37% of bank's total exposure is secured while 49.63% of total exposure is unsecured (as per definition of eligible collateral under BRPD circular no. 14 dated September 23, 2012). Bank practices cash flow based lending where business prospect is more focused. All the business loans are also backed by corporate guarantee.

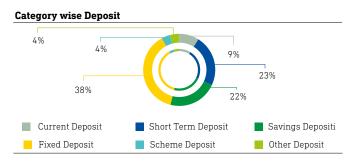
Liquidity Risk

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund growth of assets without incurring unacceptable cost or losses.

Liquidity Risk Measurement

An important aspect of measuring liquidity is making assumptions about future funding needs. One important factor to consider is the critical role a bank's reputation plays in its ability to access funds readily and at reasonable terms.

EBL has identified several key liquidity risk indicators, which are monitored on a regular basis to ensure healthy liquidity position.

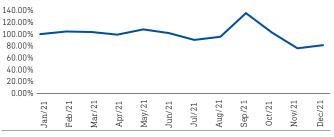


Although banking industry faced many challenges in 2021 like decrease in deposit rate, global pandemic situation leading to pay cut & job cut, EBL managed to increase total deposit by 10.59 percent.

Liquid Assets to Short Term Liabilities:

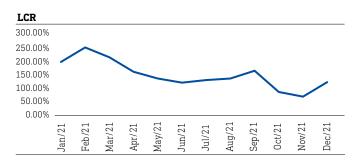
To calculate liquid asset to short term deposit cash in hand, balance with Bangladesh Bank, other banks & financial institutions, money on call and investment (Government) are considered as liquid assets. To calculate short term liabilities those which will be maturing within 3 months are considered.

Liquid Assets to Short Term Liabilities



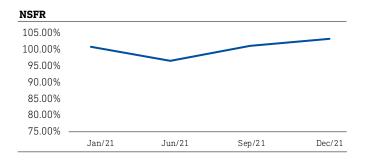
The average liquid assets to short term liabilities ratio was 100.98 percent in 2021.

Liquidity Coverage Ratio (LCR)



LCR aims to ensure that a bank maintains an adequate level of unencumbered, high -quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. Liquidity Coverage ratio is calculated as per format provided by Bangladesh Bank. Average LCR for 2021 was 165.58%, which is in line with the regulatory requirement of 100%.

Net Stable Funding Ratio (NSFR)



NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. This ratio is part of BASEL III liquidity parameters and calculated on central bank's guidelines and methodologies. Average NSFR for 2021 is 100.18 percent.

Liquidity risk management and mitigation

In order to develop comprehensive liquidity risk management framework, EBL has Contingency Funding Plan (CFP), which is a set of policies and procedures that serve as a blueprint for the Bank to meet its funding needs in a timely manner and at a reasonable cost.

CFP is an extension of ongoing liquidity management that formalizes the objectives of liquidity management by ensuring:

- a) A reasonable amount of liquid assets is maintained;
- b) Measurement and projection of funding requirements during various scenarios; and
- c) Management of access to funding sources.

Market risk

Market risk is the risk of loss from changes in market prices and rates (including interest rates, credit spreads, equity prices, foreign

exchange rates and commodity prices), the correlations between them, and their levels of volatility.

Market risk governance

Risk Management Division (RMD) and the Bank's Treasury Department are responsible for risk identification, measurement, monitoring, control, and management reporting in relation to market risk. Overall risk parameters and exposures of the Bank are monitored by RMD and reports to Executive Risk Management Committee (ERMC).

Treasury mid office guideline contains core principles, functions, and responsibilities of mid office. Mid office monitors and analyzes treasury deals from the risk on counterpart, individual dealer's, dealing currency, tenor, time of execution and appropriateness point of view. Findings from the analysis escalated to appropriate authority for notification and approval of exceptions (if any) on a daily, weekly and monthly interval.

Market risk factors

Interest rate risk

Interest rate risk of the Bank arises from adverse and unanticipated movements in future interest rates that could impact core business activities; granting of credit facilities, accepting deposits and issuing debt instruments, leading to fluctuations in earnings.

The techniques for measuring Bank's interest rate risk exposure begin with a maturity/re-pricing schedule that distributes interest sensitive assets, liabilities, and off-balance sheet positions into a certain number of predefined time bands according to their maturity (if fixed rate) or time remaining to their next re-pricing (if floating rate).

Exchange rate risk

Exchange rate risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Banks foreign exchange risk may arise from following activities:

- i. Holding foreign currency position in the banking book in the form of loans in foreign currency.
- ii. Engaging in derivative transactions that are denominated in foreign currency for trading or hedging.
- iii. Settlement risk due to default of counter parties.
- iv. Time-zone risk, which arises out of time lags in settlement of one currency in one center and settlement of another currency in another center located at different time zone.

Bank's foreign exchange risk management policies and procedure include:

- Accounting and management information systems to measure and monitor foreign exchange positions, foreign exchange risk and foreign exchange gains or losses;
- ii. Governing the management of foreign currency activities; and
- iii. Independent inspections or audits.

Investment portfolio risk

Bank holds investment portfolios to meet liquidity and statutory reserve requirements and for investment purposes. These portfolios expose the Bank to interest rate, foreign currency, credit spread and equity risks. These portfolios are controlled by a Boardapproved policy and limits.

Other Risks

Operational risk

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk. Operational risks not only result in financial loss, but also regulatory sanctions and damage to the Bank's reputation. In this regard, EBL is very successful at mitigating operational risk safeguarding client assets and preserving shareholder value.

Risk Management Division introduced comprehensive risk register for operational risk compiling the parameters as in regulatory frameworks. Risk Management team collect the status from the source departments to compile the risk performance and escalate the findings as appropriate.

Reputational risk

Reputational risk is the risk that negative publicity regarding organization's conduct, business practices or associations, whether true or not, will adversely affect its revenues, operations or customer base, or require costly litigation or other defensive measures. However, EBL takes every step to safeguard its core values/ purpose. Currently External Credit Rating of EBL, loss arising from internal and/or external frauds, non-payment or delayed payment of accepted bills and quality of customer service are considered to quantify reputational risk of the Bank.

Environmental risk

Environmental risk refers to the possibility that environmental concerns might affect financial performance of the Bank. How EBL addresses this issue is more elaborately highlighted in sustainability report.

Strategic risk

Strategic risk is the risk that the Bank's business strategies are ineffective, being poorly executed, or insufficiently resilient to changes in the business environment. EBL believes that prudent and proactive approach in managing strategic risks would deliver results and outperform its peers in many aspects including profitability, customer loyalty and market share. Currently CAMELS rating of EBL, cost to income ratio, NPL ratio, recovery from classified loan in a year, written-off Loan for the year, interest waived during the year and comparison of base rate against lending rate are considered as measurement tool for strategic risk.

Money laundering & terrorist financing risk

Money Laundering (ML) & Terrorist Financing (TF) risk refers to financial, reputational, operational, legal risk of bank resulting from being conduit of illicit fund/assets of perpetrators. Using bank to place illicit origin or ill motive of funds is the prime intention of perpetrators. Since they are adopting modern techniques to use financial channels as conduit of ML & TF, global financial channels are facing new challenges to ensure AML/CFT compliance.

In compliance with timely initiative and instruction of regulators, we have strengthened AML/CFT compliance framework in EBL. Board of Directors and Top management has adopted "Zero Tolerance" stand against Money Laundering and Terrorist Financing to set the tone at the Top. Central Compliance Committee (CCC) has been reconstructed with 14 important department/division heads so that they can actively contribute in AML/CFT compliance program. The committee reviews the emerging ML/TF risk issues and provides guidance on next course of action in quarterly meetings. DMD & Chief Anti-Money Laundering Compliance Officer (CAMLCO) is leading a dedicated AML Department consisting of 10 employees to address AML/CFT issues centrally in Head Office. AML Department is continuously monitoring transactions to identify unusual/suspicious transactions and ensure meticulous reporting to BFIU as and when required. In addition to nominating Branch Anti-Money Laundering Compliance Officer (BAMLCO) at 85 branches, we have nominated Department Anti-Money Laundering Compliance Officer (DAMLCO) at 25 crucial departments to oversee AML/CFT compliance. EBL has implemented automated transaction monitoring and sanction screening system to corroborate AML/CFT compliance program. As a result of deploying adequate resource in technology and skilled manpower, suspicious transactions/activities identification, escalation, and reporting has been improved significantly. In aspiration to improve further and continue development programs, EBL has adopted awareness programs such as need based training, foundation trainings, certification programs etc. for its employees.

Information and communication technology (ICT) risk

Effective ICT risk management has become essential for EBL as we rely increasingly on technology to achieve the organizational objective. As the risks emerge in tandem with technological advancements, ICT security efforts need to be strengthened to ensure appropriate security controls are in place to maintain integrity, confidentiality and availability of information. Some of our important endeavors in this regard are mentioned below.

- For taking into account the changes in the threat domain, 3 (three) major policies have been updated, namely ICT Security Policy, ICT Risk Management Policy and ICT Project Management Policy.
- PCI-DSS recertified for six consecutive years. Additionally, ISO 27001:2013 ISMS certification has been renewed through continuous development for three years in a row.
- Upgraded Core Banking System will significantly improve our risk stance.

- As the only bank in the country EBL is a member of the Financial Sector Information Sharing and Analysis Center (FS-ISAC) to take information risk management efforts to the next level. This non-profit organization provide its members with cyber threat intelligence.
- Vulnerability Assessment and Penetration Testing (VAPT) has been conducted periodically for all solutions and hardware to determine flaws and exploitable weaknesses.
- Continuously deploying security patches and updating software versions to mitigate the risk of known vulnerabilities at OS and Software levels.
- To prevent the risk of misuse of user access privileges in businesscritical applications, access lists have been reviewed periodically.
- Years-long effort to raise awareness had demonstrated matured organizational awareness where all employees passed an awareness e-certification exam on ICT security and Compliance.

• Internal and External ICT audits have been carried out, and findings are sufficiently addressed.

Risk Reporting

Risk Management Report is prepared on monthly interval to record 81 risks related issues of credit, market and operational risk across the Bank during the month and submitted towards Bangladesh Bank for all months other than June and December within 30 days following the month end. In addition, Comprehensive Risk Management Report (CRMR) is submitted to Bangladesh Bank by July 31 (based on June 30 data) and January 31 (based on December 31 data). Executive Risk Management Committee (ERMC) reviews these papers on monthly interval; recommends action plans to the concerned department for mitigating identified risk areas and follows-up the implementation of previous recommendations. 12 ERMC meetings were held during 2021.

Way forward

- Alongside sustained portfolio growth, maintaining regularity of the existing portfolio will be our foremost priority. Equal emphasis will be placed on recovery efforts from non-performing and writtenoff loans.
- Reviewing the performance of the recovery status of the nonperforming assets and updating the status to management and RMC of the Board.
- Increasing organization-wide risk awareness, empowering employees with understanding of risk involved with their specific tasks, and how they can be responsible in managing risk exposures concerning their functions.

Ensuring monitoring of risk performance is aligned with the risk appetite of the Bank and escalating the breaches to the Top Management of the Bank. Contributing towards Bank's profitability by providing analysis on risk adjusted results; facilitating for informed decision making. Ensuring Bank's risk management framework is going as per the goal, mission and vision of the Bank.

Disclosures on Risk Based Capital (Basel III)

Background

Basel III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. Basel III mainly addresses the following areas:

- raise the quality and level of capital to ensure banks are better able to absorb losses on both going concern and gone concern basis.
- increase the risk coverage of the capital framework.
- introduce leverage ratio to serve as a backstop to the riskbased capital measure.
- raise the standard for the supervisory review process (Pillar 2) and public disclosures (Pillar 3) etc.

In compliance with the 'Revised Guidelines on Risk Based Capital Adequacy (RBCA)' issued by Bangladesh Bank in December 2014, banks in Bangladesh have formally entered into Basel III regime from 1 January 2015. The new capital and liquidity standards have greater business implications for banks.

Eastern Bank Limited (EBL) has also adopted Basel III framework as part of its capital management strategy in line with the revised guideline. These Market discipline disclosures under Basel III are made following the same guidelines in order to complement the minimum capital requirement and the supervisory review process. Establishing a transparent and disciplined financial market through providing accurate and timely information related to liquidity, solvency, performance and risk profile of a bank is another important objective of this disclosure.

Consistency and validation

The quantitative disclosures are made on the basis of consolidated audited financial statements of EBL and its subsidiaries as at and for the year ended on 31 December 2021. Those are prepared under relevant International Accounting and Financial Reporting Standards and related circulars/ instructions issued by Bangladesh Bank. The assets, liabilities, revenues and expenses of the subsidiaries are combined with those of the parent company (EBL), eliminating intercompany transactions. Assets of the subsidiaries are risk weighted and equities of subsidiaries are crossed out with the investment of EBL on consolidation. So, information presented in the 'Quantitative Disclosures' section can easily be verified and validated with corresponding information presented in the consolidated and separate audited financial statements of EBL (Group and Bank) available on the website of the Bank (www. ebl.com.bd). The report is prepared once a year and is available in the website.

A. Scope of application

Qualitative Disclosures

(a)The name of the top corporate entity in the group to which this guideline applies:

The framework applies to **Eastern Bank Limited (EBL)** on **'Consolidated Basis'** as there were four subsidiaries of the Bank as on the reporting date i.e. 31 December 2021. However, **'Solo Basis'** information has been presented beside those of 'Consolidated Basis' to facilitate comparison.

(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; that are given a deduction treatment; and (ii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

Entities within the group: The Bank has four fully owned subsidiaries as on the reporting date. These are EBL Securities Limited, EBL Investments Limited, EBL Finance (HK) Limited and EBL Asset Management Limited. All subsidiaries of the Bank have been incorporated in Bangladesh except for EBL Finance (HK) Limited which is incorporated in Hong Kong.

EBL Securities Ltd.: EBL Securities Limited (EBLSL), a securities brokerage firm acquired in two phases, is a public limited company having TRECs (Trading Right Entitlement Certificate) and ordinary shares of both the bourses i.e., Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. The principal activities of this subsidiary are buying, selling and settling of securities on behalf of investors and its own portfolio. Registered office of EBLSL is located at Jiban Bima Bhaban, 10 Dilkusha CA, Dhaka - 1000, Bangladesh.

EBL Investments Ltd.: EBL Investments Limited (EBLIL) was incorporated on 30 December 2009. EBLIL obtained license from Bangladesh Securities & Exchange Commission (BSEC) on January 2013 and started full-fledged operations of merchant banking, portfolio management, underwriting, etc. from June 2013. Registered office of EBLIL is located at Jiban Bima Bhaban, 10 Dilkusha CA, Dhaka - 1000, Bangladesh.

EBL Finance (HK) Ltd.: EBL Finance (HK) Limited, the first foreign subsidiary of EBL, was incorporated on 28 November 2011 with Hong Kong (HK) authority. This subsidiary started its full-fledged business operations (i.e. offshore trade finance, advising, documents collection etc.) in Hong Kong during 2013 after obtaining all the required licenses from Bangladesh and HK authority. Registered office of EBL Finance (HK) Limited is Unit 1201, 12th Floor, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Hong Kong.

EBL Asset Management Ltd.: EBL Asset Management Limited (EBLAML) was incorporated on 9 January 2011 to carry out asset management business, capital market operation, equity investment

BDT in million

etc. having obtained license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 to run full-fledged business operations. Registered office of EBLAML is located at Bangladesh Shipping Corporation (BSC) Tower, 2-3 Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka - 1000, Bangladesh.

The financials are fully consolidated and all intercompany transactions and balances are eliminated.

(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.

The rules and regulations of BRPD of Bangladesh Bank that govern 'Single Borrower Exposure Limit' for the customers are equally applicable for the Bank in financing its own subsidiaries. Bank is following latest Bangladesh Bank circular in determining maximum amount of finance to the subsidiaries of the Bank.

Quantitative Disclosures

(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not Applicable.

B. Capital structure

Qualitative disclosures

(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in case of capital instruments eligible for inclusion in Common Equity Tier-1, Additional Tier 1 or Tier 2.

Regulatory capital base is quite different from accounting capital. As per Basel III guidelines, regulatory capital consists of Tier-1 (Common Equity Tier 1 and Additional Tier 1) and Tier 2 capital.

- Common Equity Tier-1 (CET1) capital of EBL consists of Fully Paid-up Capital, Statutory Reserve, General Reserve, Retained Earnings and Dividend Equalization Fund.
- Tier-2 capital of EBL consists of general provision and subordinated debt.
- At present, EBL doesn't hold any Additional Tier 1 (AT1) Capital.

Quantitative disclosures

| Particulars | Solo (Bank) | Consolidated |
|---|-------------|--------------|
| Common Equity Tier-1 (CET-1) Capital | 29,012 | 29,541 |
| Regulatory adjustments | (2,876) | (3,000) |
| Total Common Equity Tier -1 Capital | 26,136 | 26,541 |
| Additional Tier-1 Capital | - | - |
| Tier-2 Capital | 9,538 | 9,538 |
| Total Regulatory Capital | 35,674 | 36,079 |

C. Capital adequacy

Qualitative disclosures

(a) A summary discussion of the bank's approach in assessing the adequacy of its capital to support current and future activities.

Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. EBL follows the 'asset based' rather than 'capital based' approach in assessing the adequacy of capital to support current and projected business activities. The Bank focuses on strengthening risk management and control environment rather than increasing capital to cover up weak risk management and control practices. EBL has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) and occasional issue of subordinated debt and right shares to support incremental growth of Risk Weighted Assets (RWA). Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risks foreseen. Therefore, the Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within regulatory limit during 2021 (13.5% plus). To ensure the adequacy of capital to support the future activities, the bank assesses capital requirements periodically considering future business growth. Risk Management Division (RMD) under guidance of the SRP team/ ERMC (Executive Risk Management Committee), is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to.

Quantitative disclosures

| | | DD1 III IIII(II0II |
|---|-------------|--------------------|
| Particulars | Solo (Bank) | Consolidated |
| Capital requirement for Credit Risk | 22,049 | 22,222 |
| Capital requirement for Market Risk | 778 | 1,193 |
| Capital requirement for Operational Risk | 2,511 | 2,590 |
| Minimum capital requirement (MCR) | 25,339 | 26,005 |
| Total regulatory capital | 35,674 | 36,079 |
| Risk weighted assets | 253,388 | 260,049 |
| Capital to Risk Weighted Asset Ratio | 14.08% | 13.87% |
| Common Equity Tier-1 (CET-1) Capital Ratio | 10.31% | 10.21% |
| Tier-2 Capital Ratio | 3.76% | 3.67% |
| Capital Conservation Buffer (%) maintained | 4.08% | 3.87% |
| Available Capital under Pillar II requirement* | 4,001 | 3,573 |

*Total regulatory capital less MCR less CCB.

D. Credit risk

BDT in million

Qualitative disclosures

(a) General Disclosure

Credit risk is defined as the probability of failure of counterparty to meet its obligation as per agreed terms. Banks are very much prone to credit risk due to its core activities i.e. lending to Corporate, Consumer, SME and other banks/FIs. The main objective of credit risk management is to minimize negative impact through adopting proper mitigates and to limit credit risk exposures within acceptable limit.

Credit risk management has been independent of origination of business to establish better control and to reduce conflicts of interest. The Head of Credit Risk Management (HoCRM) has well-defined responsibility for management of credit risk. Final authority and responsibility for all activities that expose the bank to credit risk rests with the Board of Directors. The Board however delegated authority to the Managing Director and CEO or other officers of the credit risk management division.

The Board of Directors (BoD) sets credit policies and delegates authority to the management for setting procedures, which together has structured the credit risk management framework in the bank. The Credit Policy Manual contains the core principles for identifying, measuring, approving, and managing credit risk in the bank and is designed to meet the organizational requirements that exist today as well as to provide flexibility for future. These policies represent the minimum standards for credit extension by the bank, and are not a substitute of experience and good judgment.

Definitions of past due and impaired credit

To define past due and impairment through classification and provisioning, the bank follows Bangladesh Bank Circulars and Guidelines. Accordingly, any **Continuous Loan** if not repaid/ renewed within the fixed expiry date for repayment or after the demand made by the bank is treated as past due/overdue from the following day of the expiry date. Any **Demand Loan** if not repaid within the fixed expiry date for repayment or after the demand made by the bank is treated as past due/overdue from the following day of the expiry date for repayment or after the demand made by the bank is treated as past due/overdue from the following day of the expiry date. Whereas, in case of any installment (s) or part of installment (s) of a **Fixed Term Loan** if not repaid within the fixed expiry date, the amount of unpaid installments (s) is treated as past due/overdue after six months of the expiry date. The summary of objective criteria for loan classification and provisioning requirement is as below:

| | | Loans Classification | |
|---|--|--|---------------------------------------|
| Type of Facility | Sub Standard (Overdue Period) | Doubtful (Overdue Period) | Bad & Loss (Overdue Period) |
| Continuous Loan & Demand Loan | Other than CMS *: 3 months or more but less than 9 months. | Other than CMS: 9 months or more but less than 12 months. | Other than CMS: 12 months or more. |
| | CMS: 6 months or more but less than 18 months. | CMS: 18 months or more but less than 30 months. | CMS: 30 months or more. |
| Fixed Term Loan | Other than CMS: 3 months or more but less than 9 months. | Other than CMS: 9 months or more but less than 12 months. | Other than CMS: 12 months or more |
| | CMS: 6 months or more but less than 18 months. | CMS: 18 months or more but less than 30 months. | CMS: 30 months or more. |
| Short Term Agricultural & Micro Credit | 12 months or more but less than 36 months | 36 months or more but less than 60 months | 60 months or more |

* CMS means Cottage, Micro and Small credits defined in SMESPD Circular No. 02 dated 05 September 2019.

Specific provisions for classified loans and general provisions for unclassified loans and advances and contingent assets are measured following BB prescribed provisioning rates as mentioned below:

| Heads | Rates of provision |
|--|--------------------|
| General provision on: | |
| Unclassified (including SMA) small and medium enterprise | 0.25% |
| Unclassified (including SMA) Loans to BHs/MBs/SDs against shares etc. | 2% |
| Unclassified (including SMA) loans for housing finance | 1% |
| Unclassified consumer financing including credit card (other than housing finance) | 2% |
| Unclassified (including SMA) other loans and advances | 1% |
| Short term agri credit and micro credit | 1% |
| Special General Provision: Covid-19 | 1%-2% |
| Off-balance sheet exposures (excluding Bills for collection) | 0%-1% |
| Specific provision on: | |
| Substandard loans other than short term agri credit, micro credit and CMSME | 20% |
| Doubtful loans other than short term agri credit, micro credit and CMSME | 50% |
| Substandard & doubtful loans short term agri credit and micro credit | 5% |
| Substandard loans CMSME | 5% |
| Doubtful loans CMSME | 20% |
| Bad/Loss loans and advances | 100% |

Quantitative disclosures

(b) Total gross credit risk exposures (by major types) of 31-12-21:

| | BDT in million |
|---|----------------|
| Particulars | Amount |
| Inside Bangladesh | |
| Continuous loan (CL-2) | |
| Consumer Financing (CF) | 6,033 |
| Small & Medium Enterprise (SME) | 7,537 |
| Loans to BHs/MBs/SDs against Shares | 2,276 |
| Other than SMEF, CF, BHs/MBs/SDs | 17,725 |
| | 33,572 |
| Demand loan (CL-3) | |
| Small & Medium Enterprise (SME) | 7,010 |
| Other than SMEF, CF, BHs/MBs/SDs | 120,461 |
| | 127,471 |
| Term loan (CL-4) | |
| Consumer Financing (including staff, other than HF) | 11,648 |
| Housing Financing (HF) | 5,180 |
| Small & Medium Enterprise | 18,072 |
| Other than SMEF, CF, BHs/MBs/SDs | 64,359 |
| | 99,258 |
| Short term agri credit and microcredit (CL-5) | |
| Short term agri credit | 3,779 |
| | 3,779 |

| | BDT in million |
|--------------------------------------|----------------|
| Particulars | Amount |
| Outside Bangladesh | |
| Loans, cash credits, overdrafts etc. | 5,314 |
| Total | 269,394 |

(C) Geographical distribution of exposures (31-12-21):

BDT in million

| Division | Total |
|---|---------|
| Inside Bangladesh | |
| Dhaka Division | 199,975 |
| Chattogram Division | 52,634 |
| Sylhet Division | 1,786 |
| Rajshahi Division | 3,880 |
| Khulna Division | 4,122 |
| Rangpur Division | 754 |
| Barishal Division | 408 |
| Mymensingh Division | 522 |
| | 264,080 |
| Outside Bangladesh | - |
| Bills financed & UPAS (by EBL Finance HK Ltd) | 5,314 |
| Total | 269,394 |

(d) Sector wise exposure of Total loan (31-12-21):

| | | BD1 III IIIIIII0II |
|--|------------|--------------------|
| Particulars | 31-12-2021 | Mix (%) |
| Agri and micro credit through NGO | 19,175 | 7.12% |
| Commercial and trading | 31,897 | 11.84% |
| Construction | 10,968 | 4.07% |
| Cement and ceramic industries | 3,893 | 1.44% |
| Chemical and fertilizer | 3,591 | 1.33% |
| Crops, fisheries and livestock | 741 | 0.27% |
| Electronics and electrical goods | 6,947 | 2.58% |
| Food and allied industries | 15,672 | 5.82% |
| Consumer finance | 30,669 | 11.38% |
| Metal and steel products | 19,138 | 7.10% |
| Pharmaceutical industries | 4,553 | 1.69% |
| Power and fuel | 14,204 | 5.27% |
| Rubber and plastic industries | 4,935 | 1.83% |
| Readymade garments industry | 35,209 | 13.07% |
| Ship building & breaking industry | 10,364 | 3.85% |
| Sugar and edible oil refinery | 1,488 | 0.55% |
| Transport and e-communication | 6,137 | 2.28% |
| Textile mills | 11,935 | 4.43% |
| Other manufacturing or extractive industries | 16,623 | 6.17% |
| Others | 21,255 | 7.89% |
| Total | 269,394 | 100.00% |

(e) Residual contractual maturity of credit exposure (31-12-21):

BDT in million

BDT in million

BDT in million

| Particulars | Amount | |
|---|---------|--|
| On demand | 7,312 | |
| In not more than one month | 17,313 | |
| In more than one month but not more | 40.793 | |
| than three months | 40,793 | |
| In more than three months but not more | 117.907 | |
| than one year | 117,707 | |
| In more than one year but not more than | 61.167 | |
| five years | 01,107 | |
| In more than five years | 24,901 | |
| Total | 269,394 | |

(f) Sector wise exposure of classified loans (31-12-21):

| Particulars | 31-12-2021 | | |
|--------------------------------|------------|---------|--|
| Particulars | Amount | Mix (%) | |
| Commercial and trading | 3,333 | 33.40% | |
| Crops, fisheries & livestock | 22 | 0.22% | |
| Electronics & electrical goods | 736 | 7.38% | |
| Consumer finance | 16 | 0.16% | |

| Particulars | 31-12-2021 | |
|--|------------|---------|
| Particulars | Amount | Mix (%) |
| Metal & steel products | 269 | 2.69% |
| Readymade garments industry | 1,917 | 19.21% |
| Ship breaking industry | 2,730 | 27.36% |
| Sugar, edible oil refinery & food processing | 52 | 0.52% |
| Transport & e-communication | 117 | 1.17% |
| Textile mills | 40 | 0.40% |
| Others | 747 | 7.48% |
| Total | 9,979 | 100.00% |

(g) Gross Non-Performing Assets (classified loan)

On the reporting date i.e. 31 December 2021, Gross Non-Performing Assets/classified loans stood at BDT 9,979 million.

Non-Performing Assets (classified loans) to Outstanding Loans & advances

On the reporting date i.e. 31 December 2021, Non-Performing Assets (classified loans) to outstanding loans & advances was 3.70%.

Movement of Non-Performing Assets (classified loans)

BDT in million

| Particulars | 2021 | 2020 |
|----------------------------|-------|---------|
| Opening balance | 6,226 | 7,771 |
| Additions during the year | 4,577 | 29 |
| Reductions during the year | (825) | (1,575) |
| Closing balance | 9,979 | 6,226 |

Movement of Specific Provisions for NPAs (Provisions for classified loans) BDT in million

| Particulars | 2021 | 2020 |
|----------------------------------|-------|-------|
| Opening balance | 7,499 | 6,009 |
| On fully provided debt written | (104) | - |
| off during the year | (| |
| On recovery from loans written | 363 | 726 |
| off earlier | | 720 |
| Additional provision moved to GP | (860) | - |
| Specific provision charged (net | 1,663 | 765 |
| of recovery) for the year | 1,005 | /00 |
| Provision held at the end of | 9 543 | 7.499 |
| the year | 8,562 | 7,477 |

E. Equities: Disclosures for Banking Book Positions

Qualitative disclosures

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons

Investment in equity securities by EBL is broadly categorized into two types: Quoted securities (Ordinary shares, Mutual Funds) and Un-quoted securities (including preference share and subscription for private placement). Unquoted securities are categorized as banking book exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future (i.e. held to maturity) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually these securities are held for trading or investment for making capital gains.completing required formalities. Usually these securities are held for trading or investment for making capital gains.

Discussion of important policies covering the valuation and accounting of equity holdings in the banking book.

| Investment class | Initial recognition | Measurement after initial recognition | Recording of changes |
|---|---------------------|---|---|
| Govt. T-bills/bonds - Held For Trading (HFT) | Cost | Fair value | Revaluation loss to profit and loss account, but gain to revaluation reserve account. |
| Govt. T-bills/T-bonds - Held To Maturity (HTM) | Cost | Amortized cost | Increase in value of securities is booked to equity as amortization gain, but decrease to profit and loss account. |
| Debenture/bond | Cost | Cost | At realizable value. Unrealized loss to profit and loss account. |
| Shares (quoted) * | Cost | Lower of cost or market value (portfolio basis) | Provision for revaluation loss (net off gain) is charged to profit and loss account but no unrealized gain booking. |
| Shares (unquoted)* | Cost | Lower of cost or Net Asset Value (NAV) | Provision for unrealized loss to profit and loss account but no unrealized gain booking. |
| Mutual fund (closed-end) * | Cost | Lower of cost or (higher of market value or 85% of NAV) | Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking. |
| Unit fund (open-end) * | Cost | Lower of cost or 85% of NAV | Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking. |
| Prize bonds | Cost | Cost | None |

* Provision for shares against unrealized loss (gain net off) has been made as per DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) & unit funds (open-end) as per DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

Quantitative disclosures

Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities

| | | BDT in million |
|---|-------------|----------------|
| Particulars | Solo (Bank) | Consolidated |
| The cumulative realized gains (losses) arising from sale and liquidation in the reporting period/Net gain/(loss) on sale of quoted securities | 341 | 520 |
| Total unrealized gains (losses)/ Provision for revaluation of shares (net) | 256 | 409 |
| Total latent revaluation gains (losses) | - | - |
| Any amount of the above included in Tier 2 capital | - | - |
| Capital charge required for quoted securities: | 756 | 1,170 |
| Specific risk | 378 | 585 |
| General market risk | 378 | 585 |

F. Interest rate risk in the banking book (IRRBB)

Qualitative disclosures

(a) General Disclosure

Interest Rate Risk is the risk which affects the Bank's financial condition due to change of market interest rates. Changes in interest rates affect both the current earnings (earnings perspective) and also the net worth of the Bank (economic value perspective). Bank assesses the interest rate risk both in earning and economic value perspective.

The process of interest rate risk management by the bank involves determination of the business objectives, expectation about future macro-economic variables and understanding the money markets and debt market in which it operates. Interest rate risk management also includes quantifying the appetite for market risk to which bank is comfortable with.

The Bank uses the following approach to manage interest rate risks inherent in the Balance sheet:

Simple Gap Analysis: Traditional Gap analysis of on-balance sheet Asset Liability Management (ALM) involves careful allocation of assets and liabilities according to re-pricing/maturity buckets. This approach quantifies the potential change in net interest income using a specified shift in interest rates, e.g. 100 or 200 basis points, or a simulated future path of interest rates. **Assumptions:** For Gap analysis, bank considers the following:

- For fixed-rate contract, remaining maturity is considered.
- For contracts with provision of re-pricing, time remaining for next re-pricing is considered.
- For assets and liabilities which lack definitive re-pricing interval or for which there is no stated maturity, bank determines the core and volatile portion. For assets, volatile portion is bucketed till 3 months using historical repayment behavior and stable portion is bucketed in 6-12 months bucket. For liabilities, volatile portion is bucketed till 1 year using historical withdrawal behavior and stable portion is bucketed in over 1 year segment.
- Deposits that are already matured but not withdrawn are considered to be under overnight bucket.

Also, following assumptions are met:

- The main assumption of gap analysis is that interest rate moves on a parallel fashion. In reality however, interest rate does not move on parallel fashion.
- Contractual repayment schedule is met.
- Re-pricing of assets and liabilities takes place in the midpoint of time bucket.
- The expectation that loan repayment will be as per schedule.
- No early encashment is considered in term and recurring deposit.
- Non maturity deposit withdrawal is considered based on past withdrawal behavior.
- Interest paid on liabilities tends to move faster than interest rates earned on assets.
- Interest rates attached to bank assets and liabilities do not move at the same speed as market interest rates.
- Point at which some assets and liabilities are re-priced is not easy to identify.

Quantitative disclosures:

Funding Gap Analysis:

Funding GAP Analysis attempts to determine the potential impact on net interest income (NII) due to changes in interest rate.

Result of Funding Gap analysis as on December 31, 2021:

| Particulars | 3 months | 6 months |
|--|------------------------|------------------------|
| For 1% increase/decrease in interest rate, impact on NII | BDT ± 19.14 Million | BDT ± 39.62 Million |
| For 2% increase/decrease in interest rate, impact on NII | BDT ± 38.27 Million | BDT ± 79.23 Million |

Duration GAP Analysis:

The focus of the Duration GAP Analysis is to measure the level of a bank's exposure to interest rate risk in terms of sensitivity of Market

Value of its Equity (MVE) to interest rate movements. Duration Gap can be used to evaluate the impact on the Market Value of Equity of the bank under different interest rate scenarios. ALCO monitors the Leveraged Liability Duration and duration gap of the total bank balance sheet on a quarterly basis to assess the impact of parallel shift of the assumed yield curve.

| Particulars | Dec-31, 2021 | Dec-31, 2020 |
|-------------------------|--------------|--------------|
| Duration of Asset | 1.89 | 1.71 |
| Duration of Liabilities | 1.75 | 1.56 |
| Duration Gap | 0.32 | 0.30 |

| Changes in Market value of Equity due to an increase in interest rate as of 31st December, 2021 | | |
|--|----------------------|----------------------|
| 1% | 2% | 3% |
| BDT 1,086.23 Million | BDT 2,172.47 Million | BDT 3,258.70 Million |

G. Market risk

Qualitative Disclosures

Market Risk: Market Risk is defined as the possibility of loss due to changes in the market variables. It is the risk that the value of on/off-balance sheet positions will be adversely affected by movements in equity price, interest rate and currency exchange rates. The objective of our market risk policies and processes is to obtain the best balance of risk and return whilst meeting customers' requirements. The primary categories of market risk for the bank are:

Interest rate risk: Arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.

Currency exchange rate risk: Arising from changes in exchange rates and implied volatilities on foreign exchange options.

Equity price risk: Arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

Bank has a comprehensive Treasury Trading Policy, Asset-Liability Management Policy, Investment Policy approved by the BoD to assess, monitor and manage all the above market risks. Various internal limits have been set to monitor market risk and capital requirement is assessed as per standardized approach of Basel III.

Methods used to measure Market Risk: Bank applies maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

Market Risk Management System: To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquidity

Figures in BDT

Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio. To manage foreign exchange risk of the bank, the bank has adopted the limit set by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher. FX VaR of December 2021 end are as follows:

| ue-at-Risk (Loss in percent of present value) | | | | | | |
|---|---------|--------------|-----------|-----------|-----------|--|
| Confidence level | | Time horizon | | | | |
| Confidence level | 1 day | 2 days | 3 days | 4 days | 5 days | |
| 90% | 155,680 | 286,018 | 348,273 | 387,568 | 475,950 | |
| 95% | 286,018 | 365,497 | 523,299 | 651,748 | 764,619 | |
| 99% | 943,035 | 952,788 | 1,069,611 | 1,083,815 | 1,462,340 | |

To manage equity risk, the Investment Committee of the bank takes prudent decisions complying sectoral preferences as per investment policy of the bank and capital market investment limit set by BB.

BDT in million

Quantitative disclosures:

Capital charge required (Solo basis) for market risk on the reporting date 31-12-21:

| | Particulars | Amount |
|---|-----------------------|--------|
| а | Interest rate risk | - |
| b | Equities | 756 |
| С | Foreign exchange risk | 23 |
| d | Commodity risk | |
| | Total | 778 |

H. Operational risk

Qualitative Disclosures

Operational Risk: Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure or external events. It is inherent in every business organization and covers a wide spectrum of issues. We seek to minimize exposure to operational risk, subject to cost benefit trade-offs.

Views of Board on system to reduce Operational Risk: The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division to protect against all operational risks. As a part of continued surveillance, the management committee (MANCOM), Executive Risk Management Committee (ERMC) and Risk Management Division (RMD) regularly review different aspects of operational risks and escalate the findings to appropriate authority while internal audit suggests formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank. **Policies and processes to mitigate operational risk:** The bank captures some identified risk events associated with all functional departments of the bank through standard reporting format, Departmental Control Function Check List (DCFCL), Quarterly Operation Report (QOR), Key Risk Indicator (KRI), internal audit, monitoring, and system check etc. Internal Control and Compliance Division (ICCD) is detecting 'High' Risk areas and finding mitigation of those risks. ERMC also oversees the operational risk issues. ERMC analyzes 'high' and 'moderate' risk indicators and sets responsibility for specific people to resolve the issues.

Performance gap of executives and staffs: EBL is an equal opportunity employer. It recognizes the importance of having the right people at right positions to achieve organizational goals. Our recruitment and selection is governed by the philosophy of fairness, transparency and diversity. Understanding what is working well and what requires further improvement is essential to our performance management system. The performance management process aims to clarify what is expected from employees as well as how it is to be achieved.

Our learning and development strategy puts special focus on continuous professional development to strengthen individuals' skill set by removing weaknesses to perform the assigned job with perfection. We have a wide range of internal and external training programs to enhance capabilities as well as minimize performance gap that will contribute more to bottom line.

Peoples' performance is assessed on the bases of performance objectives and key performance indicators (KPI) set at the beginning of each year. Decisions related to rewards and recognitions for the employees are taken on the bases of how well the assigned KPIs are met by the employee.

Potential external events: The overall environment within which a bank operates creates certain externalities which could affect business performance directly such as: Fraud Risk is the risk of incurring losses as a result of an intentional act or omission by a third party involving dishonesty, for personal and/or business gain, to avoid personal and/or business loss, or to conceal improper or unauthorized activity. This includes facilitation, misrepresentation, money laundering, terrorist financing, theft, forgery and cyber-crime.

Business Continuity Risk is the risk of incurring losses resulting from the interruption of normal business activities, i.e. interruptions to our infrastructure as well as to the infrastructure that supports our businesses.

Information Security Risk is the risk of an event which could result in the compromise of organizational assets, including, but not limited to, unauthorized use, loss, damage, disclosure or modification of organization's assets. It includes the risk of cyber threats on the organization.

Regulatory Compliance Risk is the risk of incurring regulatory sanctions (including restrictions on business activities, fines or enhanced reporting requirements), financial and/or reputational damage arising from our failure to comply with applicable laws, rules and regulations.

Vendor Risk arises from adverse events and risk concentrations due to failure in vendor selection, insufficient controls and oversight over a vendor and/or services provided by a vendor and other impacts to the vendor itself.

Approach for calculating capital charge for operational risk: The

bank applies 'Basic Indicator Approach' of Basel III as prescribed by BB in revised RBCA guidelines. Under this approach, banks have to calculate average annual gross income (GI) of last three years and multiply the result by 15% to determine required capital charge. Gross Income is the sum of 'Net Interest Income' and 'Net noninterest income' of a year or 'Total Operating Income' of the bank with some adjustments as noted below. GI shall:

- Be gross of any provision (e.g. for unpaid interest),
- Be gross of operating expenses, including fees paid to outsourcing service providers,
- Include lost interest i.e. interest suspense on classified loans (SS, DF, BL).

Quantitative disclosures:

Capital charge required for operation risk on the reporting date 31-12-21:

BDT in million

| Particulars | Solo (Bank) | Consolidated |
|-------------------------------------|-------------|--------------|
| Capital charge for operational risk | 2,511 | 2,590 |

I. Liquidity ratio

Qualitative Disclosures

Views of BoD on System to reduce liquidity risk

Liquidity Risk is the risk of bank's inability to repay its obligations as they fall due or incurring excessive cost while mobilizing fund due to scarcity of cash fund at a certain period of time. The risk arises from mismatch in the expected level of cash flows from maturing assets and liabilities. The intensity and sophistication of liquidity risk management system depends on the nature, size and complexity of a bank's activities. Sound methods in measuring, monitoring and controlling liquidity risk is critical to sustainability of the bank. Therefore, The Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

Methods used to measure liquidity risk

The tools and procedures deployed by EBL to manage liquidity risk are comprehensive. The measurement tools used to assess liquidity risks are:

- Statutory Liquidity Requirement (SLR)
- Cash Reserve Ratio (CRR)
- Asset to Deposit Ratio (ADR)
- Structural Liquidity Profile (SLP)
- Maximum Cumulative Outflow (MCO)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)
- Volatile Liability Dependency Ratio
- Liquid Asset to Total Deposit Ratio
- Liquid Asset to Short Term Liabilities

Liquidity risk management system

Responsibility of managing liquidity lies with Asset Liability Committee (ALCO) of the bank which meets at least once in every month. Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by proper coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly.

Policies and processes for mitigating liquidity risk

In order to develop comprehensive liquidity risk management framework, EBL has constructed Contingency Funding Plan (CFP) to manage liquidity in both normal and stressed conditions. CFP includes a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. CFP is an extension of ongoing liquidity management while ensuring:

- Reasonable liquid assets are maintained;
- Measurement and projection of funding requirements in different scenarios; and
- Management of access to funding sources.

Maturity bucket of cash inflows and outflows is an effective tool to determine bank's cash position; that estimates cash inflows and outflows with net deficit or surplus (GAP) both on a day to day basis and over a series of specified time periods. A bucket wise (e.g. call, 2-7 days, 8 days-1 month, 1-3 months, 3-12 months, 1-5 years, over 5 years) maturity profile of the assets and liabilities is prepared to understand mismatch in every bucket. A structural maturity profile is prepared periodically following guidelines of Bangladesh Bank.

Quantitative disclosures:

Liquidity Coverage Ratio and Net Stable Funding Ratio as on 31 December 2021 are given below:

| Particulars | Amount |
|--|------------|
| Stock of High quality liquid assets | 60,089.65 |
| Total net cash outflows over the next 30 calendar days | 41,448.82 |
| Liquidity Coverage Ratio (%) | 144.97% |
| | |
| Available amount of stable funding | 280,868.99 |
| Required amount of stable funding | 269,030.57 |
| Net Stable Funding Ratio (%) | 104.40% |

J. Leverage ratio

Qualitative Disclosures

Views of BoD on System to reduce excessive leverage

Leverage ratio is the ratio of Tier 1 capital to total on and off-balance sheet exposures. It was introduced into the Basel III framework as a non-risk based backstop limit, to supplement risk-based capital requirements. EBL has embraced this ratio along with Basel III guideline as a credible supplementary measure to risk based capital requirement and assess the ratio periodically.

Policies and processes for managing excessive on and offbalance sheet leverage

Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by EBL while managing excessive on and off-balance sheet leverage of the bank. As per RBCA guideline, leverage ratio indicates Tier I Capital divided by Total Exposure after related deductions.

Approach for calculating exposure

The Bank has calculated the regulatory leverage ratio as per the guideline of Basel III. The numerator, capital measure, is calculated using the new definition of Tier I capital applicable from 01 January 2015. The denominator, exposure measure, is calculated on the basis of the Basel III leverage ratio framework as adopted by Bangladesh Bank.

Quantitative Disclosure:

Leverage Ratio (Solo Basis) on 31 December 2021 is given below:

BDT in million

| Particulars | Amount |
|--------------------------------|---------|
| On balance sheet exposure (A) | 380,252 |
| Off balance sheet exposure (B) | 82,156 |
| Regulatory Adjustments (C) | 2,876 |
| Total exposure (A+B-C) | 459,532 |
| | |
| Leverage Ratio | 5.69% |

K. Remuneration

BDT in million

Qualitative Disclosures

EBL wants to attract, retain and motivate top talents to grow sustainably. The bank offers a competitive pay and benefits package to create an exemplary team for this sustainable growth. Our compensation and benefits strategy combines the need to maintain a high performance culture along with market competitiveness. A bi-annual benchmarking exercise makes sure that employees' pay is competitive. The latest market survey was conducted in 2021 and accordingly the revised salary has been implemented from December 2021. Moving between pay scales depends on the individuals' performance and we reward employees accordingly.

a) Information relating to the bodies that oversee remuneration.

Name, composition and mandate of the main body overseeing remuneration.

EBL has a Board approved People Management Policy that outlines the rules relating to compensation structure and the benefits package for its people and gives detailed procedures for exercising those.

External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.

Presently EBL does not have any separate body or external party to oversee remuneration.

A description of the scope of the bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

The said policy applies to all the employees of the bank. Local and foreign subsidiaries of EBL are governed by their own policies.

A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.

All of the Management Committee (MANCOM) members are considered as material risk takers and are mostly Senior Managers. MANCOM is the highest decision and policy making authority of the management comprising of MD & CEO and different business and support unit heads.

b) Information relating to the design and structure of remuneration processes.

An overview of the key features and objectives of remuneration policy

Remuneration policy of the bank has been framed to maintain a performance based reward policy which recognizes the contribution of each of the employees of the bank. EBL's reward package consists of the following key elements:

Fixed pay:

The purpose of fixed pay is to attract and retain employees by paying competitive pay for the role, skills and experience required for the business. This includes salary, fixed pay allowance, and other cash allowances. These payments are fixed and do not vary with performance.

Benefits:

EBL provides benefits in accordance with local market practice. This includes subsidized loans (car, house building), hospital bill reimbursement, TA/DA etc.

Annual Incentives:

EBL provides annual incentives to drive and reward performance based on annual financial and non-financial measures consistent with the medium to long-term strategy, shareholder interest and adherence to EBL values.

Regulations of Pay and Allowances

- Salaries are confidential between the concerned employees and Human Resources Division.
- The grade-wise scale of pay and other allowances of employees are determined by the competent authority from time to time.
- Salary revision is decided by the Managing Director & CEO with the approval of the Board of Directors based on:
 - a. Individual Performance
 - b. Market movement
 - c. The Bank's affordability
 - d. Individual's relative position in a particular salary range
 - e. COLA (Cost Of Living Adjustment)
 - f. Regulatory and other changes affecting the industry

Any request for information relating to salary should be directed to the Human Resources Division by appropriate authority.

Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.

Remuneration structure of the bank is reviewed as and when management deem appropriate to allow for adjustments in the cost of living and market forces pertaining to the banking industry. HR Division initiates the process, makes proposal to Board for approval.

A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

EBL ensures that Risk and Compliance employees are remunerated independently as the remuneration package is set by the management and applicable for all employees irrespective of profession or area.

C) Description of the ways in which current and future risks are taken into account in the remuneration processes.

An overview of the key risks that the bank takes into account when implementing remuneration measures.

In a highly competitive financial sector like banking, remuneration system is mostly dictated by market forces. Demands for efficient and skilled employees tend to increase as disproportionate number of financial institutions chase them. As a result, compensation package for skilled resources is relatively high and salary revision takes place more frequently than other industries. Excessive turnover of human resources, skill shortage, inability to attract and retain good people are some of the risks banks have to consider with. However, EBL designed its remuneration package as per market driven strategy to ensure right package for the right people. On top of it, in designing remuneration package, EBL ensures fair treatment, internal equity and external competitiveness to retain good resources.

An overview of the nature and type of the key measures used to take account of these risks; including risks difficult to measure (values need not be disclosed).

Market survey is conducted periodically to compensate employees for their expertise, time, mental and social engagement with the organization.

A discussion of the ways in which these measures affect remuneration.

These measures ensure that the remuneration process of EBL is:

- Right employees are getting right package as per their performance, quality of experience, training received and special expertise.
- Ensure internal & external equity

A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.

EBL has remained consistent in the measures through which remuneration package is designed. There has not been any deviation as compared to last year.

(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with different levels of remuneration.

An overview of main performance metrics for bank, top-level business lines and individuals.

At EBL, salary increment and promotion is purely linked with performance. As per policy, performance evaluation is done for all permanent employees. In addition to yearly review of performance, a quarterly review is also carried out. Performance evaluation is done on the below parameter:

- Business Objectives
- Personal Development Objective
- Management Objectives
- Operational and compliance objective
- Behavioral competency

A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.

Overall performance is evaluated as per above mentioned parameters and individuals are rated accordingly from 1 (highest)

to 6 (lowest). Increment is linked with the rating employees receive during the performance evaluation process. Increments are only applicable for ratings which are linked with growth i.e. 1-4 rating.

A discussion of the measures the bank will, in general, implement to adjust remuneration in the event that performance metrics are weak.

No adjustment took place as EBL maintains a standard performance evaluation process.

(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance.

A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.

Not applicable.

A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.

Not applicable.

(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms).

EBL recognizes the effort and performance of its employees based on its People Management Policy which consists of base salary and different benefit packages mentioned earlier. Therefore, EBL does not use any form of variable remuneration in its remuneration process. However, EBL practices sales commission based remuneration process for contractual staffs.

Quantitative disclosures:

Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member:

No such meeting as there is no designated remuneration committee. HR Division is assigned to initiate any change proposal on remuneration as per the People Management Policy of the bank and get necessary approval from BoD.

Number of employees having received a variable remuneration award during the financial year:

Not applicable

Number and total amount of guaranteed bonuses awarded during the financial year:

All employees are entitled to 02 (two) basics as two festival bonuses.

Number and total amount of sign-on awards made during the financial year. Not applicable

Number and total amount of severance payments made during the financial year. Not applicable

Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Not applicable

Total amount of deferred remuneration paid out in the financial year. Not applicable.

Breakdown of amount of remuneration awards for the financial year to show:

- fixed and variable.
- deferred and non-deferred.
- different forms used (cash, shares and share linked instruments, other forms).

Not applicable.

Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw-backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:

- Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.
- Total amount of reductions during the financial year due to e post explicit adjustments.
- Total amount of reductions during the financial year due to ex post implicit adjustments.

Not applicable.

Note: Till 2021, People management Policy of EBL does not have provision of any kind of variable remuneration, deferred remuneration, severance payment, sign-on awards or other forms of remuneration as mentioned above for its permanent staff.

Management of Non-performing Loan (NPL)

Industry overview

Non-Performing Loans (NPL) are typical by-product of banking business. Only prudent underwriting standards and good governance can work as a barrier against piling of NPL. Though there is no thumb rule for underwriting standards to avoid NPL, it has been observed that rigid lending practices can hamper bank's overall growth and can ultimately impact the economic prosperity and activity. However rapid private sector credit growth can act as double edged sword since it can be followed by persistent levels of NPL causing a significant threat to the financial sector and also the economy at large.

Banking sector has so far managed the COVID-19 onslaught reasonably well due to some pre-emptive measures taken by Bangladesh Bank. NPLs were mostly shielded off due to certain forbearance measures allowed by central bank in restricting downgrade of classification status of any loan and payment pause facility allowed. After lifting of some of the forbearance at the end of 2021, classified Loans rose from 7.66% as of December 2020 to 7.93% at the end of December 2021. Still, this is an outcome of various support mechanisms allowed by the Central Bank. The requirement of provisions against classified loans widened significantly between December 2020 and December 2021. In the industry at the end of December 2021, required provisions against classified loans were BDT 806.54 billion and the provision built was BDT 666.47 billion and the gap stood at BDT 140.07 billion.

After withdrawal of regulatory forbearance in 2022, NPL management may become one of the priorities for banking industry in the post COVID-19 period.

Bangladesh Bank's initiatives to combat COVID-19 impacts

| Worker's Salary Payment of Export Oriented RMG Segment. Working Capital Loans to the Industry and Services Sector. Working Capital Loans to CMSME Borrowers. | EDF Refinance for Exporters. Agri & rural credit refinance scheme. Refinancing Scheme for Low income Professionals, farmers, and marginal businesses through MFI/NGO. Tenor Extension of Unclassified | Restriction against down-gradation of classification status of loans till 31 December 2021 through payment of 15% of the due installments in 2021. Maintaining additional general provision against all regular loans which enjoyed payment deferment |
|--|--|--|
| • Pre-shipment Credit Refinance for exporter. | Tenor Extension of Unclassified facility. | |

In anticipation of probable deterioration in asset quality once all these facilities will be withdrawn during 2022 and onwards, we have maintained an excess amount of provision of BDT 889 million at the end of 2021.

Initiatives taken in channeling government stimulus packages:

Outbreak of new variants of COVID-19 pandemic resulted in lockdowns which disrupted the business activities in 2021. Customers faced unprecedented challenges which hampered their businesses severely. Government announced a series of timely and crucial economic policies and stimulus packages through Bangladesh Bank to mitigate the disastrous fallout of COVID-19. EBL closely worked with the customers to extend the financial support and channeled the government stimulus funds to customers. These stimulus funds helped our customers to get back to business promptly to limit damages and stopped good loans turning into bad.

We participated in the following stimulus packages and refinance schemes:

| Stimulus Package | EBL's Contribution |
|-----------------------------------|--|
| Worker's Salary Payment of Export | EBL disbursed BDT 2,706.6 million to about 53,290 workers of 35 Export Oriented Concerns |
| Oriented Customers | in 2020. |
| Working Capital Loan to Corporate | In the 1 st phase BB allowed BDT 9,784 million for EBL's clients under the package. Up to |
| Borrowers | December 2020, we have disbursed BDT 9,334 million to 84 customers. |
| | In the 2 nd phase BB allowed total BDT 7,500 million for EBL's clients under the package. Up to December 2021, we have disbursed BDT 4,530 million to 53 customers. |

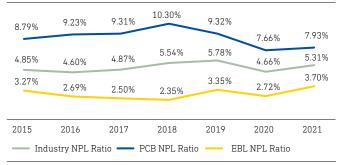
| Stimulus Package | EBL's Contribution | |
|---|---|--|
| Working Capital Loan to CM-SME | In the 1 st phase (FY 2020-2021) BB allowed total BDT 3,950 million (original target was BDT | |
| Borrowers | 2,950 million and additional target of BDT 1,000 million was volunteered by EBL) for EBL's | |
| | clients under the package. Up to 31 December 2020, we have disbursed BDT 3,173 million | |
| | to 489 customers. Total disbursement in phase 1 was BDT 3,568 million to 638 customer | |
| | In the 2 nd phase (FY 2021-2022) BB allowed total BDT 4,000 million for EBL's clients under | |
| | the package. Up to 31 December 2021, we have disbursed BDT 109 million to 43 customers. | |
| EDF Refinance to Export oriented | Total disbursement up to December 2020 was USD 328.71 million | |
| Customers | Total disbursement up to December 2021 was USD 441.80 million | |
| Pre-shipment Credit Refinance to Export | We have disbursed BDT 107 million to 2 customers. | |
| oriented customers | | |
| Low income Professionals, farmers, | In the 1st Phase (FY 2020-2021) we have disbursed BDT 2,250 million to 9 MFI/NGOs under | |
| marginal businesses though MFI/NGO | the package up to 31 December 2021. | |

NPL position of EBL

At EBL, we believe in "quality first, revenue will follow". The intense focus on quality of asset drove the Bank to achieve NPL ratio of 3.70% at the end of 2021; which is far below the industry average NPL of 7.93%.

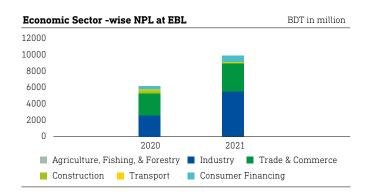
EBL's NPL has increased by 0.98% in 2021 from the earlier period owing to the withdrawal of the forbearance measures and subsequent impact of the post COVID-19 fallout which has started to be felt across the industry. NPL of EBL is still way below the industry average and this demonstrates the excellent stewardship in risk management of the Bank. Apart from 2021, EBL has been on an improvement track since 2014 in terms of NPL ratio which has been a result of the cumulative efforts of the Business units, Credit Risk Management, Special Asset Management and Senior Management with the effective oversight of the Honorable Board of Directors.

NPL ratio movement: EBL vs. Industry & PCBs



Source: Bangladesh Bank Publications

Note: NPL ratio of industry and PCB till 2019 contains information without OBO.



Movement of Provisions Made Against NPL

| Year | Total Loans Outstanding | NPL | | Specific Provision |
|------|----------------------------|---------------|-------|-----------------------|
| | BDT Million | BDT Million % | | BDT Million |
| 2021 | 269,393 | 9,979 | 3.70% | 8,562 |
| 2020 | 228,944 | 6,226 | 2.72% | 7,499 |
| 2019 | 232,051 | 7,771 | 3.35% | 6,009 |
| 2018 | 209,306 | 4,925 | 2.35% | 4,119 |
| 2017 | 184,027 | 4,600 | 2.50% | 4,379 |

Our approach towards NPL management

 Pre-screening at the time of Loan Origination: Loan inception is the most crucial part of NPL management as choosing the right borrower will reduce overall risk from loan loss. We have robust relationship teams with experienced and seasoned bankers who put great emphasis of booking the right customer for the Bank that fits Bank's risk profile.

- **Good Quality Underwriting:** Quality underwriting is vital for proper assessment of every credit and can ensure that bank generates sufficient revenue while optimizing key risks. To ensure that a loan does not go bad and NPL does not accumulate in the first place, good corporate governance and careful due diligence is followed in lending decisions. We have a team of seasoned professionals upholding the standard of best credit practices.
- Robust credit culture: Our sound risk management culture backed by prudent underwriting standards, policies, experienced professionals and right procedures will help us in bringing down the surge of new non-performing loans. We regularly update our policies, guidelines, strategies and procedures in accordance with actual performance and industry best practices.
- **Constant monitoring and regular follow-up:** Forward looking approach like issuing early warning, prompt reporting and proactive risk management from individual's position regarding the portfolio is performed for immediate attention and remediation. Foresighted strategic action plans on vulnerable and concerning accounts help us to guard against slippage of performing loans into NPLs.

• Strong recovery system: We give utmost importance to problem loan recovery. Consistent follow-up along with vigorous monitoring through numerous client visits is crucial for our efficient and effective recovery system. Where appropriate we reschedule classified accounts maintaining regulatory guidelines. We frequently communicate with customers who are experiencing financial distress. Further, financial and advisory assistance is provided as per requirement.

Challenges in 2022

- Policy supports from Bangladesh Bank, including relaxing the loan rescheduling and classification policies, will be lifted from 2022. It will be a big challenge for the banks to contain the flow of NPL going forward after the impact of COVID-19 pandemic.
- Recovery of loans given to businesses as stimulus fund will bring challenges for the banks.
- Russia-Ukraine war lead to oil price hikes which resulted in further price increase of raw materials and shipping costs after COVID-19 pandemic. Increased cost of doing business and any other adverse economic impact may lead to NPL in the long run.

Way forward

- "No compromise on quality" has been and will continue to be the guiding principle for management of credit portfolio of the Bank in 2022.
- Management is vigilant to the withdrawal of forbearance measures and will remain so in recovery efforts of the loans.
- Management is committed to excel in NPL management by way of
 - Arresting new NPL flow.
 - Reducing NPL to acceptable level.
- Aligning underwriting criteria with the economy and industry position, enhancing credit principles and bringing in innovation in recovery shall be the key priorities for NPL management.
- Combating NPL is a continuous process and there is no room for complacence in improving portfolio health. It is the Bank's strategic intent to uphold its downward trend of NPL ratio in the coming years.

Recovery of Classified and Written-off Loans

Industry overview and status of EBL

Due to rise of default loans, banking industry is suffering and losing out substantial amount of profit. As preemptive measures for COVID-19, Bangladesh Bank had regulatory forbearance on downgrading the classification status of any loan and the allowing of payment pause facility. After Lifting the forbearance, amount of classified loan has risen. Most of the Banking and Non-banking financial institutions are facing similar problem. However, amongst

Performance highlights in 2021

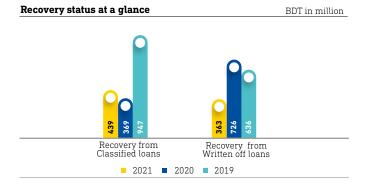
all these Banks and NBFIs, EBL's default loan stood at BDT 9,978.68 million with classification ratio of 3.70% at the end of 2021.

Special asset management team of the Bank played contributory role to contain NPLs with their all-out effort for recovery of classified and write-off loans. Proper follow-up and monitoring with frequent customer visits are the keys to efficient and effective recovery system.

| BDT 4,518.58 mn Recovered from delinquent accounts including classified and written off loans | 6,747 No of early legal notice issued | BDT 197.50 mn Sold mortgaged properties | 1,485 No of case filed against default borrowers |
|--|--|--|--|
| 78 No of case diposed in favor of the Bank in Supreme Court | 807 Warrant of arrest issued against defaulting borrowers | 267 Arrest warrant executed | BDT 36.44 mn Bail Amount realized against Warrant of Arrest |

Recovery steps taken in 2021

- Arranged regular meetings with Bank's enlisted lawyers for getting update of the progress of cases filed for speedy disposal of the same.
- Conducted recovery campaign which resulted in recovering significant amount during last three months of 2021.
- Sent letters to different banks and govt. agencies of different countries informing default status of some of our borrowers.
- Sent letters to different social clubs and associations informing the default status of some of their members and requested to bar them from availing club facilities.
- Emphasized in settling down the accounts under suits/cases outside the court with the help of legal unit and panel lawyers.
- Did rigorous follow up of classified as well as unclassified borrowers to contain NPL.

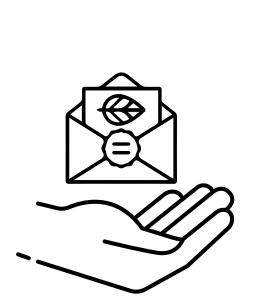


Status of legal proceedings

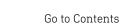
Legal Unit of Special Asset Management is now looking after 7,911 suits/cases filed against defaulting borrowers involving an amount of BDT 24,617.57 million. We have 20 dedicated Law Officers who are constantly monitoring the above suits cases as plaintiffs and complainants on behalf of the Bank. Above mentioned suits/cases are filed and conducted by panel lawyers of the Bank. Legal Unit obtained 881 number of judgment in Artha Rin Suit & Case filed under Negotiable Instruments Act. 541 numbers of Cases have been withdrawn after settlement of the account. Moreover, 203 writ petitions/ criminal misc. cases/ appeals are pending before the Supreme Court of Bangladesh.

Way forward

- Fixing a priority Case list for its early disposal to increase loan recovery.
- Regularly arranging legal workshop for knowledge sharing and building up healthy relationship with competent authorities
- Raising sector wise early alert to Business & CRM on SME small and Retail accounts.
- Setting up a pipe line of prospective accounts for settlement in future days and work on those accounts on priority basis.
- Continuing regular portfolio analysis meeting with Business and CRM on monthly basis for improving quality of asset portfolio and providing feedback to underwriting team based on collection efforts.



SUSTAINABILITY REPORT



Sustainability Report

Foreword

Banking has experienced a phenomenal transformation from its traditional mode of operation to a completely new strategic dimension known as Sustainable Banking, which incorporates environmental, social and governance criteria into business or investment decisions for the long-term benefits of clients and the society as a whole. Since inception in 1992, EBL moved forward with a small yet confident stride and a pledge to impact lives positively. Today EBL stands for service excellence, product innovation and world class banking experience. On top of being one of the most prestigious banks in the country, EBL is also the first bank in Bangladesh to be rated by the world's top rating agency Moody's and was awarded B1 rating.

EBL has created opportunities for individuals and businesses while also contributing to the long-term viability of the society in which it operates. EBL's goal is to move beyond profitability. EBL believes that every business should have a social mission. We cannot function in the society and earn profit neglecting social and environmental factors. Our goal is to promote ethical enterprises that serve people and society, which is both a corporate social duty and a driver for achieving long-term economic success.

As we all know, financial outcomes are a product of commercial success and commercial success is dependent on providing greater value to consumers and contributing to social advancement. At EBL, we emphasize on customer delight, digital development, product innovation, staff involvement and financial performance, among other things. Also today's technology allows us to accomplish our goals on a grander scale. Customers' tastes are changing as a result of the widespread use of smartphones and digital platforms. Every day, we discover new methods to interact with one another and with businesses.

Throughout 2020 and 2021, EBL tried its best to protect employees and customers against COVID-19. EBL took some strict precautionary initiatives and followed the instructions given by the Government and World Health Organization. Maintaining social distancing at work place, working from home, reducing physical office hours, using hand sanitizer, monitoring temperature at frequent intervals, using gloves and mask, disinfecting office premises are some of the steps taken by EBL throughout the year to protect employees and customers. During the COVID-19 period, EBL was engaged with industry peers and worked closely with associated authorities, particularly Bangladesh Bank, to design policy reforms/responses that were appropriate with market realities and obstacles. EBL was one of the few banks to channel government stimulus funds to clients in order to assist them to recover and restart. EBL has always been a forerunner in the country, implementing best practices and setting examples for other banks and financial institutions. Sustainability at EBL is more than merely operating ethically or meeting legal standards; it entails having a positive and long-term influence on the surrounding community and all stakeholders. EBL has greatly contributed towards developing the country's financial ecosystem for over 29 years and is inextricably related to Bangladesh's growth narrative.

In 2021, EBL made significant progress towards achieving UN Sustainable Development Goals. We promoted financial inclusions through our 46 Agent and 5 Sub-branch outlets, contributed towards women and student banking by arranging a number of webinars on education, gender equality, health and social issues and developing low cost products for women entrepreneurs. Throughout 2021, EBL disbursed BDT 2,034.18 million (term loan) to contribute in Green Financing especially in energy & resource efficiency, liquid waste management, recycling & manufacturing of recyclable goods, environment friendly brick production, green and environment friendly establishments etc. On the other hand, EBL also contributed BDT 35,624.02 million to Sustainable Financing especially in sustainable agriculture, sustainable CMSME, MFI/ NGO for capacity building, employment generation including selfemployment and working capital & demand loan of green products/ projects etc. which comprise more than 20% of EBL's total funded portfolio.

EBL is constantly funding projects that are eco-friendly and have an aspiration to become energy efficient. We have integrated Environment and Social Risk Management System to analyze the environmental and social risks of projects and promote financing in cleaner energy to support the fight against climate change. EBL has been closely working with numerous multilateral organizations such as IFC, DEG, ADB, FMO, Proparco, OEEB, CDC, Norfund etc. to ensure sustainable banking practices.

In this report, we will be sharing our commitment and progress on the SDGs and other material sustainability issues in 2021. I am confident that EBL is and will play a significant role in Bangladesh's progression towards becoming a developed country, and I invite you to join us in this journey.

anem

M. Khurshed Alam Chairperson Sustainable Finance Committee

Sustainability: An overview

Sustainable Banking means providing socially and environmentally responsible products and services that will have long term positive impact to financial institutes and community as a whole. Financial institutions unwilling to follow the path towards sustainability will lose competitiveness.

A financial institution is involved in environmental and social issues of a community from the moment that it starts acting as financial intermediary and gets involved in financing projects. As a leading commercial bank in Bangladesh, EBL has made sustainability an integral part of day-to-day work, and is continuously improving the environmental and social performance of operations - which we commonly refer to as our corporate footprint. The sustainability strategy articulates EBL's strategic commitment to sustainable development which we consider one of the vital parts towards risk management.



At EBL, we believe that any growth should meet the needs of the current generation without jeopardizing future generations' ability to meet their own needs. We are committed to ensuring that ethical, social, and environmental standards are strictly adhered to when conducting business and making business decisions.

Sustainability governance

EBL is one of the pioneers in the banking sector in Bangladesh to adopt international best practices on corporate social responsibility and good governance. Our aim is to take a leadership position in sustainable finance. The responsibilities of the Board of Directors are stipulated in relation to sustainability which are:

- The Board of Directors; on all matters except those reserved for the annual general meeting, is the only body authorized to approve general policies and strategies, especially those relating to sustainability.
- The Board of Directors also oversees the corporate social responsibility policy, ensuring its compliance and its aim to create value for the Bank.

EBL has a Sustainable Finance Committee (SFC) chaired by Deputy Managing Director (DMD) and comprises the heads of different divisions and corporate areas of the Bank concerned with sustainability. This Committee meets at least once a quarter and proposes, coordinates and promotes the Bank's sustainability initiatives. Credit Risk Management (CRM) team also assesses the reputational risk stemming from any financial transaction with a social or environmental impact, which issues nonbinding recommendations to the relevant decision-making body. Subsequent to business units and credit risks as a third line of defense, internal audit team performs regular evaluations of the implementation of Environmental & Social Risk Management (ESRM) system, sustainable banking and green office guidelines. Our corporate culture includes six core values which creates an essence of corporate governance and sustainable development.



Sustainable banking policy defines the Bank's general sustainable banking principles, and its voluntary commitments to its main stakeholders, through principles and commitments focused on creation of lasting value. This policy also refers to social and environmental risk management for the Bank's lending activities involving sensitive sectors and business activities. Green office guideline explains the Bank's commitment to, and action in, combating climate change.

Sustainability strategy

At EBL, managing environmental and social risk – is a key part of Bank's responsible and sustainable growth strategy. It contributes to the strength and sustainability of EBL and supports the work we do today to serve our customers, communities, shareholders, and employees. EBL has established Green Banking Policy back in 2012, later name changed to Environmental and Social Risk Management Policy in 2016, to provide additional clarity and transparency around how we approach environmental and social risks. Social risk has also been assessed since then which includes a number of social parameters in addition to environmental parameters for risk assessment.

Key highlights of 2021

COVID-19 & EBL's Response

As similar to last year, 2021 will also be remembered as the year of the COVID-19 pandemic. EBL implemented safety procedures to ensure that our staff and customers remain safe and healthy. To ensure social separation, EBL implemented certain stringent preventative measures. We strictly followed the directives of government agencies and international health groups. In 2021, working from home was also a common phenomenon. Employees worked on a rotational basis as well.

Employees were given adequate safety precautions. Sanitizer use was made mandatory upon entering the office, at regular intervals while working, and when leaving the office. Hand sanitizers have been conveniently positioned throughout the premises. Every day, employees' body temperatures are taken to ensure that no one arrives at work with a fever or other symptoms. Wearing mask is mandatory for all employees. In all of its offices, EBL conducts disinfection procedures at regular intervals. For longer period of time in 2021, every type of international tour, training, conference, meeting with correspondent banks, and clients within and beyond the country were temporarily restricted. We communicated with them via phone and video calls.

We encouraged our customers to use our digital platforms for satisfying their daily financial needs instead of going to a branch.

Our web-based products are now much more active. We reach out to our customers on a regular basis to encourage them to use these online products and to educate them on how to use them properly.

Nine EBL clients received Green Factory Award 2021 from the Govt.

The Green Factory Award 2021 was granted to 30 factories around the country in six sectors for their contributions to environmental protection and job creation. The prize was granted to commemorate the 100th birthday of Father of the Nation Bangabandhu Sheikh Mujibur Rahman.



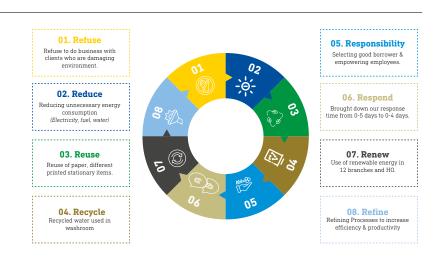
Award Giving Ceremony of Green Factory Award 2021

Honorable Prime Minister Sheikh Hasina virtually joined the awardgiving ceremony from her official residence Gonobhaban as the Chief Guest. Begum Monnujan Sufian, state minister for labor and employment and Ehsan- E- Elahi, secretary of the labor ministry handed over the awards to the representatives of the factories at the city's Osmani Smriti Auditorium.

Green awarded EBL factories are- Mahmuda Attires Ltd. from Garment industry; Habiganj Agro Ltd. and Ifad Multi Products Ltd. from the food processing sector; Gazipore & Mirzapore Tea Estates (BD) Ltd. and Neptune Cha Bagan from the tea industry sector; Apex Footwear Ltd. and Edison Footwear Ltd. from leather industry; Square Pharmaceuticals Ltd. and Incepta Pharmaceuticals Ltd. from pharmaceutical industry.

8R approach to sustainability

EBL drives for efficient cost management, encourages consistent productivity improvements through seamless coordination across company units, and focuses on broadening our banking horizon to deliver sustained success in this constantly changing business environment. In terms of sustainability, we continued to use the 8R strategy in 2021, just as we did in 2020 and 2019.



Financial inclusion and diversity

We empowered local people through SME loans, agricultural and rural credits and women banking where maximum customer facility is provided through knowledge development, customized products and arranging training for women entrepreneurs. We have been providing best banking services and solutions in the urban section; now looking for development of the rural and underdeveloped people of the country. EBL has 85 branches and 227 ATMs for all time customer support for traditional banking solutions. We also have 46 Agent banking outlets and 5 Sub-branch outlets for rural and sparsely populated communities, mainly SME clients.



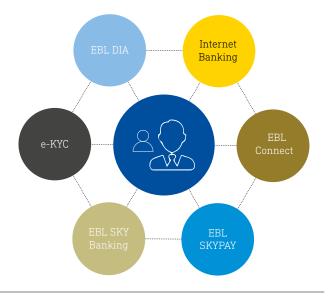
From EBL 365 to DROPBOX to SKYBANKING to EBL DIA to EBL SKYPAY, EBL has been able to embrace digital transformation. EBL is determined to engage its customers more in digital channels by offering unique services and increasing customer convenience. In 2021, EBL has done outstanding work in digital banking to make life



easier for our customers. Some key features which were introduced in 2021 are: Instant account opening by using EBL insta banking (eKYC), OTP at bill pay to make payment more secure, Limit package automation, IOS code migration, FD and DPS opening using EBL self-service etc.



During these trying times, we are keeping in touch with our customers via social media channels, offering innovative solutions through our banking app, banking through Chatbot, introducing QR Payment solution for contactless payments, e-KYC based bank account, VISA Inward Remittance, balance certificate automation, collection gateway through 'EBL Connect,' and providing export factoring solution as part of our efforts to provide customer support in every way possible.



Sustainability at EBL

Economic Sustainability

Environmental Sustainability

Social Sustainability







Economic Sustainability

| Employee remuneration | |
|---|--|
| BDT 4,129 million in staff costs | EBL has 1,975 permanent employees; 47.7% are with EBL for less than 5 years, 25.2% are for 5 - 10 years, 17.5% are for 10-15 years and 9.6% are for over 15 years. |
| Loans granted (net) to SME- Small businesses | 3 |
| BDT 12,093.60 million in loans disbursed in 2021 | The Bank has disbursed BDT 12,093.60 million loans to Small businesses in which BDT 2,050.90 million is disbursed in rural area. |
| Shareholders | |
| BDT 2,385 million recommended as dividend | Recommended 12.5% cash dividend and 12.5% stock dividend per share. |
| Taxes withheld and paid | |
| BDT 4,627 million in taxes and other levies withheld and paid | EBL contributes both economically and socially to the country by paying withholding indirect taxes from third parties. |
| Social investment in the community | |
| BDT 188.16 million in social investment in the community | Total 119,552 individuals were impacted through agricultural and rural credit. 13 MFIs are linked with EBL to mobilize agricultural loan. |

| Financial inclusion & indirect economic impact | 2021 | 2020 |
|---|----------|----------|
| Cumulative agricultural and rural credit extended through MFIs (BDT in million) | 5,903.00 | 5,294.40 |
| Cumulative agricultural credit extended through own network (BDT in million) | 18.42 | 10.80 |
| Total number of individuals impacted through agricultural and rural credit | 119,552 | 115,270 |
| Total number of MFIs partnered for agricultural and rural credit disbursement | 13 | 13 |

| | | BDT in million |
|---|----------|----------------|
| Promoting sustainable finance | 2021 | 2020 |
| Financed for installation of ETP to plants in operations | 140.76 | - |
| Financed in plants having ETP (loan disbursed to projects having ETP) | 11,418.7 | 36.63 |
| Financed to solar panel/ renewable energy plants | - | - |
| Financed to Bio-fertilizer plants | - | - |
| Financed to brick kilns adopted cleaner technology | 345.57 | 186.44 |

| Promoting sustainable finance | 2021 | 2020 |
|----------------------------------|-----------|----------|
| Financed to other green projects | 1547.85 | 1,011.27 |
| Total sustainable finance | 35,624.04 | 1,234.34 |

| | | BDT in million |
|--|-----------|----------------|
| Financial assistance received from government | 2021 | 2020 |
| Borrowing from Bangladesh Bank under different Refinance programs (as of 31 December) | 24,922.31 | 18,523.72 |
| Interest loss compensation received from Bangladesh Bank against disbursements in specified agricultural products @ 4% | 0.04 | 0.00 |

| | | BDT in million |
|------------------------------------|-------|----------------|
| Contribution to national exchequer | 2021 | 2020 |
| Income Tax | 5,781 | 6,511 |
| VAT | 694 | 599 |
| Other duties & Taxes | 436 | 352 |

Environmental Sustainability

We must appropriately manage environmental and social (E&S) risks in order to achieve long-term sustainable development. Rapid urbanization and industrialization aid in the improvement of human well-being. At the same time, it creates demand for natural resources like energy, water, and food. If we do not become more environmentally sensitive, our planet's ability to meet the increasing demand of urbanites may be depleted. We created methods and templates to analyze our E&S risk in 2013, which have been upgraded in 2018. E&S structure is updated on a regular basis to deal with various challenges and produce the greatest results in terms of good financing.

- All our lending proposals are factored against E&S risks where appropriate.
- All lending proposals are taking into account of local laws and regulations and internationally acceptable environmental and social standards whichever is more stringent.
- Risks associated with both environmental and social issues are being properly recognized, evaluated and where appropriate mitigated.
- Business ensures that appropriate procedures are designed to meet these policy requirements e.g. project finance proposals are assessed in accordance with the IFC performance Standard.

| Protecting Environment | 2021 | 2020 |
|--|------|------|
| Number of customers eligible for Environmental Due Diligence | 247 | 179 |
| Number of customers appraised for Environmental Risk Rating | 247 | 179 |
| Low | 191 | 143 |
| Moderate | 31 | 29 |
| High | 25 | 7 |
| Installed capacity of solar energy to run bank premises and ATMs (in Kilowatt) | 16 | 16 |
| Percentage of Bank branches connected online | 100% | 100% |



Auto sensor lights in EBL



Use of natural Light in EBL Head Office

Whether we finance businesses that invest in renewable energy or simply advise our employees to turn off lights after office hours, use daylight instead of electric lights, turn off all air conditioning after 7 p.m., turn off half of the air conditioning after 4 pm (transaction hour), move toward paperless office work, manage water consumption, plant trees, and encourage green practices, all of these have been a mainstay of our banking endeavors. EBL reduced its usage of plastic from 2020. The first step in becoming a plastic-free EBL was to encourage all EBL staff to refrain from using plastic water bottles. At any official program, we do not use plastic bottles. For documentation purposes, we are now using paper folders instead of plastic folders as of 2021.

| Resource Utilization | 2021 | 2020 |
|---|--------|--------|
| Cost of water consumed by the Bank (BDT in Million) | 3.22 | 2.98 |
| Cost of paper consumed by the Bank (BDT in Million) | 2.48 | 1.95 |
| Cost of energy (electricity, fuel, and gas) consumed by the Bank (BDT in Million) | 110.42 | 102.68 |

Climate Change & Carbon Footprint

Climate change has become a worldwide concern since it has direct impact on biodiversity, agriculture, forestry, dry land, water supplies, and human health. Bangladesh is currently recognized as one of the biggest sufferers of climate change by people all around the world. Banks, like all other businesses, emit greenhouse gases (GHG) either directly or indirectly (via the financing of clients and projects that emit GHG emissions). EBL has launched green banking as a corporate citizen and environmentally responsible financier, not only to assist conserve the environment but also to ensure long-term economic growth.



Green project of EBL: A Leading Private University New Green Campus

Dhaka's rapid urbanization and congested environment has resulted in buildings and industry displacing the city's water bodies, vegetation, open and public areas, making it one of the world's densest metropolis. As a leading commercial bank in Bangladesh, EBL is always supportive of projects which intend to bring back greenery and protect nature. In 2021 EBL provided loan facility for civil construction, fabrication, supplier payments, and other expenses related to the new green campus of a leading



private university of our country.

The design's objective is to create a creative and sustainable innercity campus that showcases tropical design principles in response to the region's hot, humid monsoon environment while showcasing the careful integration of nature and architecture. It is located on urban low-lying terrain. This structure is situated in Merul Baddda, Dhaka 1212.



The design strategy is to create two distinct programmatic strata by floating the Academia above the lake and revealing a Campus Park below, reflecting the synergistic coexistence between mankind and mangrove in the Bengal basin's Sundarbans mangrove forest, which has separate ecosystems above and below tidal level. This is, at its heart, a park campus, a lovely green sanctuary that offers muchneeded rest and inspiration under the protection of a study canopy. It will have facilities to accommodate around 12,000-15,000 students. Almost 50% of the land is used for building and the rest for water bodies, lakes, plantations and other purposes aimed at providing biodiversity. WOHA Designs Pte. Ltd., Singapore based world-renowned architectural firm has designed this project.

Social Sustainability

Women and student banking to promote gender equality and education

EBL Women Banking is EBL's courtesy towards all its women customers with a bundle of women specific products, services and propositions. EBL introduced "EBL Ovilashi" account for women entrepreneurs which is a non-individual interest bearing current account, simply a one stop solution to fulfill the dreams of entrepreneurs. It empowers an aspiring female leader to turn her dream into reality. EBL Women Banking provides competitive installment options to country's highest collateral free business loan. EBL has designed and promoted everything for women centric business transformation. EBL Mukti Loan is specially designed for women entrepreneurs.



In 2021, EBL Women Banking organized free online training program on Graphic Designing and Cyber Security in association with Creative IT Institute so that women can learn new things, empower themselves and stay safe in this social media era. Throughout the year, EBL organized sessions/webinars on different important subjects to promote awareness on various subjects like breast cancer, well-being of elderly people during pandemic, better future for children, mental health wellness and stress management for working women.



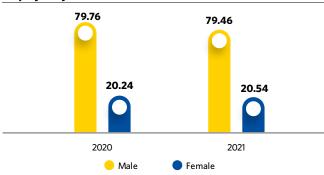
For promoting education, EBL has taken numerous initiatives such as providing account facility to school, college and university going students. EBL offers a product called 'Child Future Plan', which is a unique recurring deposit pension scheme (DPS) which helps parents to save for their children's future. These savings can be used for higher education, marriage or meeting any special needs of children in the future. EBL Student File Service is aimed at providing customized banking solutions to students going abroad for higher education. Any student pursuing higher studies needs to legally send funds abroad for tuition fees and living expenses. EBL Student File makes it very convenient for them to send funds abroad as we maintain separate files for each student while keeping record of all the information till completion of the course.

| Women empowerment & student loans | 2021 | 2020 |
|--|--------|--------|
| Women Loans disbursed (BDT in Million) (Small Segment only) | 972.14 | 557.86 |
| No. of women entrepreneur received loans (Small Segment only) | 132 | 194 |
| Student Loans disbursed (BDT in Million) | 9.00 | 4.28 |
| No. of student received loans | 2 | 3 |

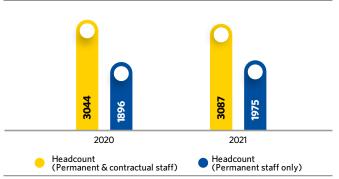
Employees

Quality of working relationships, healthy work-life balance, recognition of the performers, and continuous investment in people all these differentiate EBL as an 'Employer of Choice'. If employees feel proud of belonging to EBL and are more committed, they will be able to earn the lasting loyalty of our customers.

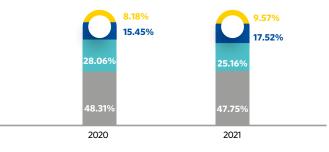
Employee by Gender



Employee by Gender



Years of Service with EBL (Permanent Staff Only)



🛑 Less than 5 years 🛑 5 - 10 years 🛛 🌔 10 - 15 years 🛛 😑 Over 15 years

| Employer of choice | 2021 | 2020 | |
|---|-----------|--------|--|
| Percentage of voluntary attrition | 8.81% 9.2 | | |
| Percentage of growth in total headcounts | 1.42% | -2.69% | |
| Number of fresh graduates recruited as Management Trainee | 21 | - | |
| Number of fresh graduates recruited as Probationary Officer | 12 | - | |
| Number of fresh graduates recruited in other positions | 65 | 20 | |
| No. of Gap owners | 153 | 153 | |

Training and education

Green Banking training is mandatory for all newly joined staffs in EBL. For our corporate relationship managers to have in-depth understanding on Green Finance, we have introduced 'Sustainable Finance Training' since 2013. In 2021, a total of 202 staffs have attended these trainings which was 217 in 2020.

| Training & development | 2021 | 2020 |
|---|-------|-------|
| Permanent staffs received training (Employee*number of training) | 5,868 | 4,078 |
| Total number of training days | 9,814 | 6,539 |
| Average training days per employee | 3 | 2 |
| Number of employees trained in sustainable finance | 202 | 217 |

Employee benefits & remuneration policies

We have a comprehensive remuneration system based on our HR policy. It combines a fixed salary that reflects the individual's role and level of responsibility along with other benefits. In addition, the Bank also offers provident fund, gratuity, staff loan and other benefits such as banking products and services and medical benefits for employees and dependents. EBL strictly follows the labor laws for the country in terms of remuneration, working environment, employee benefits, working hours etc.

Diversity and equal opportunity

At EBL, we have an open communication policy in which we welcome, provide, and appreciate differing views. We established

a formal platform in 2015 to harness the free flow of new ideas in this culture of open communication policy. We have built a capacity enhancement center called EBL Nest to involve everyone in the process of innovative thinking. Center's intimate and unique atmosphere is intended to encourage people to think outside the box. In addition to monthly brainstorming sessions, the center hosts talks by industry professionals on various topics like management, leadership, and innovation. People with diversified knowledge help the Bank to do sustainable banking and create an atmosphere which promotes innovation. EBL is also a women friendly bank for employees as well as for its customers. Many women are leading different departments and creating long lasting values. EBL employees share the corporate culture focusing on fulfillment of its purpose, helping people and businesses prosper, and consistently doing things in a simple, personal and fair way.

Community Investment

EBL contributes to economic and social development of the society in which we operate through initiatives and programs that support the community. We believe that the most rewarding investment is investing for the society. We believe in creating long-lasting value for our clientele, shareholders, and employees and above all for the community we operate in. A detailed report on CSR has been presented separately in the annual report.

| Community Investment | 2021 | 2020 |
|--------------------------------------|--------|--------|
| Contribution in CSR (in BDT million) | 188.16 | 183.22 |

Throughout the pandemic year, EBL has taken numerous online initiatives to create awareness, provide guidance on a number of social and healthcare issues. We believe it's our moral responsibility to give social support and create awareness.

Combating money laundering and countering terrorism financing

EBL has a system to prevent money laundering and the financing of terrorism. The system is kept constantly in line with the latest international regulations and is able to adapt to new techniques used by APG (Asia Pacific Group on Money Laundering). It has also a corporate framework in place for this purpose, establishing the basic guiding principles and policies concerning this matter.

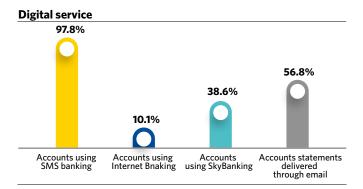
| Combating money laundering and countering terrorism financing | 2021 | 2020 |
|---|------------|------|
| Number of STR/SAR reported to Bangladesh | 237 | 103 |
| Financial Intelligence Unit (BFIU) | 237 | 105 |
| Number of accounts closed for | 1.021 | 12 |
| unsatisfactory KYC | 1,021 | 12 |
| No. of Incidents of non-compliance with | | |
| regulations resulting in fine or penalty | - | - |
| Number of staffs completed | 2,227 1,54 | |
| training on AML | | |

How we value our customers

To the EBL crew, customers are the cause of existence, never just a queue in the bank counter. Recognizing 'customer satisfaction' as a journey not destination, EBL is determined to serve its customers' needs by offering innovative but useful financial products and services, while maintaining good relationships with them as trusted partners. To do so, the Bank has developed working systems, applied modern technology, and made available knowledgeable and skilled people so as to ensure that customers receive the best possible service. The Bank continually expands its network of branches, ATMs, Dropbox, Cash Recycling Machine (CRM) and business centers nationwide, protects confidentiality of customer's information, and manages and duly rectifies complaints.

Digital transformation

In Bangladesh, EBL is one of the leading benefactors of digital banking services to its customers. The Bank had started its digital services back in 2007 through internet banking. In the last 15 years, we have developed fast and user-friendly digital services for customers such as EBL 365, DROPBOX, SKYBANKING app, EBL DIA, EBL SKYPAY etc.



Financial system of the entire world is changing very quickly. This is also true for Bangladesh's banking industry as most of the financial transactions will take place digitally in the near future. EBL is ready for the transformation.

Service excellence & customer satisfaction

| Excellence in customer service | 2021 | 2020 |
|---|----------|----------|
| Number of average accounts* | 6,63,847 | 649,855 |
| Number of complaints received through all channels | 1,019 | 1,897 |
| Number of complaints resolved (in percentage) | 100% | 100% |
| Complaints per 1000 account | 1.53 | 2.92 |
| Usual turnaround time to resolve any complaint | 0-3 days | 0-3 days |
| Total number of complaints regarding breaches of customer privacy and losses of customer data | 0 | 0 |

*Simple average of number of accounts at the beginning and ending of the year

EBL is improving its customer relationship model every year with the aim of offering the finest products and services as and when they need them, while enhancing the customer experience with the Bank. EBL is following the "Segment of One" approach for its customers by treating every customer as an individual segment and providing him/her customized and personalized services according to the need.

Alignment of sustainable finance with SDG

The UN Sustainable Development Goals, adhered by more than 190 countries, identified 17 key global issues. Bangladesh, despite significant challenges, is on track to achieve the Sustainable Development Goals, according to a recent government assessment. Bangladesh is doing well in numerous sectors, including poverty reduction, gender equality, power, sanitation, and annual GDP growth. EBL is in a process of managing relationships with stakeholders in the context of the world's foremost sustainability challenges and committed towards these goals and is helping to achieve them through its business activities and community investment program.

SDGs Mapping

| SDGs | SDGs Targets | Sustainable Finance Components | Sustainable Finance Sectors | Highlights of 2021 |
|--|---|--|--|---|
| 1 Noter 1 Noter 1 Noter 1 Noter 5 Noter 1 No | 1.3, 1.4, 1.5, 1.b, 2.3, 5.a, 6.1, 8.1, 8.2, 8.3, 8.9, 9.2, 9.3 | Sustainable Linked Finance | Sustainable Agriculture Sustainable CMSME Socially Responsible Finance | BDT 5,644.92 million for sustainable agriculture for 43,979 rural people. Contributed BDT 758.75 million in CMSME sector mainly in Handicrafts Handloom, Rice processing and production of organic fertilizer. BDT 19,748.0 million for Socially Responsible Finance through MFIs & NGOs |
| 6 CLANKER 7 HERRENARD 6.3, 6.4, 7 CLANKER CLANKER 7.2, 7.3, 8 FCCAN BRANK 9 HORDER BRANK 9 HORDER BRANK 9.2, 9.3, 9.4, 12.5. | Other Sustainable Linked Finance | Working Capital Priority Green Products for Trading Sector Priority Eco Friendly Products for Trading Sector | • BDT 7,438.07 million for working capital financing in LEED certified/Green certified/Green practiced factories. | |
| | 9.4, 12.5, 13.2, 13.a, 17.14, 17.17, 17.18 | Green Finance | Renewable Energy Energy & Resource Efficiency Alternative Energy Liquid Waste Management Solid Waste Management Recycling & Manufacturing of Recyclable Goods Environment Friendly Brick Production Green/Environment Friendly Establishments Green Agriculture 10.Green CMSME 11.Green SRF | BDT 128.49 million for Energy & Resource Efficiency. BDT 140.76 million for Liquid Waste Management i.e. setting up ETP plant. BDT 108.35 million for Recyclable Poly Propylene Thread and Bag Manufacturing Plant. BDT 345.57 million for Environment Friendly/Brick Kiln Efficiency Improvement Project (Tunnel Kiln and HHK). BDT 1311.02 million for Green/ Environment Friendly Establishments & 'Green Featuring' in the Buildings/ Industries. |

Way forward

- Adapting to growing demand for digital banking services, the need for speedier decision making, and the constant need to break down and rebuild these are critical to success.
- Re-skill and redeploy EBL's employees.
- Learning and sharing knowledge across the Bank to help everyone grow.
- Inclusion and diversification principles are critical for developing a holistic business mindset and aptitude.





CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility

Our responsibility to our Society

As a responsible corporate citizen we understand the need to invest in the society we operate in for bringing about changes that impact lives in positive ways. Our corporate social responsibility (CSR) is a reflection of our commitment to our society and we put in our best efforts in living according to the values we wholeheartedly believe in. Our attempt has always been to make a positive impact in everything that we do.

We always strive to live up to the principles of the United Nations Global Compact as this is globally recognized cornerstones of corporate social responsibility. We also firmly believe that without a principled approach to do business, sustainability cannot be ensured.

Our corporate citizenship strategy

We apply the same corporate governance standards to our corporate citizenship programs as we do to our business dealings. For us good governance is the foundation of our strategy.

All project proposals relating to CSR are evaluated based on a standardized governance framework and scorecard. We have a Board approved CSR policy framework and we do everything necessary to ensure transparency of our investments. Our CSR policy clearly outlines our engagement strategy. We deploy our resources to make a difference to the communities in which we operate.

- We take utmost care to ensure that the CSR allocations do not end up financing militancy and terrorism.
- Our CSR engagement programs are mostly in the area of education and healthcare. Our aim is to spend 40% of our fund for awarding scholarships for underprivileged students from renowned educational institutions and 25% to healthcare for underprivileged population of the society.

Education: Key to social and economic development

We believe education is the great leveler and also the best way to raise aspiration in the society and instil inspiration to achieve greater heights in life. In this globalized and knowledge-based world, education is key to address humanity's major challenges.

Our major CSR activity involves in tertiary education because we believe that it is where youths are prepared for entering into the job market. For the economic development, our society needs skilled workforce and people who embrace critical thinking. Education is also crucial to social cohesion, because it enables people from a disadvantaged background to earn an income that can provide a better quality of life and inspire future generation. As a responsive corporate citizen, we have anchored our CSR initiatives on education.

- We strongly feel that sports, arts and culture are key components for a healthy and sustainable society. We, therefore, have committed 10% of our CSR allocations to the development of sports and arts and culture of the country.
- The remainder 25% of the budgetary CSR expenditure is allocated for emergency disaster relief, upgrading facilities and lifesavings equipment in emergency rescue services like the fire brigades etc., infrastructure improvement for disadvantaged communities in far flung areas.



Our initiative is based on two pillars:

Our major CSR activity areas

- Strengthening youth confidence by raising aspirations and
- Providing pathways to education and employment opportunities.

EBL- Dhaka University Alumni Association Scholarship

In the year 2007 we began a fruitful partnership with Dhaka University Alumni Association (DUAA) to reach out to meritorious and disadvantaged students of the University. We are proud of this collaboration. We began by offering a minimum of four scholarships to each of the 74 departments of University of Dhaka helping the meritorious but disadvantaged young people to pursue higher education and grow as skilled workforce. On the 10th year of our scholarship program, we almost doubled the scholarship amount from BDT 2.30 million to BDT 4.5 million. In 2021 we continued giving this BDT 4.5 million to 150 deserving students and each to get BDT 30,000. DUAA works closely with all the departments of University of Dhaka for the selection of the scholarship award.

Donation for establishing primary school

EBL donated BDT 1.5 million fund assistance under CSR program for establishing a primary school in Payeendong Union under Fatikchari District, Chattogram. Recently 233 homeless and landless families were provided shelters under prime minister's rehabilitation program. This is part of EBL's yearlong initiatives to mark the birth centenary of the Father of the Nation. This school will facilitate access to primary education to the children of rehabilitated destitute families. When established, a total of 400 students will be enrolled for primary education.

Contribution to Bangladesh Disabled Development Trust for supporting blind students

We believe in holistic development of the society. Education will favor the integration of a special child into society. Bangladesh Disabled Development Trust (BDDT) is a specialized organization that helps blind children with special educational needs through multidimensional programs. As part of our commitment towards the society the Bank has contributed to BDDT for bearing the expense of blind students.

Promoting education and research on banking

We have donated BDT 3.75 million for development of proposed 15 storied RCC building of BIBM in 2021 to promote education, training, research and consultancy on banking.

Promoting human welfare

We always feel that our responsibility towards the society is not limited to banking only. As a responsible corporate citizen, we set up a team from our colleagues to visit and understand the need of the moment of the cold affected victims to different districts of the country.

Donating blankets to Prime Minister's Relief fund

We donated 75,000 pieces of blankets to the Prime Minister's Relief and Welfare Fund as part of our CSR activities for the underprivileged cold affected people across the country.



Mir Nasir Hossain, Director of EBL hands over blankets to the Prime Minister's Relief and Welfare Fund.

Providing warmth to cold-hit people

For providing comfort to the disadvantaged people of the street, EBL donated blankets to Uttaran Foundation, to the school students of Faridpur and to the madrasha students of Sirajganj and other cold affected regions of the country. Additionally, we donated blankets to the Health and Economic Development Society (HEDS) for Patuakhali District.



Blankets handover to HEDS for the cold hit people of Patuakhali District

Disaster management

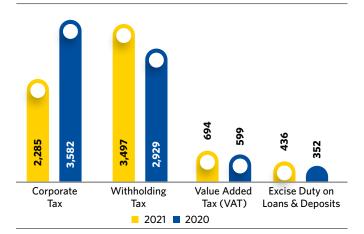
Our corporate values tell us to stand by the people in need and reaching out to them in crisis. The society we belong to and operate is the place where all our responsibilities lie. We have always come forward with support.

Emergency relief for the people affected in communal violence

As part of emergency response, EBL donated BDT 10 million financial assistance to the Prime Minister's Relief and Welfare Fund for communal violence affected people of Pirgonj, Rangpur.

Contribution to national exchequer

Being a responsible and tax abiding corporate citizen, EBL regularly pays corporate tax on time, sometimes even before it falls due. We deposit withheld tax and VAT to govt. exchequer on time deducted from employees' salary as well as payments to customers and vendors. Following graph shows our contribution:



Encouraging women empowerment

Empowering women facilitates overall economic growth. We are a great believer of women empowerment. We offer special products to facilitate women entrepreneurs at discounted loan pricing with an aim of providing growth support. Women clients can avail EBL Mukti loan up-to BDT 25 Lac without any collateral and up-to BDT 50 lac with collateral. Along with financing we offer guidance to our women clients on various business issues such as financial record keeping/accounting, sales routing through bank account, trade license, taxation, marketing, insurance etc.

Every year we celebrate International Women's Day to celebrate womanhood while calling for greater equality.



EBL celebrates womanhood at Head Office on 8th March, 2021

Arranging training sessions partnering with Creative IT

EBL and Creative IT Institute have signed an agreement under which EBL customers will enjoy special discount and privileges in IT skill development training programs offered by Creative IT Institute. In addition, EBL Women Banking in association with Creative IT Institute arranged a 3-day online training program on graphic design.



EBL arranges 3-day online training program on Graphic Design by Creative IT Institute

Agreement with WEAB

EBL Women Banking in association with Women Entrepreneurs Association of Bangladesh (WEAB) have signed an agreement to provide support to the women entrepreneurs of WEAB for their growth and development, enhance bankability, financial inclusion and socio-economic advancement through a collaborative approach. The agreement will also enable WEAB members to avail EBL Women Banking products, services and financial consultancy from all EBL branches.

Environment-friendly Bank

We believe that every small 'GREEN' step taken today would go a long way in building a greener future. As an environmentresponsive bank, we initiated Go Green campaign in our Bank. After reducing the use of electricity and paper at the office, EBL is now gearing up for carbon trading to show its commitment to environment-friendly funding. Some of our branches and ATMs of the bank now run on solar power.

EBL observes National Mourning Day by planting trees

EBL organized a tree plantation program in Dhaka to observe the National Mourning Day and to pay tribute to the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and to those who were martyred on 15 August 1975. Planting trees was a better way of paying homage to the memory of Bangabandhu, who dreamt of a green Bangladesh and initiated tree plantation campaigns in the country soon after the Independence. Saplings of different verities of mango were planted to mark the day.



EBL organizes tree plantation program

Sustainable energy finance loan

EBL is the first bank in Bangladesh to offer sustainable energy finance loan product with assistance from the South Asia Enterprise Development Facility (SEDF), managed by IFC in partnership with the UK Department for International Development and the Norwegian Agency for Development Cooperation to help companies implement energy-saving measures and boosting the competitiveness of private enterprises. We also ensure that customers having production facilities susceptible to damage environment has due environmental clearance certificate from the concerned ministry while granting or renewing credit facilities.

Healthcare

Coronavirus infection is a major threat to the global community. World Health Organization (WHO) has declared COVID-19 as a pandemic because of its significant spread throughout the world. Due to its high density of population Bangladesh is more vulnerable to the spread of the virus. The government timely implemented several measures and steps to limit the new cases as well as minimize the death rates.

Donation to Prime Minister's Relief and Welfare Fund to fight COVID-19 epidemic

We have extended our support to combat the coronavirus pandemic in Bangladesh by donating BDT 50 million to the Prime Minister's Relief and Welfare Fund. EBL handed over the money through Bangladesh Association of Banks (BAB). This donation helped to provide PPE, testing Kits, respiratory equipment etc. to needy people for combating the Corona Virus Outbreak in Bangladesh.

Special COVID-19 CSR program

Considering the impact of COVID-19, we concentrated on health care and societal contribution where we deployed our fund to mitigate the impact of pandemic. EBL's special COVID-19 CSR program fund has been used for food and medicine assistance and cash support to daily wage earners and the poor across the country. For COVID-19 special fund, EBL has disbursed BDT 41.1 million in 2021.

- We donated to the Corona unit of Jashore General Hospital which was managed by SAJIDA Foundation.
- EBL provided two freezer vans to Al-Markazul Islami and Anjuman Mufidul Islam to help facilitate burial of dead bodies during the COVID-19 pandemic. Another freezer van was donated to Anjuman Mufidul Islam's Chattogram office.



Freezer van handover to Al-Markazul Islami



Freezer van handover to Anjuman Mufidul Islam

- To distribute funds and aids EBL joined hands with NGOs like ActionAid Bangladesh, Palli Mongal Karmosuchi, Society for Social Service, Clean and Green Foundation, BURO Bangladesh, SAJIDA Foundation, TMSS, Bidyanondo, and BRAC. For distributing food assistance to the community that was affected worst by COVID-19, EBL collaborated with Bidyanondo Foundation, a non-profit social welfare organization.
- EBL partnered with Sena Kalyan Sangstha Bangladesh to fight COVID-19 pandemic. EBL provided emergency food support to vulnerable families in different areas of the country through district commissioners' offices.



EBL provides financial assistance to Chattogram Maa O Shishu Hospital



Food assistance for COVID-19 affected people of Khulna division through Bidyanondo

Way forward

- We will act to bring positive changes through our activities in the areas of educational development, healthcare, sports, women empowerment, art, culture and so on.
- In emergency situation of the country, we will try our best to extend our support.
- We will keep our engagement in development of our country.



MANAGEMENT DISCUSSION & ANALYSIS (MD & A)



Comparative Analysis of Financial Performance (2017-2021)

EBL continues to deliver superior and sustainable financial performance to establish itself as a most valuable financial service provider in Bangladesh. At the end of 2021, EBL market capitalization was BDT 36.7 billion, with asset size of BDT 389 billion and shareholders' equity of BDT 31 billion.

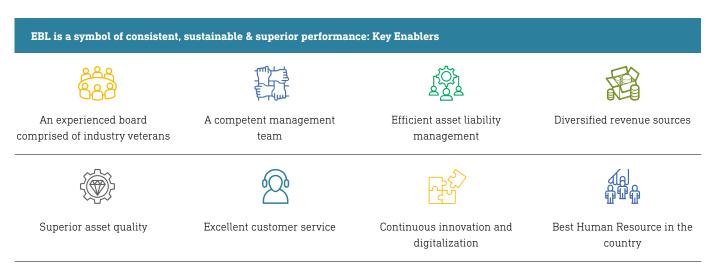
Bangladesh does have an impressive track record of growth and development and has been among the fastest growing economies in the world over the past decade, supported by a demographic dividend, strong ready-made garment (RMG) exports, and stable macroeconomic conditions. Although Bangladesh faced COVID-19 induced challenges including constrained economic activities and declining export, it rebounded strongly and posted 6.94% GDP growth in FY21.

During last few years, the banking industry also faced numerous challenges characterized by weak governance, higher NPL, outbreak of COVID-19 followed by series of lockdown and shutdown, relaxed repayment policy, regulatory restriction on fees and charges, downward pressure on loan rate and upward pressure on deposit rate. Despite facing numerous challenges, EBL has grown sustainably year on year navigating through difficult times and delivered consistent financial performance.

- EBL recorded so far the highest profit after tax (PAT) of BDT 4,654 million in 2021 which was BDT 2,405 million in 2017 registering 94% growth. Despite managing a moderate sized balance sheet, our efficiency in ALM practice has always been producing tangible results over the years.
- In 2021, NII growth was positive by 31%, compared to 2020, where interest expense fell by 39% or BDT 5,292 million due

to lower cost of deposit driven by CASA growth but interest income fell by 18% or BDT 3,461 million mainly due to downward pressure on interest rate and increase in NPL. On the other hand, non-interest income growth in 2021 was positive by 15%, compared to 2020, mainly due to judicious investment in govt. securities, alternative investment instruments and capital market. Mounting on both NII and Non NII, EBL operating income reached to BDT 17,158 million in 2021 for the first time in last five years with growth of 21% compared to 2020.

- Compared to year end 2017, EBL loan portfolio grew by 46% or BDT 85,367 million and reached to BDT 269,394 million on 31/12/2021.
- We could not keep the NPL ratio where we would have liked to but 3.70% in December 2021 (2.50% in 2017) is still way below the industry average of over 7.93% in December 2021.
- Compared to year end 2017, deposit base also grew by 60% or BDT 100,671 million and reached to BDT 268,019 million on 31/12/2021 with strong focus to increase the low cost CASA deposit base.
- Cost to income ratio, a measure of operating efficiency, improved significantly from 45.20% in 2017 to 38.99% in 2021.
- In 2021, Capital to risk weighted assets ratio (CRAR) was 14.08% (solo basis), well above the requirement of 12.50%, and over the years we have been able to maintain CRAR well above the regulatory floor.
- From the shareholders' point of view, EBL's return on equity also increased from 11.41% in 2017 to 15.51% in 2021.



In last five years, EBL excelled in many areas especially in business growth, profitability, compliance, innovation, reaching customer digitally and delivering consistent financial performance. We expect to exceed our track record in coming days through better banking. A review of the last five year financial progression is presented in the Stakeholder's section of the report where comparative analysis of financial performance is presented with different ratios and graphs.

Corporate Banking

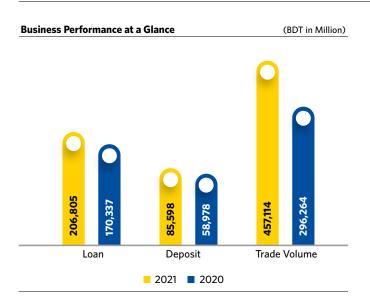
Overview

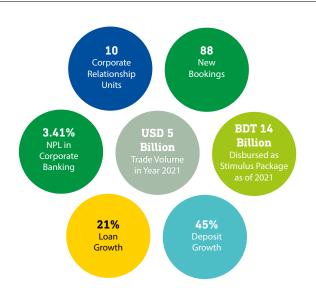
Bangladesh is now on an upward trajectory in attaining many of the targets set under the Sustainable Development Goals. With this momentum, the country is now working towards graduating from the LDC status to Developing Economy by 2026 towards the journey of joining in the club of Advanced Economy by year 2041. In the face of Covid -19 pandemic Bangladesh economy has demonstrated economic resilience registering GDP growth of 6.9% in fiscal year 2020 - 2021.

Eastern Bank Limited (EBL) is a pioneer in the financial industry of Bangladesh. The Corporate Banking Division is the forerunner of its achievement in various capacities and is expected to play the same vital role in the days to come. EBL Corporate Banking is widely known for Innovation and Corporate Solution which made EBL Corporate Banking unique in the industry as trendsetter. EBL Corporate Banking contributed in creation of the Brand "EBL – simple Math" in the customers' mindset. With loan size of nearly BDT 207 Billion, deposit size of nearly BDT 86 Billion and trade volume of about 5 Billion USD concluding in the year 2021 and a growth rate of 21% in loan and 45% in deposit compared to last year, Corporate Banking has successfully managed to serve its valuable client base. Onboarding new customers has made the journey toward excellence possible with the support and contribution of 79 members of EBL Corporate Banking.

EBL Corporate Banking consists of 10 Relationship Units & 2 specialized units: Cash Management Unit & Structured Finance Unit. Relationship units focus on providing 360 degree solutions to the corporate customers including project finance, working capital finance, trade and all other corporate business services. 2 relationship units are stationed in Chattogram for catering services to the clients of that region. The partnership approach with customers has made the business growth of EBL Corporate Banking sustainable.

EBL Corporate Banking has its presence in all important subsectors of economy of Bangladesh, which includes, but not limited to, Readymade Garments, Textile, Pharmaceuticals, Commodities, Power, Aviation, Transportation, Ceramics, and Steel and provides solution to the customers involved in Government's development initiatives. EBL Corporate Banking is proud to be a part with initiatives of different Government Owned Entities including, but not limited to, Bangladesh Petroleum Corporation, Bangladesh Telecommunication Regulatory Commission, Water Supply And Sewerage Authority, Power Grid Company of Bangladesh, and Civil Aviation Authority of Bangladesh.





Relationship units

The relationship units, as a whole, represent the backbone of Corporate Banking Division. Maintaining sustainable and profitable relationship with our valuable clients and providing them with financing solutions to facilitate their businesses are among the major responsibilities of the relationship units. Through working capital solutions, bridge financing, long term financing, and offshore financing, the relationship units cater various financial requirements of our esteemed clients.

Cash management unit

Cash Management Unit provides a comprehensive set of innovative products and services to our clients to maintain efficiency in their business operations by optimizing their cash flow position. The ultimate goal of this unit is maximizing liquidity to strengthen deposit base of the bank while minimizing the cost of fund so that it can efficiently cater to various corporate and institutional clients.

Major Initiatives



Structured finance unit

Structured Finance Unit of EBL is recognized as one of the market top liners in providing full suite of services pertaining to fund arrangement, advisory, agency and account bank services and other innovative products and solutions for both corporate and public sector clients. This dedicated team comprises of skilled professionals having a combination of industry-specific skills that allow us to address the complex issues associated with transactions.

Noteworthy Deals





Arranged Preference Shares amounting to BDT 2,600 Million

Arranged Preference Shares amounting to

rranged Preference A hares amounting to S BDT 3,000 Million



Arranged Preference Shares amounting to BDT 1,000 Million



Signed a Memorandum of Understanding to facilitate financing for public-private partnership projects



Secured mandate amounting to BDT 2,001 Million Women Empowerment Zero Coupon Bond

Way forward

Bangladesh has made a successful U-turn in terms of economic activity from the pandemic that brought the whole world into a standstill. Credit growth in private sector, growth in public sector spending, acceleration in export earnings, and rise in inflow of foreign remittance have posed as the prime determinants of this positive comeback. However, world-wide increase of commodity prices due to supply chain disruptions, rising inflation, and weakening balance of payments, absence of unhindered remittance inflow through formal channel remained major internal and external economic challenges. Based on the positive bounce back of country's economy, the growth of banking sector is expected to continue in 2022, EBL Corporate Banking will explore opportunities on both public and private sector investment while managing its asset quality and pursuing the source of low cost funds.

Corporate Banking Event Highlights



Ali Reza Iftekhar, MD & CEO of EBL and Khondkar Morshed Millat, GM of Sustainable Finance Department of Bangladesh Bank sign participation agreement



EBL signs Deal closing with Epyllion Group



UMPL Deal Closing Ceremony



PPP MoU Signing Ceremony



Meeting with Chairman, Civil Aviation Authority, Bangladesh (CAAB)



TMSS Mandate Signing Ceremony



MOU Signing Ceremony for Integration of Services with BIDA OSS



Congratulating Mr. Fazlur Rahman, Chairman, City Group for the prestigious award "Greatest Leaders 2020-21" by Asia One's

Retail and SME Banking

In 2021, the common thread binding our experiences at a personal, national and global level was the COVID-19 pandemic. The pandemic as prevailed in 2021 was not a surprise for us; it was

rather a challenge to outshine our 2020 performance and post a strong business and financial results.

Key Highlights Managing the deposit Growth in loans and Launching of EBL Insta Launching of EBL Digi Enabling transfer of Loan Portal- Country's portfolio successfullyadvances: 7% Banking (Opening money to any EBL balancing the volatile (2021 vs 2020). Account from Home first ever Digital CASA from bKash. asset demand and using E-KYC Guideline). Lending Solution. overall cost to the Bank.

Retail & SME Deposit

21% year-on-year growth in number of accounts opened

Retail & SME Deposit strategy has been centering on customer and product centric approach, so as to have a sustainable growth in deposits from both existing and new customers. As COVID-19 continued to wreak havoc on the economy in 2021, our deposit mobilization strategies were molded accordingly. At the beginning of the year, there was more emphasis on cost optimization, with focus on CASA as a key driver of deposit growth. Consequently, as the year progressed, with the increase in credit demand as the economy recovered; there has been a paradigm shift and the focus turned to term deposits being the key driver for Deposits. In the last 4 months of 2021, our Retail and SME banking team went into full gear and ensured that Bank's overall need is fulfilled. There has been a 21% year-on-year growth in number of accounts opened even during the pandemic which was driven mainly by digital initiatives of inclusive banking - wherein 100% digital onboarding of Retail customers has been facilitated via EBL Self Service Hub and EBL Insta Banking.

Retail Loans

49% growth of Mortgage based loans

Tackling the challenges and obstacles of COVID-19 pandemic, EBL Retail Assets team has marked around 3.91% growth in 2021 mainly driven by mortgage-based loans such as Home Loan, Home Credit & Mortgage Loan Payment Protection. Surprisingly, in the midst of this pandemic, the portfolio of Mortgage Loans grew Almost by 49%. It holds about 23.5% of entire retail loan portfolio. Strict monitoring and implementation of effective strategy also ensured that the quality of retail loan portfolio was maintained. EBL also launched Digi loan which is a complete online based loan for the customers. In the coming year, EBL Retail Assets is committed to building and maintaining a sustainable Retail portfolio.

SME Loans

10.5%

Portfolio growth of SME Loans

EBL SME remained steadfast in 2021 and continued its effort to remain one of the leading financial partners for SMEs. A year which started with lot of promises as the havoc induced by the pandemic started to recede faced severe headwind when the country experienced second wave of the pandemic. Despite these impediments as the economy slowed down due to the lockdowns imposed, SME business finished the year with portfolio growth of 10.48% while number of disbursed loans increased by 30% from the previous year. EBL recognizes the growing impact of SMEs on the country's welfare and economic development in areas such as GDP contribution, poverty alleviation and employment generation. Therefore, EBL puts emphasis on activities for the advancement of the SME sector. The bank took extended measures to provide stimulus loans to SMEs and received recognition from the Central Bank for accomplishing the first phase stimulus loan target. EBL also introduced two new loan products for SMEs through

Supply Chain Financing

Launching of EBL Shomonnoy

Supply Chain Financing market in Bangladesh is still new. Dealers and suppliers still struggle to understand the financing process. In addition to that, companies with strong cash flows are not eager to help their dealers and suppliers financially through Supply Chain Financing from Banks. But things are gradually changing, and supply chain financing will achieve a big market in near future. However, to facilitate the dealers and suppliers where corporate which a customer can avail loan at one of the lowest rates in the market. Furthermore, particular focus is being given to women entrepreneurs, start-ups and businesses outside urban areas which will definitely pave the way for better financial inclusion.

anchors are not interested, EBL SCF launched an open market product named "EBL Shomonnoy" in 2021. It is a working capital financing for dealers and suppliers through demand loan without dependency on corporate anchors. EBL Shomonnoy has already gained popularity among the suppliers and dealers within a short span of time. It is expected to gain much more footprint in the coming years.

Cards Business

40% increase in issuance of Credit Cards

In the face of numerous challenges due to COVID-19, EBL Cards Business successfully ended the year with significant growth across different parameters. At the end of the year, we were able to maintain one of the leading positions in the market in terms of our cards portfolio and transactions. Due to the pandemic, Point-of-Sale (POS) transactions declined and International Travel restrictions made cross-border transaction volume stagnant. In order to balance the impact, we heavily promoted e-commerce transactions and digital modes of payment through cards along with awareness campaigns to highlight the benefits of using card during the pandemic. EBL ensured year-long activities and campaigns to provide our cardholders with hassle-free cards services and useful offers on essential products and services. This resulted in a 30% increase in credit card transactions from 2020 and more than 5% growth in credit card outstanding Portfolio in 2021. The initiatives taken by cards business throughout the year also reflected in the total number of credit cards issuance in 2021, which increased by 40% from 2020.

EBL Cards Business rolled out an array of new products and services in 2021, including EBL GPL (General Pharmaceuticals Limited), Visa Employee Payroll Prepaid Card, EBL BDF (Bangladesh Doctor's Foundation) Co-brand Credit & Prepaid Card, Visa Contactless Classic & Gold Credit Cards, EBL Mastercard Women's Platinum Debit Card, the country's first mobile POS terminal and many more. Furthermore, EBL Cards Business was recognized with the Excellence in Mastercard Prepaid Business (Domestic) 2020-21 and Excellence in Mastercard Prepaid Business (International) 2020-21 awards for its contributions to the prepaid cards business of Bangladesh in 2021.

Priority Banking

41% deposit contribution by EBL Priority Banking

EBL Priority Banking stepped into a new horizon in 2021 and produced a remarkable growth both in its deposit and asset portfolio. In the last 4 months of 2021, our Priority Banking deposit portfolio grew by 16%; whereas the overall Asset Portfolio grew by 28%, New Priority and Priority Plus customer Acquisition grew by 109% and 50% respectively.

With less than 1% of EBL's total customer base; EBL Priority Banking now holds over 41% deposit contribution and 8% asset contribution

to the overall Retail Banking deposit and asset portfolio respectively.

While keeping pace with business, asset quality has never been compromised. Consequently EBL Priority Banking has been very prudent in ensuring Priority asset quality which resulted into less than 0.5% NPL. Alongside these, in its continuous effort of serving its ever growing customer base and to complement their lifestyle needs, EBL Priority Banking introduced 08 new reputed brands across the globe as lifestyle partners.

Women Banking

EBL Women Banking is persistently taking proactive initiatives to activate the latent market of female entrepreneurs in terms of building effective social awareness towards skill and entrepreneurship, ensuring more access to finance, addressing both professional and personal wellbeing. We have been empowering 70 plus women entrepreneurs by providing extensive business documentation support. We always believe, women's diverse lifestyle deserve better customized solutions and exclusive offers. In response to that, EBL Women Banking not only has enhanced its collaboration window with Country's Top brands but also has effectively justified a proper pool of diversification and uniqueness. In addition to lifestyle brands, EBL Women Banking has also raised the bar through effective collaboration with different prominent skill development partners i.e. Creative IT Institute, Women In Digital, WEAB.

As the market is still facing different challenges due to lack of skill development programs, digital training and marketing, EBL Women Banking has not only ensured branch based entrepreneur training with 500 plus female customers but also provided extensive business documentation support to 70 plus women entrepreneurs with a vision to build an ecosystem where access to finance can be ensured, effective growth can be enhanced.

Agent Banking

17 new Outlets launched in 2021 Year-on-Year Account growth of



By adapting the motto of "সহজেই সৰ ব্যাংকিং সেবা", EBL Agent Banking has taken modern and simplified solutions to the doorsteps of the underserved population. Within a short span of time since its inception, EBL Agent Banking has already gained massive popularity among the banking community due to its unique branch-like ambience and service excellence; while ensuring the growth and inclusive development of the rural segment population.

Excellence has always been the key focus point of EBL. EBL Agent Banking is also advancing its journey while keeping service excellence as its top most priority. Unlike others, EBL Agent Banking is striving to achieve quality not quantity. Qualified Agent Owners, robust business locations, sustainable business growth and 360 degree transformation of the community are the desirable features of EBL Agent Banking. All EBL Agent Outlets are equipped with our state of the art Agent Banking software and latest IT devices, which ensures real time smooth transactional experience for the customers. In this way, EBL is revolutionizing the remote level banking scenario of the country.

Establishing digital and cashless connection between businesses is the new project of EBL Agent Banking. EBL Agent Banking has taken initiative to make its Outlets as a digital hub to establish relationship between rural small and medium segments businesses with the large industrial businesses.

Payroll Banking

Over **300** businesses signed up in 2021

Payroll Banking mainly manages salary of the employees of our clients and provides other financial services. The department has the capacity to cater financial services to mid to large corporates. It was a very challenging year for the team as several changes were adopted due to COVID-19 pandemic and the fierce interest rate competition and its impact on the overall portfolio. Regardless of all the obstacles, Payroll Banking has managed to ensure growth. Our account growth for the year was 28.8%, which includes MNC and Large Corporates. Moreover, our digital innovation to cater the diverse financial and non-financial needs of our customer has made us more resilient and has given us a distinctive spot in the Employee Banking segment. The team has signed up 308 businesses for the year, which contributed deposit growth of 15.41%. Throughout the year the team conducted several Roadshows to promote Digital Services, Loan, and Credit Card Campaigns. The Loan outstanding growth was about 1.2% by reducing NPL to 1.64%, which is remarkable considering the market scenario.

Student Banking

EBL Student Banking offers dedicated banking service for the students with a range of banking products and specialized banking services. With a view to promote financial literacy among the students this year we have published digital contents on financial literacy in social media platforms. In addition to this our branches have also encouraged students in their locality to open student banking accounts. Online onboarding of EBL Campus account has also been introduced. We also provide Student File Service – a specialized banking service for the students opting for studying abroad. We have catered uninterrupted student remittance processing even within the challenging times of ongoing pandemic. The service has contributed to our Bank's financials by exploring the avenue of fee income and foreign exchange gains. Student File Service is provided through: four (4) dedicated student centers; three (3) in Dhaka and one (1) in Chattogram along with a dedicated student desk at Upashahar branch, Sylhet and through other AD branches.

year 2021 started with possibility but the grim of pandemic was still

there. Throughout 2021, there were several online based healthcare

events and special offerings which surely helped to keep customer

attached to the brand. We have initiated propositions (offering)

which have been unique in nature and implemented for the first

time in EBL, such as - Ekushey Offer, Father's Day Celebration,

Celebration of Golden Jubilee of our Independence and 50th Victory

Day Celebration. Also this year the team was focused on catering

special need based aspects, like - Breast Cancer Awareness and

Access to Diabetes Care.

Retail Propositions

Retail Propositions ensures that EBL clients enjoy exciting benefits at all possible ranges of their spending points using EBL cards throughout the year. Accordingly we promote the finest benefits that are aligned with upscale lifestyle for our cardholders; arrange events, value added services and freebies; followed by EBL Skylounge in Dhaka and Chattogram for our Retail & SME Banking customers – with the view to enhance their banking experience to the fullest. Currently, we have more than 300 renowned brands as alliance (discount) partner, covering a wide array of customers' consumption touch points.

This year the Retail Propositions team has carried out the highest number of campaigns in the history of EBL Retail Propositions. The

Digital Banking

Transaction Volume



Fastest Growing digital Bank in Bangladesh awarded by International Finance Magazine

BDT 10,000 Crore

New EBL 365 launched

6

97 lac

Total transactions

As the unforeseen pandemic in 2020 led to rippling challenges for the overall banking industry; 2020 was all about quick fixes and survival mechanism to salvage the best out of the pandemic situation. The year 2021 was far different. As the pandemic panic gradually settled down, people started to mature around the COVID lifestyle. It was the time to re-think, re-evaluate and transform those challenges into business opportunities strategically. From the beginning of 2021, EBL's Digital Banking has been at the heroic forefront with revolutionary solutions to fulfill the abruptly spurring needs of its customers to do banking from anywhere at any time.

From the perspective of EBL's customers, the term digital banking often resonates Skybanking at the top of their mind. In recent years, Skybanking has been growing popularity for providing customers with instant banking features and services at the peak of times. In 2021, EBL digital banking team in collaborated efforts, took Skybanking to newer heights steadily. With timely introduction of app based features such as, Skybanking Web Version, RTGS Fund Transfer from Skybanking, Credit Card Statement View and Download using Skybanking Web, Account statement View and Download using Skybanking Web, Instant Execution of Positive Pay Instruction, EBL Insta Banking, bKash to EBL account transfer, Self Service Portal, EBL Digi Loan, Self Service Card Currency Control (credit card foreign part enable/ disable and limit conversion from BDT to USD/USD/BDT) and Other Bank Credit Card Bill Payment (CCBP). Several other digital banking initiatives were designed and renovated in light of the COVID quarantine periods while banking staying at home. Such as: EBL DIA, Query and Complaint Management Cell, Customer Due Diligence Review (CDD), Paperless POS Terminal, Automated Challan System and Net Banking. Moreover, EBL has successfully implemented six new EBL365s across the country in 2021. ATM cash management team has ensured regular night visits at different EBL365s as a part of ensuring safety and security during the COVID phase. Despite the COVID pandemic, 5% ATM transactions have increased in 2021 compared to 2020. Dropbox transactions have increased by 14% since 2020. In 2021, necessary initiatives were taken to implement and upgrade all terminals with latest operating systems and antimalware solution along with existing security solution, as per directives in order to secure ATM network.

All of these coming together have made EBL stand out as a Bank which has strengthened its digital capabilities with successful outcomes during adverse situations. With a record transaction volume of BDT 10,000 Crore and over 97, 00,000 transactions across both ATM and Digital platforms, it was another testament as to how transformed customers became in terms of performing their banking transactions. This yielded EBL an award from International Finance as the Fastest Growing Digital Bank, being the only bank in Bangladesh to win the award.

E-Commerce

2021 has been a remarkable year for EBL E-commerce team as it has generated more than BDT 36 crore revenue through both POS terminals and EBL SKYPAY, the online payment gateway of EBL. To achieve this milestone, a total transaction volume of BDT 4,771 crore has been processed through EBL SKYPAY. We have seen a yearon-year increment of 214% in terms of transaction volume while increment of revenue was 209% compared to the previous year. More than 15.7 million online transactions have been processed in 2021 by EBL SKYPAY making it the most frequently used payment gateway and as a result the year-on-year increment in terms of number of transactions processed is 195%. By processing this huge number of transactions for the merchants like bKash, Nagad, Daraz, Foodpanda, Chaldal and others; EBL SKYPAY possesses 76% of the market share of total E-commerce transactions of the country. We have participated in 220 campaigns in last year which also included a special "Visa card save campaign", to ensure higher number of transactions and volume through our payment gateway enabling us to strengthen our footsteps in the industry.

M-Commerce

M-Commerce has always focused on the innovation and implementation of new products and services. The department looks after the promotion of products and services in digital platform which generate views, communication, new leads and improve conversion rate. Team M-Commerce leveraged Social Media to reach users in 2021 resulting in 41 million+ impressions on Facebook. Social Media opened newer avenues of customer interaction which is evident by the 14,000+ leads generated through it. Through Google Display Network (GDN) Ad campaigns, 25 million+ impressions were created across the internet. The Fund Transfer and Bill Payment services, a collaboration with the biggest names in MFS like bKash and Nagad and our own digital app solution EBL Skybanking leveraging Visa Direct technology, have generated more than BDT 650+ crore in transaction and BDT 2.80+ crore in revenue. Through Tokenization solution, a volume of BDT 13+ crore has been processed. The many avenues that we are exploring converges on the ideas such as tech based solutions that rely heavily on innovation and automation of processes that ensures convenience for overall payment scenario.

Challenges and our approach

| Challenges | Our approach |
|---|---|
| Series of Lockdowns continued to impact SMEs. | EBL took extended measures to provide stimulus loans to SMEs. |
| Due to the pandemic, Point-of-Sale (POS) transactions declined and International Travel restrictions made cross-border transaction volume stagnant. | Heavily promoting e-commerce transactions and digital modes of payment through cards. |

Way forward

- Ensuring robust growth in deposits by focusing on complementing a digital eco-system for customer on-boarding with a product centric approach.
- In the coming year, EBL Retail Assets is committed to building and maintaining a sustainable Retail portfolio.
- EBL aims to continue to being part of the success stories of promising and aspiring SMEs in the upcoming days.
- Introducing more digital innovations for Payroll Banking customers to ensure a smoother customer experience.
- Transforming EBL Agent Outlets into a Social Hub for the rural community.

Retail & SME Banking Event Highlights



Zara Namreen, Director of EBL formally inaugurates the relocated Khulshi branch in Chattogram



M. Khorshed Anowar, DMD and Head of Retail and SME Banking of EBL and Tamim Marzan Huda, Deputy Managing Director of SFIL sign a payroll banking agreement



M. Khorshed Anowar, DMD and Head of Retail & SME Banking, EBL and Faye Nicholls, Head of Teaching Centre, British Council sign the deal



 ${\it EBL} \ {\it and} \ {\it Women} \ {\it Entrepreneurs} \ {\it Association} \ {\it of} \ {\it Bangladesh} \ {\it sign} \ {\it an} \ {\it agreement}$



EBL and Bangladesh Satellite Company Limited sign a payroll banking agreement



EBL and G4S Secure Solutions Bangladesh (P) Ltd. sign a payroll banking agreement.



EBL and Best Western Plus Maya sign a deal

Treasury, FI and Offshore Banking

Adverse effect of COVID-19 pandemic on world economy slowed down business activities and disrupted global economic recovery in 2021. The Banking sector of Bangladesh went through a roller coaster ride this year. Bangladesh economy started to reinstate from the first wave of COVID-19 pandemic with rising forex reserve and significant supply of government stimulus loans. However as the second wave of COVID-19 hit, it put the economic progressions at standstill. Private sector credit growth which faced sluggishness due to economic uncertainties, started to pick momentum in the last quarter of 2021 and stood at 10.68% in December 2021. Nonperforming loan, escalation of loan write-offs, lack of corporate governance and increasing capital shortfall all these have already been part of irregularities and snags of banking industry of our country. Increased import payment along with declining trend of remittance inflow, caused the foreign exchange reserve to stand at USD 46.15 billion in December 2021. Excess liquidities caused the deposit rates to decline sharply. Slow credit expansion of private sector and surplus liquidity increased banking industry's focus on alternative investments such as government treasury bill-bonds, corporate bonds, Sukuk bonds, etc.

We remained vigilant and upbeat with the market changes during the year. As the overall credit growth of the economy was declining, we shifted our focus towards alternative investments and kept the revenue stream unharmed. In 2021, our investment in different perpetual bonds, sub-debt, zero-coupon bonds, etc. increased significantly to utilize the bank's accumulated liquidity.

🖞 🛛 Key facts & figures (2021 vs. 2020)

+19.71%

Money market income growth

+3.45%

Investment income growth

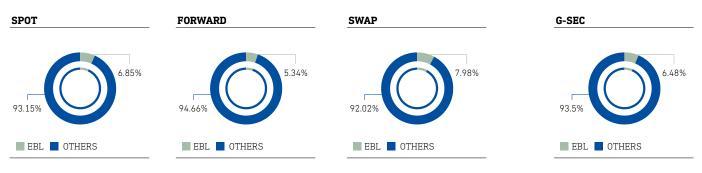
+3.31%

Treasury income growth

Milestone in 2021

First mover in executing government Bond Forward Deal: transaction between two parties to buy or sell Government Securities at a specified future time at a price agreed today.

EBL's Market share

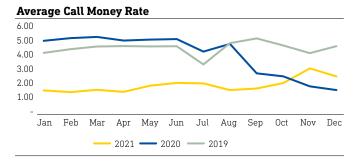


Our market performance in 2021

Money Market

Money market condition in 2021 was less vibrant because of the declining credit growth and surplus liquidity condition. The prime challenge of 2021 in the banking sector was managing the surplus liquidity and maintaining a steady revenue generation. We were able to conserve the liquidity condition of the Bank prudently in compliance with the regulator's requirement and were able to increase the money market income by 19.71%.

During the first three quarters of 2021, the average call money rate was flat and floated around 1.50% to 2.00%. However, in the last quarter, as the country started to recover from the second wave of COVID-19, the interest rate started to rise along with the overall credit growth.



Source: Bangladesh Bank website

Foreign exchange market

Bangladesh's forex reserve rose to USD 48.06 billion in August 2021 setting a new record for the first time in the history of Bangladesh amidst COVID-19 crisis. However, during the last two quarters of 2021, settlement of import LCs increased by 52.91% and was mostly driven by petroleum & petroleum products, capital machinery, and intermediate goods. This particular situation causes the US dollar price to hike skywards as the demand for the dollar increased enormously. As the inward remittance started to decline and the demand for the US dollar kept increasing, Bangladesh Bank sold approximately USD 2.03 billion to different banks as a part of active intervention to stabilize the market. From January to December of 2021, the US dollar price moved from BDT 84.80 to BDT 85.80.

As the foreign exchange market went through severe liquidity crisis, like others EBL faced difficulty in managing its foreign exchange liquidity and position. However, we were able to keep the Bank's liquidity level at optimum and maintain regulatory position within the prescribed limit along with substantial profit contribution.

Cross rate of major currencies against BDT 2021 86.00 125.00 120.00 85.80 115.00 85.60 110.00 85.40 105.00 85.20 85.00 100.00 84.80 95.00 84.60 90.00 85.00 84.40 80.00 84.20 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Source: Bangladesh Bank website

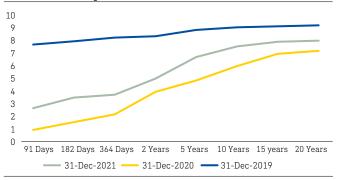
Fixed income securities market

Negative private sector growth led to vibrant fixed income securities market in 2021. Throughout the year average yield of government securities dropped significantly. Available excessive liquidity plunged by heavy stimulus fund disbursement, and downward credit growth forced the banks to invest in government securities at a lower yield.

According to Bangladesh Bank statistics, trading turnover volume of tradable government securities jumped by 22.14% percent in 2021.

Total Treasury bill and Treasury bond trading turnover volume was BDT 1,377.73 billion in 2021, which was BDT 1,127.96 billion in 2020. As opportunity for investment shrank alongside credit growth, Bank's demand for government securities increased significantly and impacted the yield curve negatively. However, in 2021, EBL did well in both investing and trading of government securities and was able to generate 3.45% more profit from the fixed income securities market compared to previous year.

Yield Curve Comparision of Govt. Securities

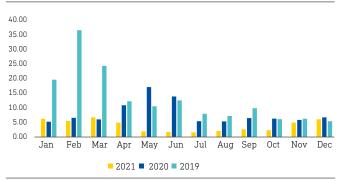


Source: Bangladesh Bank website

NRB Business

In 2021, EBL sourced inward remittance of USD 46.06 million through NRB business which was 18.68% of Bank's total inward remittance.

Inward remittance-NRB



Asset-liability Management (ALM)

Asset Liability Committee (ALCO) is one of the core decisionmaking committees of the Bank which primarily focuses on positioning the Bank's overall asset and liability. In 2021, EBL was able to maintain its asset-liability position swiftly to conserve a healthy balance sheet and helped to generate a noticeable amount of revenue for the Bank. Because of the ongoing progression of the pandemic, overall market condition was mostly liquid and loan growth was sluggish. ALCO was able to forecast the market condition in advance and able to diversify the investment portfolio for maximum return. Apart from these, the committee regularly monitored the various regulatory requirements such as Maximum Cumulative Outflow (MCO), Liquidity Coverage Ratio (LCR), and Net Stable Funding Ratio (NSFR), etc. to ensure the overall financial stability of the Bank.

Major areas focused by ALCO in 2021

- Investment in other banks Tier-II subordinate bond
- Focusing on alternative investment such as perpetual bond and zero coupon bond.
- Taking advantage from Money market Liquidity

International Business & Offshore Banking

Major achievements in 2021 are mentioned below:

- Received 2021 US Dollar Clearing Elite Quality Recognition Award for Outstanding Achievement of Best in Class MT 202 STP Rate 99.98% from JP Morgan.
- Became the first Bangladeshi bank to conclude SOFR-based trade loan arrangement from Wells Fargo Bank.
- Sourced USD 603 million FCY fund in the year 2021 from foreign banks & DFIs for Off-shore Banking. Master Trade Loan Agreement (MRTA) signed with JP Morgan, Bank Muscat, Doha Bank and Citibank NA.
- Signed a 'Confirming Bank' agreement as the first bank in Bangladesh with the Asian Development Bank (ADB) under their Trade Finance Program.

- Signed an agreement with the Bangladesh Bank, under which EBL can give loan to export-oriented businesses for their technological development and up-gradation.
- Arranged LC Confirmation and Financing for 358 LCs for USD 780.99 million from foreign banks and LC Financing for 1949 LCs for USD 299.53 million from EBL Offshore banking.
- Issued Bank Guarantee of BDT 258.64 million favoring Power Grid Company of Bangladesh against counter guarantee of Export-Import Bank of India.

Challenges and our standpoint

The banking sector faced several challenges in 2021 due to pandemic induced economic disruptions. This has further weakened the financial system of the country. Regardless of these, EBL has been able to continue the growth trend and increased total profitability. Along with that, continuous monitoring of assetliability management along with future investment opportunities helped us in maintaining favourable regulatory liquidity ratios throughout the year.

Way forward

- Offering customized products to corporate customers for finding synergy effect.
- Digitization of treasury product and services.
- Efficient management of fund mobilization through effective asset-liability pricing.
- Offering customized derivative products.
- Becoming more vibrant in fixed income securities market to explore trading opportunities.

Performance Review of EBL Subsidiaries

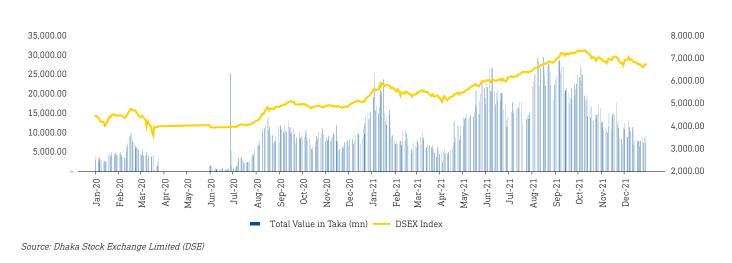
Operating environment in 2021

The capital market in Bangladesh has performed well in 2021 as DSEX, the prime index of Dhaka Stock Exchange, surged 1,355 points (25.08% YoY growth) and ended at 6,756.66 points at yearend. The market capitalization of the prime bourse also rose by BDT 939.66 billion or nearly 20.96% during the period to reach BDT 5,421.96 billion on the last trading day of 2021. Bangladesh capital market was one of the well performing markets in Asia during the year. DSEX touched a historical high of 7,368.00 points in 2021, the highest since its inception in 2013. DSEX turnover and market cap also reached new highs of BDT 29.54 billion and BDT 5863.19 billion respectively during the year.

Key factors

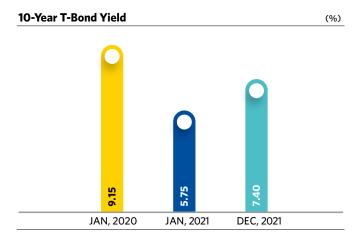
- Surplus liquidity in money market and lower interest rate.
- Favorable regulatory environment.
- Success in containing the outbreak of pandemic and swift economic recovery.
- Attractive valuation of the market.
- Growing investors' confidence.

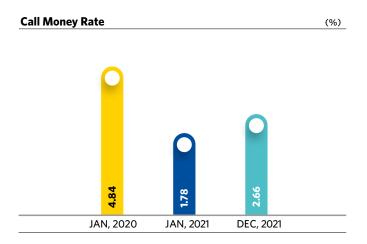
DSEX Index and Turnover

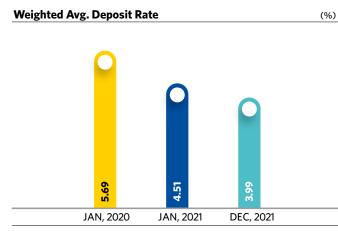


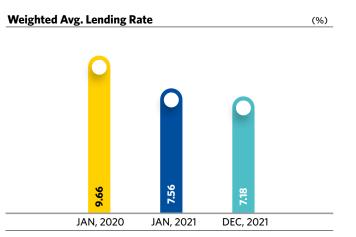
Several factors contributed to the shining performance of the capital market in Bangladesh. A proactive regulatory regime under the new BSEC commission which took timely initiatives and brought market reforms has created vibrancy in the market. The newly formed BSEC commission has also managed to instill confidence among stakeholders by ensuring enforcement of all necessary securities-related rules and regulations. Moreover, regulatory interventions and supportive policies such as extending credit facility by repealing index-linked margin loan, enforcing minimum paid-up capital requirement, and mandatory 30% shareholding requirement for sponsors have boosted investors' confidence even more. Besides, BSEC's initiatives for longterm sustainable development of capital market such as board reconstruction and appointment of independent directors in poorly performing companies, commencement of SME board, abolishment of OTC market, and formation of delisting rule for non-performing companies have created optimism among the investors.

Meanwhile, the money market had huge liquidity due to expansionary monetary policy, reduction in policy rates, low private credit growth, and higher deposit growth etc. Such high liquidity and low interest rate environment helped in channeling funds from money market to capital market to a great extent and boosted turnover in the market. Moreover, due to slowdown in the economy and closure of other business opportunities during the nationwide lock-down, many new investors have invested their idle funds in the capital market. Meanwhile, the corporate tax cut for listed companies has protected corporate earnings from a potentially detrimental impact of the pandemic and the low interest rate regime has lowered financial expenses and boosted corporate profit. The combined effect of all of these positive catalysts helped in the revival of the market since the reopening of the capital market in mid- 2020.









Source: Bangladesh Bank

However, later in 2021, the market became a bit shaky as the money market started to feel liquidity contraction as rising inflation prompted Bangladesh Bank to take precautionary measures to avert a possible asset bubble. Moreover, rising interest rate and issuance of large Corporate Bonds and Sukuks created new investment avenue for institutional investors and channeled some funds away from the stock market. Both the regulators i.e. BSEC and Bangladesh Bank sat several times to settle unresolved issues related to banks' exposure limit, exclusion of bonds from exposure limit and transfer of unclaimed dividends to a designated fund which perplexed investors in the later part of the year and hence investor participation also remained subdued during the last few months of 2021.

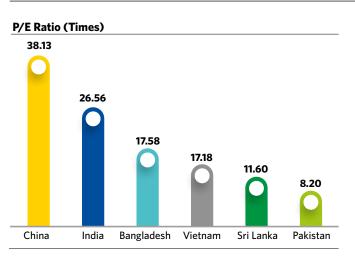
Capital market outlook for 2022

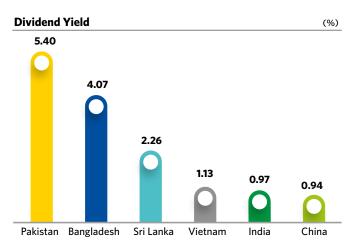
The stock market in Bangladesh rallied in the concluding year mostly backed by huge liquidity due to expansionary monetary policy and falling interest rate. But the ensuing changes in the macroeconomic scenario may lessen the growth prospect of the capital market in 2022.

└─└── Key drivers

- Current global & macroeconomic scenario.
- Long-term economic outlook of Bangladesh.
- · Proactive regulatory initiatives to boost investors' confidence and bring more Institutional and foreign investment.
- Attractive market valuation.

The year 2022 may be relatively quieter for the capital market compared to the previous year because of the global unrest and the anticipated rise in interest rate and inflation. The global supply chain has been disrupted because of the Russia – Ukraine war and inflation has risen globally as price of fuel, food, raw materials and other essentails have increased sharply. Moreover, trade deficit and current account deficit of Bangladesh have widened while remittance inflow slowed down in FY 2022. Such higher import cost, trade deficit and lower remittance inflow may shrink Bangladesh's





foreign exchange reserve and put pressure on the exchange rate.

As the economy is now shifting from recovery to the growth phase,

different monetary and fiscal tools may be adopted by the central

bank to restrain the accelerating inflation. Moreover, rising level

of private sector credit growth, central bank's intervention in

the currency market to stabilize the exchange rate, re-fixation of

deposit rate above inflation, and growing government borrowing

may squeeze liquidity in the money market to some extent.

Source: Bangladesh Bank

However, Bangladesh capital market still remains an attractive place for the investors from home and abroad given the moderate level of PE ratio and higher dividend yield compared to its peer markets. Unlike 2021, when almost all of the listed scrips saw price hike due to the bull run in the broad market, in 2022, companies with sound fundamentals from FMCG, Pharma, Power & Engineering sectors and well-governed Banks, NBFI & Insurance stocks may stand out. The average daily turnover in 2022 is expected to remain lower than what we experienced last year (average daily turnover in DSE was BDT 14.75 billion in 2021). The prime index, DSEX may hover around 6,500-7,500 points in 2022.

EBL Securities Limited



EBL Securities Limited (EBLSL) is one of the fastest growing fullservice brokerage houses in Bangladesh and one of the top ten stockbrokers of the Dhaka Stock Exchange (DSE). EBLSL is a fully owned subsidiary of Eastern Bank Ltd. The company holds the TREC of both Dhaka Stock Exchange Limited (TREC No. 026) and Chittagong Stock Exchange Limited (TREC No. 021). The company also holds the Depository Participant (DP) license. Headquartered in Dilkusha, EBLSL has three branches in Dhanmondi, Nikunja & Chattogram and a digital booth at Khatungonj, Chattogram.

Products and services

EBL Securities Limited is a full-service brokerage house and offers a wide range of services including trade execution in both DSE and CSE, CDBL services, margin loan, foreign trade, and panel brokerage services.

EBLSL also has an in-house research team that provides equity valuation reports, industry & macroeconomic reviews, daily & weekly market updates, and helps investors in making informed investment decisions. EBLSL customers can also avail mobile trading facility and get real-time trade confirmation, portfolio, ledger summary, and other updates.



Performance highlights of EBLSL

EBLSL has passed a remarkable year in 2021 as the Market Share of the company stood at 5.2% in 2021 and its Ranking in Dhaka Stock Exchange (DSE) improved from 9th in 2020 to 8th in 2021.

The company earned Total Operating Income of BDT 796.76 mn (220.15% YoY growth) and a Net Profit of BDT 388.48 mn (2021.68% YoY growth) during the year because of higher commission income, investment income, and lower interest expense. During the year,

EBLSL has also focused on more effective dealer portfolio and negative equity management and has significantly improved portfolio performance and lowered clients' negative equity. Negative equity balance has decreased by nearly 46.92% YoY from BDT 454.08 mn in 2020 to BDT 241.15 mn 2021 while the number of negative equity codes also declined from 28 in 2020 to 8 in 2021. EBLSL also declared BDT 300.00 mn dividend (77.22% payout) during the year.

| | | BDT in million |
|-----------------------------|----------|----------------|
| Particulars | 2021 | 2020 |
| Total operating income | 796.76 | 248.87 |
| Net operating profit | 628.39 | 113.16 |
| Net profit/(loss) | 388.48 | 18.31 |
| Operating profit margin (%) | 78.87% | 45.47% |
| Total assets | 7,713.93 | 6,502.68 |
| | | |

Moreover, EBLSL received two "Best Brokerage House Bangladesh 2021" awards from International Business Magazine, UAE and Cosmopolitan the Daily Magazine, UK for its outstanding performance. As a part of its effort to attract foreign clients, EBLSL has research distribution agreements with several global research distribution platforms such as Bloomberg, Refinitiv, and FactSet etc.

Way forward

- Expanding business through opening new branches & booths at key locations, hiring business people, conducting customer outreach programs, and connecting customers through online media.
- Arranging low-cost funds for facilitating investors with margin loan and ensuring effective monitoring of margin loan & proper management of negative equity to increase profitability.
- Implementing Order Management System (OMS) to ensure better compliance, efficient trade operation and seamless integration of back-office and front-office operations.
- Launching new Website and Mobile Application to offer more web-based services to clients and digitization of account opening, maintenance and service delivery process to ensure maximum customer satisfaction.
- Investing in human capital development and ensuring service excellence throughout the organization by engaging all employees in product and service innovation process, offering new-to-the-industry products & services, arranging training programs and encouraging job rotation within the organization.
- Exploring cross-selling opportunities by working together with Eastern Bank Limited, EBL Investments Limited and EBL Asset Management Limited.



EBL Investments Limited (EBLIL) is a full-fledged merchant bank with a motive to expand its service horizon by offering a comprehensive range of financial solutions starting from debt to equity through Portfolio Management, Issue Management, and Corporate Advisory.

Products and services





Portfolio Management (Discretionary and non-discretionary) Issue Management



Corporate Advisory (Issue management of Bond and Sukuk)



Underwriting (IPO, RPO, Rights)



Trustee Services

Performance highlights



Submitted IPO application of Navana Pharma Ltd. worth BDT **750 million** (Book Building method) to the BSEC.



Provided Trustee services for 10 bonds worth total BDT **33,100 million.**



Underwritten public issue of shares worth BDT **36.50 million.**



Significant capital gain through secondary market operation.

Key financials

| | | BDT in million |
|-------------------|--------|----------------|
| Particulars | 2021 | 2020 |
| Operating income | 58.11 | 44.99 |
| Operating profit | 9.39 | 19.76 |
| Profit before tax | 19.98 | (11.98) |
| Profit after tax | 7.35 | (3.15) |
| Total assets | 391.96 | 468.09 |

Way forward

- Positioning EBLIL gradually to be one of the leading merchant banks in the country.
- Focusing at Corporate Advisory services on high priority basis.
- Discretionary and non-discretionary portfolio management service.



EBL Asset Management Limited (EBLAML) was awarded license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 for full-fledged asset management operation. The main objective of EBLAML is to carry out the business of asset management, portfolio management, fund management, capital market operation, other financial services including corporate advisory services, merger & acquisition, equity investment, corporate restructuring, financial & socio-economic consultancy, corporate research & project studies, privatization other related services in Bangladesh and overseas.

Products and services



Mutual fund management



Portfolio Management for HNWI (High-net-worth individuals)



Corporate Advisory



Alternative Investment Fund Management

Key initiatives

EBLAML has launched its first open end mutual fund "EBL AML 1st Unit Fund" in 2020 and the fund has started its operation since 14 August 2020. Initial size of the fund is BDT 300 million and till 31 December 2021 it has subscribed amount of BDT 180 million. Meanwhile first financial closing of the fund has been completed on 30 June, 2021 and dividend @ 12% (annualized rate is 13.67%) for the said period has been declared.

Key financials

| | | BDT in million |
|------------------|--------|----------------|
| Particulars | 2021 | 2020 |
| Operating income | 27.41 | 15.56 |
| Operating profit | 14.92 | 4.92 |
| Net profit | 12.63 | 17.68 |
| Total assets | 299.19 | 293.10 |

Way forward

There is a huge potential of growth in capital market and mutual fund industry. In 2022, we are hopeful to subscribe full amount of fund of EBL AML 1st Unit Fund. Moreover, we shall take initiative for launching Second Mutual fund of EBLAML and to start corporate advisory service in the year 2023. We have already applied to BSEC for getting license of Alternative Investment Fund Management and hopefully to get approval in 2022.



EBL Finance (HK) Limited (EBLFHK), a fully owned subsidiary of Eastern Bank Limited, has been functioning successfully in Hong Kong since 2013. The company is steadily developing its business base in Hong Kong, in line with EBL's objective of diversifying sources of revenue and spreading wings in overseas markets. Operating under a Money Lending License, the company has been able to successfully penetrate both the Bangladesh and Hong Kong markets by delivering a diverse range of trade-related products and services.

Market scenario & our approach

Due to deteriorating economy and an increase in the number of Bangladesh-based financial service providers, market competitiveness has increased in Hong Kong during the COVID-19 pandemic. Despite steep increase in market obstacles, EBLFHK has maintained its position as Hong Kong's largest Bangladeshi financial institution in terms of business volume and customer base. EBL's representative office in Guangzhou is also helping EBLFHK expand its customer base in China.

Key financials

| | | HKD In million |
|------------------|--------|----------------|
| Particulars | 2021 | 2020 |
| Net assets | 33.86 | 30.66 |
| Revenue | 22.59 | 26.42 |
| Operating profit | 7.73 | 9.34 |
| Profit after tax | 6.67 | 7.95 |
| Loan Asset Size | 458.65 | 333.21 |

Way forward

EBL Finance (HK) Limited will continue to expand its customer base with its varied range of services and creative customer solutions. With permission from the regulator to retain 50% of its profit to strengthen capital base, EBL Finance (HK) Limited is well underway to become a deposit taking institution & the first ever full-fledged Bangladeshi financial institution in Hong Kong.

HR: Caring for People

As a caring business partner, the role of HR is to make sure the people management policy and procedure are aligned with the needs, goals, and aspirations of the organization. Through intense focus on HR management, EBL has been exhibiting one of the highest per-employee productivity among banks in Bangladesh. At EBL, every employee is provided scope to nurture their talent so that they can perform at their best. We ensure equity based rewards (compensation and benefits), provide job security, and offer attractive end-of-service benefits program which makes EBL "Home of Happiness". The country's one of the best recruitment processes and well-designed training and performance management system made EBL one of Bangladesh's best places to work.

Strategic priorities



Code of conduct & ethical guidelines

engagement programs (Power of WE).

Our well-written code of conduct clarifies our mission, vision, and values, linking them with standards of professional conduct. The code articulates the values the organization wishes to foster in leaders and employees and, in doing so, defines desired behavior. Our code of conduct sets the benchmarks against which individual and Bank's performance can be measured.

Additionally, our code of conduct is the central guideline and reference for employees to support day-to-day decision-making. Our code of conduct encourages discussions of ethics and compliance, empowering employees to handle ethical dilemmas they encounter in everyday work. It also serves as a valuable reference, helping employees locate relevant documents, services, and other resources related to ethics within the organization.

Role of HR

People's Acquisition

The Talent Acquisition Team of eblHR plays a vital role in the mission and success of EBL by hiring best fit people for the job role. We follow world class standard process of identifying and acquiring skilled resource to meet the organizational needs. We always look for people with the right attitude while recruiting for EBL. For us, potential matters as much as the right fit.

- Digitized recruitment test evaluation process.
- Inviting respectable and successful professionals and academicians for interview process.
- Using video CVs and assessment centers.
- Partnering with British Council for recruitment process.

Learning & Development

Our learning and development team is continuously working to create a culture of continuous learning through different knowledge-sharing sessions which help EBL constantly evolve and develop. At the macro level, we are trying to fit our learning strategy with EBL values and its future capability needs in order to identify learning priorities across the Bank. We are working to create learning environments where employees can continuously develop to be their best on an individual level. Our learning and development team excels at identifying the current and future skills requirements of EBL and creates flexible learning interventions (through classroom training, e-learning, computerbased certification programs, etc.) to meet the diverse needs of our people.



People's Pay & Benefit

We aspire to be an employer of choice, and our pay-benefits package offers an incredible mix of short-term and long-term rewards. Our people's pay team continuously works to keep our employee reward scheme flexible, updated, cost-effective, and competitive. Our people's pay team has created a clear pay framework that makes EBL the industry's one of the highest end-of-service benefit provider. Our monthly rewards are also at par with the prevailing market. We conduct a comprehensive remuneration survey every two years to ensure internal and external equity. The total benefit claim process is paperless. This team is quick to respond to the needs of our colleagues. They continuously challenge the service level agreement and give service to the internal customers at a pace beyond the expectations of our colleagues.

HR Operations

The HR Operations team offers the complete range of HR services, including leave, transfer, overtime, third party service, etc. They also look after the quality management and ISO certification of eblHR. Employee separation is one of the significant services provided by this team.

Employee separation is a sensitive issue for EBL. Usually, an employee leaves the organization after several years of service.

Thus, the permanent separation of employees from EBL is dealt with discretion, empathy, and a great deal of care. Quitting employee of EBL is seen as a potential candidate of the future for EBL and the brand ambassador of its HR policies and practices. EBL has comprehensive separation policies and procedures to treat the departing employees equitably and ensure a smooth transition. HR Operations team conducts Exit interviews to ascertain the views of the leaving employees about different aspects of the organization, including the efficacy of its HR policies.

Organizational Development

The Organizational Development team works on people management, people's engagement and wellness issues, and performance Management activities. We have organized different people engagement activities like "Happy Employee Appreciation Day" program, EBL Friends of Earth, EBL Bankers Chef (EBL Employees Cooking Competition), and Simple Pleasure of Life (EBL Employees photography Competition).

We believe in mutual respect and diversity. We value people's voices and feedback, and we encourage them to speak up for their rights as well as for the betterment of the Bank. We have EBL Capacity Enhancement Center for idea generation regarding Bank's Development.

HR Strategic focus

- Creating value for Business through business process redesign, organizational redesign, job redesign, and competency model development.
- Creating value for employees through lucrative designed compensation and benefits to attract, retain and motivate performers.

Performance management

Our performance appraisal method is participative, where line managers and job holders together identify, plan, organize, and communicate objectives to focus on during a specific appraisal period. After setting clear goals, line managers and job holders quarterly evaluate and discuss the progress made. We help our employees to identify their contribution towards the growth of the Bank. We have introduced behavioral rating to identify people's need to improve behavioral competencies and soft skills.

Leadership development

Our objective is to enhance the capacity of our people to be effective in leadership roles. Our leadership development initiatives are aligned with our strategy and we offer development opportunities that are tailored to the individual employee. Our leadership development approach consists of the following steps:

- Identification of potential leaders.
- Future leader development program.
- Behavioral feedback.
- Work experience and rotational assignments.
- Develop executive skill sets.
- Provide one another with high-value constructive feedback.
- Enhance interpersonal communication.
- Break functional silos.
- Tackle real-world challenges in real-time.

Equal opportunity, career progression & diversity

- Providing equal opportunity to everyone.
- Creating a work environment free from discrimination.
- Evaluating employee's performance based on ability, experiences, and potential.
- Recruiting someone based on individual's ability to perform.

Work-life balance

We took the following steps to ensure employee satisfaction on work-life balance.

- Tracking our people's working hours and rewarded them for completing work on time.
- Arranging awareness sessions.
- Encouraging people to set their daily priorities in the morning huddle to finish the day's job on time.
- Trained our people on effective time management and prioritization.
- Having employee wellness programs for the well-being of our people.
- Encouraging our people to 'speak up', and we value their opinion.
- Facilitating job rotation and recognize our employees' achievements.

Engagement with employees

To motivate and increase employee engagement every year we arrange different employee engagement programs, e.g.: Employee photography competition (Simple Pleasure of Life), Cooking Competition (Banker Chef), Singing Competition (Esho Mili Shure Shure), Art Competition, Happy Employee Appreciation Day (Thank you program), Friends of Earth Program (Wellness program), Power of WE, Celebrating Womanhood, Birthday and Work Anniversary celebration, Congratulate New parents, Badminton Tournament, Cricket tournament, etc.

Happy employees make customers happy and creates the foundation for a robust and viable business that can quickly adapt to market changes and demands. This is why we remain committed to our culture and using analytics to improve lives – we want our employees to continue feeling inspired and innovative.



Grievance management

We have a well-written grievance management policy. We also have Speak up policy and harassment committee. By combining all these, we try to protect employee rights backed by our code of conduct and service excellence policy.

Our grievance management approaches are as follows



Succession planning

- Boosting morale and retention by investing in employees.
- Replacing unique or highly specialized competencies.

Retention strategy

Our succession planning is a focused process for keeping talent in the pipeline. Effective job design, varied internal development opportunities, and smart organizational structure-these are our important features to support the succession planning process. Our objective to having well-designed succession planning in place is as follows:

- Adapting to demographic changes and talent scarcity.
- Identifying skill gaps and training needs.
- Retaining institutional knowledge in a knowledge-based economy.

Our people retention strategy is very simple. We are hiring the right people and shaping their growth and development. We have developed a good orientation program and encourage open communication. We have an excellent reward package, and we maintain good work-life balance. We believe in "speak up," and we provide leadership opportunities. We have a strong performance-driven culture. We also look after employees' wellness, and we provide out of the box end of service benefits.

Way forward

- Strategic HR planning to stay ahead of the race for the skilled workforce.
- Evaluate the workplace environment and identify areas of improvement.
- Continuous development of human resources for sustainability.
- Post COVID employee wellness and health & safety of people.
- Creating a Human Resource leadership development program.

HR Event Highlights



HR

The Chairman along with other Directors attend the EBL Outstanding Program 2020



EBL celebrates womanhood



Celebrating the "Power of WE"



"Respect is Earned not Given" Career and wellness session for EBL female employees

NEST Event Highlights



Idea presentation session in progress







Creative engagements at NEST

 #Retail Risk Team #NEST #BATCH 85

Activities of Batch 85



Activities of Batch 90



Activities of Batch 87



"NEST is our Pride" event



Games and wellness session at NEST



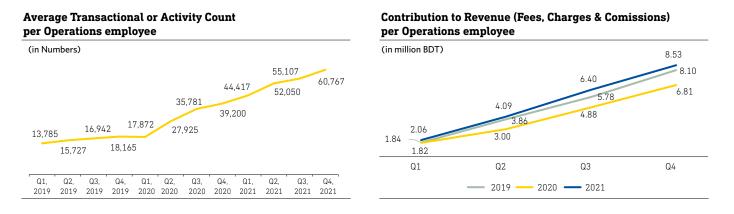
2021 Future Leaders Assessment in progress at NEST

Operational Excellence

The pandemic has largely transformed the way EBL works. EBL's priority in 2021, from operational perspective, was to enable a culture that prioritizes the safety and interests of all stakeholders. As the economy started to emerge from the global crisis, EBL, in 2021, looked beyond safeguarding lives and livelihoods, prioritizing on other profound challenges.

Setting new record of USD 5 billion mark in trade business

In the eve of 2022, EBL celebrated attainment of USD 5 billion mark in trade business volume – a monumental milestone achieved through a concerted effort of business and support functions. In 2021, EBL processed trade business (including OBU) of USD 5.3b which is 36% more than trade business volume of previous year.



Efficient resource utilization driving growth

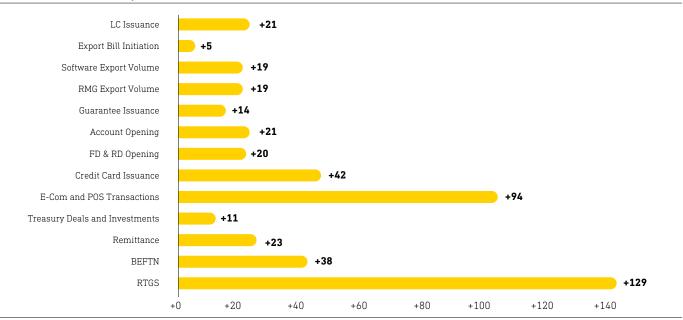
Over the years, EBL has continued to emphasize resource optimization and efficiency in operational delivery which has driven overall business growth. Continuous training, knowledge sharing, performance feedback and automations has lead to improved efficiency which is reflected on these charts. While maintaining almost same number of personnel over the years from 2019 to 2021, a rising trend in average transaction or activity count per employee is evident. This is an indication of improved resource utilization and efficiency. In Q4, 2021, each employee on average handled around 60k transactions, which is much higher compared to that of Q1, 2019 which was only 14k. Likewise, contribution to revenue per employee in 2021 was higher than that of 2019 and 2020. In Q4 2021, contribution to revenue per employee stands at BDT 8.53m which is evidently higher compared to that of 2019 and 2020 - an outcome of effective resource optimization.

Cross-border recognition for benchmark quality

EBL received USD Clearing MT202 Elite Quality Recognition Award for exceeding JP Morgan's stringent STP performance benchmark. JP Morgan has been providing this recognition since 1997 to the first level clients those achieved STP rate of more than 99.60 percent. In the case of EBL, the rate stood at 99.96 percent which allowed EBL to achieve such prestigious recognition from JP Morgan. This award is a testament to EBL's continued commitment to high quality performance.



EBL is being awarded for exceeding JP Morgan's stringent STP performance benchmark



Growth in transaction activity in 2021 over 2020

Besides, Cash Incentive of BDT 2.09b was disbursed against eligible exports, which was 39% higher compared to that of 2020. There were 107% growth in large value LCs (LCs valued over \$1m amounted to USD 1.32b) EDF loan of USD 409m was also disbursed in 2021, which was 24% higher than previous year. BDT 176m commission was earned against Guarantee issued, which was 22% higher than previous year. On the other hand, bills financed by Off-Shore Banking Unit (OBU) Operations increased in volume by 82% compared to 2020. Cards settlement activities increased by 75% and Cards acquiring activities increased by 94% in comparison to that of 2020. Likewise, E-Com and POS transactions also increased by 94%. Volume of payroll/salary payments processed increased by 28% in comparison to 2020.

Customer experience at the heart of all operations

Through combined effort of multiple segments, the Bank successfully launched "Account Information Update" service in EBL Self Service Portal (ESS) which allows periodic Customer Due Diligence (CDD) review remotely i.e. updating account information from the comfort of home whilst complying with regulatory directive. This digitization effort reduced customer footprint at branch, reducing the need for physical interaction to a great extent and also by offloading pressure from Branch officials, which in turn reduced turnaround time (TAT) for other services.

Automations and system enhancements for faster operational delivery

System enhancements were implemented to enable selfonboarded customer account opening process (e-KYC). Account opening process was also redesigned, which significantly reduced processing gaps. As part of EBLs sustainable development (VISION 2021) goal, several processes in trade services were successfully automated. Besides, implementation of easier functionality for prepaid card currency conversion was accomplished, introduced automated solutions which facilitates management of sanctioned cash limit against overall credit card limit following a transaction. Not least of all, deployed one stop payment processing solution for merchants, etc. among many other automations.

Contingency to mitigate workforce disruption amid adversities

All operational units tested their disaster recovery and contingency plans in several phases, against a worst-case scenario of 50 percent staffing level as part of efforts to minimize disruption from the rapid spread of COVID-19. This exercise contributed towards enhancing preparedness against others risks or adversities such as fire, flood, weather related events, cyber-attacks, etc. Business Continuity Plan (BCP) has proved to be an important pre-requisite for continuity and involved defining all crisis and disruptive risks that could potentially affect operational activities.

Review of guidelines for operating procedure

A comprehensive review of process guidelines for operational units were essential due to the changes in regulatory directives, internal policies, business practices and priorities, operational processes and service standards, process automation, system enhancements, organization structure and Governance framework over the years. After obtaining and accommodating feedback received from internal stakeholders, the guidelines were revisited taking the prevailing banking regulations and practices into account.

Stringent operational risk and control framework



EBL Operations instils a belief in staffs that enterprise value is not only generated by the revenue-generating front line, but by the loss-preventing risk control functions too. This view has led EBL to pursue far stronger operational risk management. The rising complexity in regulatory directives have not only aggravated the detection and control of risks, but also increased the damage in the event they materializes. To keep up with evolving risk landscape, EBL worked towards updating legacy processes and controls in line with new technologies and use of new data to further improve operational risk management in 2021. EBL focused on Governance, putting in place tools for loss-event reporting and risk-control self-assessments and developed operational risk control register for all operational units. The number and diversity of operational risk control frameworks have been revisited and redefined in 2021. Consequently, EBL successfully demonstrated continued effectiveness of all operational management systems for the scope ISO 9001:2015 routine surveillance audit of 2021. Attainment of benchmark compliance to core security controls of SWIFT Customer Securities Program (CSP) and successful Payment Card Industry Data Security Standard (PCI-DSS) recertification were few other instances of many successes.

The cyber threat facing the financial sector has never been greater with SWIFT users facing attacks of increasing levels of sophistication. In 2021, EBL has maintained compliance of all 25 security controls under CSP in its local SWIFT infrastructure to establish a security baseline for the entire SWIFT community and to achieve tangible security gain and risk reduction. With the rise in number and complexity of policies and rules that Banks must comply, EBL continued to invest in trainings and embrace policies, procedures and systems that foster compliance. Total 31 different trainings were participated by key operational staffs in 2021 alone despite adversities infused by pandemic. Among many other tools, AML velocity was adapted to combat AML and CFT risks. Moreover, a comprehensive review of Departmental Control Function Checklist (DCFCL) for all Units were carried out in compliance of BRPD directives. Stringent monitoring of control functions dedicated to prevention of money laundering and terrorist financing were performed by DAMLCOs in compliance of CEO's commitment. Oversight and transparency on almost all organizational processes and business activities were reexamined. Unprecedented regulatory demands and increasing complexity have placed steadily growing requirements on the functions dedicated to risk-management and control.

Way forward

The year 2022 is expected to bring better economic conditions despite heightened risks from the pandemic and inflation. Optimizing expenses, improving quality and speed of operational deliveries, enhancing customer experience, establishing stringent controls and improving readiness to crisis scenarios will take priorities this year. Risk mitigation through implementation of technology-enabled risk mitigation tools and strategies will also remain a top priority to reduce crisis scenarios and ensure compliance of directives.

ICT: Transformative Contributions towards Digital Growth

The global pandemic has been here with us for yet another year and has outlined many of our endeavours. However, unlike the previous year, when we started to move toward digital transformation for managing the unforeseen crisis caused by COVID-19, we have become more mature as a team. Thus, we have accelerated our service quality to increase organizational efficiency, proliferated innovation to support business needs, embedded customer-oriented technologies in our digital channels to provide comfort to our customers, and remained more vigilant than ever to ensure security. Consequently, the need for human interaction has been minimized for the safety of both our colleagues and customers.

Key initiatives and projects in 2021



Project Rupantor

EBL is upgrading the Core Banking System from its earlier version to a newer one. The project promises to transform customer perception of banking with EBL. In addition, it intends to transform the experience of other stakeholders, e.g., regulatory bodies, auditors, employees, board members, business partners. The primary objective of this project is to strengthen customer service and increase operational efficiency through digitalization and automation.



Skybanking Enhancements

EBL Skybanking is the product that reflects our aspiration for innovation. Over time we have included a wide range of banking services in this flagship mobile app and its web version. We have implemented Bangla QR Payment, which enables our customers to perform zero contact transactions through the app without using their EBL cards physically at various merchant points such as hotels, restaurants, groceries, pharmacies, etc. Foreign currency controls like USD/ BDT conversion and foreign part enable/disable requests can be placed through EBL Skybanking. Customers can now pay the credit card bill of other banks and make Automated Challan payments through this app.



Cutting-edge Payment Technologies

Besides ensuring 99.99% uptime of our card management system, we implemented a few avant-garde technologies. For the first time in Bangladesh, EBL has successfully launched Mobile POS, enabling paperless transactions and promoting green banking. In addition, automation has been done for BDT to USD and USD to BDT fund transfer requests for prepaid cards.



Interoperable Digital Transaction Platform (IDTP)

EBL is working on the Interoperable Digital Transaction Platform (IDTP), a government project that intends to establish interoperability among banks, Mobile Financial Services (MFS) operators and Payment Service Providers (PSPs).



EBL Self Service (ESS)

ESS, an in-house developed solution that can be accessed from the EBL website, Skybanking App and Skybanking Web, is another significant step towards building a complete digital ecosystem. This portal allows customers to onboard themselves, apply for a secured loan, review Customer Due Diligence, and open FDR, all digitally.

Our approach towards managing ICT risks

Technologies evolve continuously, so do the threats. Our Information Security and Compliance team has shown unprecedented vigilance in 2021. Vulnerability Assessment and Penetration Testing (VAPT) has been conducted for all new solutions and hardware along with 45 previously launched applications to determine flaws and exploitable weaknesses. To protect the information assets of EBL from threats, we are in the process of putting several preventive controls in place, i.e., Next-generation Firewall, NIPS, FIM, Endpoint Security, IPS/IDS, etc. In addition, several detective controls, i.e., Security Information and Event Management (SIEM) and Privilege Access Management (PAM), are working in tandem to aggregate network traffic logs. To take its information security endeavours to the next level, EBL became a member of the Financial Sector Information Sharing & Analysis centre (FS-ISAC). This non-profit organization provides cyber threat intelligence to its member organizations.

Awards for digital initiatives



Fintech Award 2021

EBLConnect, a solution for our corporate customers, developed by ICT Division, has earned us the 'Fintech Award 2021' in the 'Innovation of the Year - Banks' category as the only bank.



International Finance and Banking Award 2021

To recognize our efforts toward digitalization, International Finance has awarded EBL 'Fastest Growing Digital Bank of 2021' in the Banking Awards category. We are the only bank in Bangladesh to win this award.

Way forward

In 2022, we will focus on successfully launching the new version of our Core Banking Systems and developing a digital ecosystem surrounding it where the systems communicate with each other without manual intervention, thus increasing operational efficiency. In addition, strengthening security posture and implementing new security tools will provide us with more resilience and make us future-ready.

Customer Service: Our Journey towards Excellence



Strategic Focus

The lessons learnt from an unprecedented pandemic-hit year 2020 added agility and dynamics to our efforts to ensure customer delight. Bank continued to respond to its customers 24/7 via digital platforms and Contact Center to listen to and provide financial services to its clients from corner to corner.



Customers' words of appreciation

Customer feedback is an essential tool for measuring the level of client satisfaction as well as instrumental in catching a grip of their perception towards the Bank. Here are a couple of words of appreciation from our valued customers which endorse that all our efforts to delight them are so worthwhile.

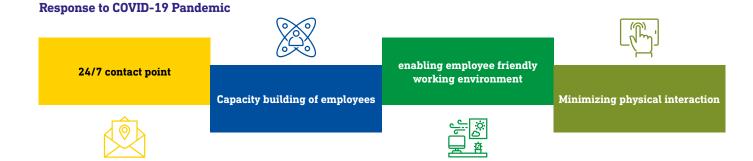


"I want to send my heartfelt appreciation for one of your Associate Relationship Managers at branch. I observed that she is very sincere at her job and is very good to the clients. She takes their issues very seriously and doesn't neglect or dilly-dally their requests.

I think she is very sincere and efficient at her job. I recommend her for rapid growth at workplace and overall success in every sphere of life."

Maimun Mustafa A client of EBL

"I would like to recognize your excellent Call Centre Customer Service Team Member. On a very difficult day, she listened to me intently, empathetically provided relevant information and promptly escalated, as well as, executed the task in a mere 20 mins! Moreover, as per my instructions she followed up over call to give the updates. I believe she is an ideal representation of the best that EBL has to offer and I was thoroughly impressed observing the manner that was on par with the 'highest international standards' with which she handled the situation. With people like her on your team, EBL you've done one outstanding job!"



Customer satisfaction survey results

| | "Customer Experience & Product Efficacy Survey -2021 on EBL Insta Banking Account" | | "Customer Experience Survey - on Women Entrepreneurs" |
|---|--|---|---|
| | | | |
| • | More than 150 customers were surveyed through digital platform | • | More than 200 customers partcipated in telephonic interview. |
| • | Customers appreciated it as convenient solution during pandemic | • | Customers rated their experience as highly satisfactory |
| | | • | Collected information regarding the impact of COVID-19 |
| • | Received positive feedback from majority customers who are likely to recommend it to others. | | on their business for offering better financial solutions as per requirement. |

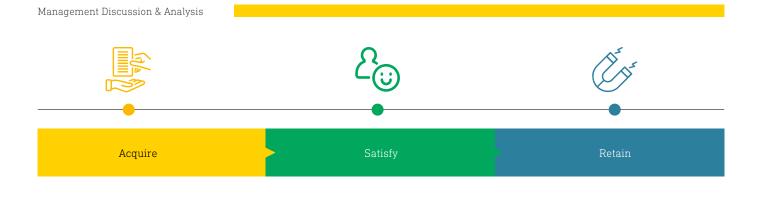
Addressing customer complaints

| Channel | Customers' preferred actions | |
|---------------------|--|--|
| Branch | Call or visit a branch in person Fill in "Suggestion Form" available in all branches | |
| Alternative channel | Contact Centre: 16230 (from any mobile inside Bangladesh), +8809612316230 (from anywhere in the world) Complaint Management Cell: 096666777325 Ext – 7403,7438,7439,7440,7468 EBL Query/Complaint Management Cell: https://dgzip.ebl-bd.com/query/ EBL Skybanking App (Mobile & Web Version) | |
| Website | https://www.ebl.com.bd/regulatory/complaintcell | |
| Email | ccs.cmc@ebl-bd.com info@ebl-bd.com | |
| Letter | Send letter to: Branch / Head Office | |

Our approach towards Customer Retention

To effectively monitor and manage attrition, in 2021 EBL shifted focus from number crunching to process streamlining. This helped us in discovering new areas of improvement which added significant value to Cards, Asset & Liability Business. To ensure effective customer reach of these projects, in 2021 EBL transformed regular communication modality by going digital and paperless which not only saved cost but also reduced traffic at Branches and Contact Center. **Quarterly SMS notification projects:** To revive non-productive accounts, EBL sent SMS to low value segment for bringing in additional fund flow and boost deposit growth of their respective portfolios.

Loan Top-Up Request: By retaining existing customers, new loan leads were on-boarded through 'Loan Top-Up Request' project which was carried out on Payroll Clients with eligibility for top-up and existing loans which were close to being matured.



Initiative or innovation that has led service excellence to newer heights

| Ŕ | A | |
|---|--|---------------------------------------|
| Launching of EBL Query/Complaint | One call solution: For card activation and | Availability of EBL SKYBANKING in |
| Management Cell: A digital platform for | ATM PIN generation in a single call | Web Platform with exciting and unique |
| customers for sending email to EBL | | features |

Continuously strengthening ties with our customers

Several awareness communications related with COVID-19 were initiated on Social Media platform featuring mental healthcare during pandemic, Safe Banking practices, Cyber Criminal Awareness, COVID test offers etc.

Nurtured our payroll client base through digital platform to offer additional facility



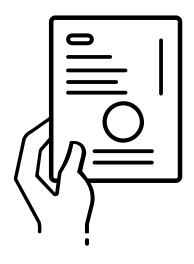
Various initiatives were undertaken to acknowledge the importance and improve bilateral relationship between the Bank and its female clients throughout the year

Several token of appreciation programs were initiated for our top business customers

Way forward

EBL rides on the vehicle of digital transformation to enhance customer experiences. With a vision to increase the use of digital banking towards service excellence, we will focus on identifying customer digital requirements, omni-channel functionalities and capabilities, mobile app functionalities, and moreover identifying systemic vulnerabilities early to accumulate, scrutinize and recognize all the improvement prospects in our digital platforms.





FINANCIAL REPORTS



Statement on Integrity of Financial Statements by MD & CEO and CFO

28 March 2022

The Board of Directors Eastern Bank Limited 100 Gulshan Avenue Dhaka -1212.

Subject: Declaration on Financial Statements for the year ended on 31 December 2021

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Eastern Bank Limited for the year ended on 31 December 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 31 December 2021 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members

Sincerely yours,

Masudul Hoque Sardar Chief Financial Officer

Ali Reza Iftekhar Managing Director & CEO



Independent auditor's report

to the shareholders of Eastern Bank Limited

Report on the audit of the consolidated and separate financial statements

Opinion

Howladar Yunus &Co.

House-14 (Level 4 & 5) Road-16A, Gulshan-1 Dhaka-1212 Bangladesh **T :**+880 2 58815247

We have audited the consolidated financial statements of Eastern Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Eastern Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheet as at 31 December 2021, and the consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank (the "financial statements") give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2021, and of its consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and its consolidated and separate cash flow statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), rules & regulations issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the financial year 2021. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



1. Measurement of provision for loans and advances

| Key Audit Matters | How the matter was addressed in our audit |
|--|--|
| With reference to Note 13.4 to the financial statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments. To minimize covid 19 impact, Bangladesh Bank issued BRPD Circular Letter No. 19,52 and 53 dated 26 August 2021, 29 December 2021, and 30 December 2021 respectively. According to the circular, commercial bank must keep an extra provision for those borrowers who have availed payment by deferral (PBD) facilities. The calculation of the new provisioning rule will have to be implemented based on the outstanding (deferral payment) loans as of 31 December 2021. The Bank has kept this special provision of BDT 756 million (2020: BDT 602 million) as per the circular. In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provision for additional nonperforming loans in line with guidelines of the central bank. The Bank identifies impaired loan accounts and calculates required provision for loans and advances as significant risk as well as a key audit matter. At year end of 2021 the Group reported total gross loans and advances of BDT 271,601.66 million (2020: BDT 230,545.06 million) and in 2021 the Bank reported total gross loans and advances of BDT 269,393.97 million (2020: BDT 228,943.86 million) whereas at the year end of 2021 the Group reported total provision for loans and advances of BDT 14,399.24 million (2020: BDT 11,417.33 million) and the Bank reported total provision for loans and advances of BDT 14,309.24 million (2020: BDT 11,417.33 million) and the Bank reported total provision for loans and advances of BDT 14,200.53 million (2020: BDT 11,177.01 million). | We tested the design and operating effectiveness of key controls focusing on the following: Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process. Tested the controls related to provision for loans and advances. Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: Tested the Group and the Bank's general and specific provisions; Assessed quarterly classification ledger of loans and advances (CL); Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; Assessed covid provision according to BRPD circular. Assessed the presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. |
| See the notes no. 13.4 to the Financial Statements | |

02. Measurement of deferred tax assets

| Key Audit Matters | How the matter was addressed in our audit |
|---|---|
| (Net of Deferred Tax Liabilities) of BDT 2,395.81 million (2020: BDT 2,150.73 million) and deferred tax income (Net of Deferred Tax | We also assessed the completeness and accuracy of the data used for |

See note no 9.10 & 38 to the financial statements



03. Valuation of treasury bill and treasury bond

| The classification and measurement of T-Bill and T-Bond require judgment and complex estimates. | We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments. |
|--|---|
| In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment. | we obtained an understanding, evaluated the design and tested |
| | We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. |
| | Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. |
| See the notes no. 06 to the Financial Statements | |

04. Legal and regulatory matters

| We focused on this area because the Bank and its subsidiaries | We obtained an understanding, evaluated the design and tested the |
|---|--|
| (the "Group") operates in a legal and regulatory environment that | operational effectiveness of the Bank's key controls over the legal |
| is exposed to significant litigation and similar risks arising from | provision and contingencies process. |
| disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of | We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. |
| potential outflows with respect to the provisions which have been established and other contingent liabilities. | litigation and regulatory matters and inspected internal notes and |
| Overall, the legal provision represents the Bank's best estimate for | reports. |
| existing legal matters that have a probable and estimable impact on | We assessed the methodologies on which the provision amounts are |
| the Group's financial position. | based, recalculated the provisions, and tested the completeness and |
| | accuracy of the underlying information. |
| | We also assessed the Bank's provisions and contingent liabilities disclosure. |

| Our audit procedures have a focus on IT systems and controls due | We tested the design and operating effectiveness of the Bank's |
|---|--|
| to the pervasive nature and complexity of the $\ensuremath{\text{IT}}$ environment, the | IT access controls over the information system that are critical to |
| large volumes of transactions processed in numerous locations | financial reporting. We tested IT General Controls (Logical Access, |
| daily and are reliance on automated and manual with automated (IT | Changes in management, and aspects of IT Operational Controls). |
| Dependent) controls. | This included testing that requests for access to systems were |
| We have focused on Date management, user access management, | appropriately reviewed and authorized. |
| and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring the operating control and automated controls. | We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. |
| We also concentrated on formal security administration policies and procedures to determine whether they are approved, comprehensive, up-to-date, and bank-wide communicated. | We performed the tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms, and segregation of incompatible duties relevant to application and database change management. |



Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date) and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group's and Bank's audit. We remain solely responsible for our audit opinion.

GrantThornton

we communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, the Bank Company Act, 1991, and the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 1987, we also report that:

- I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- II. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;
- III. financial statements of Eastern Bank Limited's subsidiaries namely, EBL Securities Limited, EBL Investments Limited and EBL Asset Management Limited have been audited by ACNABIN, Chartered Accountants and EBL Finance (HK) Limited has been audited by Kingston C.P.A. Limited, Certified Public Accountants, Hong Kong and have been properly reflected in the consolidated financial statements;
- IV. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- V. the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- VI. the expenditures incurred and payments made were for the purpose of the Group's and Bank's business for the year;
- VII. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- VIII. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- IX. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- X. the information and explanations required by us have been received and found satisfactory;
- XI. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4600 man hours; and
- XII. capital to risk-weighted assets ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Howladar Yunus & Co.

Chartered Accountants Firm Registration No: N/A

Md. Jahidur Rahman FCA Partner Enrolment No: 860 Dated: Dhaka, 05 April 2022 DVC No: 2204050860AS516571

Eastern Bank Limited and its subsidiaries

Consolidated Balance Sheet

| as at 31 December 2021 | | | Amount in BDT |
|--|--------------|-----------------------------------|--|
| Particulars | Notes | 2021 | 2020 |
| PROPERTY AND ASSETS | | | |
| Cash | 3 | | |
| Cash in hand (including foreign currencies) | 3.1 | 3,710,909,855 | 3,218,511,774 |
| Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 3.2 | 14,957,829,541 | 12,480,410,176 |
| | | 18,668,739,396 | 15,698,921,950 |
| Balances with other banks and financial institutions | 4 | | |
| In Bangladesh | 4.1 | 15,358,095,560 | 12,728,955,558 |
| Outside Bangladesh | 4.2 | 1,527,361,769 | 664,331,925 |
| | | 16,885,457,329 | 13,393,287,483 |
| Money at call and short notice | 5 | 1,573,200,000 | 60,000,000 |
| Investments | 6 | | |
| Government | 6.1 | 41,229,430,813 | 50,517,783,114 |
| Others | 6.2 | 27,671,579,018 | 15,498,577,951 |
| · · · · · · · · · · · · · · · · · · · | 7 | 68,901,009,831 | 66,016,361,065 |
| Loans and advances Loans, cash credits, overdraft etc. | 7 7.1 | 231.099.397.244 | 212,083,018,369 |
| Bills discounted and purchased | 7.1 | | |
| bits discounted and purchased | 1.4 | 40,502,266,414 271,601,663,658 | <u>18,462,037,803</u> 230,545,056,172 |
| | | 27 1,001,000,000 | 100,040,000,171 |
| Fixed assets including land, building, furniture and fixtures | 8 | 7,668,010,751 | 7,772,646,971 |
| Other assets | 9 | 6,889,182,751 | 5,916,516,734 |
| Non banking assets | 10 | - | 105,576,495 |
| TOTAL ASSETS | | 392,187,263,713 | 339,508,366,870 |
| LIABILITIES AND CAPITAL | | | |
| Borrowing from banks, financial institutions and agents | 11 | | |
| Non-convertible subordinated bond | 11.1.a | 5,500,000,000 | 6,000,000,000 |
| Borrowing from other Banks, FIs, Agents etc. | | 59,796,372,676 | 40,281,080,617 |
| | | 65,296,372,676 | 46,281,080,617 |
| Deposits and other accounts | 12 | | |
| Current deposits & other accounts, etc. | 12.1 | 32,298,170,288 | 27,698,304,935 |
| Bills payable | 12.2 | 1,155,851,680 | 1,492,231,668 |
| Savings bank deposits Fixed deposits | 12.3 12.4 | 70,403,378,712 101,607,706,168 | 63,784,873,554 111,289,608,129 |
| Other deposits- special notice (SND) account | 12.4 | 61,982,493,378 | 37,030,361,579 |
| Bearer certificates of deposits | 12.5 | - | |
| | | 267,447,600,226 | 241,295,379,865 |
| Other liabilities | 13 | 27,804,365,660 | 22,482,811,084 |
| TOTAL LIABILITIES | | 360,548,338,562 | 310,059,271,566 |
| SHAREHOLDERS' EQUITY | | | |
| Paid-up capital | 14 | 9,538,644,670 | 8,117,995,470 |
| Statutory reserve | 15 | 9,538,644,670 | 8,117,995,470 |
| Dividend equalisation reserve | 16 | 356,040,000 | 356,040,000 |
| Assets revaluation reserve (Land and other assets) | 17 | 2,501,893,279 | 3,492,079,880 |
| General reserve | | 603,493,370 | 603,493,370 |
| Actuarial remeasurement gain/(loss) | 18 | (406,049,063) | (209,986,563) |
| Foreign currency translation gain/(loss) | 19 | 1,996,272 | 2,405,658 |
| Surplus in profit and loss account | 20 | 9,504,261,953 | 8,969,072,019 |
| TOTAL SHAREHOLDERS' EQUITY TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 31,638,925,150 | 29,449,095,304 339,508,366,870 |
| IVIAL LIADILITIES AND SHAKERULDERS EQUITI | | 392,187,263,713 | 337,300,300,07U |

Amount in BDT

Eastern Bank Limited and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|---|-------|-----------------|-----------------|
| OFF BALANCE SHEET ITEMS | | | |
| Contingent liabilities | 21 | | |
| Acceptances and endorsements | 21.1 | 53,047,505,500 | 42,593,184,478 |
| Letters of guarantees | 21.2 | 31,749,649,918 | 27,229,615,956 |
| Irrevocable letters of credit | 21.3 | 46,268,850,715 | 26,084,696,594 |
| Bills for collection | 21.4 | 10,647,181,021 | 8,032,352,776 |
| Other liabilities | | - | - |
| | | 141,713,187,154 | 103,939,849,804 |
| Other commitments | | | |
| Documentary credits and short term trade-related transactions | | - | - |
| Forward assets purchased and forward deposits placed | 21.5 | 118,101,190 | 120,428,481 |
| Undrawn note issuance and revolving underwriting facilities | | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | | - | - |
| | | 118,101,190 | 120,428,481 |
| TOTAL OFF-BALANCE SHEET ITEMS | | 141,831,288,344 | 104,060,278,285 |

These financial statements should be read in conjunction with the annexed notes.

. le*let* i

Dhaka, 31 March 2022

Ali Reza Iftekhar Managing Director & CEO

Dr. Toufic Ahmad Choudhury

Director

Salwis At Salina Ali

Director

Mir Nasir Hossain Director

Signed as per our annexed report: Howladar Yunus & Co. Chartered Accountants

mono

Md. Jahidur Rahman FCA Partner, Enrolment No: 860 Dated: Dhaka, 05 April 2022 DVC No: 2204050860AS516571

Eastern Bank Limited and its subsidiaries

Consolidated Profit and Loss Account

for the year ended 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|--------|-----------------|------------------|
| Interest income | 22 | 16,535,769,415 | 20,011,368,328 |
| Interest paid on deposits and borrowings | 23 | (8,601,126,650) | (13,959,493,914) |
| Net interest income | | 7,934,642,765 | 6,051,874,414 |
| Income from investments | 24 | 5,996,842,333 | 5,101,545,522 |
| Fees, commission and brokerage | 25 | 3,623,741,723 | 3,067,368,036 |
| Other operating income | 26 | 287,206,430 | 345,885,248 |
| | | 9,907,790,486 | 8,514,798,806 |
| Total operating income | | 17,842,433,251 | 14,566,673,219 |
| Salary & allowances (excluding those of MD) | 27 | 4,263,549,170 | 4,073,299,850 |
| Rent, taxes, insurance, utilities etc. | 28 | 427,243,019 | 440,047,713 |
| Legal & professional expenses | 29 | 87,507,746 | 64,899,448 |
| Postage, stamp, telecommunication etc. | 30 | 155,475,165 | 138,968,011 |
| Stationery, printing, advertisement, business promotion etc. | 31 | 275,000,463 | 296,837,619 |
| Managing Director's salary and allowances (Bank only) | 32 | 28,441,208 | 26,328,372 |
| Directors' fees & expenses | 33 | 3,372,804 | 3,179,506 |
| Audit fees | 34 | 2,530,051 | 2,472,615 |
| Depreciation and repair of bank's assets | 35 | 1,044,994,764 | 1,010,715,838 |
| Other operating expenses | 36 | 688,797,665 | 614,810,771 |
| Total operating expenses | | 6,976,912,056 | 6,671,559,741 |
| Profit before provisions | | 10,865,521,195 | 7,895,113,478 |
| Provision for loans and off-balance sheet exposures: | 13.4.1 | | |
| Specific provision (net off w/o recovery) | | 1,733,791,900 | 928,245,166 |
| General provision for loans & advances | | 475,235,139 | (293,454,371) |
| Special general provision for Covid 19 | | 152,926,606 | 602,388,520 |
| General provision for off balance sheet exposures | | 368,073,261 | 19,415,553 |
| | | 2,730,026,906 | 1,256,594,868 |
| Other provision | 37 | (395,908,014) | (101,490,592) |
| Total provisions | | 2,334,118,892 | 1,155,104,276 |
| Profit before tax for the year | | 8,531,402,303 | 6,740,009,203 |
| Current tax expense for the year | 13.3.1 | 4,021,028,809 | 2,709,205,926 |
| Deferred tax income (net) | 38 | (289,850,900) | (149,577,739) |
| Total provision for taxation | | 3,731,177,909 | 2,559,628,187 |
| Profit after tax for the year | | 4,800,224,394 | 4,180,381,016 |
| Appropriation | | | |
| Statutory reserve | 15 | (1,420,649,200) | - |
| General reserve | | - | - |
| | | (1,420,649,200) | - |
| Retained earnings carried forward | _ | 3,379,575,194 | 4,180,381,016 |
| Earnings per share (EPS) (restated 2020) | 39 | 5.03 | 4.38 |

These financial statements should be read in conjunction with the annexed notes.

lean

Ali Reza Iftekhar Managing Director & CEO

Salvis Ati Salina Ali

Director Dhaka.

31 March 2022

Lo fint

Dr. Toufic Ahmad Choudhury Director

frem -

Mir Nasir Hossain Director

Signed as per our annexed report: Howladar Yunus & Co. Chartered Accountants



Md. Jahidur Rahman FCA Partner, Enrolment No: 860 Dated: Dhaka, 05 April 2022 DVC No: 2204050860AS516571

Amount in BDT

Amount in BDT

Eastern Bank Limited and its subsidiaries

Consolidated Cash Flow Statement

for the year ended 31 December 2021

| Particular | S | Notes | 2021 | 2020 |
|------------|---|----------|------------------|------------------|
| A) Cash f | lows from operating activities | | | |
| Intere | st receipts in cash | | 16,643,441,262 | 18,524,486,123 |
| Intere | st payments | | (10,149,631,198) | (15,396,039,685) |
| Divide | nd receipts | | 230,973,031 | 153,019,086 |
| Fees a | nd commission receipts in cash | | 3,317,944,639 | 2,954,139,616 |
| Incom | e from investment (other than dividend received) | | 5,849,819,097 | 4,518,552,742 |
| Recov | eries on loans previously written off | 13.4.1 | 363,274,439 | 725,759,332 |
| Cash p | payment to employees (including directors) | | (4,173,353,626) | (4,060,915,412) |
| Cash p | payment to suppliers | | (1,249,822,276) | (1,228,511,398) |
| Incom | e taxes paid | 13.3.2 | (2,420,046,758) | (3,690,357,073) |
| Receip | ots from other operating activities | | 287,206,430 | 345,885,248 |
| Payme | ents for other operating activities | | (688,797,665) | (614,810,771) |
| Cash f | rom operating profit before changes in operating assets and lia | bilities | 8,011,007,375 | 2,231,207,808 |
| Increa | se/(decrease) in Operating Assets & Liabilities | | | |
| (Purch | ase-net) of trading securities | | 18,651,991,769 | (10,558,729,038) |
| Loans | and advances to customers (other than banks) | | (41,085,874,502) | 10,227,596,106 |
| Recov | ery from non banking assets | | 12,345,330 | - |
| Other | assets | 40 | (829,223,559) | (694,487,760) |
| Depos | its from other Banks | 12.b.1 | (262,280,684) | (1,786,223,237) |
| Depos | its from customers (other than banks) | | 27,932,297,188 | 4,289,418,612 |
| Liabili | ty for tax | | (1,311,131,151) | 1,130,728,886 |
| Liabili | ties for provision | | (2,697,393,332) | (1,880,863,607) |
| Other | liabilities | 41 | 5,031,660,875 | 3,066,459,100 |
| Cash g | generated from changes in operating assets and liabilities | | 5,442,391,934 | 3,793,899,062 |
| | sh received from operating activities | | 13,453,399,308 | 6,025,106,870 |
| B) Cash f | lows from investing activities | | | |
| | ase-net) of non-trading securities | | (22,343,168,875) | (12,655,242,003) |
| | ase-net) of property, plant and equipment | | (724,622,359) | (1,088,471,897) |
| Net ca | sh (used in) investing activities | | (23,067,791,233) | (13,743,713,900) |
| C) Cash f | lows from financing activities | | | |
| | vings from banks, financial institutions and agents | | 19,015,292,059 | (6,567,155,371) |
| | nd paid (cash dividend) | | (1,420,649,200) | (1,217,699,321) |
| | sh received from/(used in) financing activities | | 17,594,642,858 | (7,784,854,692) |
| | crease/(decrease) in cash (A+B+C) | | 7,980,250,934 | (15,503,461,722) |
| | s of exchange rate changes on cash and cash equivalents | | (3,496,239) | 652,532 |
| - | ng cash and cash-equivalents | | 29,155,338,931 | 44,658,148,121 |
| G) Closin | g cash and cash-equivalents (D+E+F)* | | 37,132,093,625 | 29,155,338,931 |
| *Closi: | ng cash and cash-equivalents | | | |
| Cash i | n hand (including foreign currencies) | 3.1 | 3,710,909,855 | 3,218,511,774 |
| | ces with Bangladesh Bank and its agent bank (s) | 3.2 | 14,957,829,541 | 12,480,410,176 |
| | ces with other Banks and Financial Institutions | 4 | 16,885,457,329 | 13,393,287,481 |
| Money | at call and short notice | 5 | 1,573,200,000 | 60,000,000 |
| Prize l | oonds | 6.1 | 4,696,900 | 3,129,500 |
| | | | 37.132.093.625 | 29,155,338,931 |

These financial statements should be read in conjunction with the annexed notes.

le mean.

Ali Reza Iftekhar Managing Director & CEO

Dhaka, 31 March 2022

Dr. Toufic Ahmad Choudhury Director

Salmis Ati Salina Ali Director Mir Nasir Hossain Director

| 1 8,117,995,470 8,117,995,470 356,040,000 1,420,649,200 - - - 1,420,649,200 - - - :easury - - - - :easury - - - - inted - - - - - inted - - - - - - inted - - - - - - - - inted -< | 000 3,492,079,879 | 603,493,370 | (209,986,563) | antietette | account | 10101 |
|---|-----------------------|-------------|---------------|------------|-----------------|-----------------|
| issued for 2020 1,420,649,200 i paid for 2020 | 1 1 1 | I | | 2,405,658 | 8,969,072,019 | 29,449,095,304 |
| I paid for 2020 - | 1 1 1 | I | I | | (1,420,649,200) | I |
| x for the year | 1 1 | I | I | I | (1,420,649,200) | (1,420,649,200) |
| atutory reserve - 1,420,649,200 - frevaluation of rities (HFT) | 1 | | I | I | 4,800,224,393 | 4,800,224,393 |
| f revaluation of rities (HFT) | | 1 | I | I | (1,420,649,200) | I |
| mortisation of treasury | - (817,134,941) | I | I | I | I | (817,134,941) |
| f reserved for non ts | - 9,039,202 | I | I | I | I | 9,039,202 |
| ent (loss) on defined | - (93,231,165) | I | I | I | I | (93,231,165) |
| svaluation of land | 1 | I | (196,062,500) | I | I | (196,062,500) |
| | - (88,859,697) | I | I | | I | (88,859,697) |
| Foreign currency nansiauon | 1 | I | I | (409,387) | I | (409,387) |
| Currency adjustment for offshore | 1 | I | I | I | (3,086,859) | (3,086,859) |
| ecember 2021 9,538,644,670 9,538,644,670 356,040,000 | 2,501,893,278 | 603,493,370 | (406,049,063) | 1,996,271 | 9,504,261,952 | 31,638,925,151 |
| Balance as at 31 December 2020 8,117,995,470 8,117,995,470 356,040,000 3,49 | 3,492,079,879 | 603,493,370 | (209,986,563) | 2,405,658 | 8,969,072,019 | 29,449,095,304 |

Eacord

Ali Reza Iftékhar Managing Director & CEO

Dr. Toufic Ahmad Choudhury Director

Salina Ali Salina Ali Director

A Jerra (Mir Nasir Hossain Director

Dhaka, 31 March 2022

Amount in BDT

| Particulars | Not more than 1 month term | 1-3 months term | 3-12 months term | 1-5 years term | Above 5-years term | Total |
|--|-------------------------------|------------------|------------------|------------------|-----------------------|-----------------|
| Assets | | | | | | |
| Cash in hand (including balance with Bangladesh Bank and its agent Bank) | 18,668,739,395 | I | I | I | I | 18,668,739,396 |
| Balances with other banks and financial institutions | 16,460,957,329 | 424,500,000 | 1 | 1 | I | 16,885,457,329 |
| Money at call and short notice | 1,573,200,000 | I | I | I | I | 1,573,200,000 |
| Investments | 404,696,900 | 2,387,860,966 | 6,042,391,434 | 14,394,942,671 | 45,671,117,859 | 68,901,009,830 |
| Loans and advances | 24,706,379,315 | 40,905,066,517 | 119,922,013,130 | 61,167,126,953 | 24,901,077,743 | 271,601,663,658 |
| Fixed assets including land, building, furniture and fixtures | 37,580,840 | 77,427,567 | 339,815,003 | 1,594,039,763 | 5,619,147,579 | 7,668,010,751 |
| Other assets | 16,317,198 | 62,112,041 | 2,626,966,717 | 2,151,555,278 | 2,032,231,517 | 6,889,182,751 |
| Non-banking assets | I | I | I | I | I | I |
| Total Assets | 61,867,870,975 | 43,856,967,091 | 128,931,186,284 | 79,307,664,665 | 78,223,574,698 | 392,187,263,713 |
| Liabilities | | | | | | |
| Borrowing from other banks, financial institutions and agents | 9,292,307,469 | 17,529,960,281 | 28,644,502,443 | 9,487,365,662 | 342,236,821 | 65,296,372,676 |
| Deposits and other accounts | 31,264,325,760 | 42,292,653,536 | 49,635,456,656 | 142,726,413,249 | 1,528,751,026 | 267,447,600,226 |
| Provisions & other liabilities | 225,467,366 | 2,901,394,778 | 1,872,196,196 | 17,740,155,922 | 5,065,151,399 | 27,804,365,661 |
| Total Liabilities | 40,782,100,594 | 62,724,008,595 | 80,152,155,295 | 169,953,934,833 | 6,936,139,245 | 360,548,338,562 |
| Net Liquidity Gap | 21,085,770,380 | (18,867,041,504) | 48,779,030,989 | (90,646,270,168) | 71,287,435,453 | 31,638,925,151 |
| Cumulative Net Liquidity Gap | 21,085,770,380 | 2,218,728,877 | 50,997,759,866 | (39,648,510,302) | 31,638,925,151 | • |

as at 31 December 2021

Consolidated Liquidity Statement(Asset and Liability Maturity Analysis)

Eastern Bank Limited and its subsidiaries

Eastern Bank Limited

Balance Sheet

as at 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|----------|---|---|
| PROPERTY AND ASSETS | | | |
| Cash | 3 | | |
| Cash in hand (including foreign currencies) | 3.1 | 3,710,774,087 | 3,218,381,880 |
| Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | 14,957,829,541 | 12,480,410,176 |
| | | 18,668,603,628 | 15,698,792,050 |
| Balances with other banks and financial institutions | 4 | | |
| In Bangladesh | 4.1 | 15,005,092,489 | 12,444,848,375 |
| Outside Bangladesh | 4.2 | 1,264,597,790 | 558,299,302 |
| | | 16,269,690,279 | 13,003,147,677 |
| Money at call and short notice | 5 | 1,573,200,000 | 60,000,000 |
| Investments | 6 | 10,01200,000 | 00100100100 |
| Government | 6.1 | 41,229,430,813 | 50,517,783,114 |
| Others | 6.2 | 25,423,718,052 | 13,431,621,58 |
| | | 66,653,148,865 | 63,949,404,701 |
| Loans and advances | 7 | | |
| Loans, cash credits, overdraft etc. | 7.1 | 234,038,851,242 | 214,171,172,833 |
| Bills discounted and purchased | 7.2 | 35,355,122,969 | 14,772,690,062 |
| | - | 269,393,974,211 | 228,943,862,89 |
| Fixed assets including land, building, furniture and fixtures | 8 | 7,632,189,734 | 7,710,898,017 |
| Other assets | 9 | 8,623,907,370 | 7,463,906,712 |
| Non banking assets | 10 | - | 105,576,49 |
| TOTAL ASSETS | | 388,814,714,087 | 336,935,588,55! |
| | = | | |
| LIABILITIES AND CAPITAL | | | |
| Borrowing from banks, financial institutions and agents | 11 | | |
| Non-convertible subordinated bond | 11.1.a | 5,500,000,000 | 6,000,000,000 |
| Borrowing from other Banks, FIs, Agents etc. | - | 57,686,515,851 | 38,286,389,129 |
| Demosite and other accounts | 12 | 63,186,515,851 | 44,286,389,129 |
| Deposits and other accounts Current deposits & other accounts etc. | 12.1 | 32,747,951,058 | 28,274,075,619 |
| Bills payable | 12.1 | 1,155,851,680 | 1,492,231,668 |
| Savings bank deposits | 12.2 | 70,403,378,712 | 63,784,873,554 |
| Fixed deposits | 12.4 | 101,607,706,168 | 111,289,608,129 |
| Other deposits- special notice (SND) account | 10.1 | 62,103,962,762 | 37,516,985,909 |
| Bearer certificates of deposits | 12.5 | - | 0,10101,001,0 |
| | | 268,018,850,380 | 242,357,774,879 |
| Other liabilities | 13 | 26,592,772,458 | 21,315,844,877 |
| TOTAL LIABILITIES | 15 | 357,798,138,689 | 307,960,008,885 |
| | | | |
| SHAREHOLDERS' EQUITY | 1/ | 0 500 / / / 70 | 0 117 005 / 50 |
| Paid-up capital | 14 | 9,538,644,670 | 8,117,995,470 |
| Statutory reserve Dividend equalisation reserve | 15 16 | 9,538,644,670 | 8,117,995,470 |
| Assets revaluation reserve (Land & other assets) | 16 17 | 356,040,000 2,416,474,912 | 356,040,000 3,406,661,513 |
| General reserve | 1/ | 603,493,370 | 603,493,370 |
| | 18 | (406,049,063) | (209,986,563 |
| Actuarial remeasurement gain (loss) | 10 | | |
| 5 | | (5 947 070) | (206 701 |
| Foreign currency translation gain/(loss) | 19 | (5,967,070) | |
| Actuarial remeasurement gain/(loss) Foreign currency translation gain/(loss) Surplus in profit and loss account TOTAL SHAREHOLDERS' EQUITY | | (5,967,070) 8,975,293,909 31,016,575,398 | (326,701) 8,583,707,111 28,975,579,670 |

Amount in BDT

Eastern Bank Limited

Balance Sheet

as at 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|---|-------|-----------------|-----------------|
| OFF BALANCE SHEET ITEMS | | | |
| Contingent liabilities | 21 | | |
| Acceptances and endorsements | 21.1 | 53,047,505,500 | 42,593,184,478 |
| Letters of guarantees | 21.2 | 31,749,649,918 | 27,229,615,956 |
| Irrevocable letters of credit | 21.3 | 46,268,850,715 | 26,084,696,594 |
| Bills for collection | 21.4 | 10,647,181,021 | 8,032,352,776 |
| Other liabilities | | - | - |
| | | 141,713,187,154 | 103,939,849,804 |
| Other commitments | | | |
| Documentary credits and short term trade-related transactions | | - | - |
| Forward assets purchased and forward deposits placed | 21.5 | 118,101,190 | 120,428,481 |
| Undrawn note issuance and revolving underwriting facilities | | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | | - | - |
| | | 118,101,190 | 120,428,481 |
| TOTAL OFF-BALANCE SHEET ITEMS | | 141,831,288,344 | 104,060,278,285 |

These financial statements should be read in conjunction with the annexed notes.

lelen

Dhaka, 31 March 2022

Ali Reza Iftekhar Managing Director & CEO

Dr. Toufic Ahmad Choudhury

Director

Salmis AG Salina Ali

Salina Ali Director

Mir Nasir Hossain Director

Signed as per our annexed report: Howladar Yunus & Co. Chartered Accountants

Muno

Md. Jahidur Rahman FCA Partner, Enrolment No: 860 Dated: Dhaka, 05 April 2022 DVC No: 2204050860AS516571

Eastern Bank Limited

Profit & Loss Account

for the year ended 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|--------|-----------------|------------------|
| Interest Income | 22 | 16,206,209,303 | 19,667,413,756 |
| Interest paid on deposits and borrowings | 23 | (8,444,976,493) | (13,737,063,652) |
| Net Interest Income | | 7,761,232,810 | 5,930,350,104 |
| Income from investments | 24 | 6,088,639,366 | 5,048,674,967 |
| Fees, commission and brokerage | 25 | 3,040,479,254 | 2,823,051,316 |
| Other operating income | 26 | 267,799,268 | 331,681,115 |
| | | 9,396,917,887 | 8,203,407,398 |
| Total operating income | | 17,158,150,697 | 14,133,757,502 |
| Salary & allowances (excluding those of MD) | 27 | 4,100,539,805 | 3,923,591,968 |
| Rent, taxes, insurance, utilities etc. | 28 | 415,353,404 | 430,005,846 |
| Legal & professional expenses | 29 | 86,483,565 | 63,853,652 |
| Postage, stamp, telecommunication etc. | 30 | 148,308,477 | 131,767,614 |
| Stationery, printing, advertisement, business promotion etc. | 31 | 271,160,246 | 292,012,702 |
| Managing Director's salary and allowances | 32 | 28,441,208 | 26,328,372 |
| Directors' fees & expenses | 33 | 2,771,554 | 2,717,506 |
| Audit fees | 34 | 1,190,312 | 1,202,057 |
| Repairs, maintenance and depreciation | 35 | 1,001,833,059 | 970,168,499 |
| Other operating expenses | 36 | 634,250,171 | 599,828,196 |
| Total operating expenses | | 6,690,331,802 | 6,441,476,411 |
| Profit before provisions | | 10,467,818,895 | 7,692,281,091 |
| Provision for loans and off-balance sheet exposures | 13.4.1 | | |
| Specific provision (net off w/off recovery) | | 1,655,381,613 | 764,801,333 |
| General provision for loans | | 475,235,139 | (293,454,371) |
| Special general provision for Covid 19 | | 152,926,606 | 602,388,520 |
| General provision for off-balance sheet expsoures | _ | 368,073,261 | 19,415,553 |
| | | 2,651,616,619 | 1,093,151,035 |
| Other provision | 37 | (391,478,235) | (91,661,695) |
| Total provisions | | 2,260,138,385 | 1,001,489,340 |
| Profit before tax for the year | | 8,207,680,510 | 6,690,791,751 |
| Current tax expense for the year | 13.3.1 | 3,855,014,674 | 2,640,680,434 |
| Deferred tax income (net) | 38 | (301,198,890) | (52,451,737) |
| Total provision for taxation | | 3,553,815,784 | 2,588,228,698 |
| Profit after tax for the year | | 4,653,864,726 | 4,102,563,054 |
| Appropriation | | | |
| Statutory reserve General reserve | 15 | (1,420,649,200) | - |
| 0511512(1535176 | - | (1,420,649,200) | - |
| Retained earnings carried forward | | 3,233,215,526 | 4,102,563,054 |
| Earnings per share (EPS) (restated 2020) | 39 | 4.88 | 4.30 |

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftekhar Managing Director & CEO

Salmis Ati Salina Ali Director

Dhaka, 31 March 2022

Inf uS

Dr. Toufic Ahmad Choudhury Director

Mir Nasir Hossain Director

Signed as per our annexed report: Howladar Yunus & Co. Chartered Accountants

now M

Md. Jahidur Rahman FCA Partner, Enrolment No: 860 Dated: Dhaka, 05 April 2022 DVC No: 2204050860AS516571

Eastern Bank Limited

Cash Flow Statement

for the year ended 31 December 2021

| rticulars | Notes | 2021 | 2020 |
|---|-------------|------------------|-----------------|
| A) Cash flows from operating activities | | | |
| Interest receipts in cash | | 16,284,739,074 | 18,243,372,763 |
| Interest payments | | (9,993,443,560) | (15,172,791,349 |
| Dividend receipts | | 199,399,208 | 138,078,570 |
| Fees and commission receipts in cash | | 2,732,231,871 | 2,709,822,890 |
| Income from investment (other than dividend) | | 5,973,189,953 | 4,480,622,69 |
| Recovery on loans previously written off | 13.4.1 | 363,274,439 | 725,759,33 |
| Cash payment to employees (including directors) | | (4,017,539,129) | (3,912,637,846 |
| Cash payment to suppliers | | (1,217,480,524) | (1,201,000,079 |
| Income taxes paid | 13.3.2 | (2,290,690,848) | (3,584,048,614 |
| Receipts from other operating activities | | 267,799,268 | 331,681,11 |
| Payments for other operating activities | | (634,250,171) | (599,828,196 |
| Cash generated from operating activities before changes in operating assets and | liabilities | 7,667,229,580 | 2,159,031,293 |
| Increase/(decrease) in Operating Assets & Liabilities | | | |
| (Purchase)/sale of trading securities | | 18,835,036,031 | (10,760,662,458 |
| Loans and advances to customers (other than banks) | | (40,449,552,103) | 4,785,116,138 |
| Recovery from non banking assets | | 12,345,330 | |
| Other assets | 40 | (1,014,792,055) | (558,391,547 |
| Deposits from other Banks | 12.b.1 | (262,280,684) | (1,786,223,237 |
| Deposits from customers (other than banks) | | 27,441,152,328 | 5,167,653,00 |
| Liability for tax | | (1,263,124,936) | 995,819,91 |
| Liabilities for provision | | (2,623,412,824) | (1,727,248,670 |
| Other liabilities | 41 | 4,996,132,255 | 2,701,535,895 |
| Cash generated from changes in operating assets and liabilities | | 5,671,503,343 | (1,182,400,954 |
| Net Cash received from operating activities | | 13,338,732,922 | 976,630,339 |
| B) Cash flows from investing activities | | | |
| (Purchase-net) of non-trading securities | | (22,345,308,535) | (12,655,811,043 |
| (Purchase-net) of property, plant and equipment | | (715,809,642) | (1,048,655,020 |
| Net cash (used in) investing activities | | (23,061,118,176) | (13,704,466,063 |
| C) Cash flows from financing activities | | | |
| Borrowings from banks, financial institutions and agents | | 18,900,126,722 | (6,534,399,079 |
| Dividend paid (cash dividend) | | (1,420,649,200) | (1,217,699,321 |
| Net cash received from/(used in) financing activities | | 17,479,477,521 | (7,752,098,400 |
| D) Net increase/(decrease) in cash and cash equivalents (A+B+C) | | 7,757,092,264 | (20,479,934,124 |
| E) Effects of exchange rate changes on cash and cash equivalents | | (5,970,692) | (778,208 |
| F) Opening cash and cash-equivalents | | 28,765,069,234 | 49,245,781,566 |
| G) Closing cash and cash-equivalents (D+E+F)* | | 36,516,190,806 | 28,765,069,234 |
| *Cash and cash-equivalents consists of: | | | |
| Cash in hand (including foreign currencies) | 3.1 | 3,710,774,087 | 3,218,381,880 |
| Balances with Bangladesh Bank and its agent bank (s) | 3.2 | 14,957,829,541 | 12,480,410,170 |
| Balances with other Banks and Financial Institutions | 4 | 16,269,690,279 | 13,003,147,67 |
| | 5 | 1,573,200,000 | 60,000,000 |
| Money at call and short notice | | | |
| Money at call and short notice Prize bonds | 6.1 | 4,696,900 | 3,129,500 |

These financial statements should be read in conjunction with the annexed notes.

laan j

Ali Reza Iftekhar Managing Director & CEO

Infits

Dr. Toufic Ahmad Choudhury Director

Salwis Ati Salina Ali Director

Mir Nasir Hossain Director

Dhaka, 31 March 2022

| 8117.995.470 8117.995.470 356.040.000 3406.661.512 603.493.370 (209.986.563) (326.701) 8.583.707.111 1.420.649.200 8.117.995.470 356.040.000 3406.661.512 603.493.370 (209.986.563) (326.701) 8.583.707.111 1.420.649.200 9.00 | Particulars | Paid-up capital | Statutory reserve | Dividend equalisation reserve | Assets revaluation reserve (land and other assets) | General reserve | Actuarial remeasurement (Loss) | Foreign currency translation difference | Surplus in profit and loss account | Total |
|--|---|--------------------|----------------------|-------------------------------------|--|--------------------|--------------------------------------|--|--|-----------------|
| 1.420.649.200 - - - - - (1.420.649.200) 1.420.649.200 - | Balance as at 1 January 2021 | 8,117,995,470 | 8,117,995,470 | 356,040,000 | 3,406,661,512 | 603,493,370 | (209,986,563) | (326,701) | 8,583,707,111 | 28,975,579,670 |
| IIV IIA20.649,200 IIA20.649,200 | Bonus share issued for 2020 | 1,420,649,200 | I | I | I | I | I | I | (1,420,649,200) | I |
| IIV I.420,649,200 I.420,649,200 I.420,649,200 I.4553 864,727 IIV 1.420,649,200 (1,420,649,200) (1,420,649,200) (1,420,649,200) IIV 1.420,649,200 (817,134,941) 1 1 (1,420,649,200) IIV 1.420,649,200 (817,134,941) 1 1 1 1 IIV 1.420,649,200 (817,134,941) 1 | Cash dividend paid for 2020 | I | I | I | I | I | I | I | (1,420,649,200) | (1,420,649,200) |
| IIY 1.420,649,200 (1.420,649,200 (1.420,649,200) IIY - 1.420,649,200 (817,134,941) - - (1.420,649,200) IIY - - (817,134,941) - - (1.420,649,200) IIY - - 9,039,202 9,039,202 - | Profit after tax for the year | I | I | I | I | I | I | I | 4,653,864,727 | 4,653,864,727 |
| ITY ITY (817,134,941) - (817,134,941) - | Transfer to statutory reserve | I | 1,420,649,200 | I | I | I | I | I | (1,420,649,200) | I |
| ITY ITY <td>Adjustment for revaluation of treasury securities (HFT)</td> <td>I</td> <td>I</td> <td>I</td> <td>(817,134,941)</td> <td>I</td> <td>I</td> <td>I</td> <td>I</td> <td>(817,134,941)</td> | Adjustment for revaluation of treasury securities (HFT) | I | I | I | (817,134,941) | I | I | I | I | (817,134,941) |
| Is | Reserve for amortisation of treasury securities (HTM) | I | I | I | 9,039,202 | I | 1 | I | I | 9,039,202 |
| Is (88,859,697) (88,859,697) (93,231,165) (93,232,166) (93,232,166) (93,232,166) (93,232,166) (93,243,371) (94,66,049,063) (13,26,70,69) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) 8,975,293,910 (111,102,162,10) (111,102,162,10) (111,102,162,10) (111,1 | Remeasurement (loss) on defined benefit plans | I | I | I | I | I | (196,062,500) | I | I | (196,062,500) |
| - - (93,231,165) - <t< td=""><td>Adjustment on revaluation of lands</td><td>I</td><td>I</td><td>I</td><td>(88,859,697)</td><td>I</td><td>I</td><td></td><td>I</td><td>(88,859,697)</td></t<> | Adjustment on revaluation of lands | I | I | I | (88,859,697) | I | I | | I | (88,859,697) |
| - | Adjustment of reserved for non banking assets | I | I | I | (93,231,165) | I | I | I | I | (93,231,165) |
| - - - - - - (330,328) 9,538,644,670 9,538,644,670 356,040,000 2,416,474,911 603,493,370 (406,049,063) (5,967,069) 8,975,293,910 8.117,995,470 8.117,995,470 356,040,000 3,406,661.512 603,493,370 (209,986,563) (326,701) 8.583,707,111 | Currency translation difference | I | I | I | I | I | I | (5,640,368) | I | (5,640,368) |
| 9,538,644,670 9,538,644,670 356,040,000 2,416,474,911 603,493,370 (406,049,063) (5,967,069) 8,975,293,910 8.117,995,470 8.117,995,470 356,040,000 3.406,661.512 603,493.370 (209,986,563) (326,701) 8.583.707.111 | Currency adjustment for offshore banking operation | I | I | I | I | I | I | I | (330,328) | (330,328) |
| 8.117.995.470 8.117.995.470 356.040.000 3.406.661.512 603.493.370 (209.986.563) (326.701) 8.583.707.111 | Balance as at 31 December 2021 | 9,538,644,670 | 9,538,644,670 | 356,040,000 | 2,416,474,911 | 603,493,370 | (406,049,063) | (5,967,069) | 8,975,293,910 | 31,016,575,398 |
| | Balance as at 31 December 2020 | 8,117,995,470 | 8,117,995,470 | 356,040,000 | 3,406,661,512 | 603,493,370 | (209,986,563) | (326,701) | 8,583,707,111 | 28,975,579,670 |

Electron

Ali Reza Iftekhar Managing Director & CEO

Dr. Toufic Ahmad Choudhury Director

Mir Nasir Hossain

Labris At. Salina Ali Director

Dhaka, 31 March 2022

| Particulars | Not more than 1 month term | 1-3 months term | 3-12 months term | 1-5 years term | Above 5-years term | Total |
|--|-------------------------------|------------------|------------------|---------------------------------|-----------------------|-----------------|
| Assets | | | | | | |
| Cash in hand (including balance with Bangladesh Bank and its agent Bank) | 18,668,603,627 | 1 | I | I | I | 18,668,603,627 |
| Balances with other banks and financial institutions | 15,845,190,279 | 424,500,000 | | I | I | 16,269,690,279 |
| Money at call and short notice | 1,573,200,000 | I | I | I | I | 1,573,200,000 |
| Investments | 404,696,900 | 140,000,000 | 6,042,391,434 | 14,394,942,671 | 45,671,117,859 | 66,653,148,864 |
| Loans and advances | 24,625,357,112 | 40,792,915,893 | 117,907,496,510 | 61,167,126,953 | 24,901,077,743 | 269,393,974,212 |
| Fixed assets including land, building, furniture and fixtures | 37,580,840 | 77,065,882 | 338,227,558 | 1,586,593,218 | 5,592,722,235 | 7,632,189,734 |
| Other assets | 20,307,065 | 77,377,618 | 3,273,151,638 | 2,720,891,898 | 2,532,179,152 | 8,623,907,371 |
| Non-banking assets | I | I | | I | I | I |
| Total Assets | 61,174,935,823 | 41,511,859,393 | 127,561,267,141 | 79,869,554,740 | 78,697,096,989 | 388,814,714,087 |
| Liabilities | | | | | | |
| Borrowing from other banks, financial institutions and agents | 8,448,364,739 | 16,264,046,186 | 28,644,502,443 | 9,487,365,662 | 342,236,821 | 63,186,515,851 |
| Deposits and other accounts | 31,492,825,821 | 42,635,403,628 | 49,635,456,656 | 142,726,413,249 | 1,528,751,026 | 268,018,850,380 |
| Provisions & other liabilities | 215,653,461 | 2,776,842,997 | 1,789,686,699 | 16,967,038,299 | 4,843,551,002 | 26,592,772,458 |
| Total Liabilities | 40,156,844,021 | 61,676,292,811 | 80,069,645,798 | 169,180,817,210 | 6,714,538,849 | 357,798,138,689 |
| Net Liquidity Gap | 21,018,091,802 | (20,164,433,418) | 47,491,621,343 | (89,311,262,469) | 71,982,558,141 | 31,016,575,398 |
| Cumulative Net Liquidity Gap | 21,018,091,802 | 853,658,384 | 48,345,279,727 | 48,345,279,727 (40,965,982,742) | 31,016,575,398 | I |

as at 31 December 2021

Liquidity Statement (Asset and Liability Maturity Analysis)

Eastern Bank Limited

Eastern Bank Limited and its subsidiaries

Notes to the financial statements

as at and for the year ended 31 December 2021

1 The Bank and its activities

1.1 Eastern Bank Limited was incorporated in Bangladesh as a public limited company to carry out all kinds of banking business in and outside Bangladesh. The Bank took over the business, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited (hereinafter referred to as BCCI) as they stood after reduction or adjustments in accordance with the provisions of the BCCI (Reconstruction) Scheme, 1992. The Bank commenced operations from 16 August 1992 and at present it has 85 branches, 5 sub-branches and 46 agent banking outlets across Bangladesh. The shares of the Bank is listed with both Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. The registered office of the Bank is located at 100 Gulshan Avenue, Dhaka - 1212, Bangladesh.

The principal activities of the Bank are to provide a comprehensive range of financial products (loans and deposits) and services, personal and commercial banking, trade services, cash management, treasury, securities and custodial services.

1.2 Offshore Banking Operation (OBO)

EBL has one Offshore Banking Unit ('OBU' or 'the Unit') which runs through a separate desk under control and supervision of the Offshore Banking Division/Operation (OBO). The unit and all activities of the division are governed under the permission by Bangladesh Bank vide letter no. BRPD(P)744(89)/2020-2254 & 2255 dated 25 January 2004 and subsequent approvals for continuation by Bangladesh Bank vide letter no. BRPD(P)744(89)/2020-2254 & 2255 dated 25 February 2020 in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendments thereon. The activities of the unit is to provide both funded and non-funded facilities and to accept savings/current/term deposits in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprises in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBU discounts/ purchases accepted usance/deferred bills against import from abroad (Bills Finance), and discounts/purchases accepted usance/ deferred bills against direct and deemed exports of products produced in Bangladesh, of persons resident in Bangladesh. The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212.

Representative office and agent banking operation of the Bank

Representative Office:

The bank has two Representative Offices (ROs) abroad, one in Myanmar named 'EBL Yangon Representative Office (YRO)' and another one in China named 'EBL Guangzhou Representative Office (GRO)', which were established in 2014 and 2019 respectively with a view to extend its trade businesses by providing banking and business information to the business people of these countries. Registered office of YRO is at Room (2B/2C), 1st Floor, Rose Condominium, No. 182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon, Myanmar; and GRO is at Unit G, 22 Floor, Jianhe Centre, No.111 Tiyuxi Road, Tianhe District, Guangzhou, Guangdong Province, China.

Agent Banking Outlet:

The bank has started agent banking operation in 2018 with a view to reach unbanked population particularly in the geographically dispersed area and offer banking services to potential customers who are currently out of traditional banking periphery. EBL has now 46 outlets across the country with thousands of new customers. This service includes offering all types of deposit accounts and other banking transactions including bill payments, inward foreign remittance payment, fund transfer etc.

1.3 Subsidiaries of the Bank

The Bank has four fully owned subsidiaries as on the reporting date. These are EBL Securities Limited, EBL Investments Limited, EBL Finance (HK) Limited and EBL Asset Management Limited. All subsidiaries of the Bank have been incorporated in Bangladesh except for EBL Finance (HK) Limited which is incorporated in Hong Kong.

EBL Securities Limited

EBL Securities Limited (EBLSL), a securities brokerage firm acquired in two phases, is a public limited company having TRECs (Trading Right Entitlement Certificate) and ordinary shares of both the bourses i.e., Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. The principal activities of this subsidiary are buying, selling and settling of securities on behalf of investors and its own portfolio. Registered office of EBLSL is located at Jiban Bima Bhaban, 10 Dilkusha CA, Dhaka - 1000, Bangladesh.

EBL Investments Limited

EBL Investments Limited (EBLIL) was incorporated on 30 December 2009. EBLIL obtained license from Bangladesh Securities & Exchange Commission (BSEC) on January 2013 and started full-fledged operations of merchant banking, portfolio management, underwriting, etc. from June 2013. Registered office of EBLIL is located at Bangladesh Shipping Corporation (BSC) Tower, 2-3 Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka - 1000, Bangladesh.

EBL Finance (HK) Limited

EBL Finance (HK) Limited, the first foreign subsidiary of EBL, was incorporated on 28 November 2011 with Hong Kong (HK) authority. This subsidiary started its full-fledged business operations (i.e. offshore trade finance, advising, documents collection etc.) in Hong Kong during 2013 after obtaining all the required licenses from Bangladesh and HK authority. Registered office of EBL Finance (HK) Limited is Unit 1201, 12th Floor, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Hong Kong.

EBL Asset Management Limited

EBL Asset Management Limited (EBLAML) was incorporated on 9 January 2011 to carry out asset management business, capital market operation, equity investment etc. EBLAML obtained license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 to run full-fledged business operations. Registered office of EBLAML is located at Bangladesh Shipping Corporation (BSC) Tower, 2-3 Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka - 1000, Bangladesh.

2 Basis of preparation and significant accounting policies

Basis of preparation

Separate and consolidated financial statements

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking (main operation including representative offices) and Offshore Banking operation, and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries (together referred to as 'the group' and individually referred to as 'group entities/subsidiaries').

There was no significant change in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

2.1 Statement of compliance

The consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the the Financial Reporting Council (FRC) under the Financial Reporting Act, 2015 (FRA) and the requirements of the Bank Company Act 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Presentation of financial statements

IFRSs: As per IAS 1'Presentation of financial statements', financial statements shall comprise a statement of financial position as at the end of the period, a statement of profit or loss and other comprehensive income for the period, a statement of changes in equity for the period, a statement of cash flows for the period, notes - comprising significant accounting policies and other explanatory information. As per IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section 38) of the Bank Company Act 1991 (as amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Investments in Equity Instruments (Shares, Mutual funds, etc.)

IFRSs: As per requirements of IFRS 9 'Financial instruments', all equity investments (shares and mutual funds) are to be measured at fair value with value changes recognised in statement of profit or loss and other comprehensive income for the period, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income (OCI)'. If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it through OCI with only dividend income recognised in profit or loss account.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, investments in quoted and unquoted shares are revalued on the basis of year-end market price and Net Assets Value (NAV) of last audited balance sheet respectively. As per instruction of another DOS circular letter no. 3 dated 12 March 2015, investment in mutual fund (closed end) is revalued 'at lower of cost and (higher of market value and 85% of NAV)'. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognised at costs.

The Bank reviews its investment in shares & mutual funds at each quarter-end on mark-to-market basis and has maintained a cumulative provision of BDT 256.44 million as of 2021 as per BB instructions (note 13.8).

iii) Revaluation gain/loss on government securities

IFRSs: As per IFRS 9 'Financial instruments', treasury bills (T-bills)/treasury bonds (T-bonds) are measured 'at fair value through other comprehensive income' where gains or losses shall be recognised in other comprehensive income (OCI), except for impairment gains or losses and foreign exchange gains and losses. The loss allowance arisen from impairment shall be recognised in OCI and shall not reduce the carrying amount of financial assets in the financial position. Interest calculated using the effective interest method shall be recognised in profit or loss account.

Bangladesh Bank: According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification in DOS circular no. 5 dated 28 January 2009, amortisation gain/loss is charged to profit and loss account, mark-to-market loss on revaluation of government securities (T-bills/T-bonds) categorised as Held for Trading (HFT) is charged to profit and loss account, but any unrealised gain on such revaluation is recognised to revaluation reserve account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method but income/gain is recognised through equity.

The Bank recognised revaluation loss of BDT 857.99 million and amortisation expense of BDT 164.13 million in profit and loss account in 2021 against its investment in government treasury securities categorised as HFT and HTM respectively. Unrealised amorized gain of BDT 29.26 million arising from amortisation of HTM securities has been booked in equity as reserve in compliance with Bangladesh Bank guidelines (note 17.02 & 17.03).

iv) Provision on loans and advances, off-balance sheet exposures including other commitments

IFRSs: As per IFRS 9 'Financial instruments', loans and advances shall be recognised and measured at amortised cost (net of any write down for impairment). When any objective evidence of impairment (a loss allowance for expected credit losses) exists for such financial assets, impairment assessment should be undertaken individually or portfolio basis (when assets are not individually significant).

Bangladesh Bank: As per Bangladesh Bank instructions vide different circulars, a general provision @ 0.25% to 2% under different categories of unclassified loans (standard/SMA loans) and special general provision for Covid-19 @ 1% to 2% on payment deferral facilitated accounts upon received of 15% payment against total dues for the year 2021, should be maintained regardless of objective evidence of impairment. And specific provision @ 5% to 100% on classified loan accounts including certain reschedule loan account should be made on loans net off eligible securities (if any). Also, a general provision @ 0.5% - 1% should be provided for certain off-balance sheet exposures (including other commitments). Such provision policies are not specifically in line with those prescribed by IFRS 9.

The Bank charged to its profit and loss account a general provision of BDT 996.23 million (special general provision of BDT 152.93 million against PBD accounts, general provision of BDT 475.23 million against unclassified loans & advances, and charge of BDT 368.07 million for off-balance sheet exposures) in 2021 (note 13.4.1).

v) Other comprehensive income and appropriation of profit

IFRSs: As per IAS 1 'Presentation of financial statements', other comprehensive income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income (OCI) statement. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: The templates of financial statements issued by Bangladesh Bank do not include other comprehensive income nor are the elements of other comprehensive income allowed to be included in a single other comprehensive income (OCI) statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity. Furthermore, the above templates require disclosure of appropriation of profit on the face of profit and loss account.

vi) Financial instruments - presentation and disclosure

As per BB guidelines, in certain cases financial instruments are categorised, recognised, measured and presented differently from those prescribed in IFRS 7 'Financial instruments' - disclosure and IFRS 9 Financial instruments. As such some disclosures and presentation requirements of IFRS 7 and IFRS 9 cannot be fully made in these financial statements.

vii) **REPO** transactions

IFRSs: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a collateralised borrowing and the underlying asset continues to be recognised in the entity's financial statements. This transaction will be treated as borrowing and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per Bangladesh Bank circulars/guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognised in the seller's book and recognised in the buyer's book.

viii) Financial guarantees

IFRSs: As per IFRS 9 'Financial instruments', financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the instrument. Financial guarantee liabilities are recognised initially at their fair value and is amortised over the life of the instrument. Any such liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are prescribed to be included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit (LC) & letter of guarantees (LG) should be treated as off-balance sheet items. No liability is recognised for such guarantee except the cash margin. However, a general provision @ 0.5% -1% is maintained against such guarantee.

ix) Cash and cash equivalents

IFRSs: Cash and cash equivalent items should be reported as cash item as per IAS 7 'Statements of cash flows'.

Bangladesh Bank: Some highly liquid assets such as money at call and short notice, T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents; rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

x) Non-banking assets

IFRSs: No indication of non-banking assets is found in any IASs/IFRSs.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank, there exists a face item named non-banking assets.

xi) Cash flow statement

IFRSs: Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank, cash flow statement is to be prepared following a mixture of direct and indirect method.

xii) Balance with Bangladesh Bank (cash reserve requirement)

IFRSs: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per IAS 7 Statement of cash flows.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

xiii) Off-balance sheet items

IFRS: No concept of off-balance sheet items in any IFRS/IAS/IFRIC; so nothing to disclose as off-balance sheet items.

Bangladesh Bank: As per BRPD circular no.14 dated 25 June 2003, off-balance sheet items i.e. letter of credit (LC), letter of guarantee (LG), acceptance should be disclosed separately on the face of the balance sheet.

xiv) Presentation of loans and advance net of provision

IFRSs: Loans and advances shall be presented at amortised cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

Bangladesh Bank: As per BRPD circular 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances.

xv) Recognition of interest in suspense

IFRSs: Loans and advances to customers are generally classified as non-derivative financial assets measured at amortised cost as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is to be recognised in profit and loss account on the same basis on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012 and BRPD Circular no. 03 dated 21 April 2019, interest on classified loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

xvi) Presentation of intangible asset

IFRSs: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003. However, intangible assets of bank are shown in fixed assets.

Please refer to note 2.10 compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) for further details.

2.2 Basis of measurement

The consolidated financial statements of the Group and the separate financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

- Government treasury bills and bonds designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.
- Government treasury bills and bonds designated as 'Held to Maturity (HTM)' are amortised yearly with resulting gain credited to amortisation reserve account but loss charged to profit and loss account.
- Land is recognised at cost at the time of acquisition and subsequently measured at fair value as per IAS 16 'Property, Plant & Equipment' and BSEC notification no. SEC/CMRRCD/2009-193/150/Admin/51 dated 18 August 2013.

2.3 Going concern basis of accounting

These financial statements have been prepared on the basis of assessment of the Bank's ability to continue as a going concern. EBL has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to exhibit a healthy trend for couple of years. The rating outlook of the Bank as denoted by both the rating agencies CRISL and Moody's is 'stable'. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements of the Group and the separate financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Key estimates include the following:

- Loan loss provision
- Revaluation of land
- Deferred tax assets/liabilities
- Gratuity & superannuation fund
- Useful lives of depreciable assets

2.5 Foreign currency transactions and translations

Functional and presentation currency

The financial statements of the Group and the Bank are presented in Bangladesh Taka (BDT) which is the functional currency of the parent, except Offshore Banking Operation and EBL Finance (HK) Ltd. where functional currency is US Dollar (USD) and Hong Kong Dollar (HKD) respectively. All financial information presented in Taka has been rounded off to the nearest integer, except when otherwise indicated.

Conversion of foreign currency transactions

Foreign currency transactions of the Bank and its subsidiaries are converted into respective functional currencies (Bangladesh Taka in case of EBL main operations, US Dollar in case of OBO and HKD in case of EBL Finance (HK) Limited) at the rate of exchange prevailing on the day of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at standard mid-rate of exchange prevailing at the reporting date. Effects of exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the Bank are recorded in the profit and loss account as per IAS 21 'The Effects of Changes in Foreign Exchange Rates'.

Translation of foreign currency financial statements

Assets and liabilities of OBO and EBL Finance (HK) Limited have been translated into Taka (functional currency of the Bank) using year-end standard mid-rate of exchange (i.e. the closing rate) whereas income and expenses are translated using monthly average rate of standard mid-rates of exchange of the Bank. The cumulative amount of net exchange rate differences has been presented separately as a component of equity as per IAS 21 'The Effects of Changes in Foreign Exchange Rates'.

2.6 Basis of consolidation

- Subsidiaries (investees) are entities controlled by the parent (the Bank). Control exists when the Bank has the power over the subsidiaries that gives right to direct relevant activities, exposure, or rights, to variable returns from its involvement with the subsidiaries, and the ability to use its power over the subsidiaries to affect the amount of the Bank's returns.
- The consolidated financial statements comprise the financial statements of the Bank and its subsidiary companies from the date that control commences until the date that control ceases. The financial statements of such subsidiary companies are incorporated on a line by line basis and the investments held by the parent (the Bank) are eliminated against the corresponding share capital of group entities (subsidiaries) in the consolidated financial statements.
- Financial assets and liabilities are offset and the net amount reported in the consolidated financial statements only when there
 is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the
 asset and settle the liability simultaneously. Items are not offset in the consolidated financial statements unless required or
 permitted by accounting standards and regulators.
- Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Loss of control

Upon loss of control of a subsidiary the group derecognises the assets (including any goodwill) and liabilities of the subsidiary at carrying amount, any non controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit and loss account. If the group retains any interest in the former/previous/ex-subsidiary, then such interest is measured at fair value at the date that the control is lost. However, the group has neither lost control nor derecognised any asset or liability of any of its subsidiaries in the reporting period.

Business Combinations

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition and identifiable net assets acquired are measured at fair value. Any goodwill that arises is annually tested for impairment. Any gain on bargain purchase is recognised in Group's profit or loss account immediately. Transaction costs are expensed as incurred except if they are related to the issue of debt or equity securities.

2.7 Cash flow statement

Cash flow statement has been prepared in accordance with IAS 7 Statement of cash flows and under the guideline of Banking Regulations & Policy Department (BRPD) of Bangladesh Bank circular no. 14 dated 25 June 2003. The statement shows the structure of changes in cash and cash equivalents during the financial year.

2.8 Reporting period

These financial statements of the Group, the Bank and its subsidiaries cover 01 (One) calendar year from 01 January to 31 December.

2.9 Liquidity statement

The liquidity statement has been prepared mainly on the basis of remaining maturity grouping of assets and liabilities as at the close of the year as per following bases:

| Particulars | Basis of use |
|--|--|
| Cash, balance with other banks and financial institutions, money at call and short notice, etc. | Stated maturity/observed behavioural trend. |
| Investments | Residual maturity term. |
| Loans and advances | Repayment/maturity schedule and behavioural trend (non-maturity products). |
| Fixed assets | Useful life. |
| Other assets | Realisation/amortisation basis. |
| Borrowings from other banks and financial institutions | Maturity/repayment term. |
| Deposits and other accounts | Maturity and behavioural trend (non-maturity products). |
| Other long term liability | Maturity term. |
| Provision and other liability | Settlement/adjustment schedule basis. |

2.10 Significant accounting policies

The accounting policies set out and presented in these financial statements have been applied consistently to all the periods by group entities except otherwise instructed by Bangladesh Bank as the primary regulator. Significant accounting policies applied in these financial statements are presented separetaly with relevant notes.

Accounting policies of subsidiaries

The financial statements of subsidiaries which are included in the consolidated financial statements of the Group have been prepared using uniform accounting policies of the Bank (the Parent) for transactions and other events of similar nature unless there is any instruction by regulators. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances.

2.11 Others

i) Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 'Presentation of financial statements'.

ii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the Bank is presented on net basis under liability as the amount of tax liability is higher than advance tax. Deferred tax (DT) assets and Deferred tax (DT) liabilities of the bank is presented on net basis under asset as the amount of DT asset is higher than DT liability. Net defined benefit obligation is presented under liability as defined benefit obligation is higher than fair value of plan assets. Card revenues and expenses earned and incurred on shared basis and are directly attributable to are presented on net off basis.

iii) Comparative information

Comparative information including narrative is disclosed in respect of the preceding period where it is relevant to enhance the understanding of the current period's financial statements.

Certain comparative amounts in the financial statements are reclassified and rearranged where relevant, to conform to the current year's presentation.

iv) Earnings per share (EPS)

As per IAS 33 Earnings per share, the Bank has been reporting basic earning per share as there has been no dilution possibilities during the year. Basic EPS is computed by dividing the profit or loss attributable to ordinary shareholders of the Bank by the number of ordinary shares outstanding during the period. Bonus shares issued (if any) in current period are considered for number of ordinary shares outstanding for preceding period to present comparative EPS with retrospective adjustment i.e. restated EPS.

v) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24 Related party disclosures, Bangladesh Bank & BSEC guidelines. Details of the related party transactions have been disclosed in Annexure - C and Annexure - C1. The Bank carries out business with related parties in the ordinary course of business on an arm's length basis at commercial rates except for those transactions that the key management personnel have availed at concessionary rates which is applicable to all the eligible staffs/customers. The Bank did not have any related party transaction exceeding this threshold as at the end of 2021.

Transactions between the Bank and its subsidiaries and outstanding amount within the group have been disclosed in Annexure - C1.

vi) Reconciliation of books of account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the unreconciled balances within non-material level.

vii) Events after the reporting period

While the overall effect of COVID-19 global pandemic on Bank's business in the post years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The board and management have been regularly monitoring the potential impact of the pandemic on the Bank as the situation is yet to be normal but it's being assured that any foreseeable adverse impact can be reasonably managed.

All other material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 'Events after the reporting period'. Board's recommendation for dividend distribution is a common item presented in the note 42.

viii) Operating segments

The Group has identified following six reportable segments which are the Group's major strategic business units/entities. The strategic business units offer different products and services, and are managed separately based on the management and internal reporting structure of the group. For each of the strategic business units, the Group's/Bank's Management Committee reviews internal management reports on quarterly basis. The following summary describes the operations in each of the reportable segments:

| | Segment Name | Description |
|--------|--|---|
| OTOS | DBO (Domestic Banking Operation/Onshore Banking) | Deals with the full range of commercial banking products and services offered by four different business units: Corporate, SME, Retail Banking and Treasury. |
| SO | OBO (Offshore Banking Operation) | Deals with loans, deposits and related banking transactions in freely convertible foreign currencies with eligible Corporate customers in EPZs, PEPZs, Ezs and Hi-tech Parks. |
| | EBL Securities Limited (EBLSL) | It buys, sells and deals with capital market securities i.e shares, Mfs, debentures etc., on behalf of customers and provides margin facilities etc. |
| CONSOL | EBL Investments Limited (EBLIL) | It offers all kinds of merchant banking activities i.e. issue management, underwriting, portfolio management and other transactions. |
| CON | EBL Finance (HK) Limited (EBLFHKL) | It deals with trade finance and off-shore banking business in Hong Kong. |
| | EBL Asset Management Limited (EBLAML) | It is to carry out business on asset management, portfolio management, capital market operation, equity investment, financial services i.e. corporate advisory, merger & acquisition, corporate restructuring etc. |

Information regarding the results of each reportable segment is included in Annexure - E. Performance is measured based on segment revenue and profit, as included in the internal management reports that are reviewed by the management committee of the Bank. Segment profit is used to measure performance as management believes that such information is relevant in evaluating the results of certain segments.

ix) Risk management and other related matters

Financial Institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. EBL firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems in place at the Bank are discussed below:

a) Credit risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligations to the Bank. Board of Directors is the apex body for credit approval of the Bank. However, a part of credit approval authority is subdelegated to the Managing Director & CEO and other officers of the Credit Risk Management (CRM) Division. The Board sets credit policies to the management for setting procedures, which together has structured the CRM framework of the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving and managing credit risk in the bank. The policy covers corporate, retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers industry/business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

Management, at least once in a quarter, reviews credit exposures and portfolio performance of corporate and SME (M) under a clearly set out 'early alert' policy. If early alerts are raised, account plans are then re-evaluated; remedial actions are agreed and monitored. Remedial action includes, but not limited to exposure reduction, security enhancement, exit of relationship or immediate movement of our Special Asset Management Division (SAMD).

The bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. The bank has maintained adequate provision against impaired loans including certain UC accounts having payment by deferral facilities following relevant circulars of Bangladesh Bank. Details of which are stated in note 13.4 to the financial statements.

b) Liquidity risk

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.

ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modelling and contingency funding plan on monthly basis, which are analysed in ALCO meeting to ensure liquidity at the level acceptable to the Bank and regulators.

c) Market risk

Risk Management Division (RMD) is responsible for overall monitoring, control and reporting of market risk. Treasury mid office of RMD is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the bank are monitored by RMD, periodically reported to Executive Risk Management Committee (ERMC) and observations are shared with RMC of the Board. Market risk can be subdivided into three categories depending on risk factors: interest rate risk, foreign exchange risk, and equity price risk.

d) Interest rate risk

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates. The movement of interest rates affects bank's reported earnings and capital by changing:

- Net interest income
- The market value of trading accounts (and other instruments accounted for by market value), and
- Other interest sensitive income and expenses.

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. The Bank deploys several analysis techniques (e.g. rate sensitive gap analysis, duration gap analysis) to measure interest rate risk, its impact on net interest income and takes insight about course of actions.

e) Foreign exchange risk

Foreign exchange risk is the risk that a bank's financial performance or position will be affected by fluctuations in the exchange rates between currencies and implied volatility on foreign exchange options. Bank makes import payment and outward remittance as its outflow, whereas it gets foreign currency inflow as export receipts and inward remittance. Exchange rate risk arises if, on a particular day, these inflow-outflows don't match and bank runs its position long/short from these customer driven activities. Bank also faces foreign exchange risk if it sources its funding in one currency by converting fund from another currency. Currently, the Bank is facing such transaction exposure in foreign currency for its off-shore banking unit. But these transactions exposure is always hedged.

The Bank computes VaR (Value at Risk) on its foreign exchange position arising from customer driven foreign exchange transactions at 95% confidence level on daily basis. The Bank maintains various nostro accounts in order to conduct operations in different currencies. The position maintained by the Bank at the end of the day is within the stipulated limit prescribed by the Bangladesh Bank.

f) Equity price risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank subsidiary; changes in the value of listed shares used as collateral for loans whether the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares.

Mark to Market is the tool bank applies for maintaining provision against losses arisen from changes in market price of securities. As of 31 December 2021, the Bank sets aside BDT 256.44 million charging its profit and loss account over the periods to cover unrealized loss against quoted and unquoted securities. EBL is also computing Equity VaR (Value at Risk) on its equity exposure at 95% and 99% confidence level.

g) Operational risk

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk.

Risk Management Division (RMD) enriched the scope of risk matrix/KRI for Operational Risk compiling both quantitative and qualitative parameters as in regulatory frameworks and in the Bank's risk appetite. This department collects required information from different sources in different frequencies from monthly to yearly interval. Based on source data RMD plots the results in the risk matrix and escalate the critical and high risk issues to MANCOM, ERMC and RMC of the Board for guidance and to implement mitigation measures.

h) Monitoring activities and corrective measures

To ensure effective Internal control system in line with risk management framework of the Bank, the ICCD of the bank establishes a strong monitoring unit. This unit ensures effectiveness of the Bank's internal control on perpetual basis through set control mechanism, review approved tools and processes i.e. Departmental Control Function Check List (DCFCL), Quarterly Operations Report (QOR), Loan Documentation Check List (LDCL), and Self-Assessment Anti-Fraud Internal Control Check list etc. For any identified operational risks/lapses this unit takes necessary steps for risk mitigation and addresses to the higher management and Audit Committee of the Board for risk mitigation or absorption with specific recommendations. All the tools used for monitoring are in alignment with regulatory guidelines and internal policies and circulars.

i) Prevention of money laundering and terrorist financing

EBL performs a series of activities in identifying, assessing, mitigating and monitoring risks related to Money Laundering (ML) and Terrorist Financing (TF). Bank has established a control framework for strict compliance with all regulatory directives issued from Bangladesh Financial Intelligence Unit with regard to AML & CFT. For prevention of Money Laundering and Terrorist Financing, the bank has revised Central Compliance Committee (CCC) with 14 department/division heads to ensure collective participation of different departments in comprehensive AML and CFT program. Under direction of CCC and Chief Anti Money Laundering Compliance Officer (CAMLCO), AML Department implements and monitors different AML & CFT programs across bank. In addition to nominating Branch Anti-Money Laundering Compliance Officer (BAMLCO) at branches, we have nominated Department Anti-Money Laundering Compliance Officer (DAMLCO) at crucial departments to oversee AML/CFT compliance at root level.

EBL has implemented automated transaction monitoring and sanction screening system to corroborate AML/CFT compliance program. Currently 8 sanction screening list are incorporated in the system for sanction compliance and 60 rules & 58 reports for robust transaction monitoring. To increase awareness among employees, EBL has adopted training programs such as need based training, foundation trainings, certification programs etc. for its employees.

j) Information and communication technology risk

EBL follows the Bangladesh Bank's ICT Security Guideline in terms of ICT Security policies and procedures. In 2016, EBL was certified by an international accreditation organization for data security, namely the Payment Card Industry Data Security Standard (PCI DSS), and has maintained compliance since then. EBL received ISO 27001:2013 Standard Compliance Certification for the third year in a row in 2021 demonstrating its commitment to protecting the confidentiality, integrity, and availability of IT systems and data in a professional manner. To protect sensitive ICT infrastructures from cyber criminals/fraudsters, the EBL ICT division has implemented standard physical and logical security procedures (e.g., Data Centre, Disaster Recovery Site, Power Rooms, Server Rooms, etc.).

EBL also has advanced logical ICT security measures in place for all systems, such as an access control system, intrusion detection, an access log, and monthly security assessments. EBL has installed a SIEM (Security Information and Event Management) solution to better monitor security occurrences. Internal and external vulnerability assessments are undertaken on a regular basis to detect security flaws and set controls for mitigation. Business Continuity Management (BCM) is in place at EBL to handle any man-made or natural calamity. Through retail and corporate channels, the Information Security team has also taken steps to raise cybersecurity awareness among all EBL officials and customers. We have a separate information system audit in place to identify control weaknesses.

k) Internal audit

The Bank has an independent and functional internal audit department to perform risk based audit on various business and operational areas of the Bank on continuous basis. Audit rating is determined on the basis of audit policy and guidelines as approved by the Board. The objective of internal audit is to examine and evaluate whether the process of risk management, internal control and governance are adequate and functioning properly. The objective also includes advising and recommending to higher management for improvements in internal control and risk management system. The Audit Committee of Board regularly reviews the internal audit reports as well as monitor progress of previous findings. However, the Head of Audit being part of internal control & compliance, reports to and is responsible to the audit committee of the Board.

l) Prevention of fraud

EBL has a Board approved policy titled EBL Fraud and Theft Risk Prevention and Management Policy to minimize the incidence and impact of fraud. Incidence of fraud or theft has become one of the inherent risks in banking business but can very well be avoided or minimized by creating a highly regimented environment and harnessing a culture and value of transparency, accountability, trust and teamwork. With this endeavour to encourage all employees to report perceived unethical or illegal conduct of employees to appropriate authorities in a confidential manner without any fear of harassment, a 'Speak Up Policy' has been approved by the Board.

Moreover, EBL Incident Reporting (IR) Process Guideline has been established so that all incidents are reported to Head of ICC and recorded in incident log book for regularization/preventive measures.

2A Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the audited financial statements as at and for the year ended 31 December 2020. The following ratings have been awarded:

| Particulars | Periods | Date of rating | Long term | Short term |
|---------------|--------------------------|----------------|--------------|------------|
| Entity rating | January to December 2020 | 17 June 2021 | AA+ | ST-1 |
| Entity rating | January to December 2019 | 22 June 2020 | AA+ | ST-1 |
| Entity rating | January to December 2018 | 26 June 2019 | AA+ | ST-1 |

2B Compliance with International Financial Reporting Standards (IFRSs)

The Bank has complied with following IFRSs & IASs as adopted by the Financial Reporting Council (FRC) during the preparation of financial statements as at and for the year ended 31 December 2021.

| Name of IFRSs/IASs | IFRSs/IASs | No. | Status |
|--|------------|-----|--------------------|
| Presentation of Financial Statements | IAS | 1 | *Applied |
| Inventories | IAS | 2 | N/A |
| Statement of Cash Flows | IAS | 7 | *Applied |
| Accounting Policies, Changes in Accounting Estimates and Errors | IAS | 8 | Applied |
| Events after the Reporting Period | IAS | 10 | Applied |
| Income Taxes | IAS | 12 | Applied |
| Property, Plant and Equipment | IAS | 16 | Applied |
| Employee Benefits | IAS | 19 | Applied |
| Accounting for Government Grants and Disclosure of Government Assistance | IAS | 20 | N/A |
| The Effects of Changes in Foreign Exchange Rates | IAS | 21 | Applied |
| Borrowing Costs | IAS | 23 | N/A |
| Related Party Disclosures | IAS | 24 | Applied |
| Accounting and Reporting by Retirement Benefit Plans | IAS | 26 | N/A |
| Separate Financial Statements | IAS | 27 | Applied |
| Investments in Associates | IAS | 28 | N/A |
| Interests in Joint Ventures | IAS | 31 | N/A |
| Earnings per share | IAS | 33 | Applied |
| Interim Financial Reporting | IAS | 34 | Applied |
| Impairment of Assets | IAS | 36 | Applied |
| Provisions, Contingent Liabilities and Contingent Assets | IAS | 37 | *Applied |
| Intangible Assets | IAS | 38 | Applied |
| Financial Instruments: Recognition and Measurement | IAS | 39 | *Applied (for Hedg |
| | | | Accounting) |
| Investment Property | IAS | 40 | N/A |
| Agriculture | IAS | 41 | N/A |
| First-time Adoption of International Financial Reporting Standards | IFRS | 1 | Applied |
| Share-based Payment | IFRS | 2 | N/A |
| Business Combinations | IFRS | 3 | Applied |
| Non-current Assets Held for Sale and Discontinued Operations | IFRS | 5 | *Applied |
| Exploration for and Evaluation of Mineral Resources | IFRS | 6 | N/A |
| Financial Instruments: Disclosures | IFRS | 7 | *Applied |
| Operating Segments | IFRS | 8 | Applied |
| Financial Instruments | IFRS | 9 | *Applied |
| Consolidated Financial Statements | IFRS | 10 | Applied |
| Joint Arrangements | IFRS | 11 | N/A |
| Disclosure of Interests in Other Entities | IFRS | 12 | Applied |
| Fair Value Measurement | IFRS | 13 | *Applied |
| Regulatory Deferral Accounts | IFRS | 14 | N/A |
| Revenue from Contracts with Customers | IFRS | 15 | Applied |
| Leases | IFRS | 16 | Applied |
| Insurance Contracts | IFRS | 17 | N/A |

* Subject to departure described in note 2.1

N/A = Not Applicable

2C Audit Committee disclosures

Please refer to Report of the Audit Committee for details disclosures on audit committee presented in other information in the annual report.

2.12 Approval of financial statements

These financial statements were reviewed by the audit committee of the Board of the Bank in its 709 meeting held on 31 March 2022 and was subsequently approved by the Board in its 136 meeting held on the same date.

| Nataa | Conso | lidated | Ba | nk |
|---------|-------|---------|------|------|
| Notes - | 2021 | 2020 | 2021 | 2020 |

3 Cash

Cash and cash equivalents include notes and coins at vault and at ATM, unrestricted balances held with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call and on short notice and prize bonds which are not ordinarily susceptible to change in value.

Amount withdrawn/transferred by customers after end of year closing are properly addressed, reconciled and adjusted with ATM balance and customers' deposit to reflect the actual balance of ATM and deposits as of the reporting date.

| | Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent Bank(s) | 3.1 | 3,710,909,855 | 3,218,511,774 | 3,710,774,087 | 3,218,381,880 |
|-------|---|-------|----------------|----------------|----------------|----------------|
| | (including foreign currencies) | 3.2 | 14,957,829,541 | 12,480,410,176 | 14,957,829,541 | 12,480,410,176 |
| | | | 18,668,739,396 | 15,698,921,950 | 18,668,603,626 | 15,698,792,056 |
| 3.1 | Cash in hand (including foreign currencies) | | | | | |
| | Local currency | 3.1.1 | 3,673,253,441 | 3,164,891,158 | 3,673,117,673 | 3,164,761,264 |
| | Foreign currencies | | 37,656,413 | 53,620,616 | 37,656,413 | 53,620,616 |
| | | | 3,710,909,855 | 3,218,511,774 | 3,710,774,087 | 3,218,381,880 |
| 3.1.1 | Local currency | | | | | |
| | With Bank | | 3,673,117,673 | 3,164,761,264 | 3,673,117,673 | 3,164,761,264 |
| | With Subsidiaries | | 135,768 | 129,894 | - | - |
| | | | 3,673,253,441 | 3,164,891,158 | 3,673,117,673 | 3,164,761,264 |
| 3.2 | Balance with Bangladesh Bank and its agent Ban (including foreign currencies) | nk(s) | | | | |
| | Bangladesh Bank | | | | | |
| | Local currency | | 14,148,545,659 | 11,333,598,151 | 14,148,545,659 | 11,333,598,151 |
| | Foreign currencies | | 456,255,890 | 833,804,998 | 456,255,890 | 833,804,998 |
| | | | 14,604,801,550 | 12,167,403,149 | 14,604,801,550 | 12,167,403,149 |
| | Sonali Bank (An agent of Bangladesh Bank) - local currency | | 353,027,991 | 313,007,027 | 353,027,991 | 313,007,027 |
| | | | 14,957,829,541 | 12,480,410,176 | 14,957,829,541 | 12,480,410,176 |

3.a Cash Reserve Ratio (CRR):

Pursuant to section 33 of Bank Company Act, 1991 (amended upto 2018), MPD circular no. 03 dated 09 April 2020 and BRPD circular letter no. 31 dated 18 June 2020 issued by Bangladesh Bank, EBL has been maintaining CRR @ 3.5% and 1.5% on daily basis, and @ 4.0% and 2.0% on bi-weekly basis for DBO and OBO respectively. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2021) is maintained on the basis of weekly ATDTL of October 2021). Reserve maintained by the bank as at 31 December is as follows:

| | DBO | 0B0 | Solo-2021 | Solo-2020 |
|---|-----------------|----------------|---------------------------------|---------------------------------|
| Average total demand and time liabilities of October (excluding inter-bank deposit) | 248,354,502,250 | 26,958,943,500 | 275,313,445,750 | 255,559,496,200 |
| Daily basis: | | 101 001 150 | 0.00/ 501 501 | 0 (00 555 044 |
| Required reserve (for DBO 3.50% & OBO 1.5% of ATDTL) Actual reserve held with Bangladesh Bank* | 8,692,407,579 | 404,384,153 | 9,096,791,731 14,362,651,680 | 8,603,557,311 11,653,908,501 |
| Surplus | | | 5,265,859,949 | 3,050,351,190 |

Bi-weekly basis:

The bank maintained excess cash reserve of BDT 10,947.60 million in the last fortnight of 2021 (BDT 3,515.86 million in the same period of 2020) calculated by summing up excess cash reserve maintained over required CRR on daily basis.

3.b Statutory Liquidity Ratio (SLR):

Pursuant to section 33 of Bank Company Act, 1991 (amended upto 2018), DOS cicular no. 1 dated 19 January 2014 and DOS circular letter no. 26 dated 19 August 2019 issued by Bangladesh Bank, EBL has been maintaining SLR @ 13% for DBO & OBO on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2021 is based on weekly ATDTL of October 2021). Reserve maintained by the Bank as at 31 December is as follows:

| | DBO | 0B0 | Solo-2021 | Solo-2020 |
|---------------------------------|----------------|---------------|----------------|----------------|
| Required reserve (13% of ATDTL) | 32,286,085,293 | 3,504,662,655 | 35,790,747,948 | 33,222,734,506 |
| Actual reserve held 3. | | | 49,177,828,710 | 55,818,596,219 |
| Surplus | | | 13,387,080,763 | 22,595,861,713 |

| | | Notes Consolidated | | Ba | nk | |
|-------|---|--------------------|--------------|--------------|----------------|----------------|
| | | Notes | 2021 | 2020 | 2021 | 2020 |
| 3.c | Actual reserve held | | | | | |
| | Excess cash reserve | 3.c.1 | | | 3,889,292,720 | 1,772,553,701 |
| | Cash held | | | | 3,710,774,087 | 3,218,381,880 |
| | Balance with Sonali Bank | | | | 353,027,991 | 313,007,027 |
| | Unencumbered approved securities (HFT) | | | | - | 20,283,860,750 |
| | Unencumbered approved securities (HTM) | | | | 41,224,733,913 | 30,230,792,860 |
| | | | | | 49,177,828,710 | 55,818,596,219 |
| 3.c.1 | Excess cash reserve: | | | | | |
| | Balance with Bangladesh Bank * | | | | 14,362,651,680 | 11,653,908,501 |
| | Less: Required cash reserve on bi-weekly averag | e basis (for | DB0 4% & OB0 | 2% of ATDTL) | 10,473,358,960 | 9,881,354,800 |
| | Excess of cash reserve as on the reporting date | | | | 3,889,292,720 | 1,772,553,701 |
| | *As per Bangladesh Bank Local & Foreign Curren | ncy Stateme | ent. | | | |
| 4 | Balances with other banks and financial instituti | ions | | | | |

Balance with other banks and financial institutions are reported as per our book balance and following BRPD cicular no. 14 dated 25 June 2003. Periodic reconciliation is done to keep any un-reconciled balance within non-material level. Nostro account reconciliations are also certified by external auditors on half-yearly basis. Provision is also made for any un-settled debit entries over 3 months.

| | Balance in Bangladesh 4.1 | 15,358,095,560 | 12,728,955,558 | 15,005,092,489 | 12,444,848,375 |
|-----|---|-----------------|--------------------------|-----------------|-----------------|
| | Balance outside Bangladesh 4.2 | 1,527,361,769 | 664,331,925 | 1,264,597,790 | 558,299,302 |
| | | 16,885,457,329 | 13,393,287,483 | 16,269,690,279 | 13,003,147,677 |
| 4.1 | Balance in Bangladesh | | | | |
| | In Current Deposit Accounts with: | | | | |
| | Banks | 617,290,761 | 665,305,609 | 158,386,816 | 82,188,486 |
| | Non-Bank Financial Institutions (NBFIs) | - | - | - | - |
| | | 617,290,761 | 665,305,609 | 158,386,816 | 82,188,486 |
| | Less: Inter company elimination (with deposit account) | (449,780,770) | (575,770,684) | - | - |
| | | 167,509,991 | 89,534,925 | 158,386,816 | 82,188,486 |
| | In Special Notice Deposit Accounts with: | | | | |
| | Banks | 2,479,652,291 | 3,291,770,054 | 2,014,605,556 | 2,719,137,889 |
| | NBFIs | - | - | - | - |
| | | 2,479,652,291 | 3,291,770,054 | 2,014,605,556 | 2,719,137,889 |
| | Less: Inter company elimination (with deposit account) | (121,166,839) | (295,871,421) | - | - |
| | | 2,358,485,452 | 2,995,898,633 | 2,014,605,556 | 2,719,137,889 |
| | In Fixed Deposit/Placement Accounts with: | | | | |
| | Banks | 13,127,627,061 | 13,674,557,227 | 13,127,627,061 | 13,674,557,227 |
| | NBFIs | 6,330,000,000 | 4,997,500,000 | 6,330,000,000 | 4,997,500,000 |
| | 1.2.13 | 19,457,627,061 | 18,672,057,227 | 19,457,627,061 | 18,672,057,227 |
| | Less: Inter unit/company elimination (with borrowings) | (6,625,526,943) | (9,028,535,227) | (6,625,526,943) | (9,028,535,227) |
| | | 12,832,100,118 | 9,643,522,000 | 12,832,100,118 | 9,643,522,000 |
| | Total | 15,358,095,560 | 12,728,955,558 | 15,005,092,489 | 12,444,848,375 |
| 4.2 | Delener esteide Desculade ek | | | | |
| 4.2 | Balance outside Bangladesh | | | | |
| | In Deposit account (non-interest bearing) with | | | | |
| | AB Bank Limited, India | 13,168,336 | 5,429,341 | 13,168,336 | 5,429,341 |
| | Al-Rajhi Bank, KSA | 4,181,922 | 3,470,999 | 4,181,922 | 3,470,999 |
| | Bank of Bhutan, Bhutan | 423,129 | 161,459 | 423,129 | 161,459 |
| | Bank of China, China | 3,110,063 | 3,004,949 | 3,110,063 | 3,004,949 |
| | Bank of Toykyo Mitshubishi, Japan | 23,881,326 | 2,474,669 | 23,881,326 | 2,474,669 |
| | Citibank NA, USA | 665,802,194 | - 2/ 25/ (22 | 665,802,194 | - |
| | Commerz Bank AG, Germany Habib American Bank, USA | - 44,397,689 | 34,354,632 18,486,436 | - 44,397,689 | 34,354,632 |
| | Habib American Bank, USA HDFC Bank Limited, Hongkong | 43,397,889 | 18,486,436 44,670,116 | 44,377,089 | 18,486,436 |
| | ICICI Bank Limited, India | 34,128,555 | 44,870,118 64,543,382 | - 34,128,555 | - 64,543,382 |
| | ICICI Bank Limited, Hongkong | 228,118,896 | 97,152,050 | 8,751,368 | 35,789,543 |
| | IGIGI DAHA LIHHICU, HUHYAUHY | 220,110,070 | //,104,000 | 0,/01,000 | 00,/07,040 |

| Wataa | Consolidated | | Ban | k |
|---|---------------|-------------|---------------|-------------|
| Notes | 2021 | 2020 | 2021 | 2020 |
| JP Morgan Chase Bank NA, London | 17,583,575 | 18,012,234 | 17,583,575 | 18,012,234 |
| JP Morgan Chase Bank NA, Sydney | 1,247,781 | 1,538,908 | 1,247,781 | 1,538,908 |
| JP Morgan Chase Bank, USA | 171,490,303 | - | 171,490,303 | - |
| JP Morgan Chase Bank, Germany | - | 42,066,560 | - | 42,066,560 |
| Mashreqbank, USA | 13,347,825 | 21,091,674 | 13,347,825 | 21,091,674 |
| Mashreqbank, UAE | 1,869,487 | 775,084 | 1,869,487 | 775,084 |
| Nepal Bngladesh Bank Limited, Nepal | 5,892,312 | 3,740,149 | 5,892,312 | 3,740,149 |
| MCB Bank Limited, Pakistan | 65,556,365 | 67,295,868 | 65,556,365 | 67,295,868 |
| Nordea Bank, Norway | 233,069 | 431,823 | 233,069 | 431,823 |
| Standard Chartered Bank, Srilanka | 12,030,172 | 3,540,554 | 12,030,172 | 3,540,554 |
| Standard Chartered Bank, India | 73,587,539 | 46,505,854 | 73,587,539 | 46,505,854 |
| Standard Chartered Bank, USA | 95,419,763 | 172,269,373 | 95,419,763 | 172,269,373 |
| Standard Chartered Bank, Singapore | 7,247,338 | 1,851,198 | 7,247,338 | 1,851,198 |
| Standard Chartered Bank, Germany | - | 8,841,771 | - | 8,841,771 |
| Zuercher Kantonal Bank, Zurich, Switzerland | 1,247,680 | 2,622,841 | 1,247,680 | 2,622,841 |
| Total | 1,527,361,769 | 664,331,925 | 1,264,597,790 | 558,299,302 |

Details of Foreign currency amounts and exchange rates are presented in 'Annexure-B'.

4.a Balances of subsidiaries with Banks & NBFIs

With Eastern Bank Limited (eliminated as intra group balance)

| Total | 1,187,017,204 | 1,452,534,818 |
|---------------------------------------|---------------|---------------|
| | 615,594,869 | 390,139,804 |
| NBFIs | - | - |
| Banks | 615,594,869 | 390,139,804 |
| With other banks & NBFIs | | |
| | 571,422,335 | 1,062,395,014 |
| EBL Asset Management Limited | 36,920,843 | 190,752,909 |
| EBL Finance (HK) Limited | 329,909,602 | 575,770,684 |
| EBL Investments Limited | 68,645,978 | 198,073,393 |
| EBL Securities Limited | 135,945,912 | 97,798,028 |
| · · · · · · · · · · · · · · · · · · · | | |

4.b Consolidated balance with Banks and FIs by group entities:

| | 4 4 9 4 9 4 9 9 9 7 9 | 40,000,475,755 | |
|---------------------------------|-----------------------|-----------------|-------|
| Eastern Bank Limited (Parent) | 16,269,690,279 | 13,003,147,677 | |
| EBL Securities Limited | 488,776,802 | 381,850,938 | |
| EBL Investments Limited | 68,645,978 | 198,127,665 | |
| EBL Finance (HK) Limited | 592,673,581 | 681,803,306 | |
| EBL Asset Management Limited | 36,920,843 | 190,752,909 | |
| | 17,456,707,483 | 14,455,682,495 | |
| Less: Inter company elimination | (571,250,154) | (1,062,395,012) | |
| Total | 16,885,457,329 | 13,393,287,483 | |
| | | | |
| Money at call and short notice | | | |
| Banks | 1 083 200 000 | (0.000.000 | 1 083 |

Banks 1,083,200,000 60,000,000 1,083,200,000 60,000,000 NBFI 490,000,000 - 490,000,000 -1,573,200,000 60,000,000 1,573,200,000 60,000,000

6 Investments

5

Accounting policy:

All investments are initially recognised at cost, including acquisition charges associated with the investment. Investments in government treasury securities or Bangladesh Bank Bills categorised as HTM or/and HFT are subsequently measured as per DOS circular no. 5 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Investments classified as non-government treasury securities are subsequently measured either at cost or market value less any recoverable cost. Details are given below:

Investment in Govt.T-Securities/BB Bills- Held to Maturity (HTM):

Investments which are intended to be held till maturity are classified as Held to Maturity (HTM). These are measured at amortised cost at each year-end by taking into account any discount or premium on acquisition. Premiums are amortised and discounts are accredited, using the effective or historical yield. Any increase in value of securities is booked to equity but decrease to profit and loss account. Income is recognised to profit and loss account on accrual basis as per BB guideline.

Investment in Govt.T-Securities/BB Bills- Held for Trading (HFT):

These are investments primarily held for selling or trading. After initial recognition, investments are marked-to-market on weekly basis. Any decrease on revaluation of securities is recognised to profit and loss account, but any increase of value of securities is booked to revaluation reserve account as per BB DOS circular no. 5 dated 28 January 2009. Income is recognised to profit and loss account on accrual basis as per BB guideline.

REPO and reverse REPO:

Transactions of REPO and reverse REPO are made following DOS circular no. 6 dated 15 July 2010 of BB. In case of REPO of both coupon and non-coupon bearing treasury securities, the Bank adjusts the revaluation reserve account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank does not accrue interest during REPO period.

Investment in corp. bonds, ZCB, Perp. Bonds, debentures, pref. shares etc.:

These are investments primarily 'held to maturity' or 'no maturity date'. After initial recognition at cost, investments are measured at realizable value in every period end. Any decrease in value of securities is recognized to profit and loss account, but no unrealized gain is booked to revaluation reserve account. Income (i.e. interest, profit, gain or dividend) is recognized to profit and loss account on accrual basis as per IFRS and Bangladesh Bank guideline.

| Investments | Initial recognition | and subsequent | t measurement at a glance |
|-------------|---|----------------|---------------------------|
|-------------|---|----------------|---------------------------|

| Investment class | Initial recognition | Measurement after initial recognition | Recording of changes |
|---|------------------------|---|--|
| Govt. T-bills/bonds - Held For Trading (HFT) | Cost | Fair value | Revaluation loss to profit and loss account, but gain to revaluation reserve account. |
| Govt. T-bills/T-bonds - Held To Maturity (HTM) | Cost | Amortised cost | Increase in value of securities is booked to equity as amortization gain, but decrease to profit and loss account. |
| Debenture/bond | Cost | Cost | At realizable value. Unrealised loss to profit and loss account. |
| Shares (quoted) * | Cost | Lower of cost or market value (portfolio basis) | Provision for revaluation loss (net off gain) is charged to profit and loss account but no unrealised gain booking. |
| Shares (unquoted)* | Cost | Lower of cost or Net Asset Value (NAV) | Provision for unrealised loss to profit and loss account but no unrealised gain booking. |
| Mutual fund (closed-end) * | Cost | Lower of cost or (higher of market value or 85% of NAV) | Provision for linrealised loss (net) to profit and loss |
| Unit fund (open-end) * | Cost | Lower of cost or 95% of NAV | Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking. |
| Prize bonds | Cost | Cost | None |

Investments are stated as per following bases:

* Provision for shares against unrealised loss (gain net off) has been made as per DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 3 dated 12 March 2015 & unit funds (open-end) as per DOS circular letter no. 10 dated 28 June 2015 of Bangladesh Bank.

| | - | Notoo | Consolidated | | Bank | |
|-----|---|-------|----------------|----------------|----------------|----------------|
| | | Notes | 2021 | 2020 | 2021 | 2020 |
| | Details of investments | | | | | |
| | Government | 6.1 | 41,229,430,813 | 50,517,783,114 | 41,229,430,813 | 50,517,783,114 |
| | Others | 6.2 | 27,671,579,018 | 15,498,577,951 | 25,423,718,052 | 13,431,621,587 |
| | | | 68,901,009,831 | 66,016,361,065 | 66,653,148,865 | 63,949,404,701 |
| 6.a | Consolidated investments by group entities: | | | | | |
| | Eastern Bank Limited (Parent) | | 66,653,148,864 | 63,949,404,702 | | |
| | EBL Securities Limited | | 1,968,342,867 | 1,855,796,095 | | |
| | EBL Investments Limited | | 206,342,594 | 113,114,533 | | |
| | EBL Asset Management Limited | | 73,175,505 | 98,045,736 | | |
| | | | 68,901,009,831 | 66,016,361,065 | | |
| | Less: Inter company elimination | | - | - | | |
| | Total | | 68,901,009,831 | 66,016,361,065 | | |
| 6.1 | Government (Investment in govt. securities) | | | | | |
| | Treasury Bills | | - | 8,747,518,500 | - | 8,747,518,500 |
| | Treasury Bonds | 6.1.1 | 41,224,733,913 | 41,767,135,114 | 41,224,733,913 | 41,767,135,114 |
| | Prize Bonds | | 4,696,900 | 3,129,500 | 4,696,900 | 3,129,500 |
| | | | 41,229,430,813 | 50,517,783,114 | 41,229,430,813 | 50,517,783,114 |

| ry Bonds r Trading (HFT) Maturity (HTM) ry Bonds (Tenor wise holding) ambered Treasury bonds Treasury bonds r Treasury bonds r Treasury bonds r Treasury bonds r Treasury bonds r Treasury bonds sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares ry Shares & Mutual Funds (MFs)-(Quoted | Notes 6.1.1.a ons is ma 6.2.1 | Consol 2021 41,224,733,913 41,224,733,913 41,224,733,913 41,224,733,913 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 5,000,000,000 | 2020 11,536,342,253 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 1,000,000,000 | Bar 2021 41,224,733,913 41,224,733,913 41,224,733,913 41,224,733,913 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | nk 2020 11,536,342,253 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 |
|--|--|---|--|---|---|
| r Trading (HFT) Maturity (HTM) ry Bonds (Tenor wise holding) umbered Treasury bonds Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Fure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | 6.1.1.a | - 41,224,733,913 41,224,733,913 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 ide in 'Annexure- D 1,000,000,000 10,420,000,000 | 11,536,342,253 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 : 1,000,000,000 | 41,224,733,913 41,224,733,913 41,224,733,913 41,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 11,536,342,253 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| r Trading (HFT) Maturity (HTM) ry Bonds (Tenor wise holding) umbered Treasury bonds Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Fure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | ons is ma | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 1,000,000,000 | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Maturity (HTM) ry Bonds (Tenor wise holding) umbered Treasury bonds Treasury bonds ir Treasury bonds ir Treasury bonds ir Treasury bonds ir Treasury bonds sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | ons is ma | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 1,000,000,000 | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Maturity (HTM) ry Bonds (Tenor wise holding) umbered Treasury bonds Treasury bonds ir Treasury bonds ir Treasury bonds ir Treasury bonds ir Treasury bonds sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | ons is ma | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 1,000,000,000 | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 30,230,792,862 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Imbered Treasury bonds Treasury bonds In Treasury bonds In Treasur | ons is ma | 41,224,733,913 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 | 411,644,631 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 41,767,135,114 4,282,564,213 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Imbered Treasury bonds Treasury bonds In Treasury bonds In Treasur | | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Treasury bonds Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Ir Treasury bonds Sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| Treasury bonds in Treasury bonds in Treasury bonds in Treasury bonds sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 4,413,008,905 28,461,863,277 3,140,909,791 1,468,788,929 |
| ar Treasury bonds ar Treasury bonds ar Treasury bonds sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 28,461,863,277 3,140,909,791 1,468,788,929 41,767,135,114 : 1,000,000,000 | 27,658,406,014 9,085,106,634 4,069,576,635 41,224,733,913 | 28,461,863,277 3,140,909,791 1,468,788,929 |
| ar Treasury bonds ar Treasury bonds Sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 9,085,106,634 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 3,140,909,791 1,468,788,929 41,767,135,114 : 1,000,000,000 | 9,085,106,634 4,069,576,635 41,224,733,913 | 3,140,909,791 1,468,788,929 |
| ar Treasury bonds Fure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 4,069,576,635 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 1,468,788,929 41,767,135,114 1,000,000,000 | 4,069,576,635 41,224,733,913 | 1,468,788,929 |
| sure on REPO and Reverse Repo transacti (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 41,224,733,913 de in 'Annexure- D 1,000,000,000 10,420,000,000 | 41,767,135,114 1,000,000,000 | 41,224,733,913 | |
| (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | de in 'Annexure- D 1,000,000,000 10,420,000,000 | '. 1,000,000,000 | | 41,767,135,114 |
| (Investment in securities other than govt) rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | | 1,000,000,000 10,420,000,000 | 1,000,000,000 | 1 000 000 000 | |
| rate bond (non-convertible) dinated bonds (issued by other banks) ual Bond oupon Bond ence Shares | 6.2.1 | 10,420,000,000 | | | |
| linated bonds (issued by other banks) ual Bond oupon Bond ence Shares | 6.2.1 | 10,420,000,000 | | 1 000 000 000 | |
| ual Bond oupon Bond ence Shares | 6.2.1 | | 0 010 000 000 | 1,000,000,000 | 1,000,000,000 |
| oupon Bond ence Shares | | 5,000,000,000 | 8,310,000,000 | 10,420,000,000 | 8,310,000,000 |
| ence Shares | | | - | 5,000,000,000 | |
| | | 553,609,362 | 493,202,676 | 553,609,362 | 493,202,67 |
| ry Shares & Mutual Funds (MFs)-(Quoted | | 4,190,000,000 | - | 4,190,000,000 | |
| quoted) | 6.2.2 | 6,507,969,656 | 5,695,375,275 | 4,260,108,690 | 3,628,418,91 |
| | | 27,671,579,018 | 15,498,577,951 | 25,423,718,052 | 13,431,621,587 |
| linated bonds (issued by other banks) | | | | | |
| - | | 1 100 000 000 | 1 200 000 000 | 1 100 000 000 | 1,200,000,000 |
| | | | | | 320,000,000 |
| | | | | | 1,240,000,000 |
| | | | | | 150,000,00 |
| | | | | | 400,000,00 |
| sia Subordinated Bond | | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,00 |
| Subordinated Bond | | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,00 |
| ubordinated Bonds | | 1,500,000,000 | 1,000,000,000 | 1,500,000,000 | 1,000,000,00 |
| ubordinated Bonds | | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,00 |
| ank Subordinated Bond | | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,00 |
| | | 1,000,000,000 | - | 1,000,000,000 | |
| nk Subordinated Bond | | | - | | |
| | | 10,420,000,000 | 8,310,000,000 | 10,420,000,000 | 8,310,000,000 |
| | Commercial Bank Subordinated Bonds a Bank Subordinated Bond Subordinated Bond ubordinated Bond and Bank Subordinated Bond Subordinated Bond Subordinated Bond Subordinated Bonds ubordinated Bonds Bank Subordinated Bond ank Subordinated Bond ank Subordinated Bond | Commercial Bank Subordinated Bonds a Bank Subordinated Bond Subordinated Bonds ubordinated Bond and Bank Subordinated Bond Subordinated Bond Subordinated Bond Subordinated Bonds ubordinated Bonds Bank Subordinated Bond Bank Subordinated Bond Sank Subordinated Bond | Commercial Bank Subordinated Bonds1,100,000,000a Bank Subordinated Bond240,000,000Subordinated Bonds1,180,000,000ubordinated Bond100,000,000urd Bank Subordinated Bond300,000,000usia Subordinated Bond1,000,000,000Subordinated Bond1,000,000,000Subordinated Bond1,000,000,000Subordinated Bond1,000,000,000Subordinated Bonds1,000,000,000Subordinated Bonds1,000,000,000Subordinated Bonds1,000,000,000ubordinated Bonds1,000,000,000ubordinated Bonds1,000,000,000ubordinated Bond1,000,000,000ubordinated Bond1,000,000,000ubordinated Bond1,000,000,000unk Subordinated Bond1,000,000,000 | Commercial Bank Subordinated Bonds 1,100,000,000 1,200,000,000 a Bank Subordinated Bond 240,000,000 320,000,000 Subordinated Bonds 1,180,000,000 1,240,000,000 ubordinated Bond 100,000,000 1,240,000,000 ubordinated Bond 300,000,000 400,000,000 usbordinated Bond 1,000,000,000 1,000,000,000 subordinated Bonds 1,500,000,000 1,000,000,000 ubordinated Bonds 1,000,000,000 1,000,000,000 ubordinated Bond 1,000,000,000 - ubordinated Bond 1,000,000,000 - <td< td=""><td>Commercial Bank Subordinated Bonds 1,100,000,000 1,200,000,000 1,100,000,000 a Bank Subordinated Bond 240,000,000 320,000,000 240,000,000 Subordinated Bonds 1,180,000,000 1,240,000,000 1,180,000,000 ubordinated Bond 100,000,000 150,000,000 100,000,000 ard Bank Subordinated Bond 300,000,000 400,000,000 300,000,000 ard Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Subordinated Bonds 1,500,000,000 1,000,000,000 1,000,000,000 Subordinated Bonds 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond</td></td<> | Commercial Bank Subordinated Bonds 1,100,000,000 1,200,000,000 1,100,000,000 a Bank Subordinated Bond 240,000,000 320,000,000 240,000,000 Subordinated Bonds 1,180,000,000 1,240,000,000 1,180,000,000 ubordinated Bond 100,000,000 150,000,000 100,000,000 ard Bank Subordinated Bond 300,000,000 400,000,000 300,000,000 ard Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Subordinated Bonds 1,500,000,000 1,000,000,000 1,000,000,000 Subordinated Bonds 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond 1,000,000,000 1,000,000,000 1,000,000,000 Bank Subordinated Bond |

| N-A | Consol | Consolidated | | ık |
|---|---------------|---------------|---------------|---------------|
| Note | s 2021 | 2020 | 2021 | 2020 |
| Mutual Funds: | | | | |
| EBL Sponsored MFs: | | | | |
| EBL First Mutual Fund | 13,816,533 | 13,816,532 | 13,816,533 | 13,816,532 |
| EBL NRB Mutual Fund | 133,311,883 | 134,993,062 | 133,311,883 | 133,311,883 |
| First Bangladesh Fixed Income Fund | 698,580,237 | 705,311,257 | 698,580,237 | 698,580,237 |
| Other Mutual Funds | 30,000,000 | 65,365,059 | 30,000,000 | 63,408,228 |
| | 875,708,653 | 919,485,910 | 875,708,653 | 909,116,880 |
| Total Quoted shares & MFs | 6,338,312,846 | 5,523,578,805 | 4,183,312,220 | 3,551,622,441 |
| Unquoted shares & MFs | | | | |
| Shares | 74,656,810 | 76,796,470 | 31,796,470 | 31,796,470 |
| Unit Fund | 95,000,000 | 95,000,000 | 45,000,000 | 45,000,000 |
| | 169,656,810 | 171,796,470 | 76,796,470 | 76,796,470 |
| Total Ordinary Shares & MFs (Quoted and Unquoted) | 6,507,969,656 | 5,695,375,275 | 4,260,108,690 | 3,628,418,911 |

6.2.2.1 Market Value of Quoted Shares and MFs (as on 31 December)

| Quoted Shares & MFs: | | | | |
|-----------------------------|---------------|---------------|---------------|---------------|
| Banks | 1,819,927,481 | 832,657,992 | 1,298,698,168 | 533,459,821 |
| NBFIs | 662,002,058 | 849,956,882 | 159,200,000 | 305,722,381 |
| Insurance | 658,719,217 | 24,310,026 | 221,174,602 | 4,667,840 |
| Cement & Ceramics | 26,196,000 | 997,873 | 22,200,000 | 997,873 |
| Engineering | 71,497,549 | 199,656,530 | 38,440,800 | 129,565,303 |
| Food & Allied | 488,508,689 | 118,468,234 | 479,928,089 | 118,468,234 |
| Fuel & Power | 274,027,763 | 707,492,710 | 168,224,929 | 521,846,887 |
| Pharmaceuticals & Chemicals | 763,363,021 | 483,900,072 | 550,190,566 | 207,589,498 |
| Textile | 67,065,259 | 37,153,101 | 18,663,867 | 37,153,101 |
| Others | 244,285,520 | 237,536,005 | 100,935,000 | 119,625,091 |
| | 5,075,592,557 | 3,492,129,424 | 3,057,656,021 | 1,979,096,028 |
| Mutual Funds/Unit Fund | 775,793,328 | 823,751,950 | 720,193,328 | 760,527,331 |
| Total | 5,851,385,885 | 4,315,881,374 | 3,777,849,349 | 2,739,623,359 |
| | | | | |

| * Lock in status of Shares & Mutual Funds | Trading Started | Lock in period | Lock in expiry |
|---|-----------------|----------------|----------------|
| EBL First Mutual Fund (Sponsor Unit) | 8/19/2009 | 20 Years | 8/18/2029 |
| EBL NRB Mutual Fund (Sponsor Unit) | 5/23/2011 | 20 Years | 5/22/2031 |
| First Bangladesh Fixed Income Fund (Sponsor Unit) | 3/19/2012 | 20 Years | 3/18/2032 |

10% of all three EBL sponsored MFs are to be under lock-in status for 20 years (initially it was 10 years but extended subsequently) from the date of prospectus issued.

6.a.2 Remaining maturity grouping of investments

| On demand | 4,696,900 | 3,129,500 | 4,696,900 | 3,129,500 |
|---|----------------|----------------|----------------|----------------|
| In not more than one month | 400,000,000 | 4,999,726,000 | 400,000,000 | 4,999,726,000 |
| In more than one month but not more than three months | 2,387,860,966 | 5,367,150,169 | 140,000,000 | 5,342,150,169 |
| In more than three months but not more than one year | 6,042,391,434 | 8,514,693,324 | 6,042,391,434 | 6,574,587,329 |
| In more than one year but not more than five years | 14,394,942,671 | 18,265,027,314 | 14,394,942,671 | 18,213,176,944 |
| In more than five years | 45,671,117,859 | 28,866,634,758 | 45,671,117,859 | 28,816,634,758 |
| | 68,901,009,830 | 66,016,361,066 | 66,653,148,864 | 63,949,404,702 |

7 Loans and advances

Accounting policy:

Loans and advances (initial recognition):

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date when they are originated. The group has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.

After initial recognition, loans, advances and interest receivables are subsequently measured at amortised cost using effective interest rate (EIR) over the relevant periods. The amortised cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, using EIR method. The EIR is the rate that exactly discounts estimated future cash receipts (estimates cash flows considering all contractual terms of the instrument but not future credit losses) during the expected life of the financial instrument.

Loans and advances (classification and provisioning):

Classification of loans i.e. substandard/doubtful/bad-loss, and Provisioning i.e. general provision @ 0.25% to 2% under different categories on unclassified loans (standard/SMA) and @ 0.5% to 1% on certain off balance-sheet exposures, special general provision Covid-19 @ 1% to 2%, and specific provision @ 5% to 100% on sub-standard/doubtful/bad-loss account including rescheduled loans are made on the basis of quarter-end review by the management and in compliance with BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (as amendment up to date), instead of netting off with loans. Details of rate for provisioning is given below:

Rate for loan provisioning:

| Heads | Rates of provision |
|--|---------------------------|
| General provision on: | |
| Unclassified (including SMA) small and medium enterprise | 0.25% |
| Unclassified (including SMA) Loans to BHs/MBs/SDs against shares etc. | 2% |
| Unclassified (including SMA) loans for housing finance | 1% |
| Unclassified consumer financing including credit card (other than housing finance) | 2% |
| Unclassified (including SMA) other loans and advances | 1% |
| Short term agri credit and micro credit | 1% |
| Special General Provision: Covid-19 | 1%-2% |
| Off-balance sheet exposures (excluding Bills for collection) | 0%-1% |
| Specific provision on: | |
| Substandard loans other than short term agri credit, micro credit and CMSME | 20% |
| Doubtful loans other than short term agri credit, micro credit and CMSME | 50% |
| Substandard & doubtful loans short term agri credit and micro credit | 5% |
| Substandard loans CMSME | 5% |
| Doubtful loans CMSME | 20% |
| Bad/Loss loans and advances | 100% |

Loans and advances (write-off):

Loans and advance are written off to the extent that there is no realistic prospect of recovery in the proximate future, classified as bad/ loss for 3 years at a stretch, and adequate provision are maintained as per BRPD circular no. 01 dated 6 February 2019. No loans and advances are written off partially and without prior approval of the board of directors in compliance with the said circular. At each reporting period end, the bank assesses loans and advances to be written off as per Bank's own process in compliance with BB guideline.

Loans and advances (recovery from written off):

The bank puts continuous effort for recovery from written off loans and advances in compliance with Section 28ka of the Bank Company Act 1991 (as amended up to date) and BRPD circular no. 01 dated 6 February 2019. The Bank takes necessary legal measures against default borrowers for recovery against written off loans and advances as per relevant BB guidelines and Artha Rin Adalat Act-2003. Legal cost incurred against those borrowers are initially charged to the profit and loss account of the bank.

However, recovery including any legal cost against written off loans and advances are recognised in profit and loss account as earned and on settlement basis. In 2021, the bank made a recovery of BDT 363.27 million from written off loans and advances and presented in profit and loss account after netting off with specific provision.

| | | | | | | Amount in BDT |
|-----|--|-----------|-----------------|-----------------|-----------------|-----------------|
| | | Notos | Consol | Consolidated | | nk |
| | | Notes | 2021 | 2020 | 2021 | 2020 |
| | Details of loans and advances: | | | | | |
| | Loans, cash credits, overdrafts etc. | 7.1 | 231,099,397,244 | 212,083,018,369 | 234,038,851,242 | 214,171,172,833 |
| | Bills purchased and discounted | 7.2 | 40,502,266,414 | 18,462,037,803 | 35,355,122,969 | 14,772,690,062 |
| | | | 271,601,663,658 | 230,545,056,172 | 269,393,974,212 | 228,943,862,895 |
| 7.a | Consolidated loans and advances by group | entities: | | | | |
| | Eastern Bank Limited (Parent) | | 269,393,974,212 | 228,943,862,895 | | |
| | EBL Securities Limited | | 3,843,972,752 | 3,070,938,335 | | |
| | EBL Investments Limited | | 58,154,661 | 126,907,157 | | |
| | EBL Finance (HK) Limited | | 5,147,143,445 | 3,689,347,741 | | |
| | EBL Asset Management Limited | | 160,000,000 | - | | |
| | | | 278,603,245,070 | 235,831,056,128 | | |
| | Less: Inter company elimination | | (7,001,581,412) | (5,285,999,956) | | |
| | Total | | 271.601.663.658 | 230,545,056,172 | | |

Amenunt im DDT

| | | | | | Amount in BDT |
|-------|--|-------------------|----------------------|--------------------|--------------------|
| | Notes | Conso | lidated | Ba | nk |
| | Notes | 2021 | 2020 | 2021 | 2020 |
| 7.1 | Loans, cash credits, overdrafts etc. | | | | |
| | Inside Bangladesh | | | | |
| | Loans - general | 195,151,411,436 | 176,093,659,327 | 195,151,411,436 | 176,093,659,327 |
| | Cash credit | 1,919,846,190 | 1,070,455,565 | 1,919,846,190 | 1,070,455,565 |
| | Overdraft | 35,555,793,477 | | | 33,021,401,917 |
| | Less: Inter company elimination (with EBLSL borrowings) | | | | - |
| | | 231,099,397,244 | 212,083,018,369 | 228,724,923,690 | 210,185,516,809 |
| | Outside Bangladesh | | | | |
| | Overdraft-EBL Finance (HK) Limited | 5,313,927,553 | | 5,313,927,553 | 3,985,656,024 |
| | Less: Inter company elimination (with borrowing) | (5,313,927,553) | | - | - |
| | | 231,099,397,244 | 212,083,018,369 | 234,038,851,242 | 214,171,172,833 |
| 7.2 | Bills purchased and discounted | | | | |
| | Inside Bangladesh | | | | |
| | Local bills /documents | 35,198,112,487 | 14,644,372,768 | 35,198,112,487 | 14,644,372,768 |
| | Foreign bills /documents | 157,010,482 | 128,317,293 | 157,010,482 | 128,317,293 |
| | | 35,355,122,969 | 14,772,690,062 | 35,355,122,969 | 14,772,690,062 |
| | Outside Bangladesh | | | | |
| | Bills financed & UPAS (by EBL Finance HK Ltd) | 5,147,143,445 | | - | - |
| | | 40,502,266,414 | 18,462,037,803 | 35,355,122,969 | 14,772,690,062 |
| 7.2.1 | Bills purchased and discounted (on the basis of residual | maturity grouning | r) | | |
| , | On demand | 984,961,212 | | 984,961,212 | 200 / 52 / 52 |
| | Within one month | 6,639,885,581 | | | |
| | In more than one month but less than three months | 13,033,101,015 | | | |
| | In more than three months but less than six months | 10,311,299,863 | | 9,281,871,174 | |
| | Above six months | 9,533,018,744 | | | 1,243,703,807 |
| | | 40,502,266,414 | | | 14,772,690,062 |
| | | | | | ,,, |
| 7.a.1 | Residual maturity grouping of loans and advances | | | | |
| | (including bills purchased & discounted) | | | | |
| | Receivable | | | | |
| | On demand | 7,312,228,100 | 17,895,121,648 | 7,312,228,100 | 17,895,121,648 |
| | In not more than one month | 17,394,151,215 | 8,610,292,831 | 17,313,129,012 | 8,440,249,425 |
| | In more than one month but not more than three months | 40,905,066,517 | 33,241,704,040 | 40,792,915,893 | 30,283,551,827 |
| | In more than three months but not more than one year | 119,922,013,130 | 83,874,684,646 | 117,907,496,510 | 85,401,686,988 |
| | In more than one year but not more than five years | 61,167,126,953 | 70,885,064,817 | 61,167,126,953 | 70,885,064,817 |
| | In more than five years | 24,901,077,743 | | 24,901,077,743 | 16,038,188,190 |
| | | 271,601,663,658 | 230,545,056,172 | 269,393,974,212 | 228,943,862,895 |
| 7.a.2 | As per BRPD circular no. 04 dated 04 January 2021 and BI | | | | |
| | statements for credit approval/renewal for the clients under | | | | |
| | in audited financials with DVS (Document Verification Syst | | CAB (Institute of Cl | nartered Accountar | nts of Bangladesh) |
| | for 100% cases and has preserved with loan file according | ly. | | | |

7.b Loans and advances on the basis of significant concentration

7.b.1 Loans and advances to Directors, executives and others

| Advance to Directors and their allied concerns | 41,445 | - | 41,445 | - |
|--|-----------------|-----------------|-----------------|-----------------|
| Advances to Managing Director & CEO | 11,714,836 | 12,674,505 | 11,714,836 | 12,674,505 |
| Advances to other executives and staffs | 1,810,923,471 | 1,491,607,277 | 1,810,923,471 | 1,491,607,277 |
| Advances to customers (Group wise) | 217,205,902,431 | 175,975,750,411 | 214,998,212,985 | 174,374,557,134 |
| Industrial loans and advances | 52,573,081,475 | 53,065,023,980 | 52,573,081,475 | 53,065,023,980 |
| | 271,601,663,658 | 230,545,056,172 | 269,393,974,212 | 228,943,862,895 |

7.b.2 Large loan details (Loans extended to any customer exceeding 10% of the Bank's total capital)

| Number of Customers | 116,449 | 80,388 |
|---------------------------|---------|--------|
| | 22 | 17 |
| Classified amount thereon | - | - |

* This amount represents total loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 3,567.40 million which is equivalent to 10% of total capital of the bank as at 31 December 2021.

| | | | | | Amount in BDT |
|-------|---|--|--|--|-----------------------------------|
| | Weber | Conso | lidated | Ba | nk |
| | Notes | 2021 | 2020 | 2021 | 2020 |
| 7.b.3 | Industry-wise concentration of loans and advances | | | | |
| | (including bills purchased and discounted) | | | | |
| | Agri and micro credit through NGO | 19,174,907,218 | 14,219,286,426 | 19,174,907,218 | 14,219,286,426 |
| | Commercial and trading | 31,896,939,865 | | 31,896,939,865 | 30,669,916,120 |
| | Construction | 10,967,738,014 | | 10,967,738,014 | |
| | Cement and ceramic industries | 3,892,666,033 | | 3,892,666,033 | 3,666,702,809 |
| | Chemical and fertilizer | 3,590,702,695 | 3,824,905,455 | 3,590,702,695 | 3,824,905,455 |
| | Crops, fisheries and livestocks | 740,622,727 | 1,224,443,160 | 740,622,727 | 1,224,443,160 |
| | Electronics and electrical goods | 6,947,074,382 | 3,756,582,128 | 6,947,074,382 | 3,756,582,128 |
| | Food and allied industries | 15,672,423,545 | 10,873,444,694 | 15,672,423,545 | 10,873,444,694 |
| | Consumer finance | 34,571,098,127 | 32,827,061,558 | 30,668,970,714 | 29,629,216,066 |
| | Metal and steel products | 19,137,968,412 | | 19,137,968,412 | 17,487,016,658 |
| | Pharmaceutical industries | 4,552,721,588 | | 4,552,721,588 | 2,703,502,985 |
| | Power and fuel | 14,203,762,643 | | 14,203,762,643 | |
| | Rubber and plastic industries | 4,934,701,188 | | 4,934,701,188 | |
| | Readymade garments industry | 40,356,406,325 | | 35,209,262,880 | |
| | Ship building & breaking industry | 10,364,441,265 | | 10,364,441,265 | 6,710,289,548 |
| | Sugar and edible oil refinery | 1,488,466,688 | | 1,488,466,688 | 4,873,212,500 |
| | Transport and e-communication | 6,137,473,849 | | | |
| | Textile mills | 11,934,819,628 | | 11,934,819,628 | |
| | Other manufacturing or extractive industries | 16,624,117,554 | | 16,624,117,554 | |
| | Others | 14,412,611,911 271,601,663,658 | | 21,254,193,322 | 16,467,522,379 228,943,862,895 |
| | (including bills purchased and discounted) Government sector Public sector Private sector | - 38,348,026,660 233,253,636,997 | | - 38,348,026,660 231,045,947,550 | |
| | | 271,601,663,657 | 230,545,056,172 | 269,393,974,211 | 228,943,862,895 |
| 7.b.5 | Geographic location-wise concentration of loans and a | dvances | | | |
| | (including bills purchased and discounted) | | | | |
| | Inside Bangladesh | | | | |
| | Dhaka Division | 202,349,552,427 | 165,780,242,739 | 199,975,078,873 | 163,882,741,179 |
| | Chattogram Division | 52,633,548,679 | 50,343,078,450 | 52,633,548,679 | 50,343,078,450 |
| | Sylhet Division | 1,786,366,437 | 1,607,253,725 | 1,786,366,437 | 1,607,253,725 |
| | Rajshahi Division | 3,879,946,903 | 3,574,734,351 | 3,879,946,903 | 3,574,734,351 |
| | Khulna Division | 4,121,541,319 | 3,938,540,896 | 4,121,541,319 | 3,938,540,896 |
| | Rangpur Division | 753,857,430 | | 753,857,430 | 729,116,147 |
| | Barishal Division | 408,187,443 | 390,493,592 | 408,187,443 | 390,493,592 |
| | Mymensingh Division | 521,519,576 | | 521,519,576 | 492,248,530 |
| | | 266,454,520,213 | 226,855,708,431 | 264,080,046,659 | 224,958,206,871 |
| | Outside Bangladesh | | | | |
| | Bills financed & UPAS (by EBL Finance HK Ltd) | 5,147,143,445 | 3,689,347,741 | 5,313,927,553 | 3,985,656,024 |
| | | 271,601,663,658 | 230,545,056,172 | 269,393,974,212 | 228,943,862,895 |
| 7.b.6 | Geographic location and business segment-wise conce | entration of loans an | d advances | | |
| | (including bills purchased and discounted) as on 31-12-202 | 1 | Total Ba | nk (Solo) | |
| | | Corporate & Commercial | Retail and SME (S) banking (including staff) | 2021 | 2020 |
| | Division | | (including stall) | | |
| | Dhaka Division | 159,083,549,897 | 40,891,528,976 | 199,975,078,873 | 163,882,741,179 |
| | Chattogram Division | 38,982,683,958 | | 52,633,548,679 | 50,343,078,450 |
| | | | 10,000,004,721 | 1 50 / 5 / / / / | |

| 159,083,549,897 | 40,891,528,976 | 199,975,078,873 | 163,882,741,179 |
|-----------------|---|--|---|
| 38,982,683,958 | 13,650,864,721 | 52,633,548,679 | 50,343,078,450 |
| 54,535,865 | 1,731,830,572 | 1,786,366,437 | 1,607,253,725 |
| 2,255,938,201 | 1,624,008,702 | 3,879,946,903 | 3,574,734,351 |
| 1,113,623,238 | 3,007,918,081 | 4,121,541,319 | 3,938,540,896 |
| - | 753,857,430 | 753,857,430 | 729,116,147 |
| - | 408,187,443 | 408,187,443 | 390,493,592 |
| - | 521,519,576 | 521,519,576 | 492,248,530 |
| 5,313,927,553 | - | 5,313,927,553 | 3,985,656,024 |
| 206,804,258,713 | 62,589,715,499 | 269,393,974,212 | 228,943,862,895 |
| | 38,982,683,958 54,535,865 2,255,938,201 1,113,623,238 - - 5,313,927,553 | 38,982,683,958 13,650,864,721 54,535,865 1,731,830,572 2,255,938,201 1,624,008,702 1,113,623,238 3,007,918,081 - 753,857,430 - 408,187,443 - 521,519,576 5,313,927,553 - | 38,982,683,958 13,650,864,721 52,633,548,679 54,535,865 1,731,830,572 1,786,366,437 2,255,938,201 1,624,008,702 3,879,946,903 1,113,623,238 3,007,918,081 4,121,541,319 - 753,857,430 753,857,430 - 408,187,443 408,187,443 - 521,519,576 521,519,576 5,313,927,553 - 5,313,927,553 |

Eastern Bank Limited | 237

| | | | | | Amount in BDT |
|--------|--|--|---|---|----------------------------------|
| | Note | | lidated | | nk |
| | . | 2021 | 2020 | 2021 | 2020 |
| 7.b.7 | Business segment - wise concentration of loans and adv (including bills purchased and discounted) | ances | | | |
| | Corporate banking | 166,761,118,461 | 143,744,965,586 | 168,455,556,428 | 145,341,617,802 |
| | Offshore banking | 38,348,702,284 | 25,059,741,722 | 38,348,702,284 | 25,059,741,722 |
| | Retail and SME (S) banking | 64,669,204,605 | 60,236,067,082 | 60,767,077,192 | 57,038,221,590 |
| | Executives & Staffs | 1,822,638,307 | 1,504,281,782 | 1,822,638,307 | 1,504,281,782 |
| | | 271,601,663,658 | 230,545,056,172 | 269,393,974,212 | 228,943,862,895 |
| 7.b.8 | Loans and advances (As categorised in CL Statement) | | | | |
| | Inside Bangladesh | | | | |
| | Continuous loan (CL-2) | | | | |
| | Consumer Financing (CF) | 9,935,560,226 | 8,891,034,461 | 6,033,432,813 | 5,693,188,969 |
| | Small & Medium Enterprise (SME) | 7,536,698,412 | 6,615,085,022 | 7,536,698,412 | 6,615,085,022 |
| | Loans to BHs/MBs/SDs against Shares | 748,518,032 | - | 2,276,171,891 | 1,300,343,933 |
| | Other than SMEF, CF, BHs/MBs/SDs | 17,725,340,322 35,946,116,992 | 20,481,631,201 35,987,750,684 | 17,725,340,322 33,571,643,438 | 20,481,631,201 34,090,249,125 |
| | Demand loan (CL-3) | 35,740,110,772 | 35,707,750,004 | 33,571,043,430 | 34,070,247,125 |
| | Small & Medium Enterprise (SME) | 7,009,793,888 | 7,512,027,973 | 7,009,793,888 | 7,512,027,973 |
| | Other than SMEF, CF, BHs/MBs/SDs | 120,461,279,567 | 81,775,295,761 | | 81,775,295,761 |
| | | 127,471,073,455 | 89,287,323,734 | 127,471,073,455 | 89,287,323,734 |
| | Term loan (CL-4) | | | | |
| | Consumer Financing (including staff, other than HF) | 11,647,581,561 | 11,927,855,478 | 11,647,581,561 | 11,927,855,478 |
| | Housing Financing (HF) | 5,179,786,295 | 3,679,858,420 | 5,179,786,295 | 3,679,858,420 |
| | Small & Medium Enterprise Other than SMEF, CF, BHs/MBs/SDs | 18,071,850,587 64,359,242,287 | 17,979,028,124 65,553,848,436 | 18,071,850,587 64,359,242,287 | 17,979,028,124 65,553,848,436 |
| | Other than SMEP, CP, BHS/MBS/SDS | 99,258,460,730 | 99,140,590,458 | | 99,140,590,458 |
| | Short term agri credit and microcredit (CL-5) | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,140,0,70,400 |
| | Short term agri credit | 3,778,869,036 | 2,440,043,554 | 3,778,869,036 | 2,440,043,554 |
| | | 3,778,869,036 | 2,440,043,554 | 3,778,869,036 | 2,440,043,554 |
| | Outside Bangladesh | | | | |
| | Loans, cash credits, overdrafts etc. | 5,147,143,445 | 3,689,347,741 | 5,313,927,553 | 3,985,656,024 |
| | Total | 271,601,663,658 | 230,545,056,172 | 269,393,974,211 | 228,943,862,895 |
| 7.b.9 | Security/ Collateral - wise concentration of loans and ad | vances | | | |
| | (including bills purchased and discounted) | | | | |
| | Collateral of movable/immovable assets | 95,109,167,938 | 99,835,957,892 | 95,109,167,938 | 99,835,957,892 |
| | Local banks and financial institutions guarantee | 9,441,042,660 | 7,759,307,284 | 4,293,899,215 | 4,069,959,543 |
| | Government guarantee | 493,256,541 | 542,640,062 | 493,256,541 | 542,640,062 |
| | Export documents | 21,801,145,016 | 18,033,434,069 | 21,801,145,016 | 18,033,434,069 |
| | Fixed deposit receipts (FDR)-own bank | 29,362,255,204 | 17,612,033,160 | 29,362,255,204 | 17,612,033,160 |
| | Personal guarantee Other securities (Hypothecation charges) | 15,635,419,349 | 15,936,320,549 70,825,363,156 | 15,635,419,349 | 15,936,320,549 |
| | other securities (hypothecation charges) | 99,759,376,950 271,601,663,658 | 230,545,056,172 | | 72,913,517,621 |
| | | 1,1,001,000,000 | 100,040,000,171 | | |
| 7.b.10 | Classification status of loans and advances | | | | |
| | Unclassified | | | | |
| | Standard (Excluding Staff Loan) | 257,394,932,202 | 220,586,642,131 | 255,564,655,620 | 219,480,207,242 |
| | Special Mention Accounts (SMA) | 2,028,005,272 | 1,732,991,015 | 2,028,005,272 | 1,732,991,015 |
| | | 259,422,937,473 | 222,319,633,146 | 257,592,660,892 | 221,213,198,257 |
| | Classified | 005 0 / 0 / 5 / | | | |
| | Sub-standard | 925,249,156 | 1,032,797,745 | 925,249,156 | 1,032,797,745 |
| | Doubtful Bad/Loss | 603,750,578 8,827,088,143 | 287,325,617 5,401,017,883 | 603,750,578 8,449,675,278 | 287,325,617 4,906,259,496 |
| | 7.b.11 | 10,356,087,877 | 6,721,141,245 | 9,978,675,012 | 6,226,382,857 |
| | Executives & Staffs (HR Loan) | 1,822,638,307 | 1,504,281,781 | 1,822,638,307 | 1,504,281,781 |
| | Total | | 230,545,056,171 | | |
| | Percentage of Classified Loans & Advances/NPL | 3.81% | 2.92% | 3.70% | 2.72% |
| | | | | | |

| Notos | Consol | idated | Ba | nk |
|-------|--------|--------|------|------|
| Notes | 2021 | 2020 | 2021 | 2020 |

7.b.10.a The amount reported above under SMA category includes certain loan accounts with an aggregate outstanding of BDT 301.60 million as at 31-12-2021 (BDT 1,225.70 million as at 31-12-2020) which has not been reported as classified as at year-end on the basis of stay order from the Honorable High Court Division of the Supreme Court of Bangladesh. As at year-end 2021, an aggregate amount of BDT 67.52 million (BDT 534.60 million as at 31-12-2020) has been kept as specific provision considering all those customers as bad/loss.

| 7.b.11 Movement of classified loans and advances | | | | |
|---|-------------------------|-----------------|---------------|-----------------|
| Opening balance | 6,721,141,245 | 8,029,709,761 | 6,226,382,857 | 7,771,474,876 |
| Addition during the year | 4,577,197,179 | 265,997,505 | 4,577,197,179 | 29,474,002 |
| Reduction during the year (on w/off, rescheduled or adjustment) | (942,250,546) | (1,574,566,021) | (824,905,023) | (1,574,566,021) |
| Closing balance 7.b.11 | a 10,356,087,877 | 6,721,141,245 | 9,978,675,012 | 6,226,382,857 |

| | | Bank (Solo) | | | |
|---------------|---|-----------------|-----------------|-----------------|-----------------|
| 7.b.11.b Indu | ustry- wise concentration of Classified Loans & Advances | 20 | 21 | 20 | 20 |
| | | Taka | % | Taka | % |
| Con | nmercial and trading | 3,428,549,897 | 34.36% | 2,682,842,715 | 43.08% |
| Cro | ps, fisheries & livestocks | 22,450,986 | 0.22% | 4,660,572 | 0.07% |
| | ctronics & electrical goods | 736,205,446 | 7.38% | 20,761,549 | 0.34% |
| | nsumer finance | 15,707,749 | 0.16% | 417,516,122 | 6.70% |
| | tal & steel products | 268,849,864 | 2.69% | 153,225,168 | 2.46% |
| | adymade garments industry | 1,917,049,592 | 19.21% | 327,923,773 | 5.27% |
| | p breaking industry | 2,730,261,160 | 27.36% | 1,856,012,830 | 29.88% |
| 0 | jar, edible oil refinery & food processing | 51,857,659 | 0.52% | 101,758,719 | 1.63% |
| | nsport & ecommunication | 117,110,122 | 1.17% | 95,934,563 | 1.54% |
| | tile mills | 50,950,467 | 0.51% | 1,341,963 | 0.02% |
| Oth | ers | 639,682,070 | 6.41% | 564,404,884 | 9.06% |
| | | 9,978,675,012 | 100.00% | 6,226,382,857 | 100% |
| 7.b.12 Par | rticulars of loans and advances | | | | |
| fully | ebts considered good in respect of which the bank is y secured | 255,965,569,805 | 214,447,959,263 | 253,757,880,359 | 212,846,765,986 |
| secu | Debts considered good for which the bank holds no other urity than the debtor's personal security | 6,033,427,378 | 5,692,830,164 | 6,033,427,378 | 5,692,830,164 |
| sect | Debts considered good and secured by the personal urity of one or more parties in addition to the personal urity of the debtors. | 9,601,991,971 | 10,404,266,743 | 9,601,991,971 | 10,404,266,743 |
| iv) I | Debts adversely classified; for which no provision is ated. | - | - | - | - |
| | | 271,600,989,154 | 230,545,056,171 | 269,393,299,708 | 228,943,862,894 |
| v) D | Debts due by directors or officers of the bank or any of | | | | |
| the | m either jointly or severally with any other persons. | 1,822,638,307 | 1,504,281,781 | 1,822,638,307 | 1,504,281,781 |
| | Debts due by companies and firms in which the ectors of the bank have interests as directors, partners | _ | _ | _ | _ |
| mei | nanaging agent or in case of private companies as mbers. | | | | |
| tem | Maximum total amount of advances, including aporary advances made at any time during the period lirectors or managers or officers of the bank or any of | 1,822,638,307 | 1,504,281,781 | 1,822,638,307 | 1,504,281,781 |
| viii) | m either severally or jointly with any other persons. Maximum total amount of advances, including | | | | |
| com | aporary advances, granted during the period to the apanies or firms in which the directors of the bank re interests as directors, partners or managing agents | - | - | - | - |
| or, i | n case of private companies as members . Due from other banking companies | - | - | - | - |

| x) Information in respect of classified loans and advances a) Classified loans for which interest/profit not credited to income (i) (Decrease)/Increase of provision (specific) (ii) Amount of loans written of (iii) Amount recovered from loans written off b) Amount of provision kept against loans classified as bad/loss c) Amount of interest creditable to the interest suspense account xi) Cumulative amount of written off loans: | 2021 | | Bank | | |
|--|---------------------------|----------------|---------------------------|----------------|--|
| a) Classified loans for which interest/profit not credited to income (i) (Decrease)/Increase of provision (specific) (ii) Amount of loans written of (iii) Amount recovered from loans written off b) Amount of provision kept against loans classified as bad/loss c) Amount of interest creditable to the interest suspense account | | 2020 | 2021 | 2020 | |
| to income (i) (Decrease)/Increase of provision (specific) (ii) Amount of loans written of (iii) Amount recovered from loans written off b) Amount of provision kept against loans classified as bad/loss c) Amount of interest creditable to the interest suspense account | - | - | - | - | |
| (i) (Decrease)/Increase of provision (specific) (ii) Amount of loans written of (iii) Amount recovered from loans written off b) Amount of provision kept against loans classified as bad/loss c) Amount of interest creditable to the interest suspense account | 40.05/005.055 | | | | |
| (ii) Amount of loans written of (iii) Amount recovered from loans written off b) Amount of provision kept against loans classified as bad/loss c) Amount of interest creditable to the interest suspense account | 10,356,087,877 | 6,721,141,245 | 9,978,675,012 | 6,226,382,857 | |
| (iii) Amount recovered from loans written offb) Amount of provision kept against loans classified as bad/lossc) Amount of interest creditable to the interest suspense account | 2,018,656,053 | 1,490,560,665 | 2,018,656,053 | 1,490,560,665 | |
| b) Amount of provision kept against loans classified as bad/lossc) Amount of interest creditable to the interest suspense account | 134,742,880 | - | 134,742,880 | - | |
| bad/loss c) Amount of interest creditable to the interest suspense account | 363,274,439 | 725,759,332 | 363,274,439 | 725,759,332 | |
| c) Amount of interest creditable to the interest suspense account | 6,675,395,795 | 5,509,438,624 | 6,376,784,113 | 5,489,323,606 | |
| account | 0,070,070,770 | 3,307,430,024 | 0,070,704,110 | 5,407,525,000 | |
| | 2,939,008,519 | 2,425,163,343 | 2,750,794,589 | 2,233,375,188 | |
| xi) Cumulative amount of written off loans: | 2,707,000,017 | 2,420,100,040 | 2,700,774,007 | 2,200,070,100 | |
| | | | | | |
| Opening Balance | 13,465,399,498 | 13,465,399,498 | 13,465,399,498 | 13,465,399,498 | |
| Amount written off during the year: | 1/1 070 505 | | 100 / 77 100 | | |
| Principal amount Interest suspense | 141,072,535 13,786,659 | - | 122,477,188 12,265,692 | - | |
| Balance of written off loans and advances | 13,620,258,692 | 13,465,399,498 | | 13,465,399,498 | |
| | 10,010,100,071 | 10,400,077,470 | 10,000,142,070 | 10,400,077,470 | |
| There was no loan written off in the year 2020. | | | | | |
| 7.b.13 Cumulative amount of recovery from written | 4,295,442,316 | 3,932,167,877 | 4,295,442,316 | 3,932,167,877 | |
| off loans (including BCCI loans) | 4,2,0,442,020 | 0,702,207,077 | 4,2,0,442,020 | 0,702,207,077 | |
| 7.b.14 Cumulative amount of written off loans for | 15 75/ /00 55/ | 15 (10 3/5 030 | 1E 7E/ /00 EEE | 15/103/50/0 | |
| which law suits have been filed (note 7.b.14.1) | 15,754,488,554 | 15,618,345,039 | 15,754,488,555 | 15,618,345,040 | |
| 7.b.14.1 Cumulative amount of written off loans | | | | | |
| (including legal and other charges) | | | | | |
| Opening balance | 15,618,345,039 | 15,618,345,039 | 15,618,345,040 | 15,618,345,040 | |
| During the year | 136,143,515 | | 136,143,515 | | |
| Closing balance | 15,754,488,554 | 15,618,345,039 | 15,754,488,555 | 15,618,345,040 | |
| 7.b.14.1.a Cumulative number of written off loan accounts against v | which lawsuits hav | e been filed | | | |
| Opening balance | | | 8.173 | 8,173 | |
| During the year | | | | -1-10 | |
| Closing balance | | | 109 | - | |
| 8 Fixed assets including land, building, furniture and fixtur | | - | 109 8,282 | - 8,173 | |

8 Fixed assets including land, building, furniture and fixtures

Accounting policy: Fixed assets (other than lease items)

The group applies IAS 16 'Property, plant and equipment' for its own assets which are held for current and future use in the business and are expected to be used for more than one year.

Recognition and measurement

Fixed assets except land are stated at cost less accumulated depreciation as per IAS 16. Land is recognised at cost at the time of acquisition and subsequently measured at revalued amount which is the fair value at the time of revaluation done by independent valuer and any increase (by netting of decrease of value within same class) on revaluation is shown as equity component until the asset is disposed off.

The cost of an item of fixed assets is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

The cost of an item of fixed assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs

Subsequent costs are capitalised only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognised. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged to profit and loss account as expense when incurred.

Depreciation

Depreciation is charged at the rates stated below on all the items of fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Bank. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases in the month when the assets are disposed. No depreciation is charged on capital work in progress until the usage of the assets.

| Assets Category | Estimated useful lives (Years) | Rate of depreciation/ amortisation per annum | | |
|--------------------------------|--------------------------------|---|--|--|
| Building | 40 | 2.5% | | |
| Furniture and Fixture | 10 | 10.00% | | |
| Machineries and equipment | 5 | 20.00% | | |
| Electromechanical equipment | 20 | 5.00% | | |
| Digital banking equipment | 8 | 12.50% | | |
| Computer and network equipment | 5 | 20.00% | | |
| Vehicles | 5 | 20.00% | | |
| Software | 5 | 20.00% | | |

Capital work in progress

Costs incurred for software development, licensing and implementation; hardware up-gradation, construction costs incurred as capital expenditures are recognised as capital work in progress as per IAS 16, until the development or implementation work is completed and the asset is ready for intended use. This asset is stated at cost and depreciation/amortisation of the asset is charged from the date of its intended use.

Derecognition of fixed assets

The carrying amount of an item of fixed assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of fixed assets is recorded in profit and loss account when the item is derecognised.

Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. The Group classifies its intangible assets as per IAS 38 'Intangible assets' which comprises the value of all licensed computer software including core banking software of the Bank, cards management software, cheque processing software (i.e. BEFTN), software of subsidiaries and other integrated customised software for call centre, ATM service, Finance and HR operations i.e. PMS, FAR, HRMS, PMS, etc.

Recognition, subsequent expenditure and measurement

The Group recognises an intangible asset if it is probable that future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38 'Intangible Assets'. The Group does not have any intangible assets with indefinite useful lives.

Subsequent expenditure on intangible asset of the Group is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates; otherwise is charged as expense when incurred.

Core banking software of EBL

The core banking software used by EBL (not by subsidiaries) represents the value of application software licensed for the use of the Bank. The value of the software is carried at cost less accumulated amortisation. Initial cost comprises license fees paid at the time of purchase and other directly attributable costs incurred for customising the software for its intended use. The value of the software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the month when the application of the software is made available for use.

Leases:

As per IFRS 16 'Leases', the bank has made recognition, measurement and disclosure in the financial statements-2021 both as Lessee and Lessor from the date of commencement or 01 January 2019 (date of initial application), whichever is later.

Bank as lessee

The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank considers the contract as a lease contract.

The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value assets. The bank recognises lease liabilities to make lease payment and right-of-use (ROU) assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per FA policy of the bank. In case of low value, the Bank, on lease-by-lease basis, elected a single threshold on the basis of materiality level of Bank's total capital (BDT 35,674 million as on 31-12-2021). The reason behind considering the materiality level is that the bank operates many ATM booths with short tenure (not over 12 months) and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

Right-of-use assets (ROU)

The bank recognises the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

The bank assessed all live lease contracts in 2021 and recognised as RoU assets of all leases, except short tenure and low value of assets as per the Banks' own policy set as per IFRS 16 'Leases'. As leases under IFRS 16 has been first time adopted by the bank, the bank followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. However, in 2021, the bank reassessed all RoU assets recorded earlier considering a cut-off date i.e. 01 January 2021.

Lease Liabilities (Bank as a lessee)

At the commencement of the lease, the bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease.

In 2021 the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2021. The lease liabilities are presented in the note 13.11 of these financial statements.

Bank as a lessor

Leases where the bank does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets. Rental income is recorded as earned based on the contractual term of the lease. However, the Bank did not hold any such assets in 2021.

Recognition of consideration made under contract in exchange of use of rental premises/assets:

As per IFRS 16 Leases, when consideration is made by the bank under contract in exchange of use of rental premises or assets for a period not exceeding a period of twelve months and/or the present value of the obligation plus initial payment under contract does not exceed the threshold of the bank, and substantially all the risk and benefit of ownership of those rental premises/assets does not transfer to the bank, then the bank considers the payment (other than advance payment) as rental expense under IFRS 15 Revenue from contracts with customers.

Therefore, EBL recognised those payment against contracts that do not qualify as lease item under IFRS 16 as rental expense in 2021 which is presented in note 28 of the financial statements for the year ended 31 December 2021. These are short term and low value contracts for ATM booths, godown premises that do not meet the materiality threshold for recognition of lease assets.

| | | | | | Amount in BDT |
|--|-------------|-----------------|-----------------|-----------------|-----------------|
| | Notos | Consol | idated | Bai | nk |
| | Notes | 2021 | 2020 | 2021 | 2020 |
| | | | | | |
| Details of Fixed Assets at Cost (revalued amount | t in case o | of lands) | | | |
| Freehold lands and land development | | 4,060,205,301 | 3,986,656,786 | 4,060,205,301 | 3,986,656,786 |
| Buildings and floor spaces | | 1,407,955,522 | 1,407,955,522 | 1,407,955,522 | 1,407,955,522 |
| Capital work in progress * | | 127,218,237 | 120,262,652 | 127,218,237 | 120,262,652 |
| General machineries and equipments | | 699,691,494 | 671,774,138 | 686,808,307 | 660,606,312 |
| Computer and network equipments | | 1,078,011,559 | 923,182,539 | 1,062,262,600 | 908,872,414 |
| Digital banking equipments | | 271,103,920 | 254,153,920 | 271,103,920 | 254,153,920 |
| Electromechanical equipments | | 343,783,516 | 343,652,516 | 343,783,516 | 343,652,516 |
| Furniture and fixtures | | 714,069,946 | 713,429,157 | 681,361,609 | 679,633,843 |
| Vehicles | | 231,297,494 | 205,977,959 | 206,251,139 | 180,931,604 |
| Right of use assets (Lease assets) | 8.01 | 1,736,408,856 | 1,654,846,368 | 1,709,622,345 | 1,591,754,131 |
| Softwares | | 770,963,709 | 666,394,719 | 766,231,454 | 662,449,964 |
| Total cost | | 11,440,709,555 | 10,948,286,277 | 11,322,803,951 | 10,796,929,664 |
| Accumulated depreciation and amortization | | (3,772,698,804) | (3,175,639,306) | (3,690,614,217) | (3,086,031,647) |
| Written down value at 31 december | | 7,668,010,751 | 7,772,646,971 | 7,632,189,734 | 7,710,898,017 |

Capital work in progress *

Initial payment made for automation or upgradation of bank's different software and construction cost is recognised as capital work in progress as per IAS 16, until the project/development work is completed and/or the asset is ready for intended use. These assets are stated at cost and depreciation of these assets will be charged from the date of intended use.

Details of the fixed assets are presented in 'Annexure-A'.

8.01 Right of use assets (Lease assets)

Right of Use (RoU) assets comprise of lease liabilities which is the present value of lease payments against rented premises less incentive, plus initial direct payment and dismantling cost etc. Any contractual obligation for use of any rented/leased premises or assets for a period exceeding twelve months and/or exceeding the threshold for low value asset, and substantially risks and benefits related to ownership of those rented premises/assets transfer to the bank, are recognised as RoU assets as per IFRS 16 'Leases'.

| | | | Amount in BDT |
|-----|--|---------------|---------------|
| | | Consoli | dated |
| | | 2021 | 2020 |
| 8.a | Consolidated fixed assets of group entities: | | |
| | Eastern Bank Limited (Parent) | 7,632,189,734 | 7,710,898,017 |
| | EBL Securities Limited | 26,651,188 | 41,279,284 |
| | EBL Investments Limited | 5,227,364 | 8,659,179 |
| | EBL Finance (HK) Limited | 2,558,146 | 7,988,725 |
| | EBL Asset Management Limited | 1,384,319 | 3,821,765 |
| | | 7,668,010,751 | 7,772,646,971 |
| | Less: Inter company elimination | - | - |
| | Total | 7,668,010,751 | 7,772,646,971 |

9 Other assets

Accounting policy:

As per BRPD circular no. 14 dated 25 June 2003, other assets have been presented separately in the balance sheet and categorized as 'income generating' and 'non-income generating' in notes to the financial statements. These assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the entity and costs are reliably measured. Other assets include investment in subsidiaries, TREC of DSE & CSE, advance for revenue and capital expenditure, stocks of stationary and stamps, security deposits to government agencies, other receivables etc, as per BRPD circular no. 14/2003.

Investment in subsidiaries

Investment in subsidiaries are accounted for under the cost method of accounting in accordance with IAS 27 'Consolidated and separate financial statements', IFRS 3 'Business combination' and IFRS 10 'Consolidated financial statements'. Impairment of investment in subsidiaries is made as per the provision of IAS 36 'Impairment of Assets'.

In 2021, the bank has done impairment assessment of its investment in the largest subsidiary company 'EBL Securities Limited' following guideline of IAS 36 'Impairment of Assets'. As value in use (using discounted cash flow method) is higher than carrying value of investment, no impairment is required to be recognised as on balance sheet date.

Impairment of assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 'Impairment of assets'. At the end of each reporting period, the Bank and its subsidiaries review the carrying value of financial and non-financial assets (other than investment in subsidiaries) and assess whether there is any indication that an asset may be impaired and/or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the bank and the subsidiaries make an estimate of the recoverable amount of the asset. The carrying value of the asset is reduced to its recoverable amount if the recoverable amount is less than its carrying amount with associated impairment losses recognised in the profit and loss account. However, impairment of any financial assets is guided by relevant Bangladesh Bank circulars/instructions and IFRS 9.

Deferred tax

Deferred tax assets or liabilities are recognised by the Bank on deductible or taxable temporary differences between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 'Income taxes' and BRPD circular no.11 dated 12 December 2011. Deferred tax assets is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are reviewed at each reporting period and are measured at the applicable tax rate as per tax laws that are expected to be applied when the assets is realised and liability is settled. Any unrecognised deferred tax assets or liabilities are reassessed at each reporting period and recognised only if that has become probable that future taxable profit or loss will be available against which they can be used or settled.

Deferred tax asset has not been recognised on the implication of IFRS 16 'Leases' due to the fact that interest cost on lease liabilities and depreciation expense on RoU assets have been considered as admissible expense while calculating current tax liability. The Bank placed Income Tax Return to NBR (National Board of Revenue) for earlier periods since implementation of IFRS 16 showing interest cost on lease liabilities and depreciation on RoU assets as admissible business expense as per section 29 of the ITO 1984. However, assessment of these years are yet to be completed by NBR. Deferred tax asset on provision against diminution of value of quoted securities has not been recognised as adjustment of loss (for set off against gain under the same head) u/s 37 and u/s 40 of ITO 1984 is uncertain due to market volatility.

Details of deferred tax assets or liabilities and amount recognised in profit and loss account for deferred tax income or expense are given in note 9.10 in the financial statements.

| | | | | | Amount in BDT |
|---|-------|-----------------|-----------------|---------------|---------------|
| | | Consoli | idated | Ban | k |
| - | Notes | 2021 | 2020 | 2021 | 2020 |
| Details of other assets | | | | | |
| Income generating: | | | | | |
| Investment in subsidiary-EBL Securities Limited | 9.1 | - | - | 1,967,400,000 | 1,967,400,000 |
| Investment in subsidiary-EBL Investments Limited | 9.2 | - | - | 299,999,900 | 299,999,900 |
| Investment in subsidiary-EBL Finance (HK) Limited | 9.3 | - | - | 14,779,352 | 14,779,352 |
| Investment in subsidiary-EBL Asset | 0.1 | | | 0 / 0 000 000 | a / a aaa aaa |
| Management Limited | 9.4 | - | - | 249,999,900 | 249,999,900 |
| Fair value of TREC to EBLSL and Shares of DSE | 9.5.a | 595,337,112 | 595,337,112 | - | - |
| Fair value of TREC to EBLSL and Shares of CSE | 9.5.b | 245,379,755 | 245,379,755 | - | - |
| Non- Income generating: | | | | | |
| Receivable from subsidiaries | 9.6 | | | 76,556,929 | 3,205,113 |
| Stock of stationeries | 7.0 | 14,951,628 | 12,191,604 | 14,951,628 | 12,191,604 |
| Stamps on hand | | 5.364.587 | 4,791,064 | 5,355,437 | 4,781,918 |
| Advance to staff for expenses | 9.7 | 820,689 | 40,000 | 820,689 | 40,000 |
| Security deposits with govt./non govt. agencies | /./ | 19,926,181 | 15,992,392 | 9,024,224 | 7,524,224 |
| Interest, fees and dividend receivables | 9.8 | 1,615,863,808 | 1,343,478,795 | 1,935,455,355 | 1,364,453,355 |
| Sundry receivables | 9.9 | 1,339,322,099 | 1,254,018,166 | 1,337,696,283 | 1,238,042,671 |
| Advance rent | | 62,717,244 | 44,416,462 | 60,137,688 | 44,179,987 |
| Prepayments and advance to vendors | | 405,568,145 | 207,308,251 | 341,696,309 | 203,703,188 |
| Deferred tax assets (net of liabilities) | 9.10 | 2,395,811,691 | 2,150,731,502 | 2,310,033,677 | 2,053,605,499 |
| Other assets of subsidiaries | 9.11 | 188,119,814 | 42,831,627 | | |
| | | 6,889,182,751 | 5,916,516,734 | 8,623,907,370 | 7,463,906,711 |
| Consolidated other assets of group entities: | | | | | |
| Eastern Bank Limited (Parent) | | 8,623,907,370 | 7,463,906,712 | | |
| EBL Securities Limited | | 1,178,730,710 | 1,009,549,816 | | |
| EBL Investments Limited | | 48,385,421 | 18,717,830 | | |
| EBL Finance (HK) Limited | | 1,590,906 | 2,017,786 | | |
| EBL Asset Management Limited | | 26,479,116 | 3,447,697 | | |
| č | | 9,879,093,523 | 8,497,639,841 | | |
| Less: Inter company elimination | | (2,989,910,772) | (2,581,123,106) | | |
| Total | | 6,889,182,751 | 5,916,516,734 | | |

9.1 Investment in subsidiary-EBL Securities Limited

EBL acquired its securities brokerage subsidiary in two phases (2010 and 2011) at a total cost of BDT 479.90 million and injected afterwards BDT 1,487.50 million as fresh capital.

9.2 Investment in subsidiary-EBL Investments Limited

This fully owned subsidiary of EBL was incorporated on 30 December 2009 with an initial authorized capital of BDT 1,000 million and paid up capital of BDT 300 million. It was awarded merchant banking license by BSEC on January 2013 and started its full fledged merchant banking operations since then.

9.3 Investment in subsidiary-EBL Finance (HK) Limited

EBL Finance (HK) Limited, the fully owned foreign subsidiary of EBL, was incorporated on 28 November 2011 with an initial authorized capital of HKD 1.41 million (equivalent to BDT 14.78 million). Afterwards, in 2019 HKD 10.00 million was transferred to capital account from retained earnings. This subsidiary commenced its full fledged operations in Hongkong from early 2013.

9.4 Investment in subsidiary-EBL Asset Management Limited

Another fully owned subsidiary of EBL was incorporated on 9 January 2011 with an initial authorized capital of BDT 250 million. It has fully subscribed paid up capital of BDT 250 million and has been registered under BSEC on 25 May 2017. It started full fledged operations on asset management, capital market, equity investment etc since then.

9.a

9.5 Fair value measurement of TREC and Shares of both DSE and CSE (held by EBLSL)

As per Exchange Demutualization Act 2013, EBLSL was awarded Trading Right Entitlement Certificate (TREC) as well as ordinary shares of both the bourses i.e. DSE and CSE in exchange of membership licenses under Demutualization Scheme ('the Scheme'). Subsequently, under a purchase agreement between demutualized DSE and strategic partner China Consortium, EBLSL sold out 25% of its holding to China Consortium at a negotiated price of BDT 21 per share (Face value: BDT 10 each). As of 31-12-2021, Share composition of DSE and CSE held by EBLSL was as follows:

| Particulars | No of Shares held | Face Value (BDT) | |
|-----------------------------------|-------------------|------------------|--|
| Dhaka Stock Exchange Limited | 5,411,329 | 10.00 | |
| Chittagong Stock Exchange Limited | 4,287,330 | 10.00 | |
| Total | 9,698,659 | 10.00 | |

Earlier, EBLSL carried out a valuation by ACNABIN, chartered accountants, to determine the fair value of TREC and Shares of both the bourses i.e. DSE and CSE. The value of TREC was determined applying varying weights to the results of three valuation approaches i.e. Cost approach, Market approach and Income approach. Fair value of DSE shares was determined on the basis of recent transaction price made between DSE and China Consortium but face value of CSE shares was taken as fair value as there was no offer price from any third party. However, EBL management expects the fair value of TREC and Shares of DSE and CSE altogether is to be similar to net realizable value in line with present growth pattern of business and outlook of EBLSL. The valuation result of TREC and Shares held by EBLSL under the above methodologies are as follows:

| | | Consolidated | | Bank | | |
|-------|---|---------------------------|---------------------------|---------------------------|---------------------------|--|
| | | 2021 | 2020 | 2021 | 2020 | |
| 9.5.a | Fair value of DSE-TREC and Shares (held by EBLSL) | | 2020 | 2022 | 1010 | |
| | Value of TREC (Trading Right Entitlement Certificate) held by EBLSL | 481,427,540 | 481,427,540 | | | |
| | Value of Shares (5,411,329 Ns @BDT 21.05, face value is BDT 10 each) | 113,909,572 | 113,909,572 | | | |
| | | 595,337,112 | 595,337,112 | | | |
| 9.5.b | Fair value of CSE-TREC and Shares (held by EBLSL) | | | | | |
| | Value of TREC (Trading Right Entitlement Certificate) held by EBLSL | 201,500,000 | 201,500,000 | | | |
| | Value of Shares (4,287,330 Ns @BDT 10.23, face value is BDT 10 each) | 43,879,755 | 43,879,755 | | | |
| | | 245,379,755 | 245,379,755 | | | |
| 9.6 | Receivable from Subsidiaries <i>Receivable from:</i> EBL Securities Limited (in trading account) | | | 76,556,929 | 3,205,113 | |
| | | | _ | 76,556,929 | 3,205,113 | |
| 9.7 | Advance to staff for expenses | | | | | |
| | Due for | | | | | |
| | Less than three months | 820,689 | 40,000 | 820,689 | 40,000 | |
| | More than three months but less than six months More than six months but less than nine months | - | - | - | - | |
| | More than nine months but less than twelve months | - | _ | - | - | |
| | More than twelve months | - | - | - | - | |
| | | 820,689 | 40,000 | 820,689 | 40,000 | |
| 9.8 | Interest, fees and dividend receivables | | | | | |
| | Interest receivable on placement/ margin loans * | 59,196,631 | 138,285,615 | 59,196,631 | 138,285,615 | |
| | Income receivable on government securities | 697,838,303 | 874,257,540 | 697,838,303 | 874,257,540 | |
| | Interest receivable on non-government securities | 196,891,958 | 104,422,515 | 196,891,958 | 104,422,515 | |
| | Interest receivable under stimulus package (subsidized by BB) | 384,060,263 | 80,664,650 | 384,060,263 | 80,664,650 | |
| | Fees, commission and charges receivable | 116,624,078 | 105,524,545 | 114,584,161 | 102,728,406 | |
| | Dividend receivable | 496,771,296 | 81,597,821 | 482,884,040 | 64,094,628 | |
| | T T 1 1 1 1 1 1 1 1 1 1 | 1,951,382,528 | 1,384,752,687 | 1,935,455,355 | 1,364,453,355 | |
| | Less: Inter unit/company elimination | (335,518,720) | (41,273,892) | - | - | |
| | * Margin loans by subsidiaries. | 1,615,863,808 | 1,343,478,795 | 1,935,455,355 | 1,364,453,355 | |
| 9.9 | Sundry receivables | | | | | |
| 7.7 | - | RE 504 500 | E (E00 000 | | E / E 0 0 0 0 0 | |
| | Excise duty receivable from customers Protested Bills to be recovered | 75,581,523 106,185,947 | 74,782,092 105,824,995 | 75,581,523 106,185,947 | 74,782,092 105,824,995 | |
| | AIT recoverable from customers | 76,500,000 | 76,500,000 | 76,500,000 | 76,500,000 | |
| | Cards and ATM acquiring/transactional account | 412,024,155 | 357,288,543 | 412,024,155 | 357,288,543 | |
| | Receivable (net off) from Bangladesh Bank for SP, WEDB, DIB, DPB etc. 9.9.a | 473,857,066 | 488,650,644 | 473,857,066 | 488,650,644 | |
| | Other receivables (Margin, remittance, Bidding Money, IPO Subscription etc) | 195,173,408 | 150,971,893 | 193,547,592 | 134,996,398 | |
| | - | 1,339,322,099 | 1,254,018,166 | 1,337,696,283 | 1,238,042,671 | |

| Note Consolidated Bank 2021 2020 2021 2020 9.1.8 Receivable (not off) from Bangladesh Bank for SP, WEDB, DB, DPB etc. Receivable (not off) from Bangladesh Bank for SP, WEDB, DB, DPB etc. 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,774 437,825,636 451,509,776 487,823,636 500,000,644 488,123,666 500,000,644 488,123,666 500,000,644 488,123,666 500,000,644 488,123,666 500,000,644 488,123,666 500,000,644 488,123,666 488,650,644 473,857,066 488,650,644 473,857,066 488,650,644 473,857,066 488,650,644 473,857,066 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,065 488,650,644 473,857,678 2,15 | | | | | | | Amount in BDT |
|--|----------|---|--------------|-------------------|---------------|---------------|---------------|
| 2.12 2020 2021 2020 2021 2020 Procession Receivable from Bangladesh Bank for SP, WEDB, DB, DPB ec. For sale of Sanchazypatra 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 461,509,794 497,825,636 468,123,666 500,000,644 488,123,666 500,000,644 488,123,666 500,000,644 488,123,666 500,000,01 1,380,000 1,276,6000 1,276,6000 1,276,6000 1,276,6000 1,350,000 1,42,66,000 1,350,000 1,42,66,000 1,350,000 1,42,66,000 1,30,802,014 1,30,882,016,44 473,850,064 488,850,644 473,850,064 488,850,644 473,850,066 488,850,644 473,850,066 488,850,644 473,850,066 488,850,644 473,850,066 488,850,644 473,850,066 488,850,644 473,857,965 2,184,488,290 1,30,832,477 2,053,405,497 2,184,488,290 2,190,23,461,497 2,305,181,491 < | | | Notor | Consoli | dated | Bar | ık |
| Header and the set of an abaquadesh Bank for SP, WEDB, DEP, DEP etc. 467, 262, 643, 2272 12, 175, 0.08 36, 613, 2272 12, 175, 0.08 Por sale of Sanchapypatra For enceashment of WEDB, DIB, DEP etc. 1, 500, 000, 644 468, 123, 064 500, 000, 644 Por enceashment of WEDB, DIB, DIB, DEP 1, 500, 000 11, 350, 000 11, 350, 000 11, 350, 000 For enceashment of WEDB, DIB, DIB, DIP 1, 266, 000 12, 276, 001 12, 276, 001 For enceashment of WEDB, DIB, DIB, DIP 1, 266, 000 11, 350, 000 14, 366, 000 11, 350, 000 For enceashment of WEDB, DIB, DIB, DIP 1, 266, 001 12, 276, 001 12, 276, 001 12, 276, 001 Befored tax asset (net of liability) 9, 10b 2, 461, 164, 620 2, 281, 494, 923 2, 285, 493, 493, 2285, 493, 493, 493, 493, 493, 493, 493, 493 | | | Notes | 2021 | 2020 | 2021 | 2020 |
| For sale of Sancharpatra Por sale of WEDB, DB, DPD Ptetc. 451,509,794 467,825,636 451,509,794 467,825,636 Por sale of WEDB, DB, DPD Ptetc. 36,613,272 12,175,000 12,075,000 12,175,000 Por sale of WEDB, DB, DDB, DPD Ptetc. 36,613,272 12,175,000 11,350,000 11,350,000 11,350,000 Por encashment of Sanchaypatra For encashment of Sanchaypatra 1,500,000 11,350,000 12,276,000 11,350,000 14,266,000 11,350,000 14,366,000 11,350,000 Closing balance 9,10b 2,481,816,420 2,281,694,923 2,595,976,978 2,184,488,290 Patered tax asset 9,10b 2,480,004,929 12,067,31,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,395,811,691 2,150,731,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,346,24,481 12,597,976,978 2,164,488,290 Patered tax asset (last of liability) 2,395,811,691 2,150,731,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,395,811,691 2,310,033,677 2,058,406,352 2,079,706,543 On specific loan provision kept against B/L loans 18 <td< td=""><td>9.9.a</td><td>Receivable (net off) from Bangladesh Bank for</td><td>SP, WEDB,</td><td>DIB, DPB etc.</td><td></td><td></td><td></td></td<> | 9.9.a | Receivable (net off) from Bangladesh Bank for | SP, WEDB, | DIB, DPB etc. | | | |
| For sale of Sancharpatra Por sale of WEDB, DB, DPD Ptetc. 451,509,794 467,825,636 451,509,794 467,825,636 Por sale of WEDB, DB, DPD Ptetc. 36,613,272 12,175,000 12,075,000 12,175,000 Por sale of WEDB, DB, DDB, DPD Ptetc. 36,613,272 12,175,000 11,350,000 11,350,000 11,350,000 Por encashment of Sanchaypatra For encashment of Sanchaypatra 1,500,000 11,350,000 12,276,000 11,350,000 14,266,000 11,350,000 14,366,000 11,350,000 Closing balance 9,10b 2,481,816,420 2,281,694,923 2,595,976,978 2,184,488,290 Patered tax asset 9,10b 2,480,004,929 12,067,31,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,395,811,691 2,150,731,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,346,24,481 12,597,976,978 2,164,488,290 Patered tax asset (last of liability) 2,395,811,691 2,150,731,502 2,310,033,677 2,053,405,409 ELS, Scouttites Limited 2,395,811,691 2,310,033,677 2,058,406,352 2,079,706,543 On specific loan provision kept against B/L loans 18 <td< td=""><td></td><td>Receivable from Bangladesh Bank for SP, WEDB, I</td><td>DIB, DPB etc</td><td>2.</td><td></td><td></td><td></td></td<> | | Receivable from Bangladesh Bank for SP, WEDB, I | DIB, DPB etc | 2. | | | |
| For sale of WEDB, DIB, DPB etc. 36.613.272 12.175.008 36.613.272 12.175.008 Payable to Bangladesh Bank 68.8123.066 500,000,464 488.123.066 500,000,464 For encashment of Sanchaypatra 13.500.000 11.350.000 11.350.000 11.350.000 Closing balance 12.756.000 11.350.000 11.350.000 11.350.000 Closing balance 91.00 2.681.816.620 2.281.694.923 2.595.976.976 2.194.488.290 Putered tax asset 9.10.0 2.681.816.620 2.281.694.923 2.395.405.427 2.053.605.429 P.a Consolidated deferred tax asset (net of liability) 9.10.0 2.681.816.620 2.281.694.923 2.395.405.429 P.a Consolidated deferred tax asset (net of liability) 9.10.0 2.310.033.677 2.053.605.429 P.a Consolidated deferred tax asset (net of liability) 9.10.0 2.395.811.691 2.310.833.677 2.058.406.52 P.a Consolidated deferred tax asset (net of liability) 2.306.71.823 2.489.403 4.88.2709 P.a Consolidated file onen provision kept against B/L loans | | - | | | 487 825 636 | 451 509 794 | 487 825 636 |
| Payable to Bangladesh Bank For encashment of Sanchaypatra For encashment of WEDB, DIB & DPB 1500.000 11.350.000 11.350.000 11.350.000 Closing balance 488.123.066 500.000.644 488.123.066 500.000.644 Por encashment of WEDB, DIB & DPB 12.766.000 11.350.000 12.766.000 11.350.000 Closing balance 473.857.066 489.650.644 473.857.066 489.650.644 9.10 Deferred tax asset (net of liability) 286.004.429 2.595.976.978 2.184.488.290 Deferred tax asset (net of liability) 9.10.0 2.461.81.6420 2.281.694.923 2.595.976.978 2.184.488.290 Sector Tax asset (net of liability) 9.10.0 2.461.81.6420 2.285.41.641 2.150.731.502 2.310.033.677 2.053.405.497 Sector Tax asset (net of liability) 2.329.811.691 2.150.731.502 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 2.999.91 <td< td=""><td></td><td>,1</td><td></td><td></td><td></td><td></td><td></td></td<> | | ,1 | | | | | |
| Payable to Bangladesh Bank For encashment of Suchappatra For encashment of WEDB, DIB & DPB 1500.000 11.350.000 11.350.000 For encashment of WEDB, DIB & DPB 12,766.000 11.350.000 12,766.000 11.350.000 Closing balance 4236.004.4 473.857.066 488.650.644 473.857.066 488.650.644 9.10 Deferred tax asset (net of liability) 9.10.0 2.661.816.620 2.281.694.923 2.259.597.6.978 2.184.488.290 Deferred tax asset (net of liability) 9.10.0 2.860.0422 2.190.953.421 2.893.811.691 2.150.731.502 2.310.033.677 2.053.605.499 9.10 Cansolidated deferred tax asset (net of liability) 2.310.033.677 2.053.605.499 2.842.874.87 2.058.448.8290 9.10 Descrifte laan limited 2.379.811.691 2.150.731.502 2.310.033.677 2.058.496.352 9.10 Deferred tax asset (net of liability) 2.355.311.691 2.150.731.502 2.356.345.412 2.058.496.352 9.10 Deferred tax asset (Bank only) 1.8 2.355.347.541 2.058.496.352 9.10 Despecific loan provision kept against B/L loans | | | | | | | |
| For encashment of WEDB, DIB & DPB 12,766,000 -12,766,000 -12,766,000 Closing balance 13,350,000 14,266,000 11,350,000 14,266,000 Poilo 2,681,816,620 2,281,694,923 2,595,976,978 2,184,488,290 Deferred tax asset (net of liability) 9,10.b 2,681,816,620 2,281,694,923 2,595,976,978 2,184,488,290 Deferred tax asset (net of liability) 9,10.b 2,681,816,620 2,281,694,923 2,395,831,691 2,150,731,502 2,310,033,677 2,053,605,499 S.a Consolidated deferred tax asset (net of liability) 2,395,811,691 2,150,731,502 2,310,033,677 2,053,405,499 BEL Reset Management Limited 2,372,471 2,395,811,691 2,150,731,502 2,310,033,677 2,058,496,352 On specific loan provision kept against B/L loans 9,10.b.1 2,355,976,978 2,184,488,290 On specific loan provision kept against B/L loans 18 2,355,976,978 2,184,488,290 Cumulative provision made against Bd/Loas loans 6,376,786,113 5,469,323,246 3,750% Deferred tax asset 2,352,347,564 2,058,496,332 1,977,66,433 2,977,966,433 <td< td=""><td></td><td>Payable to Bangladesh Bank</td><td></td><td></td><td></td><td></td><td></td></td<> | | Payable to Bangladesh Bank | | | | | |
| Losing balance 14,266,000 14,380,000 14,380,000 14,380,000 473,857,066 488,650,444 473,857,066 488,650,444 9.10 Deferred tax asset (net of liability) 2.061,6420 2.281,694,923 2.595,976,978 2.184,488,290 Deferred tax asset 9.10.b 2.486,851,464 2.310,033,677 2.053,405,497 Eastern Bank Limited (Parent) 2.310,033,677 2.053,405,497 2.310,033,677 2.053,405,497 EBL Investments Limited 82,940,940 82,647,487 2.310,033,677 2.053,405,497 Total 2.395,811,691 2.150,731,502 2.310,33,677 2.053,405,497 9.10. b Deferred tax asset (Bank only) 2.352,347,541 2.058,496,552 2.352,347,541 2.058,496,552 9.10. b Deferred tax asset (Bank only) 2.355,315,691 2.352,347,541 2.058,496,352 9.10. and defined benefit plans 1.3 2.352,347,541 2.058,496,352 2.352,347,541 2.058,496,352 9.10. and poscific loan provision kept against B/L loans 1.33,852,338 - 6.376,794,113 5.489,323,466 1.33 | | For encashment of Sanchaypatra | | 1,500,000 | 11,350,000 | | 11,350,000 |
| Closing balance 473,857,066 488,650,644 473,857,066 488,650,644 9.10 Deferred tax asset (net of liability) 2 2 2 2595,976,978 2,184,488,290 Deferred tax lability 9.10 b 286,004,923 2.285,43,301 130,882,771 2,053,605,479 9.a Consolidated deferred tax asset (net of liability) 2,310,033,677 2,053,405,479 2,310,033,677 2,053,605,479 9.a Consolidated deferred tax asset (net of liability) 2,310,033,677 2,053,405,479 2,305,3405,479 BEL Securities Limited 2,374,712 1,39,46,737 2,053,405,479 2,305,3405,479 9.10 Deferred tax asset (Bank only) 2,395,811,671 2,150,731,502 2,352,347,541 2,058,496,352 0n actuarial re-measurement gain/(Loss) on defined benefit plans 10 2,355,976,978 2,184,488,290 9.10.1 On specific loan provision kept against B/L loans 6,376,784,113 5,489,323,606 Adjustment of correspanding provision on write of * 0,385,7389 - 6,272,726,775 5,489,323,606 0pening deferred tax asset 0,506,496,352 | | For encashment of WEDB, DIB & DPB | | 12,766,000 | - | 12,766,000 | - |
| 9.10 Deferred tax asset (net of liability) Deferred tax asset (net of liability) 2.681.816.620 2.281.694.923 2.595.976.978 2.184.488.290 Deferred tax asset (net of liability) 2.395.811.691 2.130.933.677 2.053.405.499 Basern Bank Limited (Parent) 2.310.033.677 2.053.405.499 2.310.033.677 2.053.405.499 BEIL Investments Limited 82.940.940 82.487.487 2.401.779 2.053.405.499 9.10. D Deferred tax asset (Bank only) 82.940.940 82.487.487 2.401.779 Total 2.395.811.691 2.150.731.502 2.053.405.499 9.10. D Deferred tax asset (Bank only) 2.352.347.541 2.058.496.352 On specific loan provision kept against B/L loans 2.352.347.541 2.058.496.352 Cumulative provision made against B/L loans 6.376.784.113 5.489.333.606 Cumulative provision new against B/L loans 6.376.784.113 5.489.333.606 Deferred tax asset 2.350.505.82 2.378.976.837.306 Deferred tax isolative for was no loan written off during the year 2020. 37.508.377.508.37.508 37.508.37.508 Pefe | | | | | | | |
| Deferred tax used Deferred tax liability 9.10.b 9.10.c 2.681,816,620 2.86,004,827 2.281,694,923 130,933,421 2.585,943,301 285,943,301 130,882,791 285,943,301 9.a Consolidated deferred tax asset (net of liability) 2.310,033,677 2.053,605,499 2.85,943,301 2.186,743,1502 2.310,033,677 2.053,605,499 Base The Bank Limited EBL Securities Limited EBL Asset Management Limited EBL Asset Management Limited 2.742,712 2.053,605,499 2.350,731,502 2.350,847,647 9.10.b Deferred tax asset (Bank only) 2.300,033,677 2.053,605,499 2.350,317,502 2.058,496,352 9.10.b Deferred tax asset (Bank only) 0 9.10.b.1 2.355,976,978 2.184,488,290 9.10.b Deferred tax asset (Bank only) 10 2.355,976,978 2.184,488,290 9.10.b On specific loan provision kept against B/L loans 10 2.355,976,978 2.184,488,290 9.10.b On specific loan provision on write oft * Deferred tax asset 0.3867,338 2.489,333 4.697,323,006 9.10.c Deferred tax iasset 0.2385,1380 0.3867,335 2.489,332 2.595,976,978 2.184,488,290 9.10.c | | Closing balance | | 473,857,066 | 488,650,644 | 473,857,066 | 488,650,644 |
| Deferred tax liability 9.10c 286,004,929 130,93,321 285,94,3,301 130,882,791 9.a Consolidated deferred tax asset (net of liability) Eastern Bank Limited (Parent) 2,310,033,677 2,053,605,499 2,310,033,677 2,053,605,499 EBL Securities Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,053,605,499 BBL Securities Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,053,605,499 BBL Newstments Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,352,347,541 2,056,496,352 On specific loan provision kept against B/L loans 9,10.b.1 2,352,347,541 2,056,496,352 0 On specific loan provision kept against B/L loans 9,10.b.1 2,352,347,541 2,056,496,352 0 Outlutive provision made against Bad/Loss loans 6,376,784,113 5,489,323,306 103,887,338 2,528,47,541 2,058,496,352 0 Deductibe temporary difference 6,375,678 2,184,468,299 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% | 9.10 | Deferred tax asset (net of liability) | | | | | |
| Deferred tax liability 9.10c 286,004,929 130,93,321 285,94,3,301 130,882,791 9.a Consolidated deferred tax asset (net of liability) Eastern Bank Limited (Parent) 2,310,033,677 2,053,605,499 2,310,033,677 2,053,605,499 EBL Securities Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,053,605,499 BBL Securities Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,053,605,499 BBL Newstments Limited 2,742,712 13,946,737 2,053,605,499 2,306,7467 2,352,347,541 2,056,496,352 On specific loan provision kept against B/L loans 9,10.b.1 2,352,347,541 2,056,496,352 0 On specific loan provision kept against B/L loans 9,10.b.1 2,352,347,541 2,056,496,352 0 Outlutive provision made against Bad/Loss loans 6,376,784,113 5,489,323,306 103,887,338 2,528,47,541 2,058,496,352 0 Deductibe temporary difference 6,375,678 2,184,468,299 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% | | Deferred tax asset | 910b | 2 681 816 620 | 2 281 694 923 | 2 595 976 978 | 2 184 488 290 |
| 2.395.811.691 2.150.731.502 2.310.033.677 2.053.605.499 P.a. Consolidated deferred tax asset (net of liability) 2.310.033.677 2.053.605.499 2.053.605.499 Eastern Bank Limited (Parent) EBL Securities Limited 2.340.033.677 2.053.605.499 2.053.605.499 EBL Investments Limited 2.340.033.677 2.053.605.499 2.053.605.499 2.053.605.499 Status Consolidated deferred tax asset (Bank only) 2.395.811.691 2.150.731.502 2.053.405.499 9.10b Deferred tax asset (Bank only) 0 2.352.347.541 2.058.496.352 On actuarial re-measurement gain/(Loss) on defined benefit plans 9.10.5.1 2.352.347.541 2.058.496.352 On actuarial re-measurement gainst Bd/Loss loans 4.376.798.4113 5.489.323.406 103.857.338 Cumulative provision made against Bd/Loss loans 6.376.798.4113 5.489.323.406 103.857.338 Deferred tax (acome) 2.352.347.541 2.058.496.352 109.797.66.943 123.55.089 130.882.791 Tax rate 3.35.046 3.35.046 3.35.049 130.882.791 123.55.089 130.882.791 | | | | | | | |
| 9.a Consolidated deferred tax asset (net of liability) Eastern Bank Limited (Parent) 2,310,033,677 2,053,405,409 EBL Securities Limited 2,310,033,677 2,053,407,407 EBL Asset Management Limited 2,742,712 13,946,737 y5,362 491,779 2,355,811,691 2,150,731,502 9.10 Deferred tax asset (Bank only) 2,355,811,691 2,352,347,541 2,058,496,352 On actuarial re-measurement gain/(Loss) on on catuarial re-measurement gain/(Loss) on ate arial re-measure difference 6,376,784,113 5,489,323,606 On specific loan provision made against Bal/Loans 6,376,784,113 5,489,323,606 100,887,338 Deferred tax asset 0,375,078 2,355,379,078,073 2,352,347,541 2,058,496,352 Deferred tax (income) 9,10,c.1 0,108,27,385,1189 (78,729,403) 123,535,089 130,882,7 | | | | | | | |
| Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Asset Management Limited Conspectific loan provision kept against B/L loans on actuarial re-measurement gain/(Loss) on defined benefit plans 9.10.b.1 On specific loan provision kept against B/L loans 0.0 specific loan provision kept against B/L loans Cumulative provision made against Bd/Loss loans Adjustment of corresponding provision on write off * Deductible temporary difference Tax rate Deferred tax asset Opening deferred tax asset 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (excluding land) between tax base and carrying value 0.0 fixed assets (except land) in WDV between tax base and carrying value 0.0 fixed assets (except land) in WDV between tax base and carrying value 0.0 fixed assets (except land) in WDV between tax base and carrying value Carrying amount of fixed assets 2.520,358,832 2.513,258,347,51 2.520,358,832 2.513,258,347 1.23,550,069 130,882,791 1.23,550,069 130,882,791 1.23, | 9.a | Consolidated deferred tax asset (net of liability | 7) | | | | |
| EBL Securities Limited 82,940,940 82,687,487 EBL Investments Limited 2,742,712 13,946,737 FEBL Asset Management Limited 2,395,811,691 2,150,731,502 9.10.b Deferred tax asset (Bank only) 2,395,811,691 2,352,347,541 2,058,496,352 On specific loan provision kept against B/L loans 9,10.b.1 2,352,347,541 2,058,496,352 On actuarial re-measurement gain/(Loss) on defined benefit plans 18 243,629,438 125,991,938 9.10.b.1 On specific loan provision kept against B/L loans 6,376,784,113 5,489,323,606 Cumulative provision made against Ba/L loans 6,376,784,113 5,489,323,606 Operative tax asset 6,376,784,113 5,489,323,606 Deferred tax asset 2,355,378,573.8 - Deductible temporary difference 6,376,784,113 5,489,323,606 Tax rate 37,50% 37,50% 37,50% Deferred tax asset 2,352,347,551 2,058,496,352 1,979,766,943 Deferred tax (income) • 123,535,089 130,882,791 'There was no loan written off during the year 2020. 123,535,089 130,882,791 On fixed assets (exclo | | | , | 2 210 022 677 | 2 052 405 400 | | |
| EBL Investments Limited EBL Assert Management Limited 2.395,811.691 2,742,712 491,779 13,946,737 491,779 Total 2.395,811.691 2,150,731,502 9.10. Deferred tax asset (Bank only) 2,355,811.691 2,352,347,541 2,058,496,352 On specific loan provision kept against B/L loans 9.10.b.1 2,355,976,978 2,184,488,290 9.10.b1 On specific loan provision kept against B/L loans 2,43,629,438 125,991,938 9.10.b1 On specific loan provision kept against B/L loans 2,375,047,978 2,184,488,290 9.10.b1 On specific loan provision kept against B/L loans 6,376,784,113 5,489,323,606 Adjustment of corresponding provision on write off * 0,375,078 2,184,488,290 Peductible temporary difference 6,272,926,075 5,489,323,606 Tax rate 2,058,496,352 1,079,766,943 Deferred tax fasset 2,058,496,352 1,079,766,943 Deferred tax liability (Bank only) (78,727,609) 123,535,089 130,882,791 On fixed assets (excluding land) between tax 9,10,c,1 123,535,089 130,882,791 base and carrying value 9,10,c,2 285,943,301 130,882,791 On fixed a | | | | | | | |
| EBL Asset Management Limited 94,362 491,779 Total 2,395,811,691 2,150,731,502 9.10.1 Deferred tax asset (Bank only) 2,352,347,541 2,058,496,352 On specific loan provision kept against B/L loans 9.10.b.1 2,352,347,541 2,058,496,352 On actuarial re-measurement gain/(Loss) on defined benefit plans 18 243,629,433 125,991,938 9.10.b.1 On specific loan provision kept against B/L loans 6,376,784,113 5,489,323,606 9.10.b.1 On specific loan provision made against Bad/Loss loans 6,376,784,113 5,489,323,606 Adjustment of corresponding provision on write off * 0,375,078 37,50% 37,50% Deductible temporary difference 2,352,347,541 2,058,496,352 2,058,496,352 Tax rate 2,375,375,41 2,058,496,352 2,058,496,352 2,058,496,352 Deferred tax asset 2,352,347,7541 2,058,496,352 2,058,496,352 2,058,496,352 On fixed assets (excluding land) between tax 9,10,c.1 123,535,089 130,882,791 Daferred tax liability (Bank only) 9,10,c.2 285,943,301 130,882,791 On land properties due to revaluation surplus <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | | | | |
| Total 2,395,811,691 2,150,731,502 91.0.b Deferred tax asset (Bank only) 2,352,347,541 2,058,496,352 On actuarial re-measurement gain/(Loss) on actuarial re-measurement gain/(Loss) on actuarial re-measurement gain/(Loss) on 18 2,352,347,541 2,058,496,352 On specific loan provision kept against B/L loans 2,352,347,541 2,058,496,352 243,629,438 125,991,938 9.10.b.1 On specific loan provision kept against B/L loans 2,352,347,541 2,058,496,352 243,629,438 125,991,938 9.10.b.1 On specific loan provision made against Bad/Loss loans 6,376,784,113 5,489,323,606 103,857,338 5,489,323,606 Adjustment of corresponding provision on write off * 0eductible temporary difference 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% 37,50% 103,887,338 105,849,332,4069 32,55,385 1997,976,6943 123,857,038 120,849,6352 2,979,776,6943 123,855,089 130,882,791 130,882,791 106,4268,212 - 285,943,301 130,882,791 146,408,212 - 285,943,301 130,882,791 124,908,212 - | | | | | | | |
| 9.10.b Deferred tax asset (Bank only) On specific loan provision kept against B/L loans 9.10.b.1 On actuarial re-measurement gain/(Loss) on defined benefit plans 18 2.10.b.1 On specific loan provision kept against B/L loans Cumulative provision made against Bd/Loss loans 2.352,347,541 2.058,496,352 Adjustment of corresponding provision on write off * 0.356,784,113 5,489,323,606 Data rate 6.376,784,113 5,489,323,606 Deferred tax asset 2.352,347,541 2.058,496,352 Opening deferred tax asset 2.058,496,352 1.979,766,943 Deferred tax (income) *.10c.1 123,535,089 130,882,791 * There was no loan written off during the year 2020. * 123,535,089 130,882,791 On faxed assets (excluding land) between tax 9.10.c.2 2.252,0358,832 2.513,258,349 On fixed assets (except land) in WDV between tax | | - | | | | | |
| On specific loan provision kept against B/L loans9.10.b.12.352.347.5412.058.496.352On actuarial re-measurement gain/(Loss) on defined benefit plans182.352.347.5412.058.496.352 9.10.b.1 On specific loan provision kept against B/L loans2.595.976.9782.184.488.290 9.10.b.1 On specific loan provision kept against B/L loans6.376.784.1135.489.323.606Adjustment of corresponding provision on write off *6.376.784.1135.489.323.606Deductible temporary difference37.50%37.50%Tax rate37.50%2.352.347.5412.058.496.352Deferred tax asset2.352.347.5412.058.496.352Opening deferred tax asset2.352.347.5412.058.496.352Deferred tax (income)* 2.1058.496.3521.979.766.943* There was no loan written off during the year 2020.22 9.10.c.1 123.535.089130.882.791base and carrying value On land properties due to revaluation surplus9.10.c.1123.535.089On fixed assets (except land) in WDV between tax base and carrying value2.520.358.8322.513.258.347.547Carrying amount of fixed assets Tax base2.520.358.8322.513.258.377.373Carrying amount of fixed assets Tax rate3.250.358.3322.513.258.376Deferred tax liability Opening deferred tax liability3.250.358.3223.250.358.322Deferred tax liability Opening deferred tax liability3.250.358.3222.513.258.347123.555.089130.882.791104.605.118 | | | | | | | |
| On actuarial re-measurement gain/(Loss) on defined benefit plans 18 243,629,438 125,991,938 210.1 On specific loan provision kept against B/L loans 6,376,784,113 5,489,323,606 Cumulative provision made against Ba/Loss loans 6,376,784,113 5,489,323,606 Adjustment of corresponding provision on write off * 6,375,784,113 5,489,323,606 Deductible temporary difference 6,272,926,775 5,489,323,606 Tax rate 37,50% 37,50% Opening deferred tax asset 2,058,496,352 2,058,496,352 Opening deferred tax asset 2,058,496,352 2,058,496,352 On fixed assets (excluding land) between tax 9,10,c.1 123,535,089 130,882,791 base and carrying value 9,10,c.1 123,535,089 130,882,791 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 Tax base 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 37,50% 37,50% Tax base 37,50% 37,50% 37,50% Tax base 37,50% <td< td=""><td>9.10.b</td><td>Deferred tax asset (Bank only)</td><td></td><td></td><td></td><td></td><td></td></td<> | 9.10.b | Deferred tax asset (Bank only) | | | | | |
| 18243,629,438125,991,938243,629,438125,991,9382,194,488,2909.10.10 specific loan provision kept against Bd/Loss loans Adjustment of corresponding provision on write off *6,376,784,1135,489,323,606 103,857,338Deductible temporary difference Tax rate6,272,226,7755,489,323,606 103,857,338Deductible temporary difference Tax rate6,272,226,7755,489,323,606 103,857,338Deductible temporary difference Tax rate6,272,226,7755,489,323,606 103,857,338Deductible temporary difference Tax rate6,272,226,7755,489,323,606 103,857,338Deductible temporary difference Tax rate2,525,347,5412,584,946,352 2,058,496,352Opening deferred tax iability (Bank only)On fixed assets (excluding land) between tax base and carrying value9,10,c,1123,535,089130,882,791On land properties due to revaluation surplus9,10,c,2Carrying amount of fixed assets Tax base2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573Taxable temporary difference Tax rate329,426,905349,020,775 3,750Deferred tax liability2,520,358,832 2,513,258,349 <td></td> <td>On specific loan provision kept against B/L loans</td> <td>9.10.b.1</td> <td></td> <td></td> <td>2,352,347,541</td> <td>2,058,496,352</td> | | On specific loan provision kept against B/L loans | 9.10.b.1 | | | 2,352,347,541 | 2,058,496,352 |
| defined benefit plans 2,595,976,978 2,184,488,290 2,101.1 On specific loan provision kept against Bd/Loss loans 6,376,784,113 5,489,323,606 Adjustment of corresponding provision on write off * 6,376,784,113 5,489,323,606 Deductible temporary difference 6,272,226,775 5,489,323,606 Tax rate 3,750% 37,50% Deferred tax asset 2,058,476,532 1,979,766,943 Opening deferred tax asset 2,058,476,532 1,979,766,943 Opening deferred tax iability (Bank only) (293,851,189) (78,729,409) * There was no loan written off during the year 2020. 9.10.c.1 123,535,089 130,882,791 base and carrying value 9.10.c.2 285,943,301 130,882,791 On land properties due to revaluation surplus 9.10.c.2 285,943,301 130,882,791 Siloc1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 2,164,237,573 Tax base 2,353,508 349,020,775 349,020,775 37,50% 37,50% Tax base 2,353,508 <t< td=""><td></td><td>On actuarial re-measurement gain/(Loss) on</td><td>10</td><td></td><td></td><td>2/2/20/20</td><td>125 001 020</td></t<> | | On actuarial re-measurement gain/(Loss) on | 10 | | | 2/2/20/20 | 125 001 020 |
| 9.10.b.1 On specific loan provision kept against B/L loans Cumulative provision made against Bad/Loss loans 6,376,784,113 5,489,323,606 Adjustment of corresponding provision on write off * 6,272,926,775 5,489,323,606 Deductible temporary difference 6,272,926,775 5,489,323,606 Tax rate 37,50% 37,50% Deferred tax asset 2,352,347,541 2,058,496,352 2,079,766,943 Opening deferred tax (income) (293,851,189) (78,722,409) * There was no loan written off during the year 2020. 9.10.c.1 123,535,089 130,882,791 9.10.c. Deferred tax liability (Bank only) 123,535,089 130,882,791 130,882,791 9.10.c.1 0.1 fixed assets (excluding land) between tax 9.10.c.2 285,943,301 130,882,791 9.10.c.1 123,535,089 130,882,791 130,882,791 2,520,358,832 2,513,258,349 9.10.c.2 2 285,943,301 130,882,791 130,882,791 130,882,791 9.10.c.1 123,535,089 130,882,791 130,882,791 130,882,791 130,882,791 9.10.c.2 2 2,520,358,832 2,513,258,349 2 | | defined benefit plans | 10 | | | 243,027,430 | 123,771,730 |
| Cumulative provision made against Bad/Loss loans Adjustment of corresponding provision on write off * Deductible temporary difference Tax rate Deferred tax asset Opening deferred tax itability (Bank only) On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus P.10.c.1 Deferred tax itability P.10.c.2 2058,493,321 2058,496,352 2059,496,301 205,596 2059,496,302 | | | | | | 2,595,976,978 | 2,184,488,290 |
| Cumulative provision made against Bad/Loss loans Adjustment of corresponding provision on write off * Deductible temporary difference Tax rate Deferred tax asset Opening deferred tax itability (Bank only) On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus P.10.c.1 Deferred tax itability P.10.c.2 2058,493,321 2058,496,352 2059,496,301 205,596 2059,496,302 | 9.10.b.1 | On specific loan provision kept against B/L loa | ns | | | | |
| Adjustment of corresponding provision on write off * 103,857,338 Deductible temporary difference 6,272,926,775 5,489,323,606 Tax rate 37,50% 37,50% Deferred tax asset 2,058,496,352 1,979,766,943 Deferred tax (income) 2,058,496,352 1,979,766,943 * There was no loan written off during the year 2020. (293,851,189) (78,729,409) * There was no loan written off during the year 2020. 123,535,089 130,882,791 9.10.c Deferred tax liability (Bank only) 123,535,089 130,882,791 On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus 9.10.c.2 162,408,212 - 2010.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 2,100,731,727 Tax base 329,426,905 349,020,775 329,426,905 349,020,775 Tax rate 37,50% 37,50% 37,50% 37,50% 37,50% Deferred tax liability 123,535,089 130,882,791 130,882,791 130,882,791 910.1 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td>6 376 786 113</td> <td>5 489 323 404</td> | | | | | | 6 376 786 113 | 5 489 323 404 |
| Deductible temporary difference 6,272,926,775 5,489,323,606 Tax rate 37.50% 37.50% Deferred tax asset 2,352,347,541 2,058,496,352 Opening deferred tax asset 2,058,496,352 1,979,766,943 Deferred tax (income) 2,058,496,352 1,979,766,943 Perenet tax (income) (293,851,189) (78,729,409) * There was no loan written off during the year 2020. 123,535,089 130,882,791 9.10.c Deferred tax liability (Bank only) 123,535,089 130,882,791 On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus 9.10.c.2 - 200.1 On fixed assets (except land) in WDV between tax base and carrying value - - Carrying amount of fixed assets Tax base 2,520,358,832 2.513,258,349 2,190,931,927 2,164,237,573 349,020,775 Tax tate 37.50% 37,50% Deferred tax liability 30,882,791 30,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | | | | | | |
| Tax rate 37.50% 37.50% Deferred tax asset 2,352,347,541 2,058,496,352 Opening deferred tax asset 2,058,496,352 1,979,766,943 Deferred tax (income) (293,851,189) (78,729,409) * There was no loan written off during the year 2020. (293,851,189) (78,729,409) 9.10.c Deferred tax liability (Bank only) (293,851,189) (178,729,409) On fixed assets (excluding land) between tax base and carrying value 9.10.c.1 123,535,089 130,882,791 On land properties due to revaluation surplus 9.10.c.2 - 285,943,301 130,882,791 910c1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 Tax base 329,426,905 349,020,775 329,426,905 349,020,775 Tax rate 37.50% 37.50% 37.50% Deferred tax liability 130,882,791 104,605,118 | | | , 011 | | - | | 5 489 323 606 |
| Deferred tax asset 2,352,347,541 2,058,496,352 Opening deferred tax asset 2.058,496,352 1,979,766,943 Deferred tax (income) 20,58,496,352 1,979,766,943 * There was no loan written off during the year 2020. (293,851,189) (78,729,409) * There was no loan written off during the year 2020. 123,535,089 130,882,791 On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus 9.10.c.1 123,535,089 130,882,791 910c.1 On fixed assets (except land) in WDV between tax base and carrying value 285,943,301 130,882,791 910c.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets Tax base 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 Tax base 329,426,905 349,020,775 349,020,775 349,020,775 349,020,775 Tax rate 37.50% 37.50% 37.50% 37.50% 37.50% 310,882,791 Deferred tax liability Opening deferred tax liability 130,882,791 104,605,118 | | | | | | | |
| Opening deferred tax asset 2,058,496,352 1,979,766,943 Deferred tax (income) (78,729,409) * There was no loan written off during the year 2020. 9.10.c Deferred tax liability (Bank only) On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus 9.10.c.1 123,535,089 130,882,791 9.10.c 123,535,089 130,882,791 285,943,301 130,882,791 9.10.c.1 162,408,212 - 285,943,301 130,882,791 9.10.c.1 0 n fixed assets (except land) in WDV between tax base and carrying value On land properties due to revaluation surplus 9.10.c.2 285,943,301 130,882,791 9.10.c.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 9.10.c.2 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 9.10.c.1 Tax base 329,426,905 349,020,775 329,426,905 349,020,775 10.10 Tax rate 327,50% 337,50% 37,50% 37,50% 37,50% Deferred tax liability Opening deferred tax liability< | | Turrato | | | | | |
| Deferred tax (income)(293,851,189)(78,729,409)* There was no loan written off during the year 2020.9.10.cDeferred tax liability (Bank only)On fixed assets (excluding land) between tax base and carrying value9.10.c.1123,535,089130,882,791On land properties due to revaluation surplus9.10.c.2162,408,212-285,943,301130,882,791910c.1On fixed assets (except land) in WDV between tax base and carrying value2Carrying amount of fixed assets2,520,358,8322,513,258,349Tax base2,190,931,9272,164,237,573Tax able temporary difference329,426,905349,020,775Tax rate37.50%37.50%Deferred tax liability130,882,791104,605,118 | | Opening deferred tax asset | | | | | |
| * There was no loan written off during the year 2020. 9.10.c Deferred tax liability (Bank only) On fixed assets (excluding land) between tax base and carrying value On land properties due to revaluation surplus On fixed assets (except land) in WDV between tax base and carrying value Carrying amount of fixed assets Carrying amount of fixed assets Carrying amount of fixed assets Tax base Carrying amount of fixed assets Tax base Tax base Deferred tax liability Opening deferred tax liability Opening deferred tax liability | | | | | - | | |
| 9.10.cDeferred tax liability (Bank only)On fixed assets (excluding land) between tax base and carrying value9.10.c.1123,535,089130,882,791On land properties due to revaluation surplus9.10.c.2162,408,212-285,943,301130,882,791285,943,301130,882,791910c1On fixed assets (except land) in WDV between tax base and carrying value22Carrying amount of fixed assets2,520,358,8322,513,258,349Tax base2,190,931,9272,164,237,573Tax able temporary difference329,426,905349,020,775Tax rate37.50%37.50%Deferred tax liability130,882,791130,882,791Opening deferred tax liability130,882,791104,605,118 | | * There was no loan written off during the year | 2020 | | = | | · · · · · |
| On fixed assets (excluding land) between tax base and carrying value 9.10.c.1 123,535,089 130,882,791 Don land properties due to revaluation surplus 9.10.c.2 162,408,212 - 285,943,301 130,882,791 285,943,301 130,882,791 910c1 On fixed assets (except land) in WDV between tax base and carrying value 2 2 2 Garrying amount of fixed assets 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 Tax base 329,426,905 349,020,775 349,020,775 37,50% 37,50% Tax rate 37,50% 37,50% 37,50% 37,50% 37,50% Deferred tax liability 130,882,791 130,882,791 104,605,118 | | There was no toan written on during the year. | 2020. | | | | |
| 9.10.c.1 123,535,089 130,882,791 base and carrying value 9.10.c.2 162,408,212 - 285,943,301 130,882,791 285,943,301 130,882,791 910c.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 7ax base 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 Tax able temporary difference 329,426,905 349,020,775 349,020,775 Tax rate 37.50% 37.50% 37.50% Deferred tax liability 130,882,791 104,605,118 | 9.10.c | Deferred tax liability (Bank only) | | | | | |
| Dase and carrying value 0n land properties due to revaluation surplus 9.10.c.2 162,408,212 - 285,943,301 130,882,791 910c.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 Tax base 2,190,931,927 2,164,237,573 Tax able temporary difference 329,426,905 349,020,775 Tax rate 37.50% 37.50% Deferred tax liability 130,882,791 104,605,118 | | On fixed assets (excluding land) between tax | 0 1 0 - 1 | | | 100 505 000 | 100 000 701 |
| 285,943,301 130,882,791 910c.1 On fixed assets (except land) in WDV between tax base and carrying value 2,520,358,832 2,513,258,349 Carrying amount of fixed assets 2,520,358,832 2,513,258,349 2,190,931,927 2,164,237,573 Tax base 329,426,905 349,020,775 349,020,775 Tax rate 37,50% 37,50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | base and carrying value | 9.1U.C.1 | | | 123,535,089 | 130,882,791 |
| 910c.1 On fixed assets (except land) in WDV between tax base and carrying value Carrying amount of fixed assets 2,520,358,832 2,513,258,349 Tax base 2,190,931,927 2,164,237,573 Tax able temporary difference 329,426,905 349,020,775 Tax rate 37,50% 37,50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | On land properties due to revaluation surplus | 9.10.c.2 | | | 162,408,212 | - |
| Carrying amount of fixed assets 2,520,358,832 2,513,258,349 Tax base 2,190,931,927 2,164,237,573 Taxable temporary difference 329,426,905 349,020,775 Tax rate 37.50% 37.50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | | | | = | 285,943,301 | 130,882,791 |
| Tax base 2,190,931,927 2,164,237,573 Taxable temporary difference 329,426,905 349,020,775 Tax rate 37.50% 37.50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | 9.10c.1 | On fixed assets (except land) in WDV between t | tax base ar | nd carrying value | | | |
| Tax base 2,190,931,927 2,164,237,573 Taxable temporary difference 329,426,905 349,020,775 Tax rate 37.50% 37.50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | Carrying amount of fixed assets | | | | 2,520,358,832 | 2,513,258,349 |
| Taxable temporary difference 329,426,905 349,020,775 Tax rate 37.50% 37.50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | , 3 | | | | | |
| Tax rate 37.50% 37.50% Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | Taxable temporary difference | | | | | |
| Deferred tax liability 123,535,089 130,882,791 Opening deferred tax liability 130,882,791 104,605,118 | | | | | | 37.50% | |
| Opening deferred tax liability 130,882,791 104,605,118 | | Deferred tax liability | | | | | |
| Deferred tax (income)/expense (7,347,701) 26,277,673 | | Opening deferred tax liability | | | | | |
| | | Deferred tax (income)/expense | | | | (7,347,701) | 26,277,673 |

Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income Taxes and BRPD circular # 11 dated 12 December 2011.

Deferred tax has not been recognised on the implication of IFRS 16 'Leases' due to the fact that interest cost on lease liabilities and depreciation expense on RoU asset have been considered as admissible expense while calculating current tax liability. The Bank placed Income Tax Return to NBR (National Board of Revenue) for earlier periods since implementation of IFRS 16 showing interest cost on lease liabilities and depreciation on RoU asset as admissible business expense as per u/s 29 of the ITO 1984. However, assessment of these years are yet to be completed by NBR.

| Notos | Consol | idated | Bank | | |
|---------|--------|--------|------|------|--|
| Notes - | 2021 | 2020 | 2021 | 2020 | |

(1, 217, 555)

42,831,627

Deferred tax asset on provision against diminution of value of quoted securities has not been recognised as adjustment of loss (for set off against gain under the same head) u/s 37 and u/s 40 of ITO 1984 is uncertain due to market volatility.

There is no other material temporary timing difference in classified assets/liabilities for which deferred tax asset/liability is required to be accounted for in the year.

9.10.c.2 On land properties due to revaluation surplus

| | Cost of land | | | 1,510,582,428 | - |
|------|--|-------------|------------|---------------|---|
| | Revaluation surplus | | | 2,549,622,873 | - |
| | Total value of land | | | 4,060,205,301 | - |
| | Tax rate (on transfer value as per section 53H of the ITO-19 | 984) | | 4.00% | - |
| | Deferred tax liability | | | 162,408,212 | - |
| 9.11 | Other assets of subsidiaries | | | | |
| | Trade receivable from DSE & CSE | 229,817,250 | 34,446,039 | | |
| | Other receivables (trade account etc.) | 272,699 | 9,603,143 | | |
| | | 230,089,949 | 44,049,182 | | |
| | | | | | |

Less: Inter company elimination (with deposit account)

10 Non-banking assets

Accounting Policy

Non-banking asset (NBA) is acquired due to failure of borrower to repay the loan amount on time taken against mortgaged properties. NBA is recognised in the financial statements on the basis of third party valuation and in compliance with the NBA Policy guided by Bangladesh Bank (BRPD circular no. 22 dated 20 September 2021).

(41, 970, 135)

188,119,814

EBL was awarded absolute ownership of 15 mortgaged properties through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003. These were recorded as NBAs in 2009 on the basis of valuation done by professional firm and vetted by the external auditor. Later, the bank derecognized 05 NBAs (04 fully and 01 partially) upon sale or compromised settlement and rest of 11 NBAs were adjusted against corresponding 'Reserve & Provision' kept for NBAs in 2021, as these properties did not qualify as 'Non-Banking Assets' as per the latest BRPD circular BRPD 22/2021 due to absence of mutation and physical possession.

| Balance at the end of the year | | - | 105,576,495 | - | 105,576,495 |
|---|--------|--------------|-------------|--------------|-------------|
| -with corresponding provision against NBA | 13.6.a | (12,345,330) | - | (12,345,330) | - |
| -with corresponding reserve against NBA | 17.04 | (93,231,165) | (3,160,000) | (93,231,165) | (3,160,000) |
| Adjustment/writeoff made during the year | | | | | |
| Opening Balance | | 105,576,495 | 108,736,495 | 105,576,495 | 108,736,495 |
| Non earning assets | | | | | |

As on the reporting date, the Bank has been awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of the honourable court under section 33 (7) of the Artharin Adalat Act 2003 but which are yet to be recognized in the financial statements as non-earning assets in compliance with the said BB circular.

Details of such NBAs awarded to the Bank are in 'Annexure- D1'.

11 Borrowing from banks, financial institutions and agents

Accounting policy:

Borrowing from other banks, financial institutions and agents include interest bearing borrowings which are stated in the financial statements at principal outstanding. Interest payable on such borrowings are reported under other liabilities.

Debt securities (subordinated debt)

The Bank issued 02 (two) 7-year non-convertible floating rate subordinated debts mainly to increase Tier-2 capital having received required approval from Bangladesh Bank and BSEC. Principal outstanding against the debt is reported under long term borrowing and interest payable of which is reported under other liabilities.

Details of Borrowing:

| Inside Bangladesh (including subordinated bond) | 11.1 | 34,214,351,306 | 28,855,081,536 | 32,104,494,480 | 26,860,390,048 |
|---|------|----------------|----------------|----------------|----------------|
| Outside Bangladesh | 11.2 | 31,082,021,370 | 17,425,999,081 | 31,082,021,371 | 17,425,999,081 |
| | | 65,296,372,676 | 46,281,080,617 | 63,186,515,851 | 44,286,389,129 |

| | | Consolidated | | Bank | |
|---|------------|-----------------|------------------|-----------------|-----------------|
| | Notes | 2021 | 2020 | 2021 | 2020 |
| 11.a Consolidated borrowings from Banks, FIs by gro | up entitie | es: | | | |
| Eastern Bank Limited (Parent) | | 63,186,515,851 | 44,286,389,129 | | |
| EBL Securities Limited | | 3,797,510,684 | 3,433,140,420 | | |
| EBL Finance (HK) Limited | | 5,286,132,332 | 3,985,656,024 | | |
| | | 72,270,158,867 | 51,705,185,573 | | |
| Less: Inter company elimination | | (6,973,786,191) | (5,424,104,956) | | |
| Total | | 65,296,372,676 | 46,281,080,617 | | |
| 11.1 Borrowing from - Inside Bangladesh | | | | | |
| Demand Borrowing: | | | | | |
| Banks | | 10,423,037,628 | 12,461,675,647 | 6,625,526,943 | 9,028,535,227 |
| NBFIs | | - | - | - | - |
| | | 10,423,037,628 | 12,461,675,647 | 6,625,526,943 | 9,028,535,227 |
| Less: Inter unit/company elimination | | (8,313,180,802) | (10,466,984,159) | (6,625,526,943) | (9,028,535,227) |
| | | 2,109,856,826 | 1,994,691,488 | - | - |
| Term Borrowing: | | | | | |
| Banks | | 6,573,132,332 | 4,240,059,324 | 1,287,000,000 | 254,403,300 |
| NBFIs | | - | - | - | - |
| | | 6,573,132,332 | 4,240,059,324 | 1,287,000,000 | 254,403,300 |
| Less: Inter unit/company elimination | | (5,286,132,332) | (3,985,656,024) | - | |
| | | 1,287,000,000 | 254,403,300 | 1,287,000,000 | 254,403,300 |
| Subordinated bond & other borrowings under sc | hemes: | | | | |
| From Bangladesh Bank & others | | | | | |
| Investment Promotion & Financing Facility (IPFF) | | 257,662,903 | 302,388,801 | 257,662,903 | 302,388,801 |
| Export Development Fund (EDF) | | 19,524,184,927 | 15,437,149,850 | 19,524,184,927 | 15,437,149,850 |
| Refinance scheme under BADP | | 129,445,400 | 258,890,800 | 129,445,400 | 258,890,800 |
| Refinance scheme under SMESPD | | 890,553,047 | 1,010,617,484 | 890,553,047 | 1,010,617,484 |
| Second Crop Diversification Project | | 662,589,850 | 764,526,750 | 662,589,850 | 764,526,750 |
| SME Foundation Pre-finance | | 13,650,000 | 9,000,000 | 13,650,000 | 9,000,000 |
| Long Term Financing Facility (LTFF) | | 872,748,872 | 1,276,489,063 | 872,748,872 | 1,276,489,063 |
| Stimulus Fund - Wages & Salaries | | 1,069,478,321 | 1,546,924,000 | 1,069,478,321 | 1,546,924,000 |
| Refinance scheme-others | | 1,847,749,000 | - | 1,847,749,000 | - |
| Green Transformation fund | | 49,432,160 | - | 49,432,160 | - |
| Non-Convertible Subordinated Bond | 11.1.a | 5,500,000,000 | 6,000,000,000 | 5,500,000,000 | 6,000,000,000 |
| | | 30,817,494,480 | 26,605,986,748 | 30,817,494,480 | 26,605,986,748 |
| | | 34,214,351,306 | 28,855,081,536 | 32,104,494,480 | 26,860,390,048 |

11.1.a Non-Convertible Subordinated Bond

The Bank with due approval from Bangladesh Bank and BSEC issued 02 (two) 7-year unsecured and non-convertible subordinated bonds through private placement to enhance Tier-II capital: 1st one of BDT 2,500 million in 2015 and 2nd one of BDT 5,000 million in 2019. These Bonds are redeemable at the end of 3rd, 4th, 5th, 6th and 7th year of maturity at 20% per year. Coupon rates of both the instruments are variable with a floor and ceiling rate. These two instruments have been rated and awarded AA and AA2 by CRISL and CRAB respectively in the long term. Although these are recognized component of Tier -II capital, the outstanding amount of these Bonds is shown as borrowing as per BB guidelines/instruction. Following is the list of subscribers to these Bonds on current outstanding basis:

| EBL 1st Subordinated Bond: | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Agrani Bank Limited | 40,000,000 | 80,000,000 | 40,000,000 | 80,000,000 |
| Brac Bank Limited | 20,000,000 | 40,000,000 | 20,000,000 | 40,000,000 |
| Janata Bank Limited | 50,000,000 | 100,000,000 | 50,000,000 | 100,000,000 |
| Mercantile Bank Limited | 50,000,000 | 100,000,000 | 50,000,000 | 100,000,000 |
| One Bank Limited | 120,000,000 | 240,000,000 | 120,000,000 | 240,000,000 |
| Rupali Bank Limited | 120,000,000 | 240,000,000 | 120,000,000 | 240,000,000 |
| Sonali Bank Limited | 100,000,000 | 200,000,000 | 100,000,000 | 200,000,000 |
| | 500,000,000 | 1,000,000,000 | 500,000,000 | 1,000,000,000 |
| EBL 2nd Subordinated Bond: | | | | |
| Sadharan Bima Corporation | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Pubali Bank Limited | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| Janata Bank Limited | 500,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| National Life Insurance Co. Limited | 500,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |

| | | Consolidated | | Ba | Bank | |
|--------|---|------------------------------|--------------------|------------------------------|--------------------|--|
| | | 2021 | 2020 | 2021 | 2020 | |
| | Sonali Bank Limited | 500,000,000 | 500,000,000 | 500,000,000 | 500,000,000 | |
| | Agrani Bank Limited | 2,250,000,000 | 2,250,000,000 | 2,250,000,000 | 2,250,000,000 | |
| | Dhaka Bank Limited | 200,000,000 | 200,000,000 | 200,000,000 | 200,000,000 | |
| | | 5,000,000,000 | 5,000,000,000 | 5,000,000,000 | 5,000,000,000 | |
| | | 5,500,000,000 | 6,000,000,000 | 5,500,000,000 | 6,000,000,000 | |
| 11.2 | Borrowing from - Outside Bangladesh | | | | | |
| | Non-interest bearing: | | | | | |
| | Citibank NA, USA | - | 210,594,830 | - | 210,594,830 | |
| | Commerz Bank, Germany | 22,613,196 | - | 22,613,196 | - | |
| | JP Morgan AG, Germany | 1,517,217 | 121,359,906 | 1,517,217 | 121,359,906 | |
| | Standard Chartered Bank, USA | 665,228,599 | 665,831,473 | 665,228,599 | 665,831,473 | |
| | Standard Chartered Bank, Germany | 365,040 | - | 365,040 | - | |
| | Wells Fargo Bank, NA, USA | 17,347,262 | 14,670,310 | 17,347,262 | 14,670,310 | |
| | | 707,071,314 | 1,012,456,519 | 707,071,314 | 1,012,456,519 | |
| | Interest bearing: | 1 050 000 000 | | 4 959 999 999 | | |
| | Abu Dhabi Commercial Bank, UAE | 1,958,833,322 | - | 1,958,833,322 | - | |
| | Asian Development Bank (ADB), Philippines | 504,705,881 | 897,893,999 | 504,705,881 | 897,893,999 | |
| | Bank Al-Falah Ltd., UAE | 429,000,000 | - | 429,000,000 | - | |
| | Bank Muscat, Muscat | 643,500,000 | - | 643,500,000 | - | |
| | CaixaBank, S.A., Spain | 5,642,902,176 | - | 5,642,902,176 | - | |
| | Citibank NA, USA | 772,200,000 | - | 772,200,000 | - | |
| | Deutsche Investitions-und | 3,689,400,000 | 4,748,861,600 | 3,689,400,000 | 4,748,861,600 | |
| | Entwicklungsgesellschaft MBH (DEG) | | | | | |
| | Doha Bank, Qatar | 858,000,000 | - | 858,000,000 | - | |
| | HDFC Bank, India | 429,000,000 | 848,011,000 | 429,000,000 | 848,011,000 | |
| | ICICI Bank, India JP Morgan Chase, Singapore | 1,978,247,821 806,520,000 | - 1,366,993,732 | 1,978,247,821 806,520,000 | - 1,366,993,732 | |
| | Korea Development Bank, Singapore | 1,016,358,326 | 2,797,048,041 | 1,016,358,326 | 2,797,048,041 | |
| | Nabil Bank, Nepal | 858,000,000 | 2,777,040,041 | 858,000,000 | 2,777,040,041 | |
| | National Bank of Ras Al-Khaimah, UAE | 1,622,570,307 | - | 1,622,570,307 | _ | |
| | Opec Fund for International Development | 1,022,070,007 | | 1,022,070,007 | | |
| | (OFID), Austria | - | 2,120,027,500 | - | 2,120,027,500 | |
| | OEEB, Development Bank, Austria | 1,716,000,000 | 1,696,022,000 | 1,716,000,000 | 1,696,022,000 | |
| | PROPARCO, France | 156,000,005 | 462,551,458 | 156,000,005 | 462,551,458 | |
| | Standard Chartered Bank, Singapore | 871,029,636 | 12,877,943 | 871,029,636 | 12,877,943 | |
| | Standard Chartered Bank, Thailand | 858,000,000 | | 858,000,000 | | |
| | Shiddhartha Bank Limited, Nepal | 386,100,000 | - | 386,100,000 | - | |
| | Standard Chartered Bank, Hongkong | 1,115,400,000 | - | 1,115,400,000 | - | |
| | State Bank of India, Hongkong | 1,287,000,000 | - | 1,287,000,000 | - | |
| | United Bank Limted, UAE | 429,000,000 | - | 429,000,000 | - | |
| | Wells Fargo, USA | 2,347,182,583 | 1,463,255,289 | 2,347,182,583 | 1,463,255,289 | |
| | | 30,374,950,056 | 16,413,542,562 | 30,374,950,057 | 16,413,542,562 | |
| | | 31,082,021,370 | 17,425,999,081 | 31,082,021,371 | 17,425,999,081 | |
| 11.a.1 | Remaining maturity grouping of Borrowings | | | | | |
| | Payable | | | | | |
| | On demand | 2,248,357,466 | 1,994,691,488 | 138,500,640 | - | |
| | In not more than one month | 7,043,950,003 | 4,427,195,755 | 8,309,864,099 | 5,392,469,886 | |
| | In more than one month but not more than three months | 17,529,960,281 | 13,041,203,385 | 16,264,046,186 | 10,950,712,667 | |
| | In more than three months but not more than one year | 28,644,502,443 | 10,459,762,873 | 28,644,502,443 | 14,207,182,739 | |
| | In more than one year but not more than five years | 9,487,365,662 | 14,383,975,141 | 9,487,365,662 | 12,078,242,881 | |
| | In more than five years | 342,236,821 | 1,974,251,975 | 342,236,821 | 1,657,780,956 | |
| | | 65,296,372,676 | 46,281,080,617 | 63,186,515,851 | 44,286,389,129 | |

| Notes - | Consolidated | | Bank | | |
|---------|--------------|------|------|------|--|
| Notes | 2021 | 2020 | 2021 | 2020 | |

12 Deposits and other accounts

Accounting policy:

Deposits and other accounts include non-interest bearing current deposits redeemable at call, interest bearing short-term deposits, savings deposits and fixed deposits which are initially measured at the consideration received. These items are subsequently measured and accounted for at the gross value of the outstanding balance in accordance with the contractual agreements with the counterparties.

| 12.a | Group entity- wise consolidated deposits and other accounts: | | | | | |
|------|--|------|-----------------|-----------------|-----------------|-----------------|
| | As on the reporting date, the bank had no Bearer certificates of deposits. | | | | | |
| | | | 267,447,600,226 | 241,295,379,865 | 268,018,850,380 | 242,357,774,879 |
| | Special notice deposit (SND) account | | 61,982,493,378 | 37,030,361,579 | 62,103,962,762 | 37,516,985,909 |
| | Fixed deposits | 12.4 | 101,607,706,168 | 111,289,608,129 | 101,607,706,168 | 111,289,608,129 |
| | Savings bank deposits | 12.3 | 70,403,378,712 | 63,784,873,554 | 70,403,378,712 | 63,784,873,554 |
| | Bills payable | 12.2 | 1,155,851,680 | 1,492,231,668 | 1,155,851,680 | 1,492,231,668 |
| | Current deposits and other accounts etc. | 12.1 | 32,298,170,288 | 27,698,304,935 | 32,747,951,058 | 28,274,075,619 |

| Eastern Bank Limited (Parent) 248,018,850,300 242,357,774,879 Subsidiary Companies - Less: Inter company elimination (571,280,154) (1.062,395,014) Total 267,447,600,226 241,295,377,48,879 Subsidiary Company elimination (571,280,154) (1.062,395,014) Current deposits and other accounts 22,118,235,931 17.705,775,055 Current deposits and other accounts 22,148,235,931 1,32,681,525 2,568,016,701 18,281,545,739 Margin on facilities (LC, LG, Acceptance etc.) 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 1,1472,310,693 1,1472,310,693 1,472,310,693 1,472,310,693 1,472,310,693 1,472,310,693 1,472,231,668 1,152,851,680 1,492,231,668 1,152,851,853 1,132,435,518 1,472,241,687 | | • • • | | | | | |
|--|--------|-------------------------------------|--------|-----------------|-----------------|-----------------|-----------------|
| Zess: Inter company elimination Total Zess: Inter company elimination Total Zess: Inter company elimination Zest: Interest company elimination Total Zess: Interest company elimination Zest: Interest company elimination Zest: Interest company elimination Zess: Interest: Interest company elimination Zest: Interest company elimination Zess: Interest: Interest: Interest: Interest: Interest: Interest: Interest company elimination Zess: Interest: Intere | | | | 268,018,850,380 | 242,357,774,879 | | |
| Less: Inter company elimination (571,280,154) (1,062,395,014) Total 267,477,600,226 241,295,379,865 12.1 Current deposits and other accounts 22,118,235,931 17,705,775,055 22,568,016,701 18,281,545,739 Margin on facilities (LC, LG, Acceptance etc.) 9,047,252,831 7,342,052,213 9,047,252,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,047,256,831 7,342,052,213 9,068,73,66 8,023,764,055 52,452,738,036 8,642,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,642,765,328 79,248,875,126 79,248,875,126 79,248,875,126 79,248,875,126 79,248,875,858 70,40,379,712 | | Subsidiary companies | | 268 018 850 380 | 242 357 774 879 | | |
| Total 267.447.600.226 241.295.379.865 12.1 Current deposits and other accounts 22.118.235.931 17.705.775.055 22.568.016.701 18.281.545.729.213 Margin on facilities (LC, LG, Acceptance etc.) Interest accrued on deposits 22.118.235.931 17.705.775.055 22.568.016.701 18.281.545.729.213 1.132.681.525 2.650.477.668 1.132.681.525 2.650.477.668 32.298.170.288 27.698.304.935 32.747.951.058 28.274.075.619 12.2 Bills payable 1.150.930.705 1.487.310.693 1.150.930.705 4.492.0976 2.33 Savings bank deposits 1.155.851.680 1.492.231.668 1.492.231.668 1.492.231.668 12.3a Savings bank deposit 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764.655 52.452.738.036 58.623.764 | | Less: Inter company elimination | | | | | |
| Current deposits Margin on facilities (LC, LG, Acceptance etc.) Interest accrued on deposits 22,118,235,931 17,705,775,055 22,568,016,701 18,281,545,739 Just construction of accilities (LC, LG, Acceptance etc.) Interest accrued on deposits 20,47,252,831 7,342,052,213 9,047,252,831 7,342,052,213 Just construction of account of a strength of a strengt of a strengt of a strength of a strength of a strength of a str | | | | | | | |
| Current deposits Margin on facilities (LC, LG, Acceptance etc.) Interest accrued on deposits 22,118,235,931 17,705,775,055 22,568,016,701 18,281,545,739 1122 Bills payable 22,118,235,281 7,342,052,213 9,047,252,831 7,342,052,213 12.2 Bills payable 1,132,61,528 2,7698,304,973 32,747,951,058 28,274,075,619 12.3 Bills payable 1,150,930,705 1,487,310,693 1,492,231,668 1,492,231,668 12.3 Savings bank deposits 1,155,851,680 1,492,231,668 1,492,231,668 12.3.a Scheme deposit accounts 1,23.a 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 12.3.a Scheme deposit accounts 1,23.a 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 12.3.a Scheme deposit account 1,23.a 58,623,764,655 52,452,738,036 56,611,737,097 5,589,096,386 5,611,737,097 EBL confidence account 5,589,096,386 5,611,737,097 5,589,096,386 5,611,737,097 5,589,096,386 5,611,737,097 2,948,350 884,495,328< | 12.1 | Current deposits and other accounts | | | | | |
| Margin on facilities (LC, LG, Acceptance etc.) Interest accrued on deposits 9,047,252.831 7,342,052.213 7,047,252.831 7,342,052.213 1132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 12.2 Bills payable 1,150,930,705 1,487,310,693 1,150,930,705 1,487,310,693 Payment order issued Demand draft issued 1,155,851,680 1,492,231,668 1,492,231,668 1,492,231,668 12.3 Savings bank deposits 12.3 a 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 58,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 55,89,096,386 5,611,737,099 <th></th> <th>-</th> <th></th> <th>22 118 235 931</th> <th>17 705 775 055</th> <th>22 568 016 701</th> <th>18 281 545 739</th> | | - | | 22 118 235 931 | 17 705 775 055 | 22 568 016 701 | 18 281 545 739 |
| Interest accrued on deposits 1,132,681,525 2,650,477,668 1,132,681,525 2,650,477,668 32,298,170,288 27,678,304,935 32,747,951,058 28,274,075,619 12.2 Bills payable 1,150,930,705 1,487,310,693 1,150,930,705 1,487,310,693 1,150,930,705 1,487,310,693 4,920,976 | | | | | | | |
| 32.298,170.288 27.498,304,935 32.747,951,058 28.274,075,619 12.2 Bills payable Payment order issued Demand draft issued 1,150,930,705 1,487,310,693 4,920,976 4, | | | | | | | |
| Payment order issued Demand draft issued 1,150,930,705 4,920,976 1,487,310,693 4,920,976 1,487,310,693 4,920,976 1,153,851,680 1,492,231,668 1,155,851,680 1,492,231,668 1,153,851,680 1,492,231,668 1,155,851,680 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,668 1,153,851,680 1,492,231,668 1,492,231,668 1,492,231,658 1,153,153,153 1,177,614,057 11,332,135,518 1,779,614,057 11,332,135,518 1,158,120,120,120,120,120,120,120,120,120,120 | | | | | | | |
| Demand draft issued 4,920,976 | 12.2 | Bills payable | | | | | |
| Demand draft issued 4,920,976 | | Payment order issued | | 1 150 930 705 | 1 487 310 693 | 1 150 930 705 | 1 487 310 693 |
| 1,155,851,680 1,492,231,668 1,155,851,680 1,492,231,668 12.3 Savings bank deposits 12.3. Savings bank deposit accounts 12.3. Transactional deposit accounts 12.3. 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 12.3.a Scheme deposit accounts 12.3. 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 12.3.a Scheme deposit accounts 12.3. 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 12.3.a Scheme deposit accounts 1.332,135,518 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.3.a Scheme deposit accounts 5,589,096,386 5,611,737,099 5,589,096,386 5,611,737,099 EBL colid future plan account 5,589,096,386 5,611,737,099 5,589,096,386 5,611,737,099 EBL aspire account 5,299,096,386 5,611,737,099 5,589,096,386 5,611,737,099 EBL kotipoti account 294,3879,648 3,085,513,399 2,943,879,648 3,085,513,939 2,943,879,648 3,085,5 | | 5 | | | | | |
| Transactional deposit accounts 58,623,764,655 52,452,738,036 58,623,764,655 52,452,738,036 Scheme deposit accounts 12.3.a 70,403,378,712 63,784,873,554 70,403,378,712 63,784,873,554 12.3.a Scheme deposit accounts 70,403,378,712 63,784,873,554 70,403,378,712 63,784,873,554 12.3.a Scheme deposit accounts 5589,096,386 5,611,737,099 55,589,096,386 5,611,737,099 12.3.a Scheme deposit account 5,589,096,386 5,611,737,099 55,589,096,386 5,611,737,099 12.3.a Scheme deposit account 5,589,096,386 5,611,737,099 55,589,096,386 5,611,737,099 12.3.a Scheme deposit account 5,589,096,386 5,611,737,099 952,488,350 884,695,328 12.3.a Scheme deposit account 5,589,096,386 5,611,737,099 952,488,350 884,695,328 12.3.a Scheme deposit account 5,589,096,386 5,611,737,099 952,488,350 884,695,328 12.4 Fixed deposits 775,199,394 563,331,723 775,199,394 563,331,723 776,143,189 111,213,240,539 12.4 Fixed deposits | | | | | | | |
| Scheme deposit accounts 12.3.a 11.779,614.057 11.332,135,518 11.779,614.057 11.332,135,518 70.403,378,712 63.784,873,554 70.403,378,712 63.784,873,554 12.3.a Scheme deposit accounts: 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL confidence account EBL child future plan account 5,589,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL millionaire scheme account EBL millionaire scheme women account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL schild future plan account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL millionaire scheme women account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL schild inture plan account 63,185,805 48,665,55 63,185,805 48,665,55 63,185,805 48,666,55 EBL schild induce account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 775,199,394 101,545,143,189 | 12.3 | Savings bank deposits | | | | | |
| Scheme deposit accounts 12.3.a 11.779,614.057 11.332,135,518 11.779,614.057 11.332,135,518 70.403,378,712 63.784,873,554 70.403,378,712 63.784,873,554 12.3.a Scheme deposit accounts: 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL confidence account EBL child future plan account 5,589,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL millionaire scheme account EBL millionaire scheme women account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL schild future plan account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL millionaire scheme women account 5,780,096,386 5.611,737,099 55.89,096,386 5.611,737,099 55.89,096,386 5.611,737,099 EBL schild inture plan account 63,185,805 48,665,55 63,185,805 48,665,55 63,185,805 48,666,55 EBL schild induce account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 775,199,394 101,545,143,189 | | Transactional deposit accounts | | 58,623,764,655 | 52,452,738,036 | 58,623,764,655 | 52,452,738,036 |
| 12.3.a Scheme deposit accounts: EBL confidence account EBL child future plan account EBL child future plan account EBL millionaire scheme women account EBL sapire account EBL kotipoti account EBL multiplier account Retail equity builder account Retail equity builder account Retail equity builder account RFCD account NFCD account NFCD account NFCD account Deposit from banks Deposit from banks Deposit from other than banks | | | 12.3.a | | | 11,779,614,057 | |
| EBL confidence account 5,589,096,386 5,611,737,099 5,589,096,386 5,611,737,099 EBL child future plan account 952,488,350 884,695,328 952,488,350 884,695,328 EBL millionaire scheme account 2,943,879,648 3,085,513,939 2,943,879,648 3,085,513,939 EBL millionaire scheme women account 527,005,070 281,440,191 527,005,070 281,440,191 EBL spire account 63,185,805 48,666,535 63,185,805 48,666,535 EBL multiplier account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 Steed deposits 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 Steed account 101,545,143,189 111,213,240,539 4,575,007 4,576,074 NFCD account 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 57,805,7 | | | | 70,403,378,712 | 63,784,873,554 | 70,403,378,712 | 63,784,873,554 |
| EBL child future plan account 952,488,350 884,695,328 952,488,350 884,695,328 EBL millionaire scheme account 2,943,879,648 3,085,513,939 2,943,879,648 3,085,513,939 EBL millionaire scheme women account 527,005,070 281,440,191 527,005,070 281,440,191 EBL aspire account 63,185,805 48,666,535 63,185,805 48,666,535 EBL kotipoti account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 11.779,614,057 11,322,135,518 11,779,614,057 11,322,40,539 101,545,143,189 11,213,240,539 12.4 Fixed deposits 101,545,143,189 111,213,240,539 101,545,143,189 11,213,240,539 4,575,209 4,576,074 RFCD account 77,79,790 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 101,607,706,168 11,289,608,129 101,607,706,168 11,289,608,129 11,289,608,129 | 12.3.a | Scheme deposit accounts: | | | | | |
| EBL millionaire scheme account 2,943,879,648 3,085,513,939 2,943,879,648 3,085,513,939 EBL millionaire scheme women account 527,005,070 281,440,191 527,005,070 281,440,191 EBL aspire account 63,185,805 48,666,535 63,185,805 48,666,535 EBL kotipoti account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 11.779,614,057 11.332,135,518 11.779,614,057 11.332,135,518 111,213,240,539 RFCD account 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 NFCD account 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 101,607,706,168 111,289,608,129 111,289,608,129 12.b1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b1 508,463,295 770,743,979 266,939,136,931 240,524,635,885 267,510,387,085 241,58 | | EBL confidence account | | 5,589,096,386 | 5,611,737,099 | 5,589,096,386 | 5,611,737,099 |
| EBL millionaire scheme women account 527,005,070 281,440,191 527,005,070 281,440,191 EBL aspire account 63,185,805 48,666,535 63,185,805 48,666,535 EBL kotipoti account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 11.779,614,057 11.332,135,518 11.779,614,057 11.332,135,518 111,213,240,539 RFCD account 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 12.b 1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b 1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from other than banks 12.b 1 508,463,295 24,5510,387,085 24,587,030,899 | | EBL child future plan account | | 952,488,350 | 884,695,328 | 952,488,350 | 884,695,328 |
| EBL aspire account 63,185,805 48,666,535 63,185,805 48,666,535 EBL kotipoti account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 12.4 Fixed deposits 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.4 Fixed deposits 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 RFCD account 101,545,143,189 111,213,240,539 14,757,209 4,576,074 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | 2,943,879,648 | 3,085,513,939 | 2,943,879,648 | 3,085,513,939 |
| EBL kotipoti account 775,199,394 563,331,723 775,199,394 563,331,723 EBL multiplier account 788,023,790 660,660,384 788,023,790 660,660,384 Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.4 Fixed deposits 101,545,143,189 111,213,240,539 4,757,209 4,757,209 4,757,209 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 4,757,209 4,576,074 11,289,608,129 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 101,607,704,369 240,524,635,885 267,510,387,085 241,587,030,899 | | | | 527,005,070 | 281,440,191 | 527,005,070 | 281,440,191 |
| EBL multiplier account Retail equity builder account 788,023,790 660,660,384 788,023,790 660,660,384 140,735,613 196,090,319 140,735,613 196,090,319 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.4 Fixed deposits 101,545,143,189 111,213,240,539 111,213,240,539 RFCD account NFCD account 101,545,143,189 111,213,240,539 4,576,074 4,757,209 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 101,607,706,168 12.b Deposit concentration 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks Deposit from other than banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | | | | |
| Retail equity builder account 140,735,613 196,090,319 140,735,613 196,090,319 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.4 Fixed deposits 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 RFCD account 101,545,143,189 111,213,240,539 4,757,209 4,576,074 4,757,209 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 11,289,608,129 12.b Deposit concentration 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | | | | 563,331,723 |
| 11,779,614,057 11,332,135,518 11,779,614,057 11,332,135,518 12.4 Fixed deposits 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 RFCD account 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 111,213,240,539 NFCD account 101,545,143,189 111,213,240,539 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | | | | |
| 12.4 Fixed deposits Term deposit account 101,545,143,189 111,213,240,539 101,545,143,189 RFCD account 4,757,209 4,576,074 4,757,209 NFCD account 57,805,770 71,791,516 57,805,770 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | Retail equity builder account | | | | | |
| Term deposit account 101,545,143,189 111,213,240,539 101,545,143,189 111,213,240,539 RFCD account 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | 11,779,614,057 | 11,332,135,518 | 11,779,614,057 | 11,332,135,518 |
| RFCD account 4,757,209 4,576,074 4,757,209 4,576,074 NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration Deposit from banks 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from other than banks 12.b.1 266,939,136,931 240,524,635,885 267,510,387,085 241,587,030,899 | 12.4 | - | | | | | |
| NFCD account 57,805,770 71,791,516 57,805,770 71,791,516 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 111,289,608,129 12.b Deposit concentration 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | | | | |
| 101,607,706,168 111,289,608,129 101,607,706,168 111,289,608,129 12.b Deposit concentration 2 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from banks 12.b.1 508,463,295 240,524,635,885 267,510,387,085 241,587,030,899 | | | | | | | |
| 12.b Deposit concentration Deposit from banks 12.b.1 Deposit from other than banks 12.b.1 266,939,136,931 240,524,635,885 267,510,387,085 241,587,030,899 | | NFCD account | | | | | |
| Deposit from banks 12.b.1 508,463,295 770,743,979 508,463,295 770,743,979 Deposit from other than banks 12.b.1 266,939,136,931 240,524,635,885 267,510,387,085 241,587,030,899 | | | | 101,607,706,168 | 111,289,608,129 | 101,607,706,168 | 111,289,608,129 |
| Deposit from other than banks 266,939,136,931 240,524,635,885 267,510,387,085 241,587,030,899 | 12.b | - | | | | | |
| | | | 12.b.1 | 508,463,295 | 770,743,979 | 508,463,295 | 770,743,979 |
| 267,447,600,226 241,295,379,865 268,018,850,380 242,357,774,879 | | Deposit from other than banks | | | | | |
| | | | | 267,447,600,226 | 241,295,379,865 | 268,018,850,380 | 242,357,774,879 |

| | Ar | | | | |
|--------|--|----------------------|---|----------------------|-----------------|
| | Notes | 2021 | lidated 2020 | Ba 2021 | 2020 |
| | . | 2021 | 2020 | 2021 | 2020 |
| 12.b.1 | Deposit from banks | | | | |
| | Bangladesh Development Bank Limited | 130 | 130 | 130 | 130 |
| | Community Bank Bangladesh Limited | 13,516,163 | 18,603,660 | 13,516,163 | 18,603,660 |
| | First Security Islami Bank Limited | 15,382,357 | 12,738,812 | 15,382,357 | |
| | Janata Bank Limited | 38,180 | 39,152 | 38,180 | |
| | Meghna Bank Limited Midland Bank Limited | 379,529 3,110,039 | 2,794,475 3,099,572 | 379,529 3,110,039 | |
| | Modhumoti Bank Limited | 233,071,918 | 102,014,400 | 233,071,918 | |
| | National Bank Limited | 155,969 | 156,555 | 155,969 | |
| | NCC Bank Limited | 527,715 | 526,501 | 527,715 | |
| | NRB Bank Limited | 50,608,479 | 43,900,173 | 50,608,479 | |
| | NRB Commercial Bank Limited | 11,498,356 | 3,134,530 | 11,498,356 | |
| | One Bank Limited | 556,830 | 555,942 | 556,830 | |
| | Shimanto Bank Limited | 158,267,459 | 495,494,499 | 158,267,459 | |
| | Southeast Bank Limited | - | 24,486 | - | 24,486 |
| | SBAC Bank Limited | 21,350,036 | 87,660,960 | 21,350,036 | 87,660,960 |
| | Standard Bank Limited | 135 | 134 | 135 | 134 |
| | | 508,463,295 | 770,743,979 | 508,463,295 | 770,743,979 |
| 12.c | Deposits on the basis of significant concentration: | | | | |
| 12.c.1 | Sector - wise concentration of Deposits and other accour | nts | | | |
| | Government sector | 4,124,325,527 | 4,553,626,030 | 4,124,325,527 | 4,553,626,030 |
| | Other public sector | 17.710.022.389 | | 17,710,022,389 | |
| | Private sector | 245,613,252,310 | 1 - 1 | | |
| | | | 241,295,379,865 | | |
| 12 - 2 | Provinces comment, using componential of Demosite and | ther ecounte | | | |
| 12.C.2 | Business segment - wise concentration of Deposits and o | | | | |
| | Corporate banking | 84,897,746,957 | 57,658,693,263 | 85,468,997,111 | |
| | Offshore banking | 129,058,956 | 256,695,118 | 129,058,956 | |
| | Retail and SME (S) banking | 181,264,942,633 | | | |
| | Others- Bills Payables | 1,155,851,680 | 1,492,231,668 241,295,379,865 | 1,155,851,680 | 1,492,231,668 |
| | | 207,447,000,220 | 241,275,577,005 | 200,010,050,300 | 242,357,774,677 |
| 12.d | Residual maturity grouping of Deposits | | | | |
| | From banks | | | | |
| | Payable: | | | | |
| | On demand | 82,129,634 | 124,494,573 | 82,129,634 | |
| | Within one month | 36,251 | 54,950 | 36,251 | - , |
| | In more than one month but less than six months | 946,073 | 1,434,087 | 946,073 | 1,434,087 |
| | In more than six months but less than one year | 889,026 | 1,347,612 | 889,026 | 1,347,612 |
| | In more than one year but within five years | 424,462,310 | 643,412,757 | 424,462,310 | 643,412,757 |
| | In more than five years but within ten years | 508,463,293 | 770,743,979 | 508,463,293 | 770,743,979 |
| | From other than banks | 000,400,270 | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 000,400,270 | 110,140,777 |
| | Payable: | | | | |
| | On demand | 16,989,785,511 | 12,081,569,137 | 16,989,785,511 | 12,081,569,137 |
| | Within one month | 14,192,374,364 | 16,288,424,397 | 14,420,874,426 | |
| | In more than one month but less than three months | 42,292,653,536 | 37,593,353,104 | 42,635,403,628 | 37,669,209,897 |
| | In more than three months but less than one year | 49,633,621,556 | 60,547,792,989 | 49,633,621,556 | |
| | In more than one year but within five years | 142,301,950,939 | 112,431,458,610 | | |
| | In more than five years but within ten years | 1,528,751,026 | 1,582,037,648 | 1,528,751,026 | 1,582,037,648 |
| | | | 240,524,635,885 | | |
| | Total | | 241,295,379,865 | | |
| | Unclaimed deposit aging 10 years or more | 139,548,020 | 9,238,075 | 139,548,020 | 9,238,075 |

13 Other liabilities

Accounting policy:

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognised as per the guidelines of Bangladesh Bank and International Financial Reporting Standards.

Provision for current tax expense

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years.

Provision for current income tax of the Bank has been made on taxable income @ 37.5 % considering major disallowances of expenses and concessional rates on certain incomes (0% on gain from govt. securities, 10% on capital gain of shares & mutual funds and 20% on dividend income) as per Income Tax Ordinance (ITO) 1984. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the ITO 1984 and the tax authority of the country where it is incorporated. Details of provisioning are stated in note 13.3 of these financial statements.

Assessment for uncertainty over income tax treatments (under IFRIC 23):

At each reporting period, the Bank assesses uncertain tax treatment (if any) separately or together in line with Income Tax Ordinance 1984. The Bank applies own judgment and past records of tax assessment and demand in identifying uncertainties over income tax treatments. Since the Bank is being operated as complex financial intermediary to provide comprehensive financial solutions, it assesses whether the interpretation of IFRIC 23 'Uncertainty over income tax treatments' has any impact particularly on those relating to transfer pricing, payment under credit facilities etc., in its consolidated financial statements. The Bank beliefs that its tax treatments (including those for the subsidiaries) is more likely to be accepted by the tax authority. Therefore, this interpretation does not have any impact on the consolidated financial statements of the Bank.

Provision for loans and advances

Provision for loans and advances is made on the basis of quarter-end review by the management and in compliance BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Details of provisioning are stated in note 13.4 of these financial statements.

Provision for off-balance sheet exposures

In compliance with BRPD circular no. 14 dated 23 September 2012 and related earlier circulars, the Bank has been maintaining provision @ 0% to 1% against off-balance sheet exposures (mainly contingent assets/liabilities).

Provision against investment in capital market

Provision for diminution of value of quoted shares and mutual funds (closed-end) has been made on portfolio basis (gain net off) as per DOS circular No. 4 dated 24 November 2011 and DOS circular letter no. 3 dated 12 March 2015 and placed under other liabilities. For unquoted shares, provision has been made on the basis of available net assets value (NAV) or recoverable value (whichever is lower) of shares. Details are stated in note 13.8 of these financial statements.

Provision for other assets

Provision for other assets is made following BRPD circular No. 14 dated 25 June 2001. Full provision is kept on other assets which are outstanding for one year or more or classified as Bad/Loss. Details of provisioning are stated in note 13.6 of these financial statements.

Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per FEPD circular no. FEPD (FEMO)/01/2005-677 dated 13 September 2005 of Bangladesh Bank. As on the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

Provision for liabilities and accrued expenses

In compliance with IAS 37 'Provisions, contingent liabilities and contingent assets', provisions for other liabilities and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement/post-employment benefits

The Bank contributes to a defined contribution plan (Provident Fund) and two defined benefit plans (gratuity fund and superannuation fund) in compliance with the provisions of IAS 19 'Employee benefits'. Three local subsidiaries i.e. EBLSL, EBLIL & EBLAML of the Bank have also been maintaining provident fund and gratuity fund under separate trustee boards.

Defined contribution plans

Post-employment benefit plans under which rate of contributions into the plan is fixed. Any payment out of the plan to eligible outgoing members is based on the size of the 'fund' that comprises cumulative contributions made into the scheme and investment returns on scheme assets. The Group maintains one funded defined contribution plan i.e. provident fund for its employees under a trustee board.

Provident fund

The Bank operates a contributory provident fund (recognised by National Board of Revenue or NBR on 31 July 1997) for its permanent employees funded by the employees (10% of basic salary) and the Bank equally. The Bank's contribution is made each month and recorded under salary and allowances. This fund is managed by a separate trustee board i.e. 'EBL Employees Provident Fund Trust' and any investment decision out of this fund is made separately by that independent Board of Trustees. Subsidiaries of the Bank also operate separate contributory provident funds for its permanent employees funded by both the employees and organisation equally.

Amount charged in profit and loss account as expense on defined contribution plan of the group is detailed in note 27 of these financial statements.

Defined benefit plans

Post-employment benefit plans those define the amount that outgoing members will receive from the plans on separation on the bases of length of service and salary levels.

Contributions are made by the Bank into the scheme based on actuarial valuation. The Bank has an obligation to make up any shortfall in the plan, thereby bearing the risk of the plan under performing. The Bank maintains two defined benefit plans i.e. gratuity fund and superannuation fund for its employees under two separate trustee boards. Three local subsidiaries (EBLSL, EBLIL & EBLAML) also maintain a funded defined benefit plan i.e. 'Gratuity fund' under separate trustee boards.

Gratuity fund

The Bank operates a funded gratuity scheme recognised by NBR with effect from 1 January 1997. This fund is managed separately by 'EBL Employees Gratuity Fund Trust' and any investment decision out of this fund is also made by this Board of Trustees. The benefit is paid on separation to the eligible employees i.e. who have completed at least 5 (five) years of continuous service. As per the Bank's policy, eligible employees are provided with the benefit equal to the latest monthly basic salary multiplied by applicable rates that varies as per service length.

Contribution to gratuity fund is made monthly on the basis of actuarial valuation made each year, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. The last actuarial valuation was carried out on 31 December 2021 by Air Consulting Limited and as per their recommendation the Bank charged BDT 181.40 million to the Profit & Loss Account in 2021 as current service cost. The bank also continued to contribute at 18.3% of basic salary to the gratuity fund in 2021 as per actuarial recommendation.

Superannuation fund

The Bank operates a recognised superannuation fund effective from 20 November 1999 which is governed by the trust deed of 'EBL Employees Superannuation Fund Trust'. As per the trust deed, benefit is payable to the eligible employees of the Bank as per their grade, length of service etc. As per the last valuation by Air Consulting Limited carried out on 31 December 2021, the Bank charged current service cost of BDT 9.2 million to the Profit & Loss Account in 2021. The bank also continued to contribute BDT 21.30 million to the superannuation fund in 2021 as per actuarial recommendation.

Details i.e. actuarial liability, valuation method, service cost, required contribution etc. of defined benefit plans and amount recognised in profit & loss account are stated in note 13.120f these financial statements.

Workers Profit Participation Fund

Consistent with widely accepted industry practice and in line with section 11(1) of the Bank Company Act 1991 (as amendment up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

Other long-term benefits

The Bank's obligation in respect of long term benefit other than gratuity fund and superannuation fund is the amount of future benefits that employees have earned i.e. earned leave encashment in return for their service in the current and prior periods. The nature of this benefit to the eligible employees is encashment of earned leave up to maximum 90 days which is calculated based on last Basic Salary, House rent and Medical allowance and is paid at the time of paying end service benefit. The Bank has kept required provision against liability for earned leave encashment as per actuarial valuation.

The Group does not have any other long term employee benefit plans.

Short term benefits

Short term employee benefits i.e. group insurance policy, hospitalisation facilities etc. are expensed as the related service is provided to the eligible employees as per EBL people management policy. Liability is recognised only for the amount expected to be paid if the Group has a present legal or constructive obligation to pay any amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Dividend payments

Interim dividend is recognised only when the shareholders' right to receive payment is established. Final dividend is recognised when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2021 has not been recognised as a liability in the balance sheet in accordance with IAS 10 'Events after the reporting period'. Dividend payable to the Bank's shareholders is recognised as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

| | | Mater | Consol | idated | Bank | |
|---|---|----------------|----------------|----------------|-----------------|----------------|
| | | Notes | 2021 | 2020 | 2021 | 2020 |
| | Details of other liabilities | | | | | |
| | Privileged creditors | 13.1 | 809,991,826 | 696,520,198 | 809,991,826 | 696,520,19 |
| | Acquirer liabilities | 13.2 | 1,286,229,244 | 1,308,342,901 | 1,286,229,244 | 1,308,342,90 |
| | Sundry creditors | | 210,513,976 | 114,465,841 | 210,513,976 | 114,465,84 |
| | Security deposit | | 5,797,180 | 6,727,979 | 5,797,180 | 6,727,97 |
| | Current tax liability/(assets) | 13.3 | 3,368,573,510 | 1,794,622,025 | 3,335,858,484 | 1,771,534,65 |
| | Provision for loans, advances and OBS | 10 / | 10 010 007 000 | | 10.010.005 / 50 | 10 000 / 70 00 |
| | exposures (excluding OBO) | 13.4 | 12,310,907,332 | 10,560,988,589 | 12,012,295,650 | 10,320,670,88 |
| | Provision for loans, advances and OBS | | | | | |
| | exposures (OBO) | 13.4.a | 1,332,329,766 | 253,985,199 | 1,332,329,766 | 253,985,19 |
| | Special general provision -Covid 19 | 13.4.b | 756,003,206 | 602,352,869 | 756,003,206 | 602,352,86 |
| | Interest suspense account | 13.5 | 2,939,008,519 | 2,425,163,343 | 2,750,794,589 | 2,233,375,18 |
| | Provision for protested bill and others | 13.6 | 219,304,150 | 191,142,995 | 219,304,150 | 191,142,99 |
| | Provision for non-banking assets | 13.6.a | 217,304,130 | 12,345,330 | 217,304,130 | 12,345,33 |
| | Provision for start-up fund | 13.0.a 13.7 | 87,805,631 | 76,922,811 | 87,805,631 | 76,922,82 |
| | - | 13.7 | | | | |
| | Provision for rebate to good borrowers | | 46,100,257 | 46,100,257 | 46,100,257 | 46,100,25 |
| | Provision for loss on revaluation of shares (net) | 13.8 | 408,519,732 | 843,471,723 | 256,437,323 | 686,959,5 |
| | Advance interest/commission received | | 47,469,311 | 59,169,628 | 44,036,445 | 55,768,64 |
| | Expenses payable | | 846,890,274 | 533,270,894 | 801,786,369 | 501,654,5 |
| | Interest payable on borrowing | 13.9 | 266,192,477 | 296,900,882 | 266,192,477 | 296,863,40 |
| | Miscellaneous liabilities/payables | 13.10 | 982,488,812 | 990,877,633 | 976,920,826 | 850,648,68 |
| | Lease liabilities (present value of lease payments) | 13.11 | 752,382,202 | 893,842,167 | 743,558,930 | 866,681,80 |
| | Net Benefit Obligation | 13.12 | 650,816,131 | 422,781,132 | 650,816,131 | 422,781,13 |
| | Other liabilities of subsidiaries | 13.13 | 477,042,127 | 352,816,687 | - | |
| | | | 27,804,365,660 | 22,482,811,084 | 26,592,772,458 | 21,315,844,87 |
| а | Group entity- wise consolidated other liabilities | : | | | | |
| | Eastern Bank Limited (Parent) | | 26,592,772,458 | 21,315,844,876 | | |
| | EBL Securities Limited | | 1,553,955,519 | 859,721,360 | | |
| | EBL Investments Limited | | 59,850,049 | 145,991,004 | | |
| | EBL Finance (HK) Limited | | 82,054,861 | 59,122,410 | | |
| | EBL Asset Management Limited | | 2,237,336 | 12,970,385 | | |
| | 5 | | 28,290,870,223 | 22,393,650,035 | | |
| | Less: Inter company elimination | | (486,504,562) | 89,161,049 | | |
| | Total | | 27,804,365,661 | 22,482,811,084 | | |
| 1 | Privileged creditors (payable to government) | | | | | |
| - | Tax deducted at source (TDS) | | 276 61.2 1.40 | 2/8 03/ 570 | 276 61.2 1.62 | 7/0 02/ 55 |
| | VAT deducted at source (TDS) | | 276,643,462 | 248,934,579 | 276,643,462 | 248,934,57 |
| | | | 63,940,651 | 71,275,953 | 63,940,651 | 71,275,95 |
| | Excise duty deducted from customer accounts | | 469,407,713 | 376,309,666 | 469,407,713 | 376,309,66 |
| | | | 809,991,826 | 696,520,198 | 809,991,826 | 696,520,19 |

These liabilities are temporary in nature arisen from prepaid, debit and credit card transactions. Transactions are settled next day with relevant parties and reconciled monthly. Major balance includes 'Acquirer Cash' which is a liability to relevant parties arisen due to withdrawal of cash by EBL cardholders from Q-Cash/VISA ATMs (Not owned by EBL):

| | , | | | , . | | |
|------|--|--------|-----------------|-----------------|-----------------|-----------------|
| | Prepaid (Lifestyle, travel etc) card liability | | 892,625,992 | 947,612,510 | 892,625,992 | 947,612,510 |
| | Credit card liability | | 36,047,195 | 27,126,210 | 36,047,195 | 27,126,210 |
| | Debit card liability | | 179,537,155 | 176,886,989 | 179,537,155 | 176,886,989 |
| | Acquirer cash and other liabilities | | 178,018,902 | 156,717,191 | 178,018,902 | 156,717,191 |
| | | | 1,286,229,244 | 1,308,342,901 | 1,286,229,244 | 1,308,342,901 |
| 13.3 | Current tax liability / (assets) | | | | | |
| | Provision for tax | | | | | |
| | Opening balance | | 3,661,662,395 | 3,924,795,548 | 3,410,562,765 | 3,729,199,174 |
| | Settlement/adjustments for previous years | | (2,510,326,516) | (2,972,339,079) | (2,417,959,518) | (2,959,316,843) |
| | Provision for tax made during the year | 13.3.1 | 4,021,028,809 | 2,709,205,926 | 3,855,014,674 | 2,640,680,434 |
| | | | 5,172,364,687 | 3,661,662,395 | 4,847,617,920 | 3,410,562,765 |
| | | | | | | |

| | | | | | | Amount in BDT |
|--------|--|-------------|-----------------|-----------------|-----------------|-----------------|
| | | Notes | Consol | | Baı | |
| | | | 2021 | 2020 | 2021 | 2020 |
| | Balance of income tax paid | | | | | |
| | Opening balance | | 1,867,040,369 | 1,144,970,128 | 1,639,028,107 | 1,014,296,336 |
| | Settlement/adjustment for previous years | | (2,483,295,950) | (2,968,286,831) | (2,417,959,518) | (2,959,316,843) |
| | Paid during the year | 13.3.2 | 2,420,046,758 | 3,690,357,073 | 2,290,690,848 | 3,584,048,614 |
| | | | 1,803,791,177 | 1,867,040,369 | 1,511,759,437 | 1,639,028,107 |
| | | | 3,368,573,510 | 1,794,622,025 | 3,335,858,484 | 1,771,534,658 |
| 13.3.1 | Income tax expenses / Provision for tax | | | | | |
| | Current tax expenses | | | | | |
| | Current year | | 4,028,567,446 | 2,807,224,189 | 3,855,014,674 | 2,738,698,697 |
| | Adjustment for prior years | | (7,538,637) | (98,018,263) | - | (98,018,263) |
| | Total income tax expenses | | 4,021,028,809 | 2,709,205,926 | 3,855,014,674 | 2,640,680,434 |
| 13.3.2 | Income tax paid during the year | | | | | |
| | Withholding tax deducted at source | | 517,250,285 | 291,385,450 | 419,434,469 | 282,193,122 |
| | Advance tax paid in cash | | 1,902,796,473 | 3,398,971,623 | 1,871,256,379 | 3,301,855,492 |
| | Advance income tax paid | | 2,420,046,758 | 3,690,357,073 | 2,290,690,848 | 3,584,048,614 |
| | | | | | | |
| | | | | Bank- | | |
| 13.3.a | Reconciliation of effective tax rate (Bank) | | 202 % | Z1 Taka | <u>202</u> % | 20 Taka |
| | Profit before income tax as per profit and loss a | ccount | 70 | 8,207,680,511 | /0 | 6,690,791,752 |
| | Income tax as per applicable tax rate | locount | 37.5% | 3,077,880,192 | 37.5% | 2,509,046,907 |
| | Factors affecting the tax charged in current ye | ar | 07.070 | 0,077,000,172 | 07.070 | 2,007,040,707 |
| | On non deductible expenses | | 13.11% | 1,075,651,270 | 11.79% | 789,021,694 |
| | Tax exempted income (on govt. treasury securit | ioc) | -1.18% | (96,459,368) | -7.84% | (524,602,868) |
| | Tax savings from reduced tax rates (on dividence | | -1.32% | (108,183,008) | -0.36% | (23,994,906) |
| | Tax savings from reduced tax rates (on gain on | inconic, | | | | |
| | sale of quoted securities) | | -1.14% | (93,874,412) | -0.16% | (10,772,129) |
| | Prior year adjustment (release of excess | | 0.00% | | 1 / / 0/ | |
| | provision for the Inc. Year 2016) | | 0.00% | - | -1.46% | (98,018,263) |
| | Deferred tax income (net) | | -3.67% | (301,198,890) | -0.78% | (52,451,737) |
| | Total income tax expenses | | 43.30% | 3,553,815,784 | 38.68% | 2,588,228,698 |
| 13.4 | Provision for loans, advances and OBS exposu | res (exclud | ing OBO) | | | |
| | A) Specific provision movement | | | | | |
| | Opening balance | | 7,739,757,059 | 6,085,752,561 | 7,499,439,356 | 6,008,878,691 |
| | On fully provided debt written off during the year | r | (123,973,646) | - 0,003,732,301 | (103,857,339) | 0,000,070,071 |
| | On recovery from loans written off earlier | | 363,274,439 | 725,759,332 | 363,274,439 | 725,759,332 |
| | Additional provision moved to GP | | (859,700,000) | | (859,700,000) | |
| | Specific provision charged (net of recovery) for the yea | r 13.4.1 | 789,039,729 | 928,245,166 | 710,629,442 | 764,801,333 |
| | Provision held at the end of the year | | 7,908,397,581 | 7,739,757,059 | 7,609,785,899 | 7,499,439,356 |
| | B) General provision movement on loans and | advances | | | | |
| | Opening balance | | 1,933,422,077 | 2,243,972,050 | 1,933,422,077 | 2,243,972,050 |
| | Provision made during the year | 13.4.1 | 359,711,720 | (310,549,973) | 359,711,720 | (310,549,973) |
| | Additional provision moved from SP | | 859,700,000 | - | 859,700,000 | - |
| | Provision held at the end of the year | | 3,152,833,796 | 1,933,422,077 | 3,152,833,796 | 1,933,422,077 |
| | C) General provision movement on off-balance shee | t ovnosuros | -, - , , , | , , , . | -, -, -, -, - | , , , . |
| | Opening balance | a exposures | 887,809,454 | 858,679,985 | 887,809,454 | 858,679,985 |
| | Provision made during the year | 13.4.1 | 361,866,501 | 29,129,469 | 361,866,501 | 29,129,469 |
| | Provision held at the end of the year | 101111 | 1,249,675,955 | 887,809,454 | 1,249,675,955 | 887,809,454 |
| | Provision for loans, advances and OBS exposures (exc | luding OBO) | | 10,560,988,589 | 12,012,295,650 | 10,320,670,887 |
| 17/- | _ | - | | | | |
| 13.4.a | Provision for loans, advances and OBS exposu | IS (IOL OR | | | | |
| | General provision on loans and advances | | 370,047,685 | 250,597,417 | 370,047,685 | 250,597,417 |
| | General provision on off-balance sheet exposur | es | 9,685,980 | 3,387,781 | 9,685,980 | 3,387,781 |
| | Specific provision on loans and advances | | 952,596,101 | - 253,985,199 | 952,596,101 | - |
| | | | 1,332,329,766 | | 1,332,329,766 | 253,985,199 |

| | Consolidated | | Bank | |
|---|--------------|-------------|-------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| 13.4.b Special General Provision: Covid-19 | | | | |
| Special General Provision: Covid-19 (for DBO) | 683,737,969 | 560,480,082 | 683,737,969 | 560,480,082 |
| Special General Provision: Covid-19 (for OBO) | 72,265,237 | 41,872,787 | 72,265,237 | 41,872,787 |
| | 756,003,206 | 602,352,869 | 756,003,206 | 602,352,869 |

As per BRPD circular no. 19/2021 and subsequent circular letters no. 50/2021, 51/2021, 52/2021, and 53/2021, loan status of few borrowers are remain kept as "Unclassified" upon receive of 15% payment against total dues for the year 2021, and Special General Provision- Covid 19 @1.5% for CMSME and @ 2% for other than CMSME has been maintained in addition to the required general provision. Besides, Special General Provision-Covid 19 @ 1% had been maintained in 2020 for those accounts enjoyed payment by deferral (PBD) facilities as per BRPD circular letter no. 56/2020 and subsequent BB clarification letter ref. BRPD(P-1) 661/13/2021-117 dated 05 January 2021. However, the bank released Special General Provision of BDT 187.98 million in 2021 upon full settlement of some PBD facilited accounts.

 Total Provision (SP,GP & Special GP) for loans, advances and OBS exposures (Note: 13.4+13.4.a+13.4.b)
 14,399,240,303
 11,417,326,657
 14,100,628,622
 11,177,008,955

13.4.a.1 Provision for loans, advances and OBS exposures (including OBU):

| | General provision on loans and advances | 3,522,881,482 | 2,184,019,494 | 3,522,881,482 | 2,184,019,494 |
|--------|--|----------------|----------------|----------------|----------------|
| | Special General Provision-Covid 19 | 756,003,206 | 602,352,869 | 756,003,206 | 602,352,869 |
| | General provision on off-balance sheet exposures | 1,259,361,934 | 891,197,235 | 1,259,361,934 | 891,197,235 |
| | Specific provision on loans and advances | 8,860,993,682 | 7,739,757,059 | 8,562,382,000 | 7,499,439,355 |
| | | 14,399,240,303 | 11,417,326,657 | 14,100,628,622 | 11,177,008,953 |
| | | 2021 (Bar | nk- Solo) | 2021 | 2020 |
| | | Onshore | Offshore | Total | Total |
| 13.4.1 | Provision for loans and advances charged during the year | | | | |
| | General Provision on loans and advances | 359,711,720 | 115,523,419 | 475,235,139 | (293,454,371) |
| | Special General Provision-Covid 19 | 123,257,887 | 29,668,719 | 152,926,606 | 602,388,520 |
| | General Provision on off-balance sheet exposures | 361,866,501 | 6,206,760 | 368,073,261 | 19,415,553 |
| | General Provision charged during the year | 844,836,107 | 151,398,899 | 996,235,006 | 328,349,702 |
| | Specific Provision charged during the year | 1,073,903,881 | 944,752,172 | 2,018,656,053 | 1,490,560,665 |
| | Recovery from loans written off earlier | (363,274,439) | - | (363,274,439) | (725,759,332) |
| | Specific Provision (net of recovery) for the year * | 710,629,442 | 944,752,172 | 1,655,381,613 | 764,801,333 |
| | Total Provision for loans and advances charged during the year | 1,555,465,549 | 1,096,151,070 | 2,651,616,619 | 1,093,151,035 |
| | | | | | |

* Specific provision charged during the year has been presented after netting of recovery from written off loans in the current year as per BRPD circular no. 14, dated 25 June 2003.

13.4.2 Maintenance of provision on loans and advances including OBS exposures (Solo) as per BB NOC:

| | Solo-2021 | Solo-2020 |
|--|----------------|----------------|
| Required provision on loans & advances and OBS exposures: | | |
| General provision on unclassified accounts (including SMA) | 2,633,616,000 | 2,182,485,000 |
| Special General Provision: Covid-19 | 756,003,206 | 602,352,869 |
| Specific provision on classified accounts | 6,493,582,193 | 3,432,492,829 |
| Specific provision on stay order accounts | 67,521,807 | 534,605,000 |
| Specific provision on rescheduled accounts | 2,001,278,000 | 1,765,547,437 |
| General Provision on off-balance sheet exposures | 1,259,361,932 | 891,197,235 |
| Total required provision on loans and advances including OBS exposures | 13,211,363,138 | 9,408,680,370 |
| Total maintained provision on loans and advances and OBS exposures | 14,100,628,622 | 11,177,008,953 |
| Surplus provision * | 889,265,484 | 1,768,328,583 |

* General provision maintained on qualitative ground for some loan accounts in addition to the requirement to strengthen the provision base of the bank.

13.5 Interest suspense account

| Amount recovered during the year * | (1,744,292,526) | (523,224,921) | (1,735,748,720) | (523,224,921) |
|---|--------------------------------------|-----------------|--------------------------------------|---------------|
| Amount written off during the year Balance at the end of the year | (13,786,659) 2.939.008.519 | - 2.425.163.343 | (12,265,692) 2.750.794.589 | 2,233,375,188 |

* Interest receivable on margin loan having negative equity (extended by subsidiaries) is included in the consolidated interest suspense account.

| | N7- | | Consolidated | | Banl | k |
|--------|---|-------|--------------|-------------|--------------|-------------|
| | N0 | Notes | 2021 | 2020 | 2021 | 2020 |
| 13.6 | Provision for protested bill and others | | | | | |
| | Opening balance | | 191,142,995 | 145,373,498 | 191,142,995 | 145,373,498 |
| | Provision made during the year | | 28,161,155 | 49,545,498 | 28,161,155 | 49,545,498 |
| | Adjusted during the year | | - | (3,776,000) | - | (3,776,000) |
| | Balance at the end of the year | | 219,304,150 | 191,142,995 | 219,304,150 | 191,142,995 |
| 13.6.a | Provision for non-banking assets | | | | | |
| | Opening Balance | | 12,345,330 | 12,345,330 | 12,345,330 | 12,345,330 |
| | Adjustment made during the year | | (12,345,330) | - | (12,345,330) | - |
| | Balance at the end of the year | | - | 12,345,330 | - | 12,345,330 |
| 13.7 | Provision for start-up fund | | | | | |
| | Opening Balance | | 76,922,811 | - | 76,922,811 | - |
| | Provision made during the year | | 10,882,820 | 76,922,811 | 10,882,820 | 76,922,811 |
| | Balance at the end of the year | | 87,805,631 | 76,922,811 | 87,805,631 | 76,922,811 |

As per BB SMESPD circular no. 04 dated 29 March 2021 and subsequent SMESPD circular letter no. 05 dated 26 April 2021, the bank has been maintaining a provision for startup fund @ 1% of profit after tax each year since 2020.

13.8 Provision for diminution of value of equity securities

| Opening balance | 843,471,723 | 1,067,654,623 | 686,959,533 | 901,313,537 |
|--------------------------------------|---------------|---------------|---------------|---------------|
| Provision (released) during the year | (434,951,991) | (224,182,900) | (430,522,210) | (214,354,004) |
| Balance at the end of the year | 408,519,732 | 843,471,723 | 256,437,323 | 686,959,533 |

Provision for diminution (gain net of) of value of quoted shares has been made as per DOS circular no. 4, dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 03 dated 12 March 2015 of Bangladesh Bank.

13.9 Interest payable on borrowing

| Interest payable on Borrowing (including subordinated bond) | 165,793,681 | 246,650,561 | 165,793,681 | 246,613,080 |
|--|--------------|-------------|-------------|-------------|
| Interest payable on Borrowing-Offshore | 129,171,737 | 50,934,485 | 100,398,795 | 50,250,321 |
| | 294,965,419 | 297,585,046 | 266,192,477 | 296,863,401 |
| Less: Inter unit/ company elimination (with int. receivable account) | (28,772,942) | (684,164) | - | - |
| | 266,192,477 | 296,900,882 | 266,192,477 | 296,863,401 |
| 13.10 Miscellaneous liabilities/payables | | | | |
| Received under compromise settlement of classified & w/off loans | 231,900,474 | 84,599,923 | 231,900,474 | 84,599,923 |
| NRB remittance payable | 478,308,977 | 159,497,500 | 478,308,977 | 159,497,500 |
| Interest suspense for term placement | 1,860,000 | 41,532,917 | 1,860,000 | 41,532,917 |
| Unclaimed dividend account 13.10.a | 31,594,794 | 83,541,076 | 31,594,794 | 83,541,076 |
| Other liabilities (FDD payable, unclaimed insturment, etc.) | 238,824,567 | 621,706,218 | 233,256,581 | 481,477,267 |
| | 982,488,812 | 990,877,633 | 976,920,826 | 850,648,682 |

13.10.a Unclaimed dividend account

Unclaimed dividend is the residual amount of declared dividend which has not yet been paid to or claimed by the shareholders. As per the BSEC directive (ref:SEC/SRMIC/165-2020/part-1/166 dated 06 July 2021) the bank has deposited unclaimed/undistributed/ unsettled dividend amount of BDT 62.47 million held for a period of 3 years or more from the date of declaration/approval/ record date, to the Capital Market Stabilization Fund (CMSF).

13.11 Lease liabilities (present value of lease payments)

The bank, as per IFRS 16, recognized lease liabilities which is the present value of lease payments to be made over the lease term from the date of commencement or 01 January 2019 (date of initial application), whichever is later. The lease payments include fixed and variable lease payments (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payments have been discounted using Treasury bond rate of similar tenors i.e. 3 -10 years as implicit borrowing rate on applicable point of time. For example, 5 years T-bond rate 3.88% to 6.5 % have been used at the time of execution of those contracts having weighted average lease tenor of 5 years or more.

13.12 Net defined benefit obligation

Net defined benefit obligation is the net result of post employment benefit plans which is measured as per actuarial valuation under IAS 19 'Employee Benefits'. Valuation is carried out on 'Projected unit credit method' as recommended by International Accounting Standard (IAS) 19. Under this method, the valuation is done considering both 'future service cost' which an employee shall obtain in normal course of service and 'past service cost' which is the difference between assets built up from past contributions and accrued liabilities (i.e. benefits earned by members as a result of service as of valuation date).

| | | Bank-Solo | | | | |
|---------------------------------|---------|-----------------------------------|-------------|---------------|---------------|--|
| | | Gratuity Fund Superannuation 2021 | | 2020 | | |
| | | Gratuity Fund | Fund | 2021 | 2020 | |
| Defined benefit obligation | 13.12.a | 2,246,984,043 | 150,135,713 | 2,397,119,756 | 1,921,219,756 | |
| Less: Fair value of plan assets | 13.12.b | 1,620,502,421 | 125,801,203 | 1,746,303,625 | 1,498,438,624 | |
| | | 626,481,621 | 24,334,510 | 650,816,131 | 422,781,132 | |

13.12a Defined benefit obligation

The amount of obligation for gratuity fund is determined considering present value of last basic salary multiplied by applicable rates as per service length which is discounted on actuarial financial and demographical assumptions/factors such as interest rate, salary growth rate, mortality rate, probable length of service etc.

The amount of obligation for superannuation fund is determined on the occurence of certain pre-defined events which is related with employee rank (not salary) and certain threshold level of service being reached i.e. survival or withdrawal probabilities.

| | 2.246.984.043 | 150.135.713 | 2.397.119.756 | 1.921.219.756 |
|-------------------------------------|---------------|--------------|---------------|---------------|
| Remeasurement loss | 307,500,000 | 6,200,000 | 313,700,000 | 335,978,500 |
| Adjustment for opening balance | 3,368 | (154,996) | (151,628) | - |
| Paid to outgoing employees | (126,400,000) | (21,900,000) | (148,300,000) | (113,476,009) |
| Current service cost | 181,396,632 | 9,254,996 | 190,651,628 | 321,044,259 |
| Interest cost | 132,200,000 | (12,200,000) | 120,000,000 | 107,589,615 |
| Opening balance (as per audited FS) | 1,752,284,043 | 168,935,713 | 1,921,219,756 | 1,270,083,391 |

13.12.b Fair value of plan assets

IAS 19 prescribes a fair valuation of fund assets and where market price is not available, fair value of the fund assets is estimated. Here, fair value of plan assets is not readily available, hence historical book value (audited) of fund assets is considered as fair value of plan assets of the funds.

| | 1,620,502,421 | 125,801,203 | 1,746,303,625 | 1,498,438,624 |
|-------------------------------------|---------------|--------------|---------------|---------------|
| Paid to outgoing employees | (126,400,000) | (21,900,000) | (148,300,000) | (113,476,009) |
| Adjustment for opening balance | - | (135,000) | (135,000) | - |
| Contribution to the fund | 261,800,000 | 21,300,000 | 283,100,000 | 254,319,604 |
| Interest income | 109,300,000 | 3,900,000 | 113,200,000 | 87,511,629 |
| Opening balance (as per audited FS) | 1,375,802,421 | 122,636,203 | 1,498,438,624 | 1,270,083,400 |

274,826,750 307,500,000

582,326,750

61,151,750

6,200,000

67,351,750

335,978,500

313,700,000

649,678,500

1312a1 Remeasurement loss (as per actuarial report)

Opening balance

Remeasurement loss on defined benefit obligation

| | Consolid | ated | Bank | |
|--|---------------|--------------|------|-----|
| | 2021 | 2020 | 2021 | 202 |
| 13 Other liabilities of subsidiaries | | | | |
| Accounts payable (trading) | 593,092,582 | 353,577,290 | | |
| Sundry creditors | 5,752,529 | 3,313,054 | | |
| Dividend payable | 335,518,720 | 40,590,480 | | |
| Provision for Employees Gratuity Fund | 409,916 | 127,515 | | |
| | 934,773,747 | 397,608,339 | | |
| Less: Intra group outstanding balances | | | | |
| Share trading account | (118,527,064) | (4,201,172) | | |
| Dividend & other accounts | (339,204,556) | (40,590,480) | | |
| | (457,731,620) | (44,791,652) | | |
| Net other liabilities | 477,042,127 | 352,816,687 | | |

13.b Nostro Reconciliation

The Bank is not required to keep provision on the unreconciled debit balance as at balance sheet date as there was no debit entry aging more than three months.

335,978,500

335,978,500

14 Share Capital

Authorised and issued capital

The authorised capital of the Bank is the maximum limit of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank.

Paid-up capital

The paid-up capital represents the amount of Bank's capital that has been contributed by ordinary shareholders. The ordinary shareholders are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

Share premium

The share premium represents the excess amount received by the Bank from its shareholders over the nominal/par value of its share. The amount of share premium can be utilised as per the provision of section 57 of the Companies Act 1994. Currently, the Bank does not have any share premium.

| | | | | | | Amount in BDT |
|--|-------------|----------------|----------------|----------------|----------------|---------------|
| | | | Consol | Consolidated | | nk |
| | | | 2021 | 2021 2020 | | 2020 |
| A) Authorized capital | | | | | | |
| 1,200,000,000 ordinary shares of BDT 10 each | | 12,000,000,000 | 12,000,000,000 | 12,000,000,000 | 12,000,000,000 | |
| | | | | | | |
| B) Issued, subscribed and | Number o | of Shares | | | | |
| fully paid up capital | 2021 | 2020 | | | | |
| Issued against cash | 129,345,000 | 129,345,000 | 1,293,450,000 | 1,293,450,000 | 1,293,450,000 | 1,293,450,000 |
| Issued as bonus share | 824,519,467 | 682,454,547 | 8,245,194,670 | 6,824,545,470 | 8,245,194,670 | 6,824,545,470 |
| | 953,864,467 | 811,799,547 | 9,538,644,670 | 8,117,995,470 | 9,538,644,670 | 8,117,995,470 |

14.1 Slab wise list as on 31 December

Pursuant to clause (cha) of the Memorandum of Association and Article 4 of the Articles of Association of the Bank and clause 4 of BCCI Reconstruction Scheme 1992, the Authorised Capital of the Bank is BDT 12,000,000,000 and issued/subscribed/fully paid up capital is BDT 9,538,644,670 denominated by BDT 10 per share. Detailed break up of paid up capital of BDT 9,538,644,670 as on 31 December 2021 is as follows:

Percentage of group wise shareholding:

| | | 2021 | | 2020 | | | |
|------------------------|--------------------------------------|---------|---------------|----------------------|---------|---------------|--|
| Shareholders group | No. of shares % of Taka shareholding | | No of Shares | % of shareholding | Taka | | |
| Directors | 287,911,286 | 30.18% | 2,879,112,860 | 245,030,885 | 30.18% | 2,450,308,850 | |
| General Public | 539,089,564 | 56.52% | 5,390,895,640 | 479,452,756 | 59.06% | 4,794,527,560 | |
| Financial Institutions | 126,863,617 | 13.30% | 1,268,636,170 | 87,315,906 | 10.76% | 873,159,060 | |
| Total | 953,864,467 | 100.00% | 9,538,644,670 | 811,799,547 | 100.00% | 8,117,995,470 | |

Range-wise distribution of the subscribed share:

| Range | No. of shareholders | No. of shares | (%) of shareholding |
|-------------------|---------------------|---------------|---------------------|
| 001-500 | 3,438 | 609,236 | 0.06% |
| 501-5000 | 3,068 | 5,265,920 | 0.55% |
| 5001-10000 | 414 | 3,137,661 | 0.33% |
| 10001-20000 | 308 | 4,509,567 | 0.47% |
| 20001-30000 | 98 | 2,440,492 | 0.26% |
| 30001-40000 | 62 | 2,147,742 | 0.23% |
| 40001-50000 | 54 | 2,499,908 | 0.26% |
| 50001-100000 | 103 | 7,524,107 | 0.79% |
| 100001-1000000 | 204 | 71,074,851 | 7.45% |
| 1000001 and above | 95 | 854,654,983 | 89.60% |
| Total | 7,844 | 953,864,467 | 100.00% |

Status of shareholding (shares of EBL) as on 31 December 2021 by CEO, CS, CFO, Head of Internal Control and Compliance and top five salaried executives is shown in the following table:

| Name | Designation | No. of shares (EBL) held |
|--|---|--------------------------|
| CEO, CS, CFO & HoICC and their spous | es & minor children: | |
| Ali Reza Iftekhar | Managing Director & CEO | 230,065 |
| Md. Mustafa Haikal Hashmi | DMD, Head of ICC & CAMLCO | - |
| Masudul Hoque Sardar | Chief Financial Officer | - |
| Md. Abdullah Al Mamun | Company Secretary | - |
| Executives (Top five salaried executiv | res other than CEO, CS, CFO & HoICC) | |
| Ahmed Shaheen | DMD, Head of Corporate Banking | - |
| Riad Mahmud Chowdhury | DMD, Head of Corporate Business, Dhaka | 10,046 |
| Mehdi Zaman | DMD, Head of Treasury, FIs & Offshore Banking | - |
| M. Khorshed Anowar | DMD, Head of Retail & SME Banking | - |
| Mahdiar Rahman | Head of Relationship Unit 04 | 3,348 |
| Shares held by any shareholder to the | e extent of 10% or more | Nil |

14.2 Capital to risk weighted assets ratio (CRAR):

As per the 'Revised Guidelines on Risk Based Capital Adequacy (RBCA)' issued by Bangladesh Bank in December 2014, all scheduled banks are required to calculate Capital to Risk Weighted Assets Ratio based on 'Solo' as well as 'Consolidated' basis since early 2015. Here, regulatory capital base is quite different from accounting capital. Regulatory capital consists of Tier-1 (Common Equity Tier 1 and Additional Tier 1) and Tier 2 capital. Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. EBL has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) and occasional issue of subordinated debt and right shares to support incremental growth of Risk Weighted Assets (RWA). Besides regulatory capital requirement, the Bank maintains surplus capital which will act as buffer for absorbing all material risks and to support foreseen business growth activities.

| | | | | Amount in BDT | |
|--|-----------------|-----------------|-----------------|-----------------|--|
| | Consol | idated | Bank | | |
| | 2021 | 2020 | 2021 | 2020 | |
| Common Equity Tier -1 Capital | | | | | |
| Paid up capital | 9,538,644,670 | 8,117,995,470 | 9,538,644,670 | 8,117,995,470 | |
| Statutory reserve | 9,538,644,670 | 8,117,995,470 | 9,538,644,670 | 8,117,995,470 | |
| General reserve | 603,493,370 | 603,493,370 | 603,493,370 | 603,493,370 | |
| Dividend equalization reserve | 356,040,000 | 356,040,000 | 356,040,000 | 356,040,000 | |
| Retained earnings | 9,504,261,954 | 8,969,072,019 | 8,975,293,909 | 8,583,707,111 | |
| Regulatory adjustments: | 29,541,084,664 | 26,164,596,329 | 29,012,116,619 | 25,779,231,420 | |
| Goodwill and all other intangible assets (WDV of Software) | (269,704,015) | (225,786,420) | (268,713,120) | (225,271,226) | |
| Reciprocal crossholdings in the CET 1 capital | (479,615,523) | (170,605,317) | (356,836,600) | (88,255,255) | |
| Investment in own CET1 capital (mutual fund) | (16,132,580) | (43,481,580) | (16,132,580) | (43,481,580) | |
| Deferred tax asset (95% as per BB Circular) | (2,234,730,164) | (1,955,571,535) | (2,234,730,164) | (1,955,571,535) | |
| | 26,540,902,382 | 23,769,151,477 | 26,135,704,155 | 23,466,651,825 | |
| Tier -2 Capital | | | | | |
| General provision | 5,538,246,622 | 3,677,569,598 | 5,538,246,622 | 3,677,569,598 | |
| Subordinated debt [This amount differs with the outstanding amount to comply with BASEL III guideline] | 4,000,000,000 | 6,000,000,000 | 4,000,000,000 | 6,000,000,000 | |
| | 9,538,246,622 | 9,677,569,598 | 9,538,246,622 | 9,677,569,598 | |
| Regulatory adjustment: | - | - | - | - | |
| | 9,538,246,622 | 9,677,569,598 | 9,538,246,622 | 9,677,569,598 | |
| A. Total regulatory capital | 36,079,149,003 | 33,446,721,075 | 35,673,950,776 | 33,144,221,423 | |
| B. Total risk weighted assets (RWA) | 260,049,340,559 | 222,540,458,869 | 253,387,602,954 | 217,653,889,659 | |
| C. Minimum capital requirement (MCR) (10% on B) | 26,004,934,056 | 22,254,045,887 | 25,338,760,295 | 21,765,388,966 | |
| D. Surplus/(deficiency) [A - C] | 10,074,214,948 | 11,192,675,188 | 10,335,190,481 | 11,378,832,457 | |

Capital to risk weighted assets ratio (CRAR)

| Minimum requirement | | Consolidated | | Solo | | |
|---|--|---|--|--|---|--|
| 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | |
| 6.00% | 6.00% | 10.21% | 10.68% | 10.31% | 10.78% | |
| Against standard of minimum 10% with capital conservation buffer 2.50% | Against standard of minimum 10% with capital conservation buffer 2.50% | 13.87% | 15.03% | 14.08% | 15.23% | |
| Amount in BDT | | | | | | |
| Not | Consolida | ated | | Bank | | |
| NOT | es2021 | 2020 | 202 | 1 | 2020 | |
| | 2021 6.00% Against standard of minimum 10% with capital conservation buffer 2.50% | 2021 2020 6.00% 6.00% Against standard of minimum 10% with capital conservation buffer 2.50% Against standard of minimum 10% with capital conservation buffer 2.50% | 2021202020216.00%6.00%10.21%Against standard of minimum 10% with capital conservation buffer 2.50%Against standard of minimum 10% with capital conservation buffer 2.50%13.87% | 20212020202120206.00%6.00%10.21%10.68%Against standard of minimum 10% with capital conservation buffer 2.50%Against standard of minimum 10% with capital conservation buffer 2.50%13.87%15.03% | 202120202021202020216.00%6.00%10.21%10.68%10.31%Against standard of minimum 10% with capital conservation buffer 2.50%Against standard of minimum 10% with capital conservation buffer 2.50%13.87%15.03%14.08%ArrConsolidated | |

15 Statutory Reserve

In compliance with the provision of section 24 of the Bank Company Act 1991 (as amended up to date), the Bank is to transfer at least 20% of its profit before tax (PBT) to statutory reserve each year until the sum of statutory reserve and share premium (if any) equal the paid up capital of the Bank. In 2021, the bank has transferred BDT 1,420.65 million to statutory reserve account in compliance with the said provision.

| Opening balance | 8,117,995,470 | 8,117,995,470 | 8,117,995,470 | 8,117,995,470 |
|---|---------------|---------------|---------------|---------------|
| Transferred from profit during the year | 1,420,649,200 | - | 1,420,649,200 | - |
| Closing balance | 9,538,644,670 | 8,117,995,470 | 9,538,644,670 | 8,117,995,470 |

16 Dividend equalization reserve

As per BRPD Circular No. 18 dated 20 October 2002, Banks had to transfer an equal amount of net profit (amount by which cash dividend exceeds 20%) to Dividend Equalization Account while paying cash dividend in excess of 20%. This is treated as 'Core Capital' of the Bank.

However, bank's current dividend decision is made in compliance with DOS Circular no. 01 dated 07 February 2021.

17 Assets revaluation reserve (land and other assets)

| | | 2,501,893,279 | 3,492,079,880 | 2,416,474,912 | 3,406,661,513 |
|---|-------|---------------|---------------|---------------|---------------|
| Shares of DSE and CSE | 17.00 | 05,410,307 | 00,410,307 | - | - |
| Reserve for fair value of TRECs to EBLSL and | 17 05 | 85.418.367 | 85.418.367 | | |
| Reserve against non-banking assets | 17.04 | - | 93,231,165 | - | 93,231,165 |
| Reserve for amortization of treasury securities (HTM) | 17.03 | 29,260,251 | 20,221,049 | 29,260,251 | 20,221,049 |
| Reserve for revaluation of treasury securities (HFT) | 17.02 | - | 817,134,941 | - | 817,134,941 |
| Reserve for revaluation of land properties | 17.01 | 2,387,214,661 | 2,476,074,358 | 2,387,214,661 | 2,476,074,358 |

17.01 Reserve for revaluation of land properties

When carrying amount of same class of assets is increased as a result of revaluation, the increased amount of the entire class of same assets netting off deferred tax liability (as per IAS 12 'Income tax'), is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 'Property, plant and equipment'. Apart from financial assets, the Bank revalues its lands following relevant circulars of Bangladesh Bank and Bangladesh Securities & Exchange Commission.

| Opening balance | 2,476,074,358 | 2,476,074,358 | 2,476,074,358 | 2,476,074,358 |
|------------------------------|---------------|---------------|---------------|---------------|
| Reserve made during the year | 73,548,515 | - | 73,548,515 | - |
| | 2,549,622,873 | 2,476,074,358 | 2,549,622,873 | 2,476,074,358 |
| Less: Deferred tax liability | 162,408,212 | - | 162,408,212 | - |
| Closing balance | 2,387,214,661 | 2,476,074,358 | 2,387,214,661 | 2,476,074,358 |

17.01.a Details of land properties and revaluation result as of 31-12-2021:

Amount in BDT

| Particulars of land | Year of acquisition | Purpose for holding of land | Cost of Land (incl. development cost) | Revalued amount | Revaluation surplus/ (deficit) |
|---|------------------------|---|--|--------------------|--------------------------------------|
| 33 CA, Agrabad, Chottagram (Size: 13.43 Katha or 22.17 Decimal) | Feb 1983 | Regional Head Office | Acquired as BCCI property | 443,400,000 | 443,400,000 |
| New 100 Gulshan Avenue, Dhaka (Size: 26.24 Katha or 43.312 Decimal) | Nov 2002 | Corporate Head Office | 95,624,950 | 2,099,975,757 | 2,004,350,807 |
| Plot-832/B, Block-I, Bashundhara R/A, Dhaka (Size: 100 Katha or 165 Decimal) | July 2008 | Proposed country sales center, Retail banking, Cards sales, Call center, Collection/ recovery unit, etc. | 326,732,201 | 800,000,000 | 473,267,799 |
| Plot-19, Block-A, Bashundhara R/A, Dhaka (Size: 5 Katha or 8.25 Decimal) | Nov 2008 | Proposed branch, Cards center and others. | 52,418,163 | 52,000,000 | (418,163) |
| Rupayan Point, Plot # 1/11 Lalmatia Housing, Dhaka (Size: 7.75 Katha or 12.787 Decimal) | Jun 2013 | Proposed branch, Zonal office for SME & Corporate business, operations etc. | 533,986,690 | 251,875,000 | (282,111,690) |
| Purbachal, Kaligonj, Gazipur, Dhaka (Size: 85.15 Katha or 140.50 Decimal) | Aug 2007 | Proposed Central Warehouse | 35,319,289 | 61,734,847 | 26,415,558 |
| Polash Bari, Ashulia, Savar, Dhaka (Size: 379.69 Katha or 626.50 Decimal) | Nov 2011 | Proposed Residential Training Academy | 466,501,135 | 351,219,697 | (115,281,438) |
| | | Total | 1,510,582,428 | 4,060,205,301 | 2,549,622,873 |

| Notes | Consolidated | Bank | | |
|-------|--------------|------|------|------|
| Notes | 2021 | 2020 | 2021 | 2020 |

17.02 Reserve for revaluation of treasury securities (HFT)

Rereve for revaluation of HFT securities is recognised as per the instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Any increase in the value of such securities categorised as HFT as a result of mark-to-market is booked under equity as revaluation reserve but any decrease is directly charged to profit and loss account.

| Opening balance | 817,134,941 | 211,787 | 817,134,941 | 211,787 |
|---------------------------------|-----------------|---------------|-----------------|---------------|
| Addition during the year | 744,876,128 | 1,793,874,362 | 744,876,128 | 1,793,874,362 |
| Adjustment made during the year | (1,562,011,070) | (976,951,208) | (1,562,011,070) | (976,951,208) |
| Closing balance | - | 817,134,941 | - | 817,134,941 |

17.03 Reserve for amortization of treasury securities (HTM)

Reserve for amortization of HTM securities is recognised as per the instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. When the value of a government treasury security categorised as HTM increases as a result of amortisation, the amount thus increased is recognised directly to equity as reserve for amortisation.

| Opening balance | 20,221,049 | 99,989,850 | 20,221,049 | 99,989,850 |
|---------------------------------|-------------|--------------|-------------|--------------|
| Addition during the year | 15,451,834 | 14,358,937 | 15,451,834 | 14,358,937 |
| Adjustment made during the year | (6,412,632) | (94,127,738) | (6,412,632) | (94,127,738) |
| Closing balance | 29,260,251 | 20,221,049 | 29,260,251 | 20,221,049 |

17.04 Reserve against non-banking assets

The bank derecognized 11 NBAs and adjusted corresponding 'Reserve & Provision' against those NBAs in 2021 as these properties do not qualify as 'Non-Banking Asset' as per the latest BRPD circular BRPD 22/2021 due to absence of mutation and physical possession.

| Closing balance | - | - | 93,231,165 | - | 93,231,165 |
|---------------------------------|----|--------------|-------------|--------------|-------------|
| Adjustment made during the year | 10 | (93,231,165) | (3,160,000) | (93,231,165) | (3,160,000) |
| Opening balance | | 93,231,165 | 96,391,165 | 93,231,165 | 96,391,165 |
| | | | | 1 / 1 | |

Details of NBAs awarded to the Bank under section 33(7) of Artharin Adalat Act, 2003 as at 31 December 2021 are in 'Annexure-D1'.

| Notos | Conso | lidated | Bank | | |
|-------|-------|---------|------|------|--|
| Notes | 2021 | 2020 | 2021 | 2020 | |

17.05 Reserve for fair value of TRECs to EBLSL and Shares of DSE and CSE (held by EBLSL under Demutualization Scheme

| 553,798,500 201,500,000 755,298,500 | 553,798,500 201,500,000 755,298,500 |
|--|--|
| | |
| 553,798,500 | 553,798,500 |
| | |
| | |
| 840,716,867 | 840,716,867 |
| 43,879,755 | 43,879,755 |
| 113,909,572 | 113,909,572 |
| 201,500,000 | 201,500,000 |
| 481,427,540 | 481,427,540 |
| | 201,500,000 113,909,572 43,879,755 |

18 Actuarial re-measurement gain/(loss) on defined benefit plans

Actuarial re-measurement gain/(loss) results from increase in the present value of the defined benefit obligation (Gratuity Fund and Superannuation Fund) due to changes in actuarial assumptions and experience adjustment which has been shown as equity component as element of OCI as per IAS 19 'Employee Benefits'.

| Opening balance | (335,978,500) | - | (335,978,500) | - |
|---|---------------|---------------|---------------|---------------|
| Re-measurement gain/(loss) on defined benefit obligation (current year) | (313,700,000) | (335,978,500) | (313,700,000) | (335,978,500) |
| | (649,678,500) | (335,978,500) | (649,678,500) | (335,978,500) |
| Less: Adjustment with deferred tax assets | 243,629,438 | 125,991,938 | 243,629,438 | 125,991,938 |
| Closing balance | (406,049,063) | (209,986,563) | (406,049,063) | (209,986,563) |

19 Foreign currency translation difference: [gain/(loss)]

Assets and liabilities of EBL Offshore Banking Operation and EBL Finance (HK) Ltd (on consolidation) have been presented into Taka (which is the functional currency of the Bank) using year-end standard mid rate of exchange of the Bank @ USD 1 = BDT 85.80 and HKD 1= BDT 11.0996. Yearly incomes and expenses are translated using monthly average exchange rate (USD 1= BDT 85.0935 & HKD 1 = BDT 11.0082). The net cumulative result of the exchange difference has been presented separately as equity component as per IAS 21 (para 39).

20 Surplus in profit and loss account

| Closing balance | 9,504,261,953 | 8,969,072,019 | 8,975,293,909 | 8,583,707,111 |
|--|-----------------|-----------------|-----------------|-----------------|
| Foreign currency adjustment for offshore | (3,086,859) | 3,612,625 | (330,329) | 1,599,197 |
| Cash dividend paid | (1,420,649,200) | (1,217,699,321) | (1,420,649,200) | (1,217,699,321) |
| Bonus share issued | (1,420,649,200) | - | (1,420,649,200) | - |
| Transfer to statutory reserve | (1,420,649,200) | - | (1,420,649,200) | - |
| Profit for the year | 4,800,224,393 | 4,180,381,016 | 4,653,864,727 | 4,102,563,055 |
| Opening balance | 8,969,072,019 | 6,002,777,699 | 8,583,707,111 | 5,697,244,179 |

21 Contingent liabilities:

Accounting policy:

Contingent liabilities which include certain guarantees and letters of credit pledged as collateral are possible obligations that may arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank. Contingent liabilities are recognised in the financial statements and disclosed in the face of balance sheet under off-balance sheet items as per the guidelines of BRPD circular No. 14 dated 25 June 2003.

| Details | of | contingen | t liabilities: |
|---------|----|-----------|----------------|
| | | | |

| Details of contingent tabitities. | | | | | |
|--|------|-----------------|-----------------|-----------------|-----------------|
| Acceptance and endorsements | 21.1 | 53,047,505,500 | 42,593,184,478 | 53,047,505,500 | 42,593,184,478 |
| Letters of guarantee | 21.2 | 31,749,649,918 | 27,229,615,956 | 31,749,649,918 | 27,229,615,956 |
| Irrevocable letters of credit | 21.3 | 46,268,850,715 | 26,084,696,594 | 46,268,850,715 | 26,084,696,594 |
| Bills for collection | 21.4 | 10,647,181,021 | 8,032,352,776 | 10,647,181,021 | 8,032,352,776 |
| Forward assets purchased and forward deposits placed (against FCY) | 21.5 | 118,101,190 | 120,428,481 | 118,101,190 | 120,428,481 |
| | | 141,831,288,344 | 104,060,278,285 | 141,831,288,344 | 104,060,278,285 |
| Acceptance and endorsements | | | | | |
| Details of contingent liabilities: | | | | | |
| Acceptances (Back to Back) | | 12,614,362,231 | 8,817,799,726 | 12,614,362,231 | 8,817,799,726 |
| Acceptances (ULC-Cash) | | 58,867,554,746 | 33,609,098,625 | 58,867,554,746 | 33,609,098,625 |
| | | 71,481,916,977 | 42,426,898,351 | 71,481,916,977 | 42,426,898,351 |

21.1

| | Notes | Consol | idated | Ba | ank | |
|---|-------|------------------|----------------|------------------|----------------|--|
| | Notes | 2021 | 2020 | 2021 | 2020 | |
| Acceptances (ULC-Cash)- Offshore Banking Unit | | 519,235,246 | 166,286,127 | 519,235,246 | 166,286,127 | |
| | | 72,001,152,223 | 42,593,184,478 | 72,001,152,223 | 42,593,184,478 | |
| Less: Bills financed on own acceptance | | (18,953,646,722) | - | (18,953,646,722) | - | |
| | | 53,047,505,500 | 42,593,184,478 | 53,047,505,500 | 42,593,184,478 | |

As per BRPD circular letter no 09 dated 27 May 2019, bill financed on own acceptance worth BDT 18,953.65 million has been reported under funded outstanding, hence the same has been excluded from non-funded exposures and thus no provision has been maintained.

21.2 Letters of guarantees

| | 31,749,649,918 | 27,229,615,956 | 31,749,649,918 | 27,229,615,956 |
|--|----------------|----------------|----------------|----------------|
| Letters of guarantee-Offshore Banking Unit | - | - | - | - |
| | 31,749,649,918 | 27,229,615,956 | 31,749,649,918 | 27,229,615,956 |
| Others (Customers etc.) | 17,209,111,338 | 14,226,167,427 | 17,209,111,338 | 14,226,167,427 |
| Banks and other financial institutions | 14,020,549,353 | 12,489,452,702 | 14,020,549,353 | 12,489,452,702 |
| Government | 519,796,327 | 513,802,927 | 519,796,327 | 513,802,927 |
| Directors | 192,900 | 192,900 | 192,900 | 192,900 |
| | | | | |

As per BRPD circular no 13 dated 18 October 2018, 1% General provision has been maintained against Letter of Guarantee, except those against which counter guarantee has been issued by Multilateral Development Banks/International Banks having BB rating grade equivalent 1 to 4 for which a provision 0% - 1% is required to be maintained.

21.3 Irrevocable letters of credit

| | Letters of credit - Cash sight | 9,720,154,911 | 5,970,342,619 | 9,720,154,911 | 5,970,342,619 |
|------|---|----------------|----------------|-----------------|----------------|
| | Letters of credit - Cash usance | 22,802,192,908 | 12,080,839,347 | 22,802,192,908 | 12,080,839,347 |
| | Letters of credit - Back to back | 13,297,140,187 | 7,861,022,607 | 13,297,140,187 | 7,861,022,607 |
| | | 45,819,488,006 | 25,912,204,574 | 45,819,488,006 | 25,912,204,574 |
| | Letters of credit (Cash sight)-Offshore Banking Unit | 89,284,660 | 51,448,311 | 89,284,660 | 51,448,311 |
| | Letters of credit (Cash usance)-Offshore Banking Unit | 360,078,049 | 121,043,709 | 360,078,049 | 121,043,709 |
| | | 46,268,850,715 | 26,084,696,594 | 46,268,850,715 | 26,084,696,594 |
| | | | | | |
| 21.4 | Bills for collection | | | | |
| | Foreign Documentary Bills Collection | 3,902,700,420 | 2,998,233,689 | 3,902,700,420 | 2,998,233,689 |
| | | | 1 500 540 440 | / / / / 000 505 | |

| | 10,647,181,021 | 8,032,352,776 | 10,647,181,021 | 8,032,352,776 |
|---|----------------|---------------|----------------|---------------|
| Bills for collection- Offshore Banking Unit | 298,192,074 | 435,605,969 | 298,192,074 | 435,605,969 |
| | 10,348,988,947 | 7,596,746,807 | 10,348,988,947 | 7,596,746,807 |
| Local Documentary Bills Collection | 6,446,288,527 | 4,598,513,118 | 6,446,288,527 | 4,598,513,118 |
| Foreign Documentary bits conection | 3,702,700,420 | 2,770,233,007 | 3,702,700,420 | 2,770,233,007 |

As per BRPD circular no 07 dated 21 June 2018, 1% general provision on Bills for Collection has been waived. As such no general provision on outstanding Bills for Collection worth BDT 10,647.18 million has been maintained as on the reporting date.

21.5 Forward assets purchased and forward deposits placed (against FCY)

| Forward assets purchased Forward deposits placed | 118,101,190 | 120,428,481 | 118,101,190 | 120,428,481 |
|---|-------------|-------------|-------------|-------------|
| | 118,101,190 | 120,428,481 | 118,101,190 | 120,428,481 |

 $As per BRPD instruction, 1\% general provision on outstanding Forward Assets Purchased worth BDT 118.10\ million has been maintained.$

22 Interest income

Recognition policy:

Interest on unclassified loans and advances (except those of rescheduled and stay order accounts), money at call, placements and foreign currency balances is recognised as income on accrual basis. Interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time.

| Interest on loans and advances | 16,119,625,648 | 19,217,002,936 | 15,566,233,842 | 18,612,083,477 |
|---|----------------|----------------|----------------|----------------|
| Interest on money at call and short notice | 12,853,266 | 19,558,828 | 12,853,266 | 19,558,828 |
| Interest on placement with banks and Financial Institutions | 712,561,002 | 1,258,910,739 | 696,959,046 | 1,243,077,283 |
| Interest on foreign currency balances | 80,804,436 | 46,522,533 | 80,804,436 | 46,522,533 |
| | 16,925,844,351 | 20,541,995,035 | 16,356,850,589 | 19,921,242,120 |
| Less: Inter unit/company elimination | (390,074,937) | (530,626,708) | (150,641,286) | (253,828,364) |
| | 16,535,769,415 | 20,011,368,328 | 16,206,209,303 | 19,667,413,756 |

| Notes - | Consol | idated | Ba | nk |
|---------|--------|--------|------|------|
| Notes | 2021 | 2020 | 2021 | 2020 |

23 Interest paid on deposits, borrowings and others

Recognition policy:

Interest paid on borrowings and deposits are calculated on actual days basis by dividing 360 days in a year and recognised on accrual basis. Interest on lease liabilities are accounted for as per IFRS 16 'Leases'. Interest cost netting off interest income on defined benefit plans are accounted for as per IAS 19 and latest actuarial reports.

| | 1 1 | - | | | | |
|-------|---|-------------|---|-----------------|----------------|----------------|
| | Interest on deposits | 23.01 | 7,079,137,413 | 11,473,800,791 | 7,079,137,413 | 11,473,800,791 |
| | Interest on borrowings from Banks & FIs | 23.02 | 1,597,990,130 | 2,491,691,516 | 1,203,210,470 | 1,993,838,225 |
| | Interest on borrowings from BB & others | 23.03 | 250,825,450 | 437,825,267 | 250,825,450 | 437,825,267 |
| | Interest on lease liabilities | | 55,772,411 | 66,048,878 | 54,968,264 | 64,673,564 |
| | Interest on Margin | | 676,183 | 676,183 | 676,183 | 676,183 |
| | Net interest cost (on Gratuity Fund) | 23.04 | 22,899,999 | 17,234,986 | 22,899,999 | 17,234,986 |
| | Net interest cost (on Superannuation Fund) | 23.05 | (16,100,000) | 2,843,000 | (16,100,000) | 2,843,000 |
| | | - | 8,991,201,586 | 14,490,120,621 | 8,595,617,779 | 13,990,892,016 |
| | Less: Inter unit/company elimination | | (390,074,937) | (530,626,708) | (150,641,286) | (253,828,364) |
| | | | 8,601,126,650 | 13,959,493,914 | 8,444,976,493 | 13,737,063,652 |
| 23.01 | Interest on deposits | - | | | | |
| | Interest on savings and current deposits | | 1,959,622,297 | 1,857,457,425 | 1,959,622,297 | 1,857,457,425 |
| | Interest on special notice deposits (SND) | | 1,434,345,227 | 1,369,155,564 | 1,434,345,227 | 1,369,155,564 |
| | Interest on term deposits | | 3,685,169,889 | 8,247,187,803 | 3,685,169,889 | 8,247,187,803 |
| | | - | 7,079,137,413 | 11,473,800,791 | 7,079,137,413 | 11,473,800,791 |
| 22.02 | Interest on borrowings from Banks & FIs | - | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 11,47,0,000,771 | 1,017,1207,420 | 11,470,000,771 |
| 23.02 | - | | | | | |
| | Interest on demand borrowing | | 289,008,019 | 674,074,462 | 180,369,778 | 456,124,059 |
| | Interest on term borrowing | | 862,765,994 | 1,032,807,239 | 576,624,575 | 752,904,351 |
| | Interest on Subordinated Bond | | 444,823,582 | 591,279,891 | 444,823,582 | 591,279,891 |
| | Inter-bank Repo (Repurchase agreement) | - | 1,392,535 | 193,529,923 | 1,392,535 | 193,529,923 |
| | | - | 1,597,990,130 | 2,491,691,516 | 1,203,210,470 | 1,993,838,225 |
| 23.03 | Interest on borrowings from BB & others | | | | | |
| | Borrowing under IPFF | | 1,003,709 | 1,994,338 | 1,003,709 | 1,994,338 |
| | Borrowing under EDF | | 184,335,755 | 314,255,725 | 184,335,755 | 314,255,725 |
| | Borrowing under LTFF | | 7,268,618 | 48,253,089 | 7,268,618 | 48,253,089 |
| | Borrowing under BADP (refinance scheme) | | 6,028,200 | 10,621,714 | 6,028,200 | 10,621,714 |
| | Borrowing under SMESPD (refinance scheme) | | 26,414,511 | 38,198,340 | 26,414,511 | 38,198,340 |
| | Second Crop Diversification Project | | 21,024,486 | 24,082,593 | 21,024,486 | 24,082,593 |
| | Borrowing from SME Foundation | | 106,340 | 419,469 | 106,340 | 419,469 |
| | Borrowing under Pre-shipment Credit Refinancin | g Scheme | 4,550,124 | - | 4,550,124 | - |
| | Borrowing under Green Transformation Fund (G | TF) | 93,706 | - | 93,706 | - |
| | | - | 250,825,450 | 437,825,267 | 250,825,450 | 437,825,267 |
| 23.04 | Net interest cost (on Gratuity Fund) | | | | | |
| | Interest expense on defined benefit obligation (for Gra | tuity Fund) | 132,200,000 | 99,042,152 | 132,200,000 | 99,042,152 |
| | Less: Interest income on plan assets (for Gratuit | | 109,300,000 | 81,807,166 | 109,300,000 | 81,807,166 |
| | - | · | 22,899,999 | 17,234,986 | 22,899,999 | 17,234,986 |
| 23.05 | Net interest cost (on Superannuation Fund) | - | | | | |
| | Interest expense on defined benefit obligation (for Superannu | ation Fund) | (12,200,000) | 8,547,463 | (12,200,000) | 8,547,463 |
| | Less: Interest income on plan assets (for Superannua | | 3,900,000 | 5,704,463 | 3,900,000 | 5,704,463 |
| | | | (16,100,000) | 2,843,000 | (16,100,000) | 2,843,000 |
| | | - | (=0,=00,000) | _,0 .0,000 | (20,200,000) | _,= .=,300 |

24 Investment income

Recognition policy:

Income on investments in Government and other securities, debentures and bonds are accounted for on accrual basis as per the provisions of IFRS 15 'Revenue from contracts with customers' and relevant Bangladesh Bank guidelines.

Dividend income from investments in equity instruments including from subsidiaries is recognised at the time when it is declared, ascertained, reliably measured and right to receive the payment is established.

| Notoo | Consol | idated | Ba | nk |
|---------|--------|--------|------|------|
| Notes - | 2021 | 2020 | 2021 | 2020 |

Non-interest investment income i.e. gain/loss arising from trading in government securities (HFT), quoted and unquoted shares & mutual funds is recognised in profit and loss account at the time of effecting the transactions except those which are restricted by Bangladesh Bank.

| Net Galli (Loss) off sale of quoted securities | | 5.996.842.333 | 5,101,545,522 | 6.088.639.366 | 5,048,674,967 |
|---|------|---------------|---------------|---------------|---------------|
| Net Gain/(Loss) on sale of guoted securities | | 520.220.651 | 77.101.424 | 341,361,494 | 39,171,379 |
| (Loss) on revaluation of treasury securities (HFT)* | | (857,986,510) | (378,570,820) | (857,986,510) | (378,570,820) |
| Gain from government securities* | 24.2 | 1,115,211,491 | 1,777,511,802 | 1,115,211,491 | 1,777,511,802 |
| Interest on non-govt. treasury bonds | | 1,070,717,588 | 455,304,501 | 1,070,717,588 | 455,304,501 |
| Interest on govt. treasury bonds | | 3,800,353,995 | 2,999,612,074 | 3,800,353,995 | 2,999,612,074 |
| Interest on reverse REPO | | 792,688 | 18,532,283 | 792,688 | 18,532,283 |
| Dividend income | 24.1 | 347,532,429 | 152,054,258 | 618,188,619 | 137,113,749 |

*As per instruction/circular of Bangladesh Bank vide DOS circular letter no 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009.

24.1 Dividend Income

| | | 1,115,211,491 | 1,777,511,802 | 1,115,211,491 | 1,777,511,802 |
|------|--|---------------|---------------|---------------|---------------|
| | Gain from amortization in govt. treasury bills | 6,285,994 | 788,855,985 | 6,285,994 | 788,855,985 |
| | Gain from trading in govt. treasury bills/bonds | 1,108,925,498 | 988,655,817 | 1,108,925,498 | 988,655,817 |
| 24.2 | Gain from government securities | | | | |
| | | 347,532,429 | 152,054,258 | | |
| | Less: Elimination-Dividend from EBL Securities Limited and EBL Finance (HK) Limited | 335,518,720 | 42,166,322 | | |
| | | 683,051,149 | 194,220,581 | | |
| | EBL asset management limited | 6,763,947 | 1,306,813 | | |
| | EBL investments limited | 1,416,536 | 2,212,803 | | |
| | EBL securities limited | 56,682,047 | 53,587,216 | | |
| | Eastern bank limited (Parent) | 618,188,619 | 137,113,749 | | |
| | | | | | |

*As per instruction/circular of Bangladesh Bank vide DOS circular letter no 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009.

25 Commission, exchange and brokerage

Recognition policy:

Fees and commission income arising from services provided by the Bank are recognised as income on accrual basis as per IFRS 15 'Revenue from contracts with customers'. Fees and commission charged to customers on trade finance i.e. L/C, L/G, acceptance and other general banking services i.e. card services, management fees, arrangement fees, locker charges etc. are recognised as income when a performance obligation is satisfied by transferring a promised service to customer by the bank, and at the time of effecting the transactions except those which are received in advance.

Exchange gain includes all gains and losses from foreign currency day to day transactions, conversions and revaluation of non monetary items.

| | Fees, commission and charges Exchange gain (net of exchange loss) Brokerage commission | 25.1 25.2 25.3 | 2,403,973,447 701,502,695 518,265,579 | 2,117,045,300 769,080,548 181,242,188 | 2,341,863,721 698,615,533 - | 2,052,782,840 770,268,476 - |
|--------|--|----------------------|---|---|-----------------------------------|-----------------------------------|
| | | _ | 3,623,741,721 | 3,067,368,036 | 3,040,479,254 | 2,823,051,316 |
| 25.1 | Fees, commission and charges: | | | | | |
| | Loan processing fees | | 193,733,395 | 212,912,304 | 193,733,395 | 212,912,304 |
| | Service charges (Periodic & Adhoc) | | 369,530,421 | 340,476,876 | 324,096,239 | 295,367,503 |
| | Early settlement fees | | 44,143,279 | 38,480,163 | 44,143,279 | 38,480,163 |
| | Cards fees & charges (net of cards direct expenses) | 25.1.a | 690,281,572 | 677,619,620 | 690,281,572 | 677,619,620 |
| | Commission on general banking (PO, FDD, remittan | .ce, etc) | 102,423,661 | 134,725,126 | 102,608,572 | 134,725,126 |
| | Commission on trade business (LG, LC, Acceptance | e) | 1,003,861,119 | 712,831,211 | 987,000,664 | 693,678,124 |
| | | | 2,403,973,447 | 2,117,045,300 | 2,341,863,721 | 2,052,782,840 |
| 25.1.a | Cards fees and charges (net of cards direct expen | ses): | | | | |
| | Cards fees and charges: | | | | | |
| | Fees and charges (Debit, Prepaid Cards, etc.) | | 241,344,008 | 191,123,339 | 241,344,008 | 191,123,339 |
| | Fees and charges (Credit cards): | | | | | |
| | Annual and transactional fees | | 285,623,463 | 274,571,968 | 285,623,463 | 274,571,968 |
| | Late payment and overlimit fees | | 183,026,830 | 221,676,523 | 183,026,830 | 221,676,523 |
| | Cash advance fees | | 2,221,292 | 1,990,370 | 2,221,292 | 1,990,370 |

| | | Consoli | dated | Bank | | |
|------|---|---------------|---------------|---------------|---------------|--|
| | Notes | 2021 | 2020 | 2021 | 2020 | |
| | Interchange reimbursement (IRF) and aguiring fees | 215,529,750 | 160,403,161 | 215,529,750 | 160,403,161 | |
| | Risk assurance premium | 108,919,316 | 107,876,151 | 108,919,316 | 107,876,151 | |
| | Merchant service commission | 372,414,199 | 205,356,283 | 372,414,199 | 205,356,283 | |
| | Replacement fees and others | 312,820 | 356,381 | 312,820 | 356,381 | |
| | | 1,409,391,678 | 1,163,354,176 | 1,409,391,678 | 1,163,354,176 | |
| | Cards direct expenses | | | | | |
| | Membership and Priority Pass | 385,809,681 | 265,453,706 | 385,809,681 | 265,453,706 | |
| | Acquiring and IRF charges | 276,551,231 | 148,195,460 | 276,551,231 | 148,195,460 | |
| | Insurance expense | 12,466,756 | 32,270,760 | 12,466,756 | 32,270,760 | |
| | Other service charges (ATM card usage, cash back, reward etc) | 44,282,438 | 39,814,630 | 44,282,438 | 39,814,630 | |
| | | 719,110,106 | 485,734,556 | 719,110,106 | 485,734,556 | |
| | Total cards fees and charges (net of direct expenses) | 690,281,572 | 677,619,620 | 690,281,572 | 677,619,620 | |
| 25.2 | Exchange gain (net of exchange loss) | | | | | |
| | Gain on exchange trading (other than cards business) | 2,369,080,646 | 2,807,360,806 | 2,353,535,526 | 2,777,871,136 | |
| | Less: Exchange loss | 1,721,307,516 | 2,086,248,727 | 1,708,649,558 | 2,055,571,129 | |
| | - | 647,773,130 | 721,112,079 | 644,885,968 | 722,300,007 | |
| | Exchange gain from cards business | 94,437,809 | 75,533,318 | 94,437,809 | 75,533,318 | |
| | Less: Exchange loss | 40,708,244 | 27,564,849 | 40,708,244 | 27,564,849 | |
| | | 53,729,565 | 47,968,469 | 53,729,565 | 47,968,469 | |
| | Total | 701,502,695 | 769,080,548 | 698,615,533 | 770,268,476 | |
| 25.3 | Brokerage commission | | | | | |
| | Brokerage commission (DSE and CSE) | 547,803,198 | 178,464,076 | | | |
| | Brokerage commission (Dealer) | 7,611,986 | 1,103,787 | | | |
| | Settlement fees & commission | 30,497,426 | 8,166,370 | | | |
| | Management & trustee fees | 7,613,495 | 19,800,741 | | | |
| | - | 593,526,105 | 207,534,974 | | | |
| | Less: Direct expenses | | | | | |
| | Laga and Howla charges | 45,866,090 | 15,229,962 | | | |
| | CDBL charges | 29,394,436 | 11,062,824 | | | |
| | | 75,260,526 | 26,292,786 | | | |
| | - | 518,265,579 | 181,242,188 | | | |

26 Other operating income

Recognition policy:

Other operating incomes are recognised on accrual basis as per the provisions of IFRS 15 'Revenue from contracts with customers' and relevant Bangladesh Bank guidelines.

| Rebate earnings | 136,974,725 | 146,724,535 | 136,974,725 | 146,724,535 |
|----------------------------------|-------------|-------------|-------------|-------------|
| Postage charges recovered | 21,006,530 | 24,100,520 | 9,896,631 | 12,411,059 |
| Swift charges recovered | 71,563,723 | 57,317,277 | 71,563,723 | 57,317,277 |
| Service charges (others) | 6,577,659 | 7,210,151 | 6,577,659 | 7,210,151 |
| Locker rent | 22,956,424 | 19,407,025 | 22,956,424 | 19,407,025 |
| Gain on disposal of fixed assets | 5,685,639 | 2,668,637 | 5,685,639 | 2,540,021 |
| Other fees and income * | 22,441,731 | 88,457,103 | 14,144,468 | 86,071,047 |
| | 287,206,430 | 345,885,248 | 267,799,268 | 331,681,115 |

Lapse and forfeiture account of EBL Employees Provident Fund of BDT 5.85 million (BDT 80.52 million in 2020) has been reverted and recognised as 'other income' as per the notification no. 179/FRC/FRM/ Notification /2020/2 dated 07 July 2020 issued by Financial Reporting Council (FRC). Lapse & forfeiture amount of BDT 2.25 million of subsidiaries are also included in consolidated 'other income'. Commission, fees and charges received against export and export related services are VAT exempted as per service code S056 of SRO 189-AIN/2019/46-MUSHAK, dated 13 June 2019.

Management and other expenses:

Recognition policy:

Expenses incurred by the group are recognised on accrual basis when a performance obligation is satisfied by receiving a promised service by the bank as per IFRS 15 'Revenue from contracts with customers', IAS 19 'Employee Benefits', IFRS 16 "Leases' and relevant local laws.

Expenses incurred by the bank shown in these financial statements are inclusive of VAT where applicable as per VAT and Supplementary Duty Act 2012 and rules 2016.

| | | | | | 11110 0110 111 001 |
|--|-------|---------------|---------------|---------------|--------------------|
| | Notos | Consoli | dated | Bar | ık |
| | Notes | 2021 | 2020 | 2021 | 2020 |
| 27 Salary & allowances (excluding those of MD) | | | | | |
| Basic salary | | 1,484,670,065 | 1,389,172,884 | 1,412,154,336 | 1,305,222,867 |
| Other salary & allowances | | 1,697,501,129 | 1,621,701,245 | 1,631,680,430 | 1,570,187,981 |
| Festival bonus | | 280,661,765 | 267,257,878 | 273,562,025 | 260,632,940 |
| Incentive bonus | | 469,272,166 | 345,270,038 | 455,072,166 | 341,247,312 |
| Contribution to provident fund | | 140,792,418 | 128,612,657 | 137,419,220 | 125,256,609 |
| Current Service Cost - Gratuity Fund | 27.1 | 181,396,632 | 324,900,396 | 181,396,632 | 324,659,509 |
| Current Service Cost - Superannuation Fund | 27.2 | 9,254,996 | (3,615,250) | 9,254,996 | (3,615,250) |
| | | 4,263,549,171 | 4,073,299,850 | 4,100,539,805 | 3,923,591,968 |

*The number of regular employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 p.a. or above were 2,101 at the end of December 2021 and 1,968 at the end of December 2020.

27.1 Current Service Cost - Gratuity Fund (Bank only):

The current service costs of the defined benefit plans are determined as per the actuarial valuation report which involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates, future pension increase, etc. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty, hence the bank carries actuarial valuation each year.

The last valuation was carried out on 31 December 2021 by Air Consulting Limited and as per their recommendation the Bank charged BDT 181.40 million to the Profit & Loss Account in 2021 as current service cost. The bank also continued to contribute 18.3% of basic salary to the gratuity fund in 2021 as per actuarial recommendation.

27.2 Current Service Cost - Superannuation Fund (Bank only):

Contribution to superannuation fund is made as per actuarial valuation of the fund. Valuation is carried out on 'Projected unit credit method' as per International Accounting Standard (IAS) 19 'Employee Benefits' to determine the present value of obligations and the related current service cost and, where applicable past service cost. The amount of obligation is determined on the occurrence of certain pre-defined events which is related with employee rank (not salary) and certain threshold level of service being reached i.e. survival or withdrawal probabilities.

As per the the latest valuation by Air Consulting Limited carried out on 31 December 2021, the Bank charged current service cost of BDT 9.2 million to the Profit & Loss Account in 2021. The bank also continued to contribute BDT 21.30 million to the superannuation fund in 2021 as per actuarial recommendation.

28 Rent, taxes, insurance, utilities etc.

| Insurance premium** | 146,206,893 | 157,256,995 | 145,226,382 | 156,523,852 |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Utilities (except telecommunication) | 113,135,828 | 105.616.862 | 106,268,007 | 99,819,050 |
| | 427,243,019 | 440,047,713 | 415,353,404 | 430,005,846 |

* As per IFRS 16 'Leases', the Bank recorded interest expense on lease liabilities (note 23) and depreciation on RoU assets (note 35) instead of charging rental expense (excluding VAT) of BDT 489.24 million in 2021 (BDT 381.25 million in 2020) against rented premises treated as lease assets and shown in the balance sheet as RoU assets under note 35.

** The major portion of insurance premium (BDT 133.94 million in 2021 and BDT 142.49 million in 2020) was paid to Bangladesh Bank as per DOS circular letter no 1 dated 10 January 2007 and Circular no. DID-02/2012 dated 02 October 2012 in exchange of coverage of deposits up to certain threshold in case the bank goes bankrupt. The rest of the premium covers Property, Cash security etc.

29 Legal & professional expenses

| · · · · | | | | |
|--|-------------|-------------|-------------|-------------|
| Professional fees (consultancy, advisory, certification,CPV, etc.) | 16,492,900 | 12,431,618 | 15,944,741 | 11,385,822 |
| Lawyers' professional fees | 19,017,410 | 21,638,282 | 18,544,140 | 21,638,282 |
| Other legal expenses (Court expense, auction notice, etc.) | 51,997,436 | 30,829,547 | 51,994,684 | 30,829,547 |
| | 87,507,746 | 64,899,448 | 86,483,565 | 63,853,652 |
| 30 Postage, stamp, telecommunication etc. | | | | |
| Telephone - office (including SMS service) | 68,023,117 | 55,898,021 | 67,779,308 | 55,661,025 |
| Network link, Internet, swift and DR maintenance cost | 61,600,136 | 55,118,869 | 59,075,571 | 53,428,483 |
| Postage and courier charges | 25,352,993 | 27,511,253 | 20,954,679 | 22,238,238 |
| Stamp and court fees | 498,919 | 439,867 | 498,919 | 439,867 |
| | 155,475,165 | 138,968,011 | 148,308,477 | 131,767,614 |
| 31 Stationery, printing, advertisement, business promotion | etc. | | | |
| Printing and stationery | 57,724,740 | 61,781,205 | 55,599,990 | 60,287,697 |
| Advertisement (Print & electronic media, POC materials etc.) | 36,960,067 | 41,307,423 | 36,801,813 | 38,745,592 |
| Business promotional expenses for Skylounge | 131,861,006 | 147,814,367 | 131,861,006 | 147,814,367 |
| Business promotional expenses for Priority and others | 48,454,649 | 45,934,624 | 46,897,436 | 45,165,046 |
| | 275,000,463 | 296,837,619 | 271,160,246 | 292,012,702 |

| | Wataa | Consolid | ated | Bank | |
|----|---|------------|------------|------------|------------|
| | Notes | 2021 | 2020 | 2021 | 2020 |
| 32 | Managing Director's salary and allowances (Bank only) | | | | |
| | Basic salary | 18,428,371 | 16,753,065 | 18,428,371 | 16,753,065 |
| | Allowances | 4,200,000 | 4,200,000 | 4,200,000 | 4,200,000 |
| | Bonus (Festival and Incentive) | 3,970,000 | 3,700,000 | 3,970,000 | 3,700,000 |
| | Bank's contribution to provident fund | 1,842,837 | 1,675,307 | 1,842,837 | 1,675,307 |
| | | 28,441,208 | 26,328,372 | 28,441,208 | 26,328,372 |
| 33 | Directors' fees and expenses | | | | |
| | Meeting attendance fees | 2,854,050 | 2,486,800 | 2,252,800 | 2,024,800 |
| | Other expenses (refreshment, conveyance etc.) | 518,754 | 692,706 | 518,754 | 692,706 |
| | | 3,372,804 | 3,179,506 | 2,771,554 | 2,717,506 |

Each director of the Bank is paid for BDT 8,000 as per BRPD circular letter no. 11 dated 4 October 2015 for per board or board committee meeting attended in 2021.

34 Audit Fees

| viii on daar 1000 (i.e. 1070) | 2,530,051 | 2,472,615 | 1,190,312 | 1,202,057 |
|---|-----------|-----------|-----------|-----------|
| VAT on audit fees (i.e. 15%) | 317.249 | 158.380 | 142.500 | 129.130 |
| Statutory and corporate governance audit fees | 2,212,803 | 2,314,234 | 1,047,812 | 1,072,926 |

Audit fees include BDT 97,212 incurred for EBL Yangon representative office, Myanmar.

35 Repairs, maintenance and depreciation

| | Depreciation: (Annexure 'A') | | | | |
|----|--|---|---|---|---|
| | Building and floor spaces | 35,198,888 | 35,198,891 | 35,198,888 | 35,198,891 |
| | Machinery and equipments | 46,924,465 | 49,445,223 | 46,081,420 | 48,529,949 |
| | Computer and network equipments | 97,620,560 | 85,310,584 | 95,892,100 | 83,241,163 |
| | Digital banking equipments | 15,972,470 | 16,737,217 | 15,972,470 | 16,737,217 |
| | Electromechanical equipments | 17,184,810 | 17,182,622 | 17,184,810 | 17,182,622 |
| | Vehicles | 33,743,839 | 34,434,897 | 29,571,409 | 29,886,128 |
| | Furniture and fixtures | 51,720,861 | 53,627,435 | 48,353,809 | 49,851,838 |
| | Software | 60,651,392 | 61,532,999 | 60,339,595 | 61,344,620 |
| | Right of use assets (Lease assets) | 381,937,471 | 369,212,368 | 357,063,727 | 344,835,805 |
| | | 740,954,755 | 722,682,236 | 705,658,227 | 686,808,233 |
| | Repairs, maintenance and spare parts | | | | |
| | Machinery and equipments | 53,457,828 | 51,481,657 | 53,014,363 | 51,249,333 |
| | Vehicles | 10,141,557 | 7,118,158 | 9,068,675 | 6,313,777 |
| | Furniture and fixtures | 10,298,371 | 7,559,220 | 10,296,940 | 7,541,690 |
| | Rented premises- general | 48,885,189 | 56,634,712 | 46,302,642 | 54,643,304 |
| | Rented premises-electricity & lighting | 8,773,545 | 10,090,694 | 8,773,545 | 9,802,824 |
| | Computer and network equipments | 8,919,423 | 7,767,380 | 5,917,557 | 7,638,244 |
| | Software maintenance | 163,564,097 | 147,381,781 | 162,801,111 | 146,171,094 |
| | Total | <u>304,040,008</u> 1,044,994,764 | 288,033,602 1,010,715,838 | 296,174,831 1,001,833,059 | <u>283,360,266</u> 970,168,499 |
| | | 1,044,774,704 | 1,010,715,656 | 1,001,033,037 | 770,100,477 |
| 36 | Other expenses | | | | |
| | Business travelling and conveyance | 44,902,346 | 32,088,502 | 40,742,468 | 31,077,544 |
| | Bank charges | 39,812,049 | 43,899,816 | 38,788,647 | 41,857,062 |
| | Cards production cost | 30,425,590 | 32,804,797 | 30,425,590 | 32,804,797 |
| | POS acquiring expenses/charges | 560,000 | 1,400,000 | 560,000 | 1,400,000 |
| | CSR expenses (including donation) | 188,163,257 | 184,932,469 | 188,163,257 | 184,932,469 |
| | Fees and subscriptions | 6,598,303 | 5,644,295 | 5,921,404 | 4,754,678 |
| | Recruitment and training expenses | 11,939,490 | 8,641,312 | 8,506,329 | 8,543,092 |
| | Entertainment and recreation | 0/75/050 | 00.075.011 | 23,522,760 | 10 212 001 |
| | | 26,756,853 | 22,075,311 | 23,322,700 | 19,313,091 |
| | Office securities (Cash carrying, office premises etc.) | 151,019,804 | 22,075,311 150,326,518 | 150,227,803 | 149,481,718 |
| | | | | | |
| | Office securities (Cash carrying, office premises etc.) | 151,019,804 | 150,326,518 | 150,227,803 | 149,481,718 |
| | Office securities (Cash carrying, office premises etc.) Business and internal events | 151,019,804 2,745,600 | 150,326,518 6,806,266 | 150,227,803 2,745,600 | 149,481,718 6,806,266 |
| | Office securities (Cash carrying, office premises etc.) Business and internal events Reward and recognition | 151,019,804 2,745,600 29,416,024 | 150,326,518 6,806,266 40,482,724 | 150,227,803 2,745,600 29,416,024 | 149,481,718 6,806,266 40,482,724 |
| | Office securities (Cash carrying, office premises etc.) Business and internal events Reward and recognition Sales and collection commision (DST, Agency, Dealers) | 151,019,804 2,745,600 29,416,024 77,802,495 | 150,326,518 6,806,266 40,482,724 59,008,466 | 150,227,803 2,745,600 29,416,024 77,802,495 | 149,481,718 6,806,266 40,482,724 59,008,466 |
| | Office securities (Cash carrying, office premises etc.) Business and internal events Reward and recognition Sales and collection commision (DST, Agency, Dealers) Expense for EBL Sub-ordinated bond | 151,019,804 2,745,600 29,416,024 77,802,495 7,179,463 | 150,326,518 6,806,266 40,482,724 59,008,466 8,304,375 | 150,227,803 2,745,600 29,416,024 77,802,495 7,179,463 | 149,481,718 6,806,266 40,482,724 59,008,466 8,304,375 |
| | Office securities (Cash carrying, office premises etc.) Business and internal events Reward and recognition Sales and collection commision (DST, Agency, Dealers) Expense for EBL Sub-ordinated bond Other operating expenses (uniform, freight, books, shares etc) | 151,019,804 2,745,600 29,416,024 77,802,495 7,179,463 32,675,189 | 150,326,518 6,806,266 40,482,724 59,008,466 8,304,375 13,769,996 | 150,227,803 2,745,600 29,416,024 77,802,495 7,179,463 | 149,481,718 6,806,266 40,482,724 59,008,466 8,304,375 |

| | | | Consolio | lated | Ban | |
|------|---|------------|--|---|--|--|
| | | Notes | 2021 | 2020 | 2021 | 2020 |
| 36.1 | Other expenses of subsidiaries | | | | | |
| | Registration, renewal & IPO expense | | 919,742 | 345,978 | | |
| | Guarantee premium | | 4,074,814 | 3,498,517 | | |
| | Other expense and regulatory charges | | 33,806,645 | 781,428 | | |
| | | : | 38,801,201 | 4,625,923 | | |
| 37 | Other provisions | | | | | |
| | Provision charged for protested bill & others | 13.6 | 28,161,155 | 45,769,498 | 28,161,155 | 45,769,498 |
| | Provision for startup fund | 13.7 | 10,882,820 | 76,922,811 | 10,882,820 | 76,922,811 |
| | Provision released on revaluation of equity securities | 13.8 | (434,951,991) (395,908,016) | (224,182,900) (101,490,591) | (430,522,210) (391,478,235) | (214,354,004) (91,661,695) |
| 38 | Deferred tax expense/(income) (net) | : | (0,0),00,010, | | (0/2)::0)200) | (, = 100 = 10 / 0) |
| | Deferred tax (income) | 9.10.b | (282,900,616) | (175,974,151) | (293,851,189) | (78,729,409) |
| | Deferred tax (income)/expense | 9.10.c | (6,950,284) | 26,396,412 | (7,347,701) | 26,277,673 |
| | - | | (289,850,900) | (149,577,739) | (301,198,890) | (52,451,737) |
| 39 | Earnings per share | | | | | |
| | Earnings per share (EPS) has been computed by | / dividing | the profit after tax | (PAT) by the wei | ghted average nun | nber of ordinary |
| | shares outstanding as on 31 December 2021 as per was no dilution possibilities during the year. | | | | | |
| | Number of shares before bonus share issued | | 811,799,548 | 811,799,548 | 811,799,548 | 811,799,548 |
| | Bonus shares issued | | 142,064,919 | 142,064,919 | 142,064,919 | 142,064,919 |
| А. | Weighted average number of ordinary shares outst | anding : | 953,864,467 | 953,864,467 | 953,864,467 | 953,864,467 |
| В. | Earnings Per Share (EPS) : | | | | | |
| | Net profit attributable to the shareholders of EBL | | 4,800,224,393 | 4,180,381,016 | 4,653,864,727 | 4,102,563,054 |
| | Number of ordinary shares outstanding : | | 953,864,467 | 953,864,467 | 953,864,467 | 953,864,467 |
| | Earnings per share (EPS) (restated 2020) | | 5.03 | 4.38 | 4.88 | 4.30 |
| 40 | Changes in other assets (Cash flow item) | | | | | |
| | Opening Balance: | | | | | |
| | TREC of DSE (in exchange of membership license) | | 595,337,112 | 595,337,112 | - | - |
| | TREC of CSE (in exchange of membership license) | | 245,379,755 | 245,379,755 | - | - |
| | Receivable from subsidiaries | | - | - | 3,205,113 | 3,527,436 |
| | Stock of stationeries | | 12,191,604 | 15,097,285 | 12,191,604 | 15,097,285 |
| | Stamps on hand | | 4,791,068 | 5,600,093 | 4,781,918 | 5,582,843 |
| | Advance to staff for expenses | | 40,000 | 301,986 | 40,000 | 252,950 |
| | Security deposits-govt. agencies Interest and dividend receivables | | 15,992,392 1,343,478,795 | 11,637,804 964,781,342 | 7,524,224 1,364,453,355 | 7,359,364 1,046,980,398 |
| | Sundry receivables | | | 755,995,261 | | |
| | Advance rent | | 1,254,018,166 44,416,462 | 216,938,429 | 1,238,042,671 44,179,987 | 754,902,561 216,800,826 |
| | Prepayments and advance to vendors | | 207,308,251 | 161,824,574 | 203,703,188 | 158,371,686 |
| | Deferred tax assets (net of liabilities) | | 2,150,731,502 | 1,875,161,824 | 2,053,605,499 | 1,875,161,824 |
| | Other assets of subsidiaries | | 42,831,627 | 21,833,460 | 2,000,000,477 | - |
| | | | 5,916,516,734 | 4,869,888,926 | 4,931,727,559 | 4,084,037,174 |
| | Closing Balance: | | | | | |
| | Investment in DSE (TREC and Shares of DSE) | | 595,337,112 | 595,337,112 | - | - |
| | Investment in CSE (TREC and Shares of CSE) | | 245,379,755 | 245,379,755 | - | - |
| | Receivable from subsidiaries | | - | - | 76,556,929 | 3,205,113 |
| | Stock of stationeries | | 14,951,628 | 12,191,604 | 14,951,628 | 12,191,604 |
| | Stamps on hand | | 5,364,587 | 4,791,068 | 5,355,437 | 4,781,918 |
| | Advance to staff for expenses | | 820,689 | 40,000 | 820,689 | 40,000 |
| | Security deposits-govt. agencies | | 19,926,181 | 15,992,392 | 9,024,224 | 7,524,224 |
| | Interest and dividend receivables | | 1,615,863,808 | 1,343,478,795 | 1,935,455,355 | 1,364,453,355 |
| | Sundry receivables | | 1,339,322,099 | 1,254,018,166 | 1,337,696,283 | 1,238,042,671 |
| | Advance rent | | 62,717,244 | 44,416,462 | 60,137,688 | 44,179,987 |
| | Prepayments and advance to vendors Deferred tax assets (net of liabilities) | | 405,568,145 | 207,308,251 | 341,696,309 | 203,703,188 |
| | | | 2,395,811,691 | 2,150,731,502 | 2,310,033,677 | 2,053,605,499 |
| | | | 10011001/ | /.7 Q21 477 | | |
| | Other assets of subsidiaries | | 188,119,814 6.889,182,751 | 42,831,627 5.916.516.734 | 6.091.728.218 | 4.931.727.560 |
| | | | 188,119,814 6,889,182,751 143,442,458 | 42,831,627 5,916,516,734 352,140,048 | - 6,091,728,218 145,208,604 | - 4,931,727,560 289,298,839 |

| | Notor | Consoli | dated | Bai | nk |
|---|--------------|------------------------------|---------------------------|---------------------------|-----------------------------|
| | Notes | 2021 | 2020 | 2021 | 2020 |
| Changes in other liabilities (Cash flow items |) | | | | |
| Opening balances | | | | | |
| Privileged creditors | | 696,520,198 | 594,132,711 | 696,520,198 | 594,132,711 |
| Acquirer liabilities | | 1,308,342,901 | 954,182,205 | 1,308,342,901 | 954,182,205 |
| Sundry creditors | | 114,465,841 | 75,526,803 | 114,465,841 | 75,526,803 |
| Security deposit | | 6,727,979 | 6,067,856 | 6,727,979 | 6,067,856 |
| Current tax liability/(assets) | | 1,794,622,024 | 2,778,993,401 | 1,771,534,659 | 2,714,070,821 |
| Provision for loans, advances and OBS exposures (ex | cluding OBU) | 10,560,988,589 | 9,188,404,604 | 10,320,670,886 | 9,111,530,722 |
| Provision for loans, advances and OBS exposu | | 253,985,199 | 246,897,402 | 253,985,199 | 246,897,40 |
| Special general provision -Covid 19 | | 602,352,869 | , , | 602,352,869 | , , |
| Startup fund | | 76,922,811 | - | 76,922,811 | |
| Interest suspense account | | 2,425,163,343 | 1,823,520,136 | 2,233,375,188 | 1,653,910,31 |
| Provision for protested bill & others | | 191,142,995 | 145,373,498 | 191,142,995 | 145,373,49 |
| Provision for non-banking assets | | 12,345,330 | 12,345,330 | 12,345,330 | 12,345,33 |
| Provision for rebate to good borrowers | | 46,100,257 | 46,100,257 | 46,100,257 | 46,100,25 |
| Provision for loss on revaluation of shares (ne | t) | 843,471,722 | 1,067,654,623 | 686,959,533 | 901,313,53 |
| Advance interest/commission received | () | 59,169,628 | 46,060,675 | 55,768,640 | 36,379,50 |
| Expenses payable | | 533,270,894 | 512,872,100 | 501,654,571 | 490,287,58 |
| Interest payable on borrowing including OBU | | 296,900,882 | 545,663,660 | 296,863,401 | 544,808,10 |
| Miscellaneous liabilities | | 990,877,633 | 477,122,524 | 850,648,682 | 469,321,63 |
| Lease liabilities (present value of lease payme | nts) | 893,842,167 | 622,832,947 | 866,681,805 | 608,816,78 |
| Net Benefit Obligation | | 422,781,132 | | 422,781,132 | 000,010,70 |
| Other liabilities of subsidiaries | | 352,816,687 | 267,012,538 | -22,701,102 | |
| | - | 22,482,811,081 | 19,410,763,269 | 21,315,844,877 | 18,611,065,06 |
| Closing balances | | | | | |
| Privileged creditors | | 809,991,826 | 696,520,198 | 809,991,826 | 696,520,19 |
| Acquirer liabilities | | 1,286,229,244 | 1,308,342,901 | 1,286,229,244 | 1,308,342,90 |
| Sundry creditors | | 210,513,976 | 114,465,841 | 210,513,976 | 114,465,84 |
| Security deposit | | 5,797,180 | 6,727,979 | 5,797,180 | 6,727,97 |
| Current tax liability/(assets) | | 3,368,573,510 | 1,794,622,024 | 3,335,858,484 | 1,771,534,65 |
| Provision for loans, advances and OBS exposu | res | | | | 1,7, 1,00 1,00 |
| (excluding OBU) | | 12,310,907,332 | 10,560,988,589 | 12,012,295,650 | 10,320,670,88 |
| Provision for loans, advances and OBS exposu | | 1 222 220 7// | 252 005 100 | 1 222 220 7// | 252 005 10 |
| Special general provision -Covid 19 | IES (UDU) | 1,332,329,766 | 253,985,199 | 1,332,329,766 | 253,985,19 |
| Startup fund | | 756,003,206 | 602,352,869 | 756,003,206 | 602,352,86 |
| Interest suspense account | | 87,805,631 | 76,922,811 | 87,805,631 | 76,922,81 |
| | | 2,939,008,519 219,304,150 | 2,425,163,343 | 2,750,794,589 219,304,150 | 2,233,375,18 |
| Provision for protested bill & others Provision for non-banking assets | | 219,304,100 | 191,142,995 12,345,330 | 219,304,100 | 191,142,99 12,345,33 |
| | | - | | - | |
| Provision for rebate to good borrowers Provision for loss on revaluation of shares (ne | +) | 46,100,257 | 46,100,257 | 46,100,257 | 46,100,25 |
| | ι) | 408,519,732 | 843,471,722 | 256,437,323 | 686,959,53 |
| Advance interest/commission received | | 47,469,311 | 59,169,628 | 44,036,445 | 55,768,64 |
| Expenses payable | | 846,890,274 | 533,270,894 | 801,786,369 | 501,654,57 |
| Interest payable on borrowing including OBU | | 266,192,477 | 296,900,882 | 266,192,477 | 296,863,40 |
| Miscellaneous liabilities | mta) | 982,488,812 | 990,877,633 | 976,920,826 | 850,648,68 |
| Lease liabilities (present value of lease payme | nts) | 752,382,202 | 893,842,167 | 743,558,930 | 866,681,80 |
| Net Benefit Obligation | | 650,816,131 | 422,781,132 | 650,816,131 | 422,781,13 |
| Other liabilities of subsidiaries | - | 477,042,127 | 352,816,687 | - | 04 045 077 05 |
| | | 27,804,365,660 | 22,482,811,081 | 26,592,772,458 | 21,315,844,87 |
| Adjustment for other non cash items | - | (289,893,705) | (5,588,712) | (280,795,325) | (3,243,922 2,701,535,895 |
| Net cash changes in other liabilities | | 5,031,660,875 | 3,066,459,100 | 4,996,132,255 | 2 7011 535 89 |

42 Events after the reporting period

The Board of Directors of Eastern Bank Limited recommended 25% dividend (12.5% cash and 12.5% bonus share) in board meeting held on 31 March 2022 for the year 2021. Eligible shareholders (who hold EBL shares on the record date i. e. 25 April 2022) will be entitled to get this dividend subject to shareholders' approval in AGM. The amount of recommended dividend is BDT 2,384,661,167.

Financial Reports

Annexure-A

Eastern Bank Limited Schedule of Fixed Assets as at 31 December 2021

Amount in BDT

| | | | Cost | | | Accum | ulated Depreci | Accumulated Depreciation & Amortization | zation | Net book |
|---------------------------------------|-------------------------------|------------------------|---------------------------------|---------------------------------|--------------------------------|-------------------------------|------------------------|---|-----------------------------------|---------------------------------|
| Particulars | Balance on 01 January 2021 | Revaluation Reserve | Additions during the year | Disposals during the year | Balance at 31 December 2021 | Balance on 01 January 2021 | Charge for the year | On disposals during the year | Balance at 31 December 2021 | value at 31 December 2021 |
| Tangible assets: | | | | | | | | | | |
| Land | 3,986,656,786 | 73,548,515 | I | I | 4,060,205,301 | I | I | I | I | 4,060,205,301 |
| Building and floor spaces | 1,407,955,522 | I | I | I | 1,407,955,522 | 191,033,432 | 35,198,888 | I | 226,232,320 | 1,181,723,202 |
| Capital work in progress | 120,262,653 | I | 200,145,968 | 45,968 (193,190,383) | 127,218,238 | I | I | I | I | 127,218,238 |
| Machinery and equipments | 660,606,312 | I | 43,187,239 | (16,985,243) | 686,808,308 | 589,272,305 | 46,081,420 | (16,985,086) | 618,368,638 | 68,439,670 |
| Digital Banking Equipment | 254,153,920 | I | 16,950,000 | I | 271,103,920 | 187,530,531 | 15,972,470 | I | 203,503,001 | 67,600,919 |
| Electromechanical equipments | 343,652,516 | 1 | 131,000 | I | 343,783,516 | 38,592,347 | 17,184,811 | I | 55,777,158 | 288,006,358 |
| Computer and network equipments | 908,872,414 | I | 153,484,086 | (93,900) | 1,062,262,600 | 640,533,758 | 95,892,100 | (93,899) | 736,331,959 | 325,930,640 |
| Vehicles | 180,931,604 | I | 36,201,940 | (10,882,406) | 206,251,138 | 113,979,618 | 29,571,409 | (10,882,394) | 132,668,633 | 73,582,505 |
| Furniture and fixtures | 679,633,842 | I | 5,246,731 | (3,518,965) | 681,361,608 | 372,557,383 | 48,353,808 | (3,229,550) | 417,681,642 | 263,679,967 |
| Right of use assets (Lease assets) | 1,591,754,131 | 1 | 242,435,578 | (124,567,364) | 1,709,622,345 | 515,353,535 | 357,577,676 | (70,398,678) | 802,532,533 | 907,089,812 |
| Intangible assets: | | | | | | | | | | |
| Software | 662,449,964 | I | 103,781,490 | I | 766,231,454 | 437,178,738 | 60,339,596 | I | 497,518,334 | 268,713,120 |
| At 31 December 2021 | 10,796,929,664 | 73,548,515 | 801,564,032 | (349,238,261) | 11,322,803,951 | 3,086,031,648 | 706,172,178 | (101,589,607) | 3,690,614,217 | 7,632,189,734 |
| At 31 December 2020 | 9,808,805,820 | • | 1,132,692,492 | (144,568,648) | 10,796,929,664 | 2,459,754,590 | 686,808,236 | (60,531,179) | 3,086,031,648 | 7,710,898,016 |

| Date | Particulars | Cost | Accumulated depreciation | Net book value | Sales Value | Tax & VAT | Gain/(Loss) | Mode of Disposal | Buyer/ Highest bidder |
|--------------------------|-------------------------------|------------|-----------------------------|-------------------|-------------|-----------|-------------|---------------------|-----------------------|
| 26.01.2021 | Machinery & Equipment | 6,266,202 | 6,266,129 | 73 | 181,688 | (20,188) | 161,427 | Open Tender | M/S Sumon Enterprise |
| 26.01.2021 | Furniture & Fixtures | 1,427,815 | 1,337,034 | 90,781 | 154,000 | | | E | |
| 26.01.2021 | Computer & Network Equipment | 93,900 | 93,898 | 2 | 19,250 | (007'41) | 03,417 | upen renaer | M/> Habb Enterprise |
| 14.06.2021 | Toyota Axio (DM-GA-20-2597) | 1,663,000 | 1,662,999 | Ţ | 1,091,250 | (121,250) | 666'696 | Open Tender | Md. Rakibul Hossain |
| 14.06.2021 | Toyota Axio (DM-GA-33-7409) | 2,345,800 | 2,345,799 | 7 | 878,063 | (97,563) | 780,499 | Open Tender | Md. Abdur Rahman |
| 14.06.2021 | Toyota Noah (DM-CHA-13-1299) | 2,185,000 | 2,184,999 | L - | 1,056,150 | (117,350) | 938,799 | Open Tender | Md. Sujon Ali |
| 14.06.2021 | Toyota Axio X (DM-GA-37-8610) | 1,973,745 | 1,973,744 | - | 1,053,000 | (117,000) | 935,999 | Open Tender | Md. Gias Uddin |
| 14.06.2021 | Toyota Axio (DM-GA-37-6008) | 2,124,400 | 2,124,399 | L - | | | | | |
| 14.06.2021 | Motor Cycle DM-HA-47-5926 | 97,660 | 97,659 | H | | | | | |
| 14.06.2021 | Motor Cycle DM-HA-51-2507 | 100,413 | 100,412 | - | | | | | |
| 14.06.2021 | Motor Cycle DM-HA-51-2508 | 100,413 | 100,412 | 1 | 1,235,925 | (137,325) | 1,098,593 | Open Tender | Md. Saidur Rahman |
| 14.06.2021 | Motor Cycle DM-HA-47-9259 | 93,900 | 93,899 | 1 | | | | | |
| 14.06.2021 | Motor Cycle CM-HA-14-1741 | 97,660 | 97,659 | 7 | | | | | |
| 14.06.2021 | Motor Cycle DM-HA-51-0605 | 100,415 | 100,414 | - | | | | | |
| 15.07.2021 | Machinery & Equipment | 10,719,041 | 10,718,956 | 85 | 866,350 | (141,034) | 725,231 | Open Tender | Tushar Enterprise |
| 15.07.2021 | Furniture & Fixtures | 2,091,150 | 1,892,519 | 198,631 | 251,438 | (40,932) | 11,875 | Open Tender | Mir Hossain |
| Grand Total: Gain/(Loss) | ain/(Loss) | 31,480,514 | 31,190,931 | 289,583 | 6,787,114 | (811,892) | 5,685,639 | | |

Annual Report 2021

for the year 2021

Schedule of Fixed Assets Disposals

Eastern Bank Limited

Eastern Bank Limited and its subsidiaries Balance with other Banks and Financial Institutions (Consolidated)

as at 31 December 2021

Outside Bangladesh - (note-4.2)

| | 6 | | 2021 | | | 2020 | |
|---|--------------|---------------------|------------|------------------|---------------------|------------|------------------|
| Name of Banks and FIs | Currency | Foreign Currency | Exch. rate | Amount in BDT | Foreign Currency | Exch. rate | Amount in BDT |
| In demand deposit account (non interes | t bearing) w | vith : | | | | | |
| AB Bank Limited,India | USD | 153,477 | 85.80 | 13,168,336 | 64,024 | 84.80 | 5,429,341 |
| Al-Rajhi Bank, KSA | SAR | 182,923 | 22.86 | 4,181,922 | 153,598 | 22.60 | 3,470,999 |
| Bank of Bhutan, Bhutan | USD | 4,932 | 85.80 | 423,129 | 1,904 | 84.80 | 161,459 |
| Bank of China, China | CNY | 230,826 | 13.47 | 3,110,063 | 231,392 | 12.99 | 3,004,949 |
| Bank Toykyo Mitshubishi, Japan | JPY | 31,991,059 | 0.75 | 23,881,326 | 3,021,943 | 0.82 | 2,474,669 |
| Citibank N. A., USA | USD | 7,759,932 | 85.80 | 665,802,194 | - | - | - |
| Commerz Bank AG, Germany | EURO | - | - | - | 330,683 | 103.89 | 34,354,632 |
| Habib American Bank, USA | USD | 517,456 | 85.80 | 44,397,689 | 217,998 | 84.80 | 18,486,436 |
| HDFC Bank Limited, Hongkong | USD | 496,474 | 85.80 | 42,597,441 | 509,429 | 84.80 | 43,200,115 |
| HDFC Bank Limited, Hongkong | HKD | 71,986 | 11.10 | 799,010 | 133,997 | 10.97 | 1,470,001 |
| ICICI Bank Limited, Hongkong | HKD | 1,131,193 | 11.10 | 12,555,795 | 43,176 | 10.97 | 473,660 |
| ICICI Bank Limited, Hongkong | USD | 2,512,390 | 85.80 | 215,563,102 | 1,140,061 | 84.80 | 96,678,389 |
| ICICI Bank, India | USD | 397,769 | 85.80 | 34,128,555 | 761,115 | 84.80 | 64,543,382 |
| JP Morgan Chase Bank N.A., UK | GBP | 151,918 | 115.74 | 17,583,575 | 157,303 | 114.51 | 18,012,234 |
| JP Morgan Chase Bank N.A., USA | USD | 1,998,721 | 85.80 | 171,490,303 | - | - | - |
| JP Morgan Chase Bank NA, Australia | AUD | 20,059 | 62.21 | 1,247,781 | 23,856 | 64.51 | 1,538,908 |
| JP Morgan Chase Bank, Germany | EURO | - | - | - | 404,915.21 | 103.89 | 42,066,560 |
| Mashreq Bank, UAE | USD | 21,789 | 85.80 | 1,869,487 | 9,140 | 84.80 | 775,084 |
| Mashreqbank, USA | USD | 155,569 | 85.80 | 13,347,825 | 248,719 | 84.80 | 21,091,674 |
| Nepal Bangladesh Bank Ltd., Nepal | USD | 68,675 | 85.80 | 5,892,312 | 44,105 | 84.80 | 3,740,149 |
| MCB Bank Limited, Pakistan | USD | 764,060 | 85.80 | 65,556,365 | 793,573.05 | 84.80 | 67,295,868 |
| Nordea Bank, Norway | NOK | 23,843 | 9.78 | 233,069 | 43,877 | 9.84 | 431,823 |
| Standard Chartered Bank, USA - OBU | USD | 1,112,118 | 85.80 | 95,419,763 | 2,031,452 | 84.80 | 172,269,373 |
| Standard Chartered Bank, Srilanka | USD | 140,212 | 85.80 | 12,030,172 | 41,751 | 84.80 | 3,540,554 |
| Standard Chartered Bank, Germany | EURO | - | - | - | 85,107 | 103.89 | 8,841,771 |
| Standard Chartered Bank, India | USD | 857,664 | 85.80 | 73,587,539 | 548,411 | 84.80 | 46,505,854 |
| Standard Chartered Bank, Singapore | SGD | 114,209 | 63.46 | 7,247,338 | 28,966 | 63.91 | 1,851,198 |
| Zurcher Kantonal Bank, Zurich, Switzerland | CHF | 13,300 | 93.81 | 1,247,680 | 27,351 | 95.90 | 2,622,841 |
| Total | | | | 1,527,361,770 | | | 664,331,924 |

Annexure-B

Annexure-B1

Eastern Bank Limited and its subsidiaries

Borrowing from Banks and Financial Institutions (Consolidated)

as at 31 December 2021

Outside Bangladesh - (note-11.2)

| | Currency | | 2021 | | | 2020 | |
|--|----------|---------------------|---------------|----------------|---------------------|---------------|----------------|
| Name of Banks and FIs | Name | Foreign Currency | Exch. rate | Amount in BDT | Foreign Currency | Exch. rate | Amount in BDT |
| Abu Dhabi Commercial Bank, UAE | USD | 22,830,225 | 85.80 | 1,958,833,322 | - | - | - |
| Asian Development Bank (ADB), Philippines | USD | 5,882,353 | 85.80 | 504,705,881 | 10,588,235 | 84.80 | 897,893,999 |
| Bank Al-Falah Ltd., UAE | USD | 5,000,000 | 85.80 | 429,000,000 | | | |
| Bank Muscat, Muscat | USD | 7,500,000 | 85.80 | 643,500,000 | | | |
| CaixaBank, S.A., Spain | USD | 65,768,091 | 85.80 | 5,642,902,176 | - | - | - |
| Citibank NA,USA | USD | 9,000,000 | 85.80 | 772,200,000 | 2,483,397 | 84.80 | 210,594,830 |
| COMMERZBANK AG, Germany | USD | 263,557 | 85.80 | 22,613,196 | - | - | - |
| Deutsche Investitions-und Entwicklungsgesellschaft MBH (DEG). | USD | 43,000,000 | 85.80 | 3,689,400,000 | 56,000,000 | 84.80 | 4,748,861,600 |
| Doha Bank, Qatar | USD | 10,000,000 | 85.80 | 858,000,000 | - | - | - |
| HDFC Bank, India | USD | 5,000,000 | 85.80 | 429,000,000 | 10,000,000 | 84.80 | 848,011,000 |
| ICICI Bank, India | USD | 23,056,501 | 85.80 | 1,978,247,821 | - | - | - |
| J.P. Morgan AG, Germany | USD | 17,683 | 85.80 | 1,517,217 | - | - | - |
| JP Morgan AG, USA | USD | - | - | - | 1,431,112 | 84.80 | 121,359,906 |
| JP Morgan Chase, Singapore | USD | 9,400,000 | 85.80 | 806,520,000 | 16,120,000 | 84.80 | 1,366,993,732 |
| Korea Development Bank, Singapore | USD | 11,845,668 | 85.80 | 1,016,358,326 | 32,983,629 | 84.80 | 2,797,048,041 |
| Nabil Bank, Nepal | USD | 10,000,000 | 85.80 | 858,000,000 | - | - | - |
| National Bank of Ras Al-Khaimah, UAE | USD | 18,911,076 | 85.80 | 1,622,570,307 | - | - | - |
| OEEB, development bank, Austria | USD | 20,000,000 | 85.80 | 1,716,000,000 | 20,000,000 | 84.80 | 1,696,022,000 |
| Opec fund for International Development, Austria | USD | - | - | - | 25,000,000 | 84.80 | 2,120,027,500 |
| PROPARCO, France | USD | 1,818,182 | 85.80 | 156,000,005 | 5,454,546 | 84.80 | 462,551,458 |
| Standard Chartered Bank, Germany | USD | 4,255 | 85.80 | 365,040 | - | - | - |
| Standard Chartered Bank, USA | USD | 7,753,247 | 85.80 | 665,228,599 | 7,851,684 | 84.80 | 665,831,473 |
| Standard Chartered Bank, Singapore | USD | 10,151,861 | 85.80 | 871,029,636 | 151,861 | 84.80 | 12,877,943 |
| Standard Chartered Bank, Thailand | USD | 10,000,000 | 85.80 | 858,000,000 | - | - | - |
| Shiddhartha Bank Limited, Nepal | USD | 4,500,000 | 85.80 | 386,100,000 | - | - | - |
| Standard Chartered Bank, Hongkong | USD | 13,000,000 | 85.80 | 1,115,400,000 | - | - | - |
| State Bank of India, Hongkong | USD | 15,000,000 | 85.80 | 1,287,000,000 | - | - | - |
| United Bank Limted, UAE | USD | 5,000,000 | 85.80 | 429,000,000 | - | - | - |
| Wachovia Bank NA, USA | USD | - | - | - | 172,997 | 84.80 | 14,670,310 |
| Wells Fargo, USA | USD | 27,558,623 | 85.80 | 2,364,529,845 | 17,255,145 | 84.80 | 1,463,255,289 |
| Total | | | | 31,082,021,371 | | | 17,425,999,081 |

Eastern Bank Limited Related party disclosures

Annexure-C

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence Related party informations are given below.

I) Directors' interest in different entities

| Name of Directors | Status with the Bank | Name of the firms/companies in which directors of the bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc. | Status | Percentage of holding/ interest in the concern |
|---------------------------|----------------------------|--|-------------------------------|--|
| Md. Showkat Ali Chowdhury | Chairman | Need Fashion Wear & Textile Ltd. | Chairman | 35.00% |
| | | Chittagong Properties Holding Ltd. | Chairman | 50.00% |
| | | Finlay (International) Ltd. | Chairman | 81.00% |
| | | KAPS Bangladesh Ltd. | Chairman | 12.50% |
| | | JF (Bangladesh) Ltd. | Chairman | 81.00% |
| | | Port Link Housing Ltd. | Chairman | 50.00% |
| | | Finlay Properties Ltd. | Chairman | 55.00% |
| | | Z&Z Holdings Ltd. | Chairman | 0.01% |
| | | Peninsula Housing & Development Ltd. | Chairman | 36.00% |
| | | Legend Property Development Ltd. | Managing Director | 50.00% |
| | | Z.N. Enterprise Ltd. | Managing Director | 50.00% |
| | | Zaran Off Dock Ltd. | Managing Director | 30.00% |
| | | Namreen Enterprise Ltd | Managing Director | 50.00% |
| | | ABC Steel Enterprise Ltd. | Managing Director | 80.00% |
| | | S.L. Steels Ltd. | Managing Director | 50.00% |
| | | Unique Refineries Ltd. | Managing Director | 55.00% |
| | | Port Link Logistics Centre Ltd. | Managing Director | 25.00% |
| | | South Asia Securities Ltd. | Director | 8.38% |
| | | Peninsular Shipping Services Ltd. | Director | 25.00% |
| | | Consolidated Tea & Plantation Ltd. | Director | 6.25% |
| | | Consolidated Tea & Lands Co. (BD) Ltd. | Director | 6.25% |
| | | Baraoora (Sylhet) Tea Co. (BD) Ltd. | Director | 6.25% |
| | | Eastern Industries Ltd. | Director | 25.00% |
| | | Bay Hill Hotel and Ressorts Ltd. | Director | 40.00% |
| | | S.N. Corporation | Partner | 50.00% |
| M. Ghaziul Haque | Director | Portlink Logistics Centre Ltd. | Chairman | 0.02% |
| ni onaziat naque | Director | MGH Infotech Ltd. | Chairman | 10.00% |
| | | Last Mile Deliveries Limited | Chairman | 5.00% |
| | | Haytrans Bangladesh Limited | Chairman | 10.00% |
| Mir Nasir Hossain | Director | Mir Akther Hossain Ltd. | Managing Director | 14.90% |
| | Director | Mir Ceramic Ltd. | Managing Director | 88.00% |
| | | Mir Telecom Ltd. | Managing Director | 32.50% |
| | | Mir Holdings Ltd. | Managing Director | 50.00% |
| | | Mir Pharmaceuticals Ltd. | Managing Director | 50.00% |
| | | Bangla Telecom Ltd. | Managing Director | 40.00% |
| | | Coloasia Limited | Managing Director | 50.00% |
| | | BTS Communications (BD) Limited | Managing Director | 40.00% |
| | | MIR LPG limited | Managing Director | 40.00% |
| | | Mir Communications Ltd. | | |
| | | Mir Energy Ltd. | Chairman Chairman | 40.00% 40.00% |
| | | ** | | |
| | | Global Fair Communications Ltd. Mir Denim Limited | Chairman | 40.00% |
| | | [| Chairman | 50.00% |
| | | Mir Tex Limited | Managing Director | 40.00% |
| | | Agrani Insurance Co. Ltd. Chaldal Limited | Shareholder Representative | 3.72% 11.20% |
| | | | Director | |
| | | Mir Securities Ltd. M.N Poultry | Director Proprietorship | 0.03% 100.00% |
| | | | | |
| | | Jupiter Technology | Proprietorship | 100.00% |

| Name of Directors | Status with the Bank | Name of the firms/companies in which directors of the bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc. | Status | Percentage of holding/ interes in the concern |
|-------------------------------|----------------------------|--|----------------------------|---|
| C-1: A1: | | | Ch a inn ann an | |
| Salina Ali | Director | Unique Group of Companies Ltd. Unique Hotel & Resorts Ltd. | Chairperson | 12.25% 5.71% |
| | | Borak Real Estate Ltd. | Chairperson | |
| | | | Chairperson | 12.00% |
| | | Unique Ceramic Industries (Pvt.) Ltd. | Chairperson | 12.25% |
| | | Borak Travels (Pvt.) Ltd. | Chairperson | 50.00% |
| | | Unique Eastern (Pvt.) Ltd. | Chairperson | 10.42% |
| | | Unique Vocational Training Center Ltd. | Chairperson | 12.00% |
| | | Unique Property Development Ltd. | Chairperson | 12.00% |
| | | Unique Share Management Ltd. | Managing Director | 12.00% |
| | | Crescent Commercial Center Ltd. | Managing Director | 20.00% |
| | | Sonargaon Economic Zone Ltd. | Chairperson | 5.00% |
| | | Gulshan Clinic Ltd. | Director | 25.00% |
| | | Borak Zahir Company Ltd. | Director | 20.00% |
| | | Tribeni International Ltd. | Chairperson | 20.00% |
| | | Arial Dairy and Agro Industries Ltd. | Chairperson | 13.00% |
| | | Hansa Management Ltd. | Chairperson | 12.50% |
| | | Unique tours & travels | Proprietorship | 50.00% |
| | | Purnima Construction (Pvt) Ltd. | Managing Director | 0.20% |
| nis Ahmed | Director | MGH Logistics Pvt. Limited | Managing Director | 95.00% |
| ans Anneu | Director | - | | |
| | | MGH Holdings Limited | Managing Director | 80.00% |
| | | Bangladesh Port Management Services Ltd. | Managing Director | 3.00% |
| | | Peninsular Shipping Services Limited | Managing Director | 40.00% |
| | | MGH Restaurants (Pvt.) Limited | Managing Director | 97.00% |
| | | Galileo Bangladesh Limited | Managing Director | 80.00% |
| | | One World Aviation Limited | Managing Director | 41.68% |
| | | RAS Holidays Limited | Managing Director | 95.00% |
| | | MGH Global Forwarding Ltd. | Managing Director | 96.66% |
| | | Transmarine Logistics Limited | Managing Director | 74.99% |
| | | Total Transportation Limited | Managing Director | 99.98% |
| | | Tricon Global Logistics Limited | Managing Director | 79.98% |
| | | Global Freight Limited | Managing Director | 96.86% |
| | | International Brands Limited | Managing Director | 99.53% |
| | | Integrated Transportation Services Limited | Managing Director | 99.50% |
| | | Emirates Shipping Lines Bangladesh Limited | Managing Director | 78.05% |
| | | Radio Foorti Limited | Managing Director | 95.00% |
| | | Portlink Housing Limited | Managing Director | 50.00% |
| | | Portlink Logistics Centre Limited | Managing Director | 49.98% |
| | | Last Mile Deliveries Limited | Managing Director | 95.00% |
| | | MGX.com Ltd. | Managing Director | 95.00% |
| | | Jatra.Com Ltd. | Managing Director | 30.00% |
| | | | | |
| | | GTM Express Ltd. | Managing Director | 90.00% |
| | | DC Bypass Ltd. | Managing Director | 90.00% |
| | | Obhai Soutions Limited | Managing Director | 30.00% |
| | | Bangladesh Express Company Limited | Managing Director | 20.00% |
| | | Waadaa Limited | Managing Director | 51.00% |
| | | MGH Infotech Ltd. | Managing Director | 90.00% |
| | | Consolidated Tea & Plantation Limited | Director | 10.00% |
| | | The Consolidated Tea and Lands Company (Bangladesh) Limited | Director | 10.00% |
| | | Baraoora (Sylhet) Tea Company Limited | Director | 10.00% |
| | | Haytrans Bangladesh Limited. | Managing Director | 90.00% |
| lufakkharul Islam Khasr | ru Director | Finlay Properties Ltd. | Managing Director | 15.00% |
| Gazi Md. Shakhawat Hossain | Director | Bay Hill Hotel & Resorts Ltd. | Representative Director | 40.000% |
| | | Unique Hotel & Resorts Ltd. | Representative Director | 8.14% |
| | | Unique Meghnaghat Power Ltd. | Representative Director | 51.00% |
| | | General Electric Company (BD) Ltd. | Director | 0.00% |

| Name of Directors with the | | Name of the firms/companies in which directors of the bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc. | Status | Percentage of holding/ interest in the concern | |
|---|----------|--|------------------------------|--|--|
| K.J.S Banu | Director | Nil | NA | NA | |
| Dr. Toufic Ahmad Choudhury (Independent Director) | Director | Bangladesh Academy for Security Markets (BASM) | Director General | No | |
| | | Palli Karma Sahayak Foundation (PKSF) | Director (PKSF nominated) | No | |
| | | Institute of Inclusive Finance and Growth (InM) National Credit Rating Ltd. (NCRL) | Director Director | No 1.00% | |
| | | C & A Textile | Independent Director | No | |
| Ashiq Imran (Independent Director) | Director | Fialka | CEO & Principal Architect | 100.00% | |
| Zara Namreen | Director | Namreen Power Ltd. | Managing Director | 50.00% | |
| | | Finlay Bazar Ltd. | Managing Director | 60.00% | |
| Ruslan Nasir | Director | Mir Akhter Hossain Ltd. | Shareholder | 7.45% | |
| | | Mir Ceramic Ltd. | Deputy Managing Director | 2.00% | |
| | | Mir Telecom Ltd. | Director | 22.50% | |
| | | Mir Holdings Ltd. | Director | 10.00% | |
| | | Bangla Telecom Ltd. | Director | 20.00% | |
| | | Coloasia Limited | Director | 10.00% | |
| | | BTS Communications (BD) Limited | Director | 20.00% | |
| | | Agrani Insurance securities Ltd. | Shareholder | 2.50% | |
| | | MIR LPG limited | Director | 20.00% | |
| | | Mir Communications Ltd. | Director | 15.00% | |
| | | Mir Energy Ltd. | Director | 15.00% | |
| | | Global Fair Communications Ltd. | Director | 15.00% | |
| | | Mir Denim Limited | Director | 15.00% | |
| | | Mir Tex Limited | Director | 20.00% | |
| | | Mir Pharmaceuticals Ltd. Mir Securities Ltd. | Director Director | 20.00% 0.03% | |
| | | | | | |
| | | Orange Pie | Partnership | 50.00% | |
| Ali Reza Iftekhar | MD & CEO | EBL Investments Ltd. | Director | 0.00003% | |
| | | EBL Securities Ltd. | Director | 0.000067% | |
| | | EBL Finance (HK) Ltd. | Director | - | |

 $\rm ii)$ ~ Significant contracts where Bank is a party & wherein Directors have interest: $\rm Nil$

iii) Shares issued to Directors and Executives without consideration or exercisable at discount : Nil

iv) Related Party Transactions : Please see Annexure -C1

v) **Lending Policies to Related Parties :** Related parties are allowed Loans and Advances as per General Loan Policy of the Bank.

- vi) Business other than Banking business with any related concern of the Directors as per Section-18(2) of the Bank Companies Act 1991: Nil
- vii) Investments in the Securities of Directors and their related concern : Nil

Eastern Bank Limited

Related party transactions

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24. The Bank in normal course of business had transactions with other entities that fall within the definition of 'Related Party' as contained in International Accounting Standards (IAS)-24 (Related party disclosures) and as defined in the BRPD circular no 14, dated 25 June 2003.

1 The significant related party transactions during the year were as follows:

1.a Non-funded facilities:

| Name of the organization | Representing Directors | Nature of Interest of the Directors with the borrowing firm / individual | Nature of Facilities | Sanctioned Amount | Outstanding as at 01-01-2021 | Outstanding as at 31-12-2021 | Amount Overdue |
|---|---|---|--|----------------------|------------------------------------|------------------------------------|-------------------|
| Z. N. Enterprise Ltd. Customer ID-100397 | Md. Showkat Ali Chowdhury, Chairman | MD | LG- Performance Bond-SME (Expired) | 193,100 | 192,900 | 192,900 | - |

1.b Credit card facilities:

| Representing Directors | Nature of interest with EBL | Approved limit | Outstanding as at 01-01-2021 | Outstanding as at 31-12-2021 |
|----------------------------------|-----------------------------|----------------|---------------------------------|------------------------------|
| Md. Showkat Ali Chowdhury | Chairman | 250,000 | - | - |
| Mir Nasir Hossain | Representing Director | 500,000 | - | - |
| Kishwar Jahan Sayeeda (KJS) Banu | Representing Director | 500,000 | - | - |
| Mufakkharul Islam Khasru | Representing Director | 500,000 | - | 41,445 |
| Ruslan Nasir | Representing Director | 475,000 | - | - |
| Mohd. Noor Ali | Spouse of Director | 500,000 | 73,110 | - |
| Arifa Ferdous | Spouse of Director | 500,000 | - | - |

2) Transactions relating to procurement, service & rent:

Amount in BDT

| Name of the Company/Person | Related Directors of EBL | Nature of transactions | Transaction made in 2021 | Outstanding as at 31-12-2021 |
|---|------------------------------|--|-----------------------------|------------------------------|
| Coloasia Limited | Mir Nasir Hossain | Monthly recurring charge for EBL Data Center at Jashore. | 2,711,338 | - |
| BTS Communications (BD) Limited | Mir Nasir Hossain | Monthly internet connectivity services, AMC for Active Juniper and Cisco equipment for Router & Swittch of Data Center | 10,490,574 | - |
| Bangladesh Express Co. Ltd | Anis Ahmed | Monthly courier service payment. | 5,025,749 | - |
| MGH Restaurants (Pvt.) Ltd. | Anis Ahmed | Purchase of birthday cakes for priority customers. | 905,789 | - |
| MGX.Com Ltd. | Anis Ahmed | Monthly courier service payment. | 205,960 | - |
| Unique Hotel & Resorts Limited | Salina Ali | Advance payment for service and branding of SkyLounge at HSIA, Dhaka. | - | 116,123,340 |
| Unique Hotel & Resorts Limited | Salina Ali | Security deposit against lease rental agreement for ATM booth at The Westin, Gulshan, Dhaka. | - | 438,900 |
| Unique Hotel & Resorts Limited | Salina Ali | Rental payment for ATM booth at The Westin, Gulshan, Dhaka. | 250,800 | - |
| Unique Hotel & Resorts Ltd. | Salina Ali | Various customer proposition and clients entertainment from The Westin, Gulshan, Dhaka. | 922,389 | - |
| Borak Real Estate (Pvt) Ltd. | Salina Ali | Advance rent for EBL ATM at Borak Mehenur, Banani, Dhaka. | - | 201,600 |
| Borak Real Estate (Pvt) Ltd. | Salina Ali | Rental payment for EBL ATM at Borak Mehenur, Banani, Dhaka. | 528,000 | - |
| The Consolidated Tea and Land Co. (Bangladesh) Limited | Md. Showkat Ali Chowdhury | Supply of monthly refrestment items. | 230,907 | - |
| Md. Showkat Ali Chowdhury | Md. Showkat Ali Chowdhury | Ali Advance rent for EBL DST Sales office, ATM Booth, Godown, Generator and Garages at Dhanmondi, Dhaka. | | 2,379,770 |
| Md. Showkat Ali Chowdhury | Md. Showkat Ali Chowdhury | Rental payment for EBL DST Sales office, ATM Booth, Godown, Generator and Garages at Dhanmondi, Dhaka. | 7,224,011 | - |

Annexure-C1

Amount in BDT

Amount in BDT

| Name of the Company/Person | Related Directors of EBL | Nature of transactions | Transaction made in 2021 | Outstanding as at 31-12-2021 |
|----------------------------|------------------------------|---|-----------------------------|------------------------------|
| Tashmia Ambarin | Md. Showkat Ali Chowdhury | Advance rent for EBL New Market Branch, ATM Booth & Godown at New Market, Chattogram | - | 6,846,300 |
| Tashmia Ambarin | Md. Showkat Ali Chowdhury | Rental payment for EBL New Market Branch, ATM Booth and Godown at New Market, Chattogram. | 8,924,850 | - |
| Namreen Enterprise Limited | Md. Showkat Ali Chowdhury | Advance rent for EBL office premisses (for CAD, SAMD & ATM Booth) at ZN Tower, Gulshan, Dhaka. (Ground Floor, 1st Floor, 2nd to 6th Floor). | - | 15,800,694 |
| Namreen Enterprise Limited | Md. Showkat Ali Chowdhury | Rental payment for EBL office premisses at ZN Tower, Gulshan, Dhaka. (Ground Floor, 1st Floor, 2nd to 6th Floor). | 81,686,948 | - |

3 Inter-company balances between EBL and Subsidiaries:

| | | Amount in BDT |
|------------------------------|---|-----------------------------|
| Name of subsidiaries | Nature of account | Balance as at 31-12-2021 |
| | In special notice deposit (SND) account | 16,072,244 |
| EBL Securities Limited | In current deposit (CD) account | 119,871,168 |
| | Short term finance (OD) | 1,527,653,859 |
| | Dividend receivable account | 300,000,000 |
| EBL Investments Limited | In special notice deposit (SND) account | 68,645,978 |
| | In nostro account | 329,909,602 |
| EBL Finance (HK) Limited | Short term finance (OD) | 5,286,132,332 |
| | Dividend receivable account | 35,518,720 |
| EBL Asset Management Limited | In special notice deposit (SND) account | 36,920,843 |

4 Compensation of key management personnel:

Refer to note : 32

Annexure-D

Disclosure regarding Repo and Reverse Repo

a Disclosure regarding outstanding REPO as on 31 December 2021

| SI | Counterparty name | Agreement date | Reversal date | Amount (Cash Con 1st Leg cash consideration) |
|----|----------------------|----------------|---------------|--|
| | | | | |
| | NIL | | | |

There is no outstanding REPO as on 31 December 2021

Disclosure regarding outstanding Reverse REPO as on 31 December 2021

| | ડા | Counterparty name | Agreement date | Reversal date | Amount (Cash Con 1st Leg cash consideration) |
|---|----|----------------------|----------------|---------------|--|
| | | | | | |
| Ī | | NIL | | | |

There is no outstanding Reverse REPO as on 31 December 2021

b. Disclosure regarding overall transaction of REPO and reverse REPO.

| Particulars | Min Outstanding during the year | Max Outstanding during the year | Daily average outstanding dur- ing the year |
|---|------------------------------------|------------------------------------|---|
| Securities sold under REPO | | | |
| With Bangladesh Bank | - | - | - |
| With other Banks & Financial Institutions | 343,572,703 | 3,094,664,082 | 151,729,520 |
| Securities purchased under Reverese REPO | | | |
| With Bangladesh Bank | - | - | - |
| With other Banks & Financial Institutions | 301,935,080 | 3,599,855,855 | 90,429,836 |

Amount in BDT

Eastern Bank Limited Details of NBA obtained u/s 33 (7)

as of 31-12-2021

| SL | Name of the accounts | Status of NBA | Obtained u/s 33(7) | Entitlement Date | Asset Details | Forced Sale Value (BDT in Lac) | Market Value (BDT in Lac) | Legal Status |
|----|---------------------------------------|------------------|-----------------------|---------------------|--|--|------------------------------------|--|
| 1 | Mr. Sabbir | Not | U/S 33(7) | 10-May-2007 | Land Area: 06 decimal, | 58.00 | 72.72 | Physical possession & |
| | Ahmmed, Dhaka | recognised | | | Mouza- Digun, Mirpur, Dhaka. | | | mutation is yet to be completed. |
| 2 | Innovative Computer, Dhaka | Do | U/S 33(7) | 7-Jun-2007 | Land Area: 11.25 decimal (Equiv. 7.50 katha in local measurement) in 3 schedule at Mouza - West Durgapur, Demra, Dhaka. | 22.00 | 27.27 | Do |
| 3 | M/s Safa Garments, Dhaka | Do | U/S 33(7) | 18-Jan-2005 | | 576.00 | 720.00 | Do |
| 4 | Arshim & Com, Dhaka | Do | U/S 33(7) | 27-Mar-2007 | Land Area: 19.8 decimal Mouza- Lala Sarai, Cantonment, Dhaka. | 336.00 | 420.00 | Do |
| 5 | H.M. Younus, Dhaka | Do | U/S 33(7) | 10-Jan-2008 | Land Area: 184 decimal Mouza- Shibrampur, Joydebpur, Gazipur. | 883.20 | 1,104.00 | Do |
| 6 | Tri Angle Trading Associate, Dhaka | Do | U/S 33(7) | 29-Apr-2007 | Land Area: 33 decimal Mouza- Pathalia, Savar, Dhaka. | 16.00 | 20.00 | Do |
| 7 | Stec Fashion Ltd., Dhaka | Do | U/S 33(7) | 26-Jan-2009 | Land Area: 25 decimal. Mouza- Dokkhin Khan, Dhaka. (5.03 decimal land of Goran Chat bari Mouza, Mirpur , Dhaka has been sold through auction) | 49.00 | 60.60 | Property partly sold. Physical possession of rest of property is yet to be completed. |
| 8 | North American Computing, Dhaka | Do | U/S 33(7) | 22-Jul-2007 | Land Area: 6.5 decimal Mouza- Uttar Sona Tang gar, Mohammadpur, Dhaka. | 46.80 | 58.50 | The property was sold at Tk. 50.00 lac out of which Tk. 47.00 lac was received and rest of Tk. 3.00 lac will be received at the time of execution & registration of Sale deed in favour of the highest bidder. NB : The property has already been recorded in BS Khatian of various people. As such, a Power of Attorney has given to the highest bidder for record correction. Accordingly, a Title suit No.338/19 filed in the Court of 3rd Joint District Judge, Dhaka for record correction which is pending. |

| SL | Name of the accounts | Status of NBA | Obtained u/s 33(7) | Entitlement Date | Asset Details | Forced Sale Value (BDT in Lac) | Market Value (BDT in Lac) | Legal Status |
|----|--|------------------|-----------------------|---------------------|--|--|------------------------------------|---|
| 9 | M/s Unicorn | Do | U/S 33(7) | 22-Nov-2007 | Land Area: 16.5 decimal | 3,300.00 | 4,125.00 | Physical possession & |
| | Bangladesh Ltd, | | | | Mouza- Bhola Samair, | | | mutation is yet to be |
| | Dhaka | | | | Gulshan, Dhaka. | | | completed. |
| 10 | Royel Paper Store, Dhaka | Do | U/S 33(7) | 21-May-2009 | Land Area: 106.5 decimal Mouza- Shrikhondo, Dhanmondi, Dhaka, | 70.00 | 96.82 | Do |
| 11 | M/s Computer Bazar Network, Dhaka | Do | U/S 33(7) | 23-Jun-2009 | Land Area: 14 decimal Mouza- Nandipara, Sabuzbag, Dhaka. | 17.00 | 21.21 | Do |
| 12 | M/s Sylcar Plaza, Sylhet | Do | U/S 33(7) | 27-May-2012 | Land Area: 21 & 14 decimal, Mouza- Sylhet Sadar, Sylhet. | 212.00 | 266.00 | Property already sold at BDT 110.00 lac out of which received BDT 11.00 lac but mutation formalities in the name of EBL is in process. Once complition of of mutation formalities, highest bidder/s will pay the rest amount & sale deed to be executed accordingly. |
| 13 | Orion Fishing Limited, Dhaka | Do | U/S 33(7) | 13-May-2012 | Land Area: 3.5 & 20.83 katha at Dhaka and Chattogram. | 1,384.95 | 1,731.19 | Physical possession & mutation is yet to be completed. |
| 14 | Al Karim Traders, Chattogram. | Do | U/S 33(7) | 19-Jan-2012 | Land Area: 8 decimal Dokkhin Pahartoli, Double Mooring, Chattogram. | 105.00 | 132.00 | Do |
| 15 | Bhuiyan (Any & Amy) Corporation, Dhaka | Do | U/S 33(7) | 7-Jun-2007 | Land Area: 4.95 decimal or equiv. 3 Katha, Bhola Samair, Gulshan, Dhaka. | 84.00 | 105.00 | Do |
| 16 | Ariful Karim, Chattogram | Do | U/S 33(7) | 5-Nov-2008 | Land Area: 148 decimal with 4 storied building, West Nasirabad, Chattogram. | 1,258.00 | 1,480.00 | Do |
| 17 | Miner International, Dhaka | Do | U/S 33(7) | 15-Mar-2006 | | 108.00 | 248.73 | Title Suit No. 1479/08 filed by Md. Abdul Monnaf is pending in the 7th joint district judge court, Dhaka. Physical possession & mutaion is also yet to be completed. |
| 18 | M/s Eastern Industries, Sylhet | Do | U/S 33(7) | 11-Jun-2012 | Land Area: 1.5 decimal Mouza- Sylhet Sadar, Sylhet. | 9.60 | 12.00 | A Misc. Case is pending in the Artha Rin Adalat, Sylhet. |

| SL | Name of the accounts | Status of NBA | Obtained u/s 33(7) | Entitlement Date | Asset Details | Forced Sale Value (BDT in Lac) | Market Value (BDT in Lac) | Legal Status |
|----|---|------------------|-----------------------|---------------------|--|--|------------------------------------|---|
| 19 | M/s M.A. Rob, Khulna | Do | U/S 33(7) | 23-Nov-2011 | Land Area: 51 decimal at Puratan Kasba, Jashore [200 sq yards of land at Khulna has been sold at BDT 38.00 lac] | 48.96 | 61.20 | A title suit no. 105 of 2020 has been filed in the court of 1st Joint District Judge, Jashore for declaration of Title of 16.50 decimal of land situated at District-Jashore, P.S- Kotwali, Mouza- Old Kashba ,S.A Khatian No.907, SA Dag No.1009, R.S Khatian No.2637, RS Dag No.1331 also for declaration that the Certificate under section 33(7) of ARA issued by Artha Rin Adalat, Khulna is not binding upon the Plaintiff. Plaintiff also filed application for injunction. EBL also appeared & filed written objection & application for rejection of Plaint which is pending for hearing. Execution Case No. 17/1999 pending in Artha Rin Adalat, Khulna which is pending for hearing. *Mutation formality has been completed of 200 sq yards in the name of EBL. Physical possession & registration formality in favor of the buyer is in process. |
| 20 | Maruti Enterprise, Bagura | Do | U/S 33(7) | 3-0ct-2012 | Land Area: 41.5 decimal & 0.37 decimal, Mouza- Betgari, Bogura sadar. | 519.54 | 649.42 | Writ petition in court no. 8010/2016 has been vacated and discharged the rule on 12-11-2018 in favor of bank. Thereafter, auction purchaser filed Civil Petition for Leave to Appeal No.1560/2019 on the Appealate Division which is pending for hearing. |
| 21 | Calix International, Dhaka | Do | U/S 33(7) | 28-Nov-2004 | Land Area: 0.0992 Ajutangso, Kotowali, Dhaka | 120.00 | 150.00 | "Physical possession is yet to be completed. First Appeal No.116/2003 is pending for hearing." |
| 22 | Save Power Manufacturing Inustries Ltd. | Do | U/S 33(7) | 18-Nov-2020 | Land Area: 84.5 dec land at Gouripur, Cumilla | 121.50 | 152.10 | Physical possession is yet to be completed. This account is under compromise settlement. |
| 23 | M/s Alif Traders | Do | U/S 33(7) | 18-Jan-2021 | Land Area: 16 decimal, Mouza-Muzgunni, PS- Daulatpur, Dist- Khulna. | 13.60 | 16.00 | Physical possession & mutation is yet to be completed. |

| SL | Name of the accounts | Status of NBA | Obtained u/s 33(7) | Entitlement Date | Asset Details | Forced Sale Value (BDT in Lac) | Market Value (BDT in Lac) | Legal Status |
|----|--------------------------|------------------|-----------------------|---------------------|-------------------------|--|------------------------------------|--------------------------------|
| 24 | Liberty Fashion | Do | U/S 33(7) | 29-May-2019 | Land Area: | 91.00 | 113.00 | 2nd Execution Case No.12/20 |
| | Wears Ltd. | | | | 1467.57 sft. apartment | | | filed on 21-01-2020 for |
| | | | | | alongwith 1/2 katha | | | Tk.115.71 Crore. Upon |
| | | | | | land at Uttara Model | | | considering our application |
| | | | | | Town, R:31, S-7,plot 5, | | | learned court was pleased |
| | | | | | Dhaka. | | | to pass order for issuance |
| | | | | | | | | warrant of arrest. Next date |
| | | | | | | | | fixed on 02-03-2022 for |
| | | | | | | | | warrant execution. |
| | | | | | | | | SJIBL filed Artha Execution |
| | | | | | | | | Case No.72/19 (Artha Rin Suit |
| | | | | | | | | No. 196/16) is pending. |
| | | | | | | | | Physical prossession |
| | | | | | | | | & mutation is yet to be |
| | | | | | | | | completed. |
| 25 | M/S Cosmetic | Do | U/S 33(7) | 14-Feb-2021 | Land Area (1) 25 | 154.12 | 192.65 | ARA: Artha Rin Suit No.177/19 |
| | Gallery | | | | decimal land at Equria, | | | filed on 21.03.19 for Tk.2.07 |
| | | | | | Keranigonj, Dhaka | | | Crore as on 28.02.19. The said |
| | | | | | (2) 0.878 katha or | | | Artha Rin Suit decreed in |
| | | | | | eqvlt 1.45 decimal land | | | favor of the Bank on 27-11- |
| | | | | | at Mirpur Housing | | | 19. Subsequently, Execution |
| | | | | | (Joarshahara), | | | Case No.91/20 filed on 06- |
| | | | | | Mirpur-14, PS Kafrul, | | | 02-20 for Tk.2.30 Crore. We |
| | | | | | Dhaka | | | obtained Certificate u/s 33(7) |
| | | | | | | | | of ARA. 2nd Execution case |
| | | | | | | | | filed on 06-09-2021 for Tk. |
| | | | | | | | | 14,163,265.15. |
| | Total NBA obtaine | d u/s 33 (7) | | | | 9,604.27 | 12,035.41 | |

Note: Valuation of those properties have been made by professional valuation firm at different stages.

Eastern Bank Limited and its subsidiaries

Business segmental profit and loss account

for the year ended 31 December 2021

| Particulars |]]] | Bank (Solo |) | | Subsidiaries | | | | | |
|---|--------|------------|--------|-------|--------------|---------|--------|-------------|----------|--|
| Particulars | DBO | 0B0 | Total | EBLSL | EBLIL | EBLFHKL | EBLAML | Elimination | (Consol) | |
| Interest income | 15,308 | 1,049 | 16,206 | 371 | 13 | 175 | 9 | (239) | 16,536 | |
| Interest expense | 7,917 | 678 | 8,445 | 287 | 0.1 | 109 | 0 | (239) | 8,601 | |
| Net Interest Income | 7,391 | 370 | 7,761 | 85 | 13 | 67 | 9 | - | 7,935 | |
| Investment income | 6,089 | - | 6,089 | 202 | 32 | - | 10 | (336) | 5,997 | |
| Fees, commission and brokerage | 2,335 | 5 | 2,340 | 504 | 11 | 65 | 4 | (0) | 2,924 | |
| FX Income | 699 | 2 | 700 | - | - | - | - | - | 700 | |
| Other operating income | 253 | 15 | 268 | 6.55 | 2 | 11 | - | - | 287 | |
| Total operating income | 16,767 | 392 | 17,158 | 796 | 58 | 143 | 23 | (336) | 17,842 | |
| Salary and allowances | 4,101 | - | 4,101 | 102 | 15 | 39 | 7 | - | 4,264 | |
| Rent, taxes, insurance, utilities etc. | 415 | - | 415 | 9 | 1 | 2 | 1 | - | 427 | |
| Legal and professional expenses | 86 | - | 86 | 0 | 0.1 | 0.4 | 0.07 | - | 88 | |
| Postage, stamp, telecommunication etc. | 148 | - | 148 | 2 | 0.2 | 5 | 0 | - | 155 | |
| Stationery, printing, advertisement, etc. | 271 | - | 271 | 3 | 0.1 | 1 | 0.04 | - | 275 | |
| Managing Director's salary and allowances | 28 | - | 28 | - | - | - | - | - | 28 | |
| Directors' fees and expenses | 3 | - | 3 | 0.3 | 0.2 | - | 0.15 | - | 3 | |
| Audit fees | 1 | - | 1 | 0.1 | 0.1 | 1 | 0.1 | - | 3 | |
| Repairs, maintenance and depreciation | 1,002 | - | 1,002 | 29 | 5 | 6 | 3.1 | - | 1,045 | |
| Other operating expenses | 620 | 14 | 634 | 22 | 27 | 5 | 1.0 | (0.18) | 689 | |
| Total operating expense | 6,676 | 14 | 6,690 | 168 | 49 | 58 | 12 | (0.18) | 6,977 | |
| Profit before provisions | 10,090 | 377 | 10,468 | 628 | 9 | 85 | 10 | (336) | 10,866 | |
| Provisions: | | | | | | | | | | |
| Provision for loans, advances & OBS exposures | 1,555 | 1,096 | 2,652 | 89 | (11) | - | - | - | 2,730 | |
| Other Provisions | (391) | - | (391) | - | - | - | (4) | - | (396) | |
| Total Provisions | 1,164 | 1,096 | 2,260 | 89 | (11) | - | (4) | - | 2,334 | |
| Profit before tax | 8,926 | (719) | 8,208 | 539 | 20 | 85 | 15 | (336) | 8,531 | |
| Tax Provision | 3,554 | - | 3,554 | 151 | 13 | 12 | 2 | - | 3,731 | |
| Profit after tax | 5,373 | (719) | 4,654 | 388 | 7 | 73 | 13 | (336) | 4,801 | |

Business segmental balance sheet

as at 31 December 2021

| De la la c | E | Bank (Sol | o) | | | Bank | | | |
|---|---------|------------|---------|-------|-------|---------|--------|-------------|----------|
| Particulars | DBO | 0B0 | Total | EBLSL | EBLIL | EBLFHKL | EBLAML | Elimination | (Consol) |
| Assets | | | | | | | | | |
| Cash in hand (including balance with Bangladesh Bank and its agent Bank) | 18,669 | - | 18,669 | 0.13 | 0.00 | - | - | - | 18,669 |
| Balances with other banks and financial institutions | 21,727 | 1,168 | 16,270 | 489 | 69 | 593 | 37 | (571) | 16,885 |
| Money at call and short notice | 1,573 | - | 1,573 | - | - | - | - | - | 1,573 |
| Investments | 66,653 | - | 66,653 | 1,968 | 206 | - | 73 | - | 68,901 |
| Loans and advances | 231,045 | 38,349 | 269,394 | 3,844 | 58 | 5,147 | 160 | (7,002) | 271,602 |
| Fixed assets including land, building, furniture and fixtures | 7,632 | - | 7,632 | 27 | 5 | 3 | 1 | - | 7,668 |
| Other assets | 8,576 | 48 | 8,624 | 1,179 | 48 | 2 | 26 | (2,990) | 6,889 |
| Non-banking assets | - | - | - | - | - | - | - | - | - |
| Total Assets | 355,876 | 39,564 | 388,815 | 7,507 | 387 | 5,744 | 298 | (10,563) | 392,187 |
| Liabilities | | | | | | | | | |
| Borrowing from other banks, financial institutions and agents | 31,295 | 38,517 | 63,187 | 3,798 | - | 5,286 | - | (6,974) | 65,296 |
| Deposits and other accounts | 267,890 | 129 | 268,019 | - | - | - | - | (571) | 267,448 |
| Provisions & other liabilities | 24,950 | 1,643 | 26,593 | 1,554 | 60 | 82 | 2 | (487) | 27,804 |
| Total Liabilities | 324,135 | 40,289 | 357,798 | 5,351 | 60 | 5,368 | 2 | (8,032) | 360,548 |
| Total Shareholders' Equity | 31,741 | (725) | 31,017 | 2,155 | 327 | 376 | 296 | (2,531) | 31,639 |
| Total Liabilities & Shareholders' Equity | 355,876 | 39,564 | 388,815 | 7,507 | 387 | 5,744 | 298 | (10,563) | 392,187 |

BDT in million

Annexure-E

Annexure-E1

BDT in million

Eastern Bank Limited (Solo) Highlights on the overall Activities /Performance

| Sl No | Particulars | | 2021 | 2020 |
|-------|--|-------|-----------------|-----------------|
| 1 | Paid up capital | BDT | 9,538,644,670 | 8,117,995,470 |
| 2 | Total capital (Tier-1 & 2) | BDT | 35,673,950,776 | 33,144,221,423 |
| 3 | Surplus/(shortage) capital | BDT | 10,335,190,481 | 11,378,832,457 |
| 4 | Total assets | BDT | 388,814,714,087 | 336,935,588,555 |
| 5 | Total deposits | BDT | 268,018,850,380 | 242,357,774,879 |
| 6 | Total loans and advances | BDT | 269,393,974,211 | 228,943,862,895 |
| 7 | Total contingent liabilities and commitments | BDT | 141,831,288,344 | 104,060,278,285 |
| 8 | Loans to deposits ratio (total loans/total deposits) | % | 100.51 | 94.47 |
| 9 | % of classified loans against total loans and advances | % | 3.70 | 2.72 |
| 10 | Profit after tax and provisions | BDT | 4,653,864,726 | 4,102,563,054 |
| 11 | Loans classified during the year (Gross) | BDT | 4,577,197,179 | 29,474,002 |
| 12 | Provision held against classified loans | BDT | 6,493,582,193 | 3,432,492,829 |
| 13 | Surplus of provision | BDT | 889,265,484 | 1,768,328,583 |
| 14 | Cost of fund (interest expense/simple average borrowing and deposits) | % | 2.73 | 4.76 |
| 15 | Interest bearing assets | BDT | 344,012,223,159 | 301,684,379,074 |
| 16 | Non-interest bearing assets | BDT | 44,802,490,928 | 35,251,209,481 |
| 18 | Income from investments | BDT | 6,088,639,366 | 5,048,674,967 |
| 17 | Return on assets (ROA) (PAT/average assets) | % | 1.28 | 1.22 |
| 19 | Return on investment or ROI (PAT/average equity, long term borrowings and deposits) | % | 2.20 | 2.25 |
| 20 | Earnings per share (restated 2020) | BDT | 4.88 | 4.30 |
| 21 | Operating profit per share (Net Operating profit/ weighted average number of shares) (restated 2020) | BDT | 10.97 | 8.06 |
| 22 | Price earning ratio | Times | 7.89 | 8.37 |

Annexure-F

Eastern Bank Limited Offshore Banking Operation, Bangladesh

Balance Sheet

as at 31 December 2021

| Particulars PROPERTY AND ASSETS | Notes | USD | BDT | USD | |
|--|------------|-----------------------------------|----------------------------------|-----------------------------------|--|
| | | | 221 | 050 | BDT |
| | | | | | |
| Cash In hand (including foreign currencies) | | | | | |
| With Bangladesh Bank (including foreign currencies) | | - | - | - | - |
| | | - | - | - | - |
| Balance with other Banks and FIs | | | | | |
| (on current and other accounts) | 3 | 10 500 000 | 1 050 500 000 | ~~~~~~ | 1 / 0 / 000 000 |
| In Bangladesh | | 12,500,000 | 1,072,500,000 | 20,000,000 | 1,696,022,000 |
| Outside Bangladesh | _ | 1,112,118 13,612,118 | 95,419,763 1,167,919,763 | 2,135,717 22,135,717 | <u>181,111,144</u> 1,877,133,144 |
| Money at call and short notice Investment | | | -,, | | |
| Loans and Advances: | 4 | | | | |
| Loans, cash credits, overdrafts etc. | 4.1 | 146,979,738 | 12,610,861,507 | 147,208,252 | 12,483,421,697 |
| Bills purchased and discounted | 4.1 | 299,974,834 | 25,737,840,778 | 148,303,737 | 12,403,421,077 |
| | 4.2 | 446,954,572 | 38,348,702,284 | 295,511,989 | 25,059,741,722 |
| Fixed Assets | | - | - | - | - |
| Other Assets | 5 | 555,271 | 47,642,280 | 514,201 | 43,604,845 |
| Non Banking Assets | _ | - | - | - | - |
| TOTAL ASSETS | _ | 461,121,961 | 39,564,264,328 | 318,161,907 | 26,980,479,711 |
| CAPITAL AND LIABILITIES | | | | | |
| Borrowing from other banks, financial institutions and agent | s 6 | | | | |
| Bangladesh Bank | | - | - | - | - |
| Other Banks and FIs | | | | | |
| Demand Borrowing | 6.1 | 77,224,848 | 6,625,891,983 | 106,467,195 | 9,028,535,227 |
| Term Borrowing | 6.2 | 371,687,139 | 31,890,756,520 | 199,720,103 | 16,936,484,403 |
| | _ | <u>448,911,987</u> 448,911,987 | 38,516,648,503 38,516,648,503 | <u>306,187,297</u> 306,187,297 | 25,965,019,631 25,965,019,631 |
| Deposits and other accounts | 7 | 440,711,707 | 30,510,040,503 | 300,107,277 | 25,765,017,631 |
| Current deposits and other accounts | , 7.1 | 1,504,184 | 129,058,956 | 3,027,026 | 256,695,118 |
| Term deposits | 7.2 | - | - | - | - |
| | | 1,504,184 | 129,058,956 | 3,027,026 | 256,695,118 |
| Other Liabilities | 8 | 19,151,806 | 1,643,224,976 | 4,422,632 | 375,044,030 |
| TOTAL LIABILITIES | | 469,567,977 | 40,288,932,436 | 313,636,955 | 26,596,758,778 |
| CAPITAL/SHAREHOLDERS' EQUITY | | | | | |
| Share capital- Paid up capital | | - | - | - | - |
| Foreign currency translation difference | 9 | - | (5,967,070) | - | (326,702) |
| Profit and loss account- retained earnings | 16 | (8,446,015) | (718,701,037) | 4,524,953 | 384,047,635 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | _ | 461,121,961 | 39,564,264,328 | 318,161,908 | 26,980,479,712 |
| OFF BALANCE SHEET ITEMS: | | | | | |
| Contingent liabilities: | | | | | |
| Acceptance and endorsements | | 6,051,693 | 519,235,246 | 1,960,896 | 166,286,127 |
| Letter of guarantee | | - | - | - | - |
| Bills for collection | | 3,475,432 | 298,192,074 | 5,136,796 | 435,605,969 |
| Irrevocable letters of credit | | 5,237,328 | 449,362,709 | 2,034,078 | 172,492,020 |
| Other Commitments | | | | | |

The annexed notes 1 to 20 form an integral part of these financial statements.

Eastern Bank Limited Offshore Banking Operation, Bangladesh

Profit and Loss Account

for the year ended 31 December 2021

| De esti escle se | Notes | 202 | 1 | 202 | 0 |
|--|-------|-------------|---------------|------------|---------------|
| Particulars | Notes | USD | BDT | USD | BDT |
| Interest income | 10 | 12,322,256 | 1,048,543,886 | 15,144,523 | 1,285,365,623 |
| Interest paid on deposits and borrowings | 11 | 7,970,911 | 678,272,679 | 10,147,054 | 861,213,917 |
| Net interest income | | 4,351,345 | 370,271,206 | 4,997,469 | 424,151,706 |
| Commission, exchange and brokerage | 12 | 79,254 | 6,744,041 | 141,813 | 12,036,152 |
| Other operating Income | 13 | 171,439 | 14,588,303 | 192,380 | 16,327,959 |
| Total operating income | | 4,602,038 | 391,603,550 | 5,331,663 | 452,515,817 |
| Operating expenses | 14 | 166,329 | 14,153,517 | 225,961 | 19,178,057 |
| Profit before provision | | 4,435,709 | 377,450,034 | 5,105,702 | 433,337,760 |
| Less :Provision for unclassified Loans and Advances | 15 | 12,881,725 | 1,096,151,070 | 580,749 | 49,290,124 |
| (Including provision for off Balance Sheet items) | | | | | |
| Profit before income tax | | (8,446,016) | (718,701,037) | 4,524,952 | 384,047,635 |
| Less. Provision for income tax | | - | - | - | - |
| Net Profit/(loss) after tax | | (8,446,016) | (718,701,037) | 4,524,952 | 384,047,635 |
| Balance of Profit brought forward from previous year | | - | - | - | - |
| Retained Earnings carried forward | 16 | (8,446,016) | (718,701,037) | 4,524,952 | 384,047,635 |

The annexed notes 1 to 20 form an integral part of these financial statements.

Eastern Bank Limited Offshore Banking Operation, Bangladesh

Notes to the Financial Statements

as at and for the year ended 31 December 2021

1 Nature of business

Offshore Banking Operation ("OBO") is run by separate business unit (Offshore Banking Unit or "OBU" or "the unit") of the Bank through a separate desk under control and supervision of the Offshore Banking Division. The unit and all activities of the division are governed under the permission by Bangladesh Bank vide letter no. BRPD(P)744(89)/2004-303 dated 25 January 2004 and subsequent approvals for continuation by Bangladesh Bank vide letter no. BRPD(P)744(89)/2020-2254 & 2255 dated 25 February 2020 in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendments thereon. The activities of the unit is to provide both funded and non-funded facilities and to accept savings/current/ term deposits in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprise in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBU discounts/purchases accepted usance/deferred bills against import from abroad (Bills Finance), and discounts/purchases accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh, of persons resident in Bangladesh.

The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212.

2 Significant accounting policies and basis of preparations

Basis of preparation

2.1 Statement of compliance

The financial statements of the operation / the Unit as at and for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRSs), the "First Schedule" (section 38) of the Bank Company Act 1991. The accounting policies set out in the financial statements of main operation of the Bank have been applied consistently in these financial statements except otherwise instructed by the Central Bank as prime regulator.

2.2 Loans and advances

- a) Loans and advances are stated at gross i.e. principal outstanding plus interest receivable. Accumulated specific and general provisions for loan outstanding are shown under other liabilities.
- b) Classification of loans i.e. substandard/doubtful/bad-loss, and Provisioning i.e. general provision @ 0.25% to 2% under different categories on unclassified loans (standard/SMA) and @ 0.5% to 1% on certain off balance-sheet exposures, special general provision Covid-19 @ 1% to 2%, and specific provision @ 5% to 100% on sub-standard/doubtful/bad-loss account including rescheduled loans are made on the basis of quarter-end review by the management and in compliance with BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (as amendment up to date), instead of netting off with loans.

2.3 General

Allocation of common expenses

Operaing expenses in the nature of rent, rates and taxes, salaries, management expenses, printing and stationery, electricity, postages, stamps, telecommunication and audit fees are accounted for in Account of the Main Operation of the Bank.

Fixed Assets and depreciation

Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit and Loss Account of the main operation of the Bank.

Certain corresponding figures in the financial statements have been reclassifed and rearranged to conform to the current year's presentation.

These financial statements of the unit cover one calender year from 1 January 2021 to 31 December 2021.

| | | | 20 | 21 | 202 | 20 |
|-----|---|------------|----------------------------|----------------------------------|----------------------------|--|
| | | Notes | USD | BDT | USD | BDT |
| 3 | Balance with other Banks and Financial Institut | ions | | | | |
| | Inside Bangladesh | | | | | |
| | In interest bearing account | | | | | |
| | Modhumoti Bank Limited | | - | - | - | - |
| | Commercial Bank of Ceylon plc First Security Islami Bank Ltd | | 10,000,000 2,500,000 | 858,000,000 214,500,000 | 20,000,000 | 1,696,022,000 |
| | | - | 12,500,000 | 1,072,500,000 | 20,000,000 | 1,696,022,000 |
| | In-non interest bearing account | | ,, | | | , , , , , , , , , , , , , , , , , , , |
| | Standard Chartered Bank, USA | | 1,112,118 | 95,419,763 | 2,031,452 | 172,269,373 |
| | Standard Chartered Bank, Germany | | - | - | 104,265 | 8,841,771 |
| | | | 1,112,118 | 95,419,763 | 2,135,717 | 181,111,144 |
| | | | 1,112,118 | 95,419,763 | 2,135,717 | 181,111,144 |
| | | | 13,612,118 | 1,167,919,763 | 22,135,717 | 1,877,133,144 |
| 4 | Loans and advances | 1 1 | 1// 070 700 | 10/10 0/1 507 | 1/7 000 050 | 10 / 00 / 01 / 07 |
| | i) Loans, cash credits, overdrafts, etc.ii) Bills discounted and purchased | 4.1 4.2 | 146,979,738 299,974,834 | 12,610,861,507 25,737,840,778 | 147,208,252 148,303,737 | 12,483,421,697 12,576,320,025 |
| | n) bits discourted and purchased | 4.2 | 446,954,572 | 38,348,702,284 | 295,511,989 | 25,059,741,722 |
| 4.1 | Loans, Cash Credit, Overdraft etc. | | , | | | |
| 4.1 | | | | | | |
| | <i>Inside Bangladesh :</i> Loans | | 83,452,395 | 7,160,215,513 | 97,698,437 | 8,284,934,931 |
| | Overdraft | | | | | |
| | Overdraft | | 1,593,455 85,045,850 | 136,718,441 7,296,933,954 | 2,509,815 | 212,830,742 8,497,765,673 |
| | Outside Bangladesh : | | 05,045,050 | 7,270,733,734 | 100,200,202 | 0,477,705,075 |
| | Overdraft | | 61,933,888 | 5,313,927,553 | 47,000,000 | 3,985,656,024 |
| | | | 61,933,888 | 5,313,927,553 | 47,000,000 | 3,985,656,024 |
| | | | 146,979,738 | 12,610,861,507 | 147,208,252 | 12,483,421,697 |
| 4.2 | Bills Purchased and Discounted | : | | | | |
| | Inside Bangladesh : | | | | | |
| | Bills Discounted | | - | - | - | - |
| | Bills Financed | | 299,974,834 | 25,737,840,778 | 148,303,737 | 12,576,320,025 |
| | Site i mandea | | 299,974,834 | 25,737,840,778 | 148,303,737 | 12,576,320,025 |
| | Outside Bangladesh : | | , | | , , | |
| | Bills Discounted | | - | - | - | - |
| | Bills Financed | | - | - | - | - |
| | | | - | - | - | |
| | | | 299,974,834 | 25,737,840,778 | 148,303,737 | 12,576,320,025 |
| 5 | Other Assets | | | | | |
| | Prepayments | | 390,000 | 33,462,005 | 490,000 | 41,552,541 |
| | Interest Receivable on Term Placement | | 165,271 | 14,180,275 | 24,201 | 2,052,304 |
| | | | 555,271 | 47,642,280 | 514,201 | 43,604,845 |
| 6 | Borrowings from other banks, financial institution | ons and a | gents | | | |
| | Demand Borrowings | 6.1 | 77,224,848 | 6,625,891,983 | 106,467,195 | 9,028,535,227 |
| | Term Borrowings | 6.2 | 371,687,139 | 31,890,756,520 | 199,720,103 | 16,936,484,403 |
| | | : | 448,911,987 | 38,516,648,503 | 306,187,297 | 25,965,019,630 |
| 6.1 | Demand Borrowings In non interest bearing account with | | | | | |
| | Standard Chartered Bank, Germany | | 4,255 | 365,040 | _ | - |
| | In interest bearing account with | | 4,200 | 505,040 | | |
| | Eastern Bank Limited (DBU) | | 77,220,594 | 6,625,526,943 | 106,467,195 | 9,028,535,227 |
| | | | 77,224,848 | 6,625,891,983 | 106,467,195 | 9,028,535,227 |
| 6.2 | Term Borrowings | - | | | | |
| | Borrowing inside Bangladesh | | | | | |
| | State Bank of India, Dhaka | | 10,000,000 | 858,000,000 | - | - |
| | WOORI Bank, Dhaka | | 5,000,000 | 429,000,000 | 3,000,000 | 254,403,300 |
| | Investment Promotion & Financing Facility (IPFF) | - | 2,666,742 | 228,806,464 | 3,166,687 | 268,538,541 |
| | | | 17,666,742 | 1,515,806,464 | 6,166,687 | 522,941,841 |

| | Notes | 20 | 21 | 202 | 20 |
|--|-------------|-----------------------------------|----------------------------------|-----------------------------------|---|
| | Notes | USD | BDT | USD | BDT |
| Borrowing outside Bangladesh | | | | | |
| Abu Dhabi Commercial Bank, UAE | | 22,830,225 | 1,958,833,322 | - | - |
| Asian Development Bank (ADB) | | 5,882,353 | 504,705,881 | 10,588,235 | 897,893,999 |
| Bank Al-Falah Ltd., UAE | | 5,000,000 | 429,000,000 | - | - |
| Bank Muscat, Muscat | | 7,500,000 | 643,500,000 | - | - |
| CaixaBank, S.A., Spain | | 65,768,091 | 5,642,902,176 | - | - |
| Citibank NA, USA | | 9,000,000 | 772,200,000 | - | - |
| Deutsche Investitions-Und | | | | | |
| Entwicklungsgesellschaft Mbh | | 43,000,000 | 3,689,400,000 | 56,000,000 | 4,748,861,600 |
| Doha Bank, Qatar | | 10,000,000 | 858,000,000 | | -,,,+0,001,000 |
| HDFC Bank, India | | 5,000,000 | 429,000,000 | 10,000,000 | 848,011,000 |
| ICICI Bank, India | | 23,056,501 | 1,978,247,821 | 10,000,000 | 040,011,000 |
| | | | | - | |
| JP Morgan Chase, Singapore | | 9,400,000 | 806,520,000 | 16,120,000 | 1,366,993,732 |
| Korea Development Bank, Singapore | | 11,845,668 | 1,016,358,326 | 32,983,629 | 2,797,048,041 |
| Nabil Bank, Nepal | | 10,000,000 | 858,000,000 | - | - |
| National Bank of Ras Al-Khaimah, UAE | | 18,911,076 | 1,622,570,307 | - | - |
| OEEB Development Bank, Austria | | 20,000,000 | 1,716,000,000 | 20,000,000 | 1,696,022,000 |
| Opec fund for International Development, | | | | 25,000,000 | 2,120,027,500 |
| Austria | | - | - | 20,000,000 | 2,120,027,500 |
| PROPARCO, France | | 1,818,182 | 156,000,005 | 5,454,546 | 462,551,458 |
| Standard Chartered Bank, Singapore | | 10,151,861 | 871,029,636 | 151,861 | 12,877,943 |
| Standard Chartered Bank, Thailand | | 10,000,000 | 858,000,000 | - | 12,077,710 |
| Shiddhartha Bank Limited, Nepal | | 4,500,000 | 386,100,000 | | |
| Standard Chartered Bank, Hongkong | | 13,000,000 | 1,115,400,000 | - | |
| | | | | - | |
| State Bank of India, Hongkong | | 15,000,000 | 1,287,000,000 | - | |
| United Bank Limited,UAE | | 5,000,000 | 429,000,000 | - | - |
| Wells Fargo, USA | | 27,356,440 | 2,347,182,583 | 17,255,145 | 1,463,255,289 |
| | 1 | <u>354,020,397</u> 371,687,139 | 30,374,950,057 31,890,756,520 | <u>193,553,416</u> 199,720,103 | 16,413,542,562 16,936,484,403 |
| I.a Classification based on type of security | : | 3/1,00/,137 | 31,070,750,520 | 177,720,103 | 10,730,404,403 |
| Secured | | | | | |
| | | - | - | | |
| Unsecured | | 448,911,987 | 38,516,648,503 | 306,187,297 | 25,965,019,630 |
| | : | 448,911,987 | 38,516,648,503 | 306,187,297 | 25,965,019,630 |
| Deposits and other accounts | | | | | |
| Current deposits and other accounts | 7.1 | 1,504,184 | 129,058,956 | 3,027,026 | 256,695,118 |
| Term deposits | 7.2 | - | - | - | - |
| | - | 1,504,184 | 129,058,956 | 3,027,026 | 256,695,118 |
| 1 Current deposits and other accounts: | | | | | |
| Current account | | 1,214,799 | 104,229,793 | 2,008,975 | 170,363,291 |
| Other Accounts | 7.1.a | 289,384 | 24,829,164 | 1,018,051 | 86,331,827 |
| | ,. <u>.</u> | 1,504,184 | 129,058,956 | 3,027,026 | 256,695,118 |
| 1.a Other Accounts: | | | | | |
| Interest Payable on deposit | | | | _ | |
| Margin on Facility | | 289,384 | 24,829,164 | 1,018,051 | 86,331,827 |
| Margin on raciity | - | 289,384 | 24,829,164 | 1,018,051 | 86,331,827 |
| | - | 207,304 | 24,027,104 | 1,010,051 | 00,331,027 |
| Other liabilities | | | | | |
| Provision for taxation | 8.1 | - | - | - | - |
| General provision for loans and advances | | 4,312,910 | 370,047,685 | 2,995,070 | 253,985,199 |
| General provision for off balance sheet exposure | S | 112,890 | 9,685,980 | - | |
| Specific provision for loans and advances | | 11,102,519 | 952,596,101 | - | - |
| Special General Provision for Covid 19 | | 842,252 | 72,265,237 | 493,776 | 41,872,787 |
| Interest Suspense Account | | 1,589,319 | 136,363,571 | 328,911 | 27,892,037 |
| | | | | | |
| Interact neuroble on Perrowing | | 1 1 7 0 1 / 0 | | | |
| Interest payable on Borrowing | | 1,170,149 | 100,398,795 | 592,567 | |
| Privileged Creditors | | 19,447 | 1,668,551 | 12,162 | 1,031,352 |
| | | | | | 50,250,321 1,031,352 12,334 375,044,030 |

8.1 Provision for tax of the unit is accounted for in the book of Eastern Bank Limited.

| Notes | 20 | 21 | 203 | 20 |
|-------|-----|-----|-----|-----|
| | USD | BDT | USD | BDT |

9 Foreign currency translation difference

The foreign currency translation difference is a net result of exchange differrence of year end standard mid rate and monthly average of standard mid rate arising from translation of functional currency to presentation currecy. Assets and liabilities of OBU have been presented into Taka (which is functional currency of the Bank) using year end standard mid rate of exchange of the Bank i.e. USD 1 = BDT 85.80 (2020: BDT 84.8011) and incomes and expenses are translated using monthly average of standard mid rate of exchange (USD 1= BDT 85.0934).

| 10 | Interest income | | | | |
|----|--|------------|---------------|------------|---------------|
| | Interest on Advances | 11,570,188 | 984,547,764 | 12,491,359 | 1,060,182,896 |
| | Interest on Placement with other Banks | 752,068 | 63,996,122 | 2,653,163 | 225,182,726 |
| | | 12,322,256 | 1,048,543,886 | 15,144,523 | 1,285,365,623 |
| 11 | Interest paid on deposits and borrowings | | | | |
| | Interest on Borrowings | 7,970,911 | 678,272,679 | 10,147,054 | 861,213,917 |
| | | 7,970,911 | 678,272,679 | 10,147,054 | 861,213,917 |
| 12 | Commission, exchange and brokerage | | | | |
| | Fees & Commission | 94,838 | 8,070,077 | 93,532 | 7,938,398 |
| | Exchange gain/(loss) net off exchange gains* | (15,583) | (1,326,036) | 48,281 | 4,097,754 |
| | | 79,254 | 6,744,041 | 141,813 | 12,036,152 |

*The net result of exchange differeces arising from day to day transactions & revaluation of monetary items are recognized in profit and loss account as per BAS 21 (The Effect of changes in Foreign Exchange Rates).

| 13 | Other Operating Income | | | | |
|-----|---|-------------|---------------------|-------------|-----------------|
| | Rebate of Foreign Correspondence Charges | 124,054 | 10,556,205 | 130,446 | 11,071,370 |
| | Swift charges recovered | 10,193 | 867,358 | 11,337 | 962,209 |
| | Postage charges recovered | 204 | 17,359 | 1,723 | 146,237 |
| | Service charges (others) | 36,987 | 3,147,381 | 48,875 | 4,148,144 |
| | = | 171,439 | 14,588,303 | 192,380 | 16,327,959 |
| 14 | Operating Expenses | | | | |
| | Account Maintenance & Processing fees | 166,329 | 14,153,517 | 225,961 | 19,178,057 |
| | | 166,329 | 14,153,517 | 225,961 | 19,178,057 |
| 15 | Provision for Loans and Advances | | | | |
| | General provision | 1,430,546 | 121,730,180 | 86,973 | 7,381,687 |
| | Special general provision for Covid 19 | 348,660 | 29,668,719 | 493,776 | 41,908,437 |
| | Specific provision | 11,102,519 | 944,752,172 | - | - |
| | | 12,881,725 | 1,096,151,070 | 580,749 | 49,290,124 |
| 16 | Surplus in profit and loss account | | | | |
| | Opening balance | 4,524,953 | 384,047,635 | 4,524,953 | 385,044,030 |
| | Add: Profit/(loss) during the year | (8,446,015) | (718,701,037) | 4,524,953 | 384,047,635 |
| | | (3,921,062) | (334,653,401) | 9,049,906 | 769,091,665 |
| | Less: Transferred to Main operation during the year | (4,524,953) | (384,047,635) | (4,524,953) | (385,044,030) |
| | Closing balance | (8,446,015) | (718,701,037) | 4,524,953 | 384,047,635 |
| 17 | Cash received from commission, exchange and brokerage | | | | |
| | Commission, exchange and brokerage | 79,254 | 6,744,041 | 141,813 | 12,036,152 |
| | | 79,254 | 6,744,041 | 141,813 | 12,036,152 |
| 18 | Cash received from other operating activities | | | | |
| | Service charges, SWIFT charges etc. | 171,439 | 14,588,303 | 192,380 | 16,327,959 |
| | | 171,439 | 14,588,303 | 192,380 | 16,327,959 |
| 19 | Paid for operating expenses | | | | |
| - / | Operating expenses | (166,329) | (14,153,517) | (225,961) | (19,178,057) |
| | | (166,329) | (14,153,517) | (225,961) | (19,178,057) |
| | = | | | | |
| 20 | Cash and cash equivalent | 10 (10 110 | 1 1 (7 0 1 0 7 (0 | | 1 000 100 1 / / |
| | Balance with other banks & FIs | 13,612,118 | 1,167,919,763 | 22,135,717 | 1,877,133,144 |
| | Money at call and short notice | 13,612,118 | 1,167,919,763 | 22,135,717 | 1,877,133,144 |
| | = | 13,014,110 | 1,10/,717,/03 | 44,130,/1/ | 1,0//,133,144 |

Financial Statements of the Subsidiaries

EBL Securities Limited

Independent Auditor's Report

to the shareholders of EBL Securities Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Securities Limited which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the director's reports, but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements

can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka, 17 February 2022 Signed for and on behalf of ACNABIN Chartered Accountants

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787

DVC: 2203090787AS107394

Amount in BDT

EBL Securities Limited

Statement of Financial Position

as at 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|-------|---------------|---------------|
| ASSETS | | | |
| Non-Current Assets | | 950,308,992 | 964,683,637 |
| Property, plant and equipment | 4 | 26,651,188 | 41,279,284 |
| Deferred tax assets | 5 | 82,940,937 | 82,687,487 |
| Investments with DSE & CSE | 6 | 840,716,867 | 840,716,867 |
| Current Assets | | 6,763,624,519 | 5,538,000,177 |
| Investment in shares | 7 | 1,968,342,867 | 1,855,796,095 |
| Advance, deposits and prepayments | 8 | 260,605,888 | 166,704,221 |
| Accounts receivable | 9 | 201,798,692 | 62,611,095 |
| Loan to clients | 10 | 3,843,972,752 | 3,070,938,335 |
| Cash & bank balance | 11 | 488,904,320 | 381,950,431 |
| TOTAL ASSETS | | 7,713,933,511 | 6,502,683,814 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Equity | | 2,155,135,634 | 2,066,652,181 |
| Share capital | 12 | 1,500,000,000 | 1,500,000,000 |
| Revaluation reserve for investments with DSE & CSE | 13 | 639,212,367 | 639,212,367 |
| Retained earnings | 14 | 15,923,267 | (72,560,186) |
| Non-Current Liabilities | | | |
| Lease liability | 15 | 5,470,134 | 15,185,024 |
| Current Liabilities | | 5,553,327,743 | 4,420,846,609 |
| Accounts payable | 16 | 566,098,582 | 292,823,904 |
| Short term loan | 17 | 3,797,510,684 | 3,433,140,420 |
| Liabilities for expenses | 18 | 342,474,125 | 27,025,042 |
| Other liabilities | 19 | 608,289,629 | 519,289,629 |
| Provision for tax | 20 | 238,954,723 | 148,567,615 |
| TOTAL LIABILITIES | | 5,558,797,877 | 4,436,031,633 |
| TOTAL EQUITY AND LIABILITIES | | 7,713,933,511 | 6,502,683,814 |

The annexed notes from 1 to 31 form an integral part of these financial statements.

Managing Director

Julin

Director

This is the statement of financial position referred to in our separate report of even date.

Dhaka, 17 February 2022

Chairman

Signed for and on behalf of ACNABIN **Chartered Accountants**

un

Md Moniruzzaman FCA Partner

ICAB Enrollment No. 787 DVC: 2203090787AS107394

EBL Securities Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|-------|---------------|---------------|
| Operating Income | | | |
| Brokerage commission income | 21 | 578,786,758 | 187,734,232 |
| Direct expenses | 22 | (75,260,525) | (26,292,786) |
| Net Brokerage Commission Income | | 503,526,233 | 161,441,447 |
| Interest income | 23 | 371,320,804 | 372,106,406 |
| Interest expense | 24 | (286,141,419) | (371,618,139) |
| Net Interest Income | | 85,179,385 | 488,267 |
| Investment income | 25 | 201,509,299 | 83,614,707 |
| Other operating income | 26 | 6,546,226 | 3,322,194 |
| Total Operating Income | | 796,761,143 | 248,866,616 |
| Operating expenses | 27 | (168,375,807) | (135,709,493) |
| Office & administrative expenses | | (163,289,193) | (130,533,207) |
| Bank charges & other expenses | | (5,086,614) | (5,176,286) |
| Net Operating Profit | | 628,385,336 | 113,157,123 |
| Provision made for loss on margin loan | | (89,000,000) | (131,705,649) |
| Profit before Income Tax | | 539,385,336 | (18,548,526) |
| Less: Income tax expenses | 28 | (150,901,883) | 36,859,206 |
| Current tax | | (151,155,334) | (45,828,281) |
| Deferred tax income | | 253,451 | 82,687,487 |
| Net Profit for the year | | 388,483,453 | 18,310,680 |
| Other comprehensive income | | - | _ |
| Total Comprehensive Income | | 388,483,453 | 18,310,680 |
| Earnings per Share (EPS) | 29 | 258.99 | 12.21 |

The annexed notes from 1 to 31 form an integral part of these financial statements.

Managing Director

fillen

Director

Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka, 17 February 2022 Signed for and on behalf of ACNABIN Chartered Accountants

un

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787

DVC: 2203090787AS107394

296 | Eastern Bank Limited

Amount in BDT

Amount in BDT

EBL Securities Limited

Statement of Changes in Equity

for the year ended 31 December 2021

| Particulars | Share Capital | Revaluation reserve for investment with DSE & CSE | Retained Earnings | Total Equity |
|-------------------------------------|---------------|---|-------------------|---------------|
| Balance as at 01 January 2021 | 1,500,000,000 | 639,212,367 | (72,560,186) | 2,066,652,181 |
| Net profit for the year | - | - | 388,483,453 | 388,483,453 |
| Interim dividend | - | | (300,000,000) | (300,000,000) |
| Balance as at 31 December 2021 | 1,500,000,000 | 639,212,367 | 15,923,267 | 2,155,135,634 |
| For the year ended 31 December 2020 | | | | |
| Balance as at 01 January 2020 | 1,500,000,000 | 639,212,367 | (90,870,866) | 2,048,341,501 |
| Net profit for the year | - | - | 18,310,680 | 18,310,680 |
| Balance as at 31 December 2020 | 1,500,000,000 | 639,212,367 | (72,560,186) | 2,066,652,181 |

The annexed notes from 1 to 31 form an integral part of these financial statements.

Dhaka, 17 February 2022 Managing Director





EBL Securities Limited

Statement of Cash Flows

for the year ended 31 December 2021

| Part | icualrs | Notes | 2021 | 2020 |
|------------|--|-------|---------------|---------------|
| А. | Cash flows from operating activities | | | |
| | Profit after tax | | 388,483,453 | 18,310,680 |
| | Net gain on sale of fixed assets | 26 | - | (128,616) |
| | Depreciation & amortization | 4 | 23,257,710 | 25,356,641 |
| | Increase in advance, deposits and prepayments | | (93,901,667) | (82,755,112) |
| | Provision for interim dividend | 14 | (300,000,000) | - |
| | Deferred tax | | (253,451) | (82,687,487) |
| | Increase in accounts receivable | | (139,187,597) | (23,061,721) |
| | Increase in accounts payable | | 273,274,678 | 79,411,440 |
| | Increase in liabilities for expenses | | 315,449,084 | 10,113,956 |
| | Increase in other liabilities | | 79,285,110 | 135,315,478 |
| | Increase in provision for tax | | 90,387,108 | 42,914,539 |
| | Net cash flow from operating activities | | 636,794,428 | 122,789,797 |
| В. | Cash flows from investing activities | | | |
| | Increase/(Decrease) in investment in securities | | (112,546,772) | 178,747,143 |
| | Increase in loans to customer | | (773,034,417) | (287,333,603) |
| | Proceeds from sale of assets | | - | 2,781,765 |
| | Acquisition of fixed assets | 4 | (8,629,614) | (2,404,868) |
| | Net cash used in investing activities | | (894,210,804) | (108,209,563) |
| C . | Cash flows from financing activities: | | | |
| | Receipt/(Payment) of short term loan | | 364,370,264 | (300,244,767) |
| | Net cash flow from/(used in) financing activities | | 364,370,264 | (300,244,767) |
| D. | Net surplus/(deficit) in cash and bank balance (A+B+C) | | 106,953,889 | (285,664,533) |
| E. | Unrealised foreign exchange gain/(loss) | | - | - |
| F. | Cash and bank balance at the beginning of the year | | 381,950,431 | 667,614,964 |
| G. | Cash and bank balance at the end of the year (D+E+F) | | 488,904,320 | 381,950,431 |

The annexed notes from 1 to 31 form an integral part of these financial statements.



(Jun Director

Dhaka, 17 February 2022

Managing Director

Eastern Bank Limited | 297

Chairman

Amount in BDT

EBL Securities Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2021

1. Company and its activities

1.1 Legal status and nature of the company

EBL Securities Ltd. is one of the leading brokerage houses domiciled in Bangladesh which has been constituted by changing the name of LRK Securities Ltd. by shares incorporated under the Companies Act 1994 incorporation no. C-32161 (1282)/97. EBL Securities Ltd. is the TREC holder (Trading Right Entitlement Certificate) of both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) bearing certificate no. 026 and 021 dated 03 November 2013 and 28 October 2013 respectively.

1.2 Principal activities and nature of operation

The principal activities of the company is to buy, sell, deal and invest in shares, stocks, debentures and other securities, to become TREC holder of stock exchange in Bangladesh and/or elsewhere and undertake all the functions of a Stock Exchange TREC holder.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements are prepared on the historical cost basis except measuring fair value of DSE & CSE TREC and shares and therefore, did not take into consideration the effect of inflation. The financial statements have been prepared and the disclosures of information have been made in accordance with the Companies Act, 1994, the Securities and Exchange Rules, 1987, the Listing Rules of Dhaka Stock Exchange, Guidelines from Bangladesh Securities & Exchange Commission (BSEC), International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Securities Ltd. also complies with the applicable provisions of the following major laws/ statutes:

-Securities and Exchange Rules, 2020; -Securities and Exchange Commission Act, 1993; -Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; -Exchanges Demutualization Act, 2013 -Income Tax Ordinance, 1984; -Income Tax Rules, 1984; -Value Added Tax and Supplementary Duty Act, 2012; -Value Added Tax and Supplementary Duty Rules, 2016; -Negotiable Instruments Act, 1881; and -Other applicable laws and regulations

2.3 Basis of measurement

The financial statements, except statement of cash flows, have been prepared on the accrual basis of accounting.

2.4 Components of financial statements

-Statement of Financial Position -Statement of Profit or Loss and Other Comprehensive Income -Statement of Changes in Equity -Statement of Cash Flows -Notes to the Financial Statements

2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting Year that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year.

In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situation:

-When the company has an obligation as a result of past events,

- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation..

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Securities Ltd. applies the accounting disclosure principles consistently from one year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We, however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

2.8 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations. The management has assured the going concern and from no threat thereon.

2.9 Reporting period

The financial statements of the company cover 01 (one) year from 01 January 2021 to 31 December 2021 and is followed consistently.

2.10 Investment in stock exchanges for membership

In accordance with section 8 of the Exchanges Demutualization Act, 2013, both stock exchange membership have been converted into shares through the issuance of two completely de-linked assets to the former members in the Exchange, namely (a) fully paid-up shares and (b) trading right. Exchanges shall have the authority to issue Trading Right Entitlement Certificate (TREC), as per the Exchanges Demutualization Act, 2013 and as outlined in the scheme, to provide the right to trade any securities enlisted in Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited to eligible brokers and dealers. Such TRECs will be totally separated from the ownership of the Exchange as there is no obligation for TREC holders to be or remain shareholders of the exchange.

3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all years presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

These are measured at cost less accumulated deprecation. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment. Depreciation has been charged on additions when the assets are put into use on the basis of straight line method in accordance with IAS-16: Property, Plant and Equipment.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit and loss account as incurred.

3.1.3 Depreciation & Amortization

Depreciation on property, plant and equipment is charged using straight line method on all assets. Depreciation is charged from the date when the asset are ready to use. Depreciation & amortization rates are as follows:

| Nature of Assets | Rate of Depreciation |
|-------------------------|----------------------|
| Furniture & Fixture | 10% |
| Television & Multimedia | 20% |
| Computer & Accessories | 33.33% |
| Generator | 20% |
| Office Equipment | 20% |
| Office Decoration | 10% |
| Vehicles | 20% |

3.2 Intangible assets

3.2.1 Recognition and measurement

The only item in intangible assets is computer software that was acquired by the Company and is measured at cost less accumulated amortization and impairment loss, if any.

3.2.2 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.

3.2.3 Amortization

Amortization is calculated using the straight line method to write down the cost of intangible asset to its straight line values (33.33%).

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account.

3.4 Cash and Bank balance

Cash and cash equivalents include cash in hand and cash at bank which are held and available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

3.5 Accounts receivable

Acounts receivables are stated at nominal values as reduced by the appropriate allowances for estimated doubtful amounts. No such receivables are accounted for if the loans are classified as bad and loss. Receivable include the amount receivable both from DSE and CSE against daily transaction settlement and dividend income from investments, etc.

3.6 Loan to clients

EBL Securities Ltd. extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchased securities against the respective investor account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.7 Investment in securities

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis but no unrealized gain is booked when market value exceeds cost.

3.8 Recognition and measurement of financial assets

In accordance with International Financial Reporting Standard (IFRS) 9, financial assets may be recognized at fair value, with gain and losses taken to the income statement in net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

3.9 Provision for income tax

Provision for income tax is made on the basis of Company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984. The income tax rate is 30% for a private limited company or non listed company in Bangladesh.

3.10 Revenue recognition

Revenue is recognized only when the performance obligation is satisfied in accordance with the International Financial Reporting Standard (IFRS)-15 "Revenue from Contracts with Customers".

3.10.1 Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

3.10.2 Interest income from margin loan

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized on quarterly rest.

3.10.3 Dividend income and gain/(loss) on sale of marketable securities

Dividend income is recognized when right to receive or payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.10.4 Interest income

Interest income is recognized on the loan balance of portfolio clients on monthly accrual basis and charged to clients' balance on quarterly basis.

3.10.5 Portfolio management fees

Portfolio management fees are recognized on the market value of the clients' portfolio on monthly accrual basis and charged to clients' balance on quarterly basis.

3.11 Issue Management & Corporate Advisory

Issue management and corporate advisory fees are recognized according to the stages of completion of services as agreed and defined in Issue management and corporate advisory agreement between company and client.

3.12 Dividend income and profit or loss on sale of securities

Dividend is accounted for as income when right to receive is established whereas profit or loss arising from the sale of securities is accounted for only when the securities are sold/offloaded.

3.13 Suspense interest account

Suspense interest account is created against interest income from negative equity customers and vulnerable margin account.

3.14 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.15 Application of International Financial Reporting Standard (IFRS)-16

Leases

The company has made recognition, measurement and disclosure for both being as Lessee and Lessor as per IFRS-16.

Right-of-use assets (ROU):

EBL Securities Ltd. recognises the right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognise, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining Year of the lease term.

Lease Liabilities:

At the commencement of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. In 2020, the company reassessed all lease payment of existing contracts remaining year considering a cut-off date beginning of 2021. The lease liabilities are presented in the note 15 of these financial statements. Leases where the company does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets.

3.16 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the quarter end at cost price. Provision should be made for any loss arising from diminution in value of investment in light with BSEC circular #BSEC/Survailence/Mukhpatrpo (5th part)/2019/196, dated 16 July 2020.

3.17 Earnings per Share (EPS)

This has been calculated by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 31 December 2021 as per IAS-33 "Earnings per Share." Diluted Earnings per Share is not required to be calculated for the year, as there exists no dilution possibilities during the year.

3.18 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes when material.

3.19 General

i. Figures have been rounded off to the nearest integer.

ii. Previous year's figures have been rearrenged wherever considered necessary to conform to the current year's presentation.

3.20 Impact of COVID-19

The business operation and profitability of the Company had been impacted by COVID-19 during the year 2020, but due to the constantly changing nature of the situation and relatively stable market condition the brokerage commission income of the company as well as the investment income have increased significantly during the year 2021.

EBL Investments Limited

Independent Auditor's Report

to the shareholders of EBL Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Investments Limited which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the director's reports, but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka, 17 February 2022 Signed for and on behalf of **ACNABIN**

Chartered Accountants

un

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2203070787AS881740

EBL Investments Limited

Statement of Financial Position

as at 31 Decemeber 2021

| | | | 111104110111221 |
|---|-------|-------------|-----------------|
| Particualrs | Notes | 2021 | 2020 |
| ASSETS | | | |
| Non-Current Assets | | 7,970,075 | 22,605,915 |
| Property, plant and equipment | 5 | 5,227,364 | 8,659,179 |
| Deferred Tax Asset | 6 | 2,742,712 | 13,946,736 |
| Current Assets | | 383,991,588 | 445,482,653 |
| Cash and Bank Balance | 7 | 68,655,324 | 198,161,330 |
| Advances, Deposit & Prepayments | 8 | 7,135,320 | 4,293,045 |
| Margin Loan | 9 | 58,154,661 | 126,907,157 |
| Accounts Receivable | 10 | 43,703,689 | 3,006,588 |
| Investments | 11 | 206,342,594 | 113,114,533 |
| TOTAL ASSETS | | 391,961,663 | 468,088,568 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Equity | | 326,906,164 | 319,559,874 |
| Share Capital | 12 | 300,000,000 | 300,000,000 |
| Retained Earnings | 13 | 26,906,164 | 19,559,874 |
| Non-Current Liabilities | | | |
| Leased Liability net off Current Maturity | 14 | - | 429,891 |
| Current Liabilities | | 65,055,499 | 148,098,803 |
| Current Portion of Lease Liability | 14 | 573,244 | 1,618,302 |
| Trade Payable | 15 | 26,994,001 | 60,842,454 |
| Provision for Income Tax | 16 | 5,766,534 | 19,155,260 |
| Other Liabilities | 17 | 31,721,720 | 66,482,786 |
| Total liabilities | | 65,055,499 | 148,528,694 |
| TOTAL EQUITY AND LIABILITIES | | 391,961,663 | 468,088,568 |

The annexed notes from 1 to 28 form an integral part of these financial statements.

-4

Managing Director

fellow.

Director

This is the statement of financial position referred to in our separate report of even date.

Dhaka, 17 February 2022 Chairman

Signed for and on behalf of **ACNABIN**

Amount in BDT

Chartered Accountants

nu

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2203070787AS881740

Amount in BDT

EBL Investments Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|--|-------|------------|--------------|
| Operating income | | 58,109,785 | 44,985,784 |
| Fees & Commission | 18 | 10,749,969 | 14,295,140 |
| Investment Income | 19 | 32,454,207 | 9,142,504 |
| Interest & Other Income | 20 | 14,905,609 | 21,548,140 |
| Operating expenses | | 48,716,124 | 25,230,036 |
| Administrative Expenses | 21 | 48,437,310 | 24,953,339 |
| Financial Expenses | 22 | 278,814 | 276,697 |
| Operating Profit before Provision | | 9,393,661 | 19,755,747 |
| Provision for diminution in value of investments | 23 | - | - |
| Provision (charged)/released for negative equity | 23 | 10,589,713 | (31,738,184) |
| Profit/ (Loss) before tax | | 19,983,374 | (11,982,437) |
| Income Tax Expense | | 12,637,084 | (8,831,239) |
| Current Tax | 24 | 1,433,060 | 5,115,497 |
| Deferred Tax | 6 | 11,204,024 | (13,946,736) |
| Net profit/ (loss) after tax | | 7,346,290 | (3,151,197) |
| Other comprehensive income | | - | - |
| Total Comprehensive income | | 7,346,290 | (3,151,197) |
| Earnings per Share | 25 | 2.45 | (1.05) |

The annexed notes from 1 to 28 form an integral part of these financial statements.

A

Managing Director

Julin Director

Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka, 17 February 2022 Signed for and on behalf of **ACNABIN**

Chartered Accountants

el in

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2203070787AS881740

EBL Investments Limited

Statement of Changes in Equity

for the year ended 31 December 2021

| Particulars | Share Capital | Retained Earnings | Total Shareholders' Equity |
|-------------------------------|---------------|--------------------------|----------------------------|
| Balance as at 01 January 2021 | 300,000,000 | 19,559,874 | 319,559,874 |
| Net Profit for the year | - | 7,346,290 | 7,346,290 |
| Total as at 31 Decemeber 2021 | 300,000,000 | 26,906,164 | 326,906,164 |
| Balance as at 01 January 2020 | 300,000,000 | 22,711,071 | 322,711,071 |
| Net Loss for the year | - | (3,151,197) | (3,151,197) |
| Total as at 31 December 2020 | 300,000,000 | 19,559,874 | 319,559,874 |

The annexed notes from 1 to 28 form an integral part of these financial statements.

Dhaka, 17 February 2022

AAr utum Managing Director

fellow

Director

Chairman

Amount in BDT

EBL Investments Limited Statement of Cash Flows

for the year ended 31 December 2021

| | , | | | Amount in BDT |
|------|---|-------|---------------|---------------|
| Part | iculars | Notes | 2021 | 2020 |
| А. | Cash flows from operating activities | | | |
| | Net profit/(loss) during the year | Γ | 7,346,290 | (3,151,197) |
| | Depreciation and amortization | 21 | 3,974,641 | 4,962,167 |
| | Increase of advances, deposit & prepayments | | (747,583) | (982,840) |
| | (Increase)/decrease in accounts receivable | | (40,708,660) | 761,729 |
| | (Decrease)/increase in trade payables | | (33,848,454) | 2,545,355 |
| | Increase in provision for tax | | 1,433,060 | 5,115,497 |
| | Income tax paid | | (17,373,036) | (2,542,670) |
| | (Decrease)/increase in other liabilities | | (34,761,062) | 43,919,832 |
| | Increase/(decrease) in deferred tax liability/(asset) | | 11,204,024 | (13,946,736) |
| | (Decrease)/increase in lease liability | | (1,474,949) | 2,048,193 |
| | Net cash (used in)/flow from operating activities | | (104,955,729) | 38,729,331 |
| в. | Cash flows from investing activities | | | |
| | Received from/(issue) of margin loan | Γ | 68,752,496 | 90,385,643 |
| | Investment in securities | | (93,228,060) | 56,335,046 |
| | Acquisition of fixed assets | 5 | (74,713) | (6,641,150) |
| | Net cash (used in)/flow from investing activities | _ | (24,550,277) | 140,079,539 |
| C. | Cash flows from financing activities | | - | - |
| D. | Net (decrease)/increase in cash and bank balance (A+B+C) | | (129,506,007) | 178,808,870 |
| E. | Unrealized foreign exchange gain/(loss) | | - | - |
| F. | Opening cash and bank balance | | 198,161,330 | 19,352,460 |
| G. | Closing cash and bank balance (D+E+F) | | 68,655,323 | 198,161,330 |
| Thor | unnexed notes from 1 to 28 form an integral part of these financial statement | = | | |

The annexed notes from 1 to 28 form an integral part of these financial statements.

Julin

Chairman

Dhaka, 17 February 2022

Managing Director

Director

EBL Investments Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2021

1. Company and its activities

1.1 Legal status and nature of the company

EBL Investments Limited (EBLIL/the Company), a full-fledged merchant bank and subsidiary of Eastern Bank Limited, was incorporated in Bangladesh under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms (RJSCF) on 30 December 2009 vide registration no. C-81417/09 as a Private Ltd. Company. Besides, EBL Investments Limited obtained license on 27 January 2013 vide BSEC registration no. MB-80/2013 as per the Bangladesh Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996 to carry out merchant banking operation in Bangladesh and on 04 August 2013 vide BSEC registration no. CDBL-DP-396 under the Depository (User) Regulations, 2003 to carry out depository functions.

EBL Investments Limited has achieved an unparalleled reputation as a leading Merchant Banker through providing portfolio management services by maintaining a high level of professional expertise and integrity in client relationship. EBLIL's registered office is located at Bangladesh Shipping Corporation Tower 2-3, Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka-1000.

1.2 Principal activities and nature of operation

Main activities of EBLIL include underwriting of securities, issue management, portfolio management, capital restructuring, corporate advisory services etc. EBLIL performs its portfolio management activities in two ways:

(i) Investors Discretionary Account (IDA), where portfolio management operates as per clients' decisions;

(ii) Management Discretionary Account (MDA), where portfolio management operates as per company's decisions by using client's money.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared and the disclosures of information have been made in accordance with the companies Act, 1994. the Securities and Exchange Rules, 1987, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Investments Ltd. also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Rules, 2020;
- Income Tax Ordinance, 1984;
- Income Tax Rules, 1984:
- VAT and SD Act 2012;
- VAT and SD Rules, 2016;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.3 Basis of measurement

The financial statements, except statement of cash flow, have been prepared on the accrual basis of accounting under the historical cost convention.

2.4 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.5 Components of Financial Statements

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of uncertain estimation at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognized in the following situation:

(i) When the company has an obligation as a result of past events,

(ii) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Investments Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies, corrections of errors, the amounts involved are accounted for, retrospectively, in accordance with the requirement of IAS 8. We, however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

2.8 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.9 Reporting period

The financial statements of the Company cover one (01) year from 01 January 2021 to 31 December 2021 and is followed consistently.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and Measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard (IAS)-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its location and condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

3.1.3 Depreciation & Amortization

Depreciation is charged using straight-line method on all assets of property, plant and equipment. Depreciation rates are as follows:

| Nature of assets | Rate of depreciation |
|---------------------------------------|----------------------|
| Furniture and fixtures | 10% |
| Office equipments | 20% |
| Motor vehicle | 20% |
| Office decoration & other accessories | 20% |
| Software & intangibles | 15% |

3.1.4 Disposal of fixed assets

Gains or losses on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment disposed off and is recognized net with 'Other Income' in the Statement of Profit or Loss and Other Comprehensive Income.

3.2 Intangible Assets

Through online Mbank software the company maintains its Books of Accounts.

3.2.1 Recognition and Measurement

In accordance with IAS 38, an intangible asset is recognized if it is probable that the expected future economic benefits, which are attributable to the asset, will flow to the company entity; and the cost of the assets can be measured reliably. In addition, it is measured at cost less accumulated amortization and impairment loss, if any, in the Statement of Financial Position.

3.2.2 Subsequent expenditure

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates.

3.2.3 Amortization

Amortization is calculated using the straight-line method to write down the cost of intangible asset to it's residual values at 15%.

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

3.4 Statement of Cash Flows

The Statement of Cash Flows shows changes in cash and bank balances during the financial year. It has reported cash flows during the year classified by operational activities, investing activities and financing activities. It is prepared under indirect method in accordance with IAS :7 Statement of Cash Flows.

3.5 Cash and Bank Balance

Cash and cash equivalents include cash in hand, cash at bank and stamp in hand which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

3.6 Margin loan to customer

EBL Investments Limited extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchased securities against the respective investor account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.7 Investment in securities

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis but no unrealized gain is booked when market value exceeds cost.

3.8 Recognition and measurement of financial assets

In accordance with IFRS 9: Financial Instruments, financial assets may be recognized at fair value, with a gain or loss taken to the Statement of Profit or Loss and Other Comprehensive Income at net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term.

3.9 Provision for income tax

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984.

3.10 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with IFRS 15: Revenue from Contracts with Customers.

3.10.1 Management fee

Management fee is charged to IDA clients for rendering services like receipt of shares from brokers, delivery of shares to brokers, custody of shares and collection of corporate entitlements etc. The fee is charged on daily market value of securities for IDA clients per annum and recognized as of accrual basis.

3.10.2 Transaction/ Settlement fee

Transaction/ Settlement fee is recognized as income when selling or buying order executed.

3.10.3 Interest income from margin loan

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized quarterly.

3.10.4 Dividend income and gain/(loss) on sale of marketable securities

Dividend income is recognized when receive or payment right is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.11 Leases

EBLIL has applied IFRS 16: "Leases" for the first time with the date of initial application of 21 October 2020 and continued this in the year 2021 using modified retrospective approach where the company measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

According to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement, the company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the company measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

On the statement of financial position, right-of-use assets have been included in non-current assets and lease obligations have been included in current liabilities (to be paid in the next year) and non-current liabilities (net of current obligation) which is separately disclosed.

3.12 Earnings Per Share

Earnings Per Share (EPS) has been computed by dividing the Profit After Tax (PAT) by the number of ordinary share outstanding as on 31 December 2021 as per IAS-33: Earnings Per Share.

3.13 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.13.1 Current tax

Income tax expense is recognized in statement of Profit or Loss & Other Comprehensive Income. Current tax is the expected tax payable on the total taxable income for the year using tax rates enacted or substantially enacted as of reporting date and any adjustment to tax payable in respect of previous years. The Company is a full-fledged merchant bank as per Income Tax Law and provision for tax has duly been made. The rate of tax is 37.5%.

3.13.2 Deferred tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS 12: "Income Taxes". The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (Taxable or deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per share (EPS).

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available, against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.14 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the year end at market price and as per book value of last audited statement of financial position. Provision should be made for any loss arising from diminution in value of investment. The company measures and recognizes investment in quoted and unquoted shares at cost if the year end market value and book value, for quoted shares, are higher than the cost except investment in mutual fund. BSEC directive no. SEC/CMRRCD/2009-193/172 dated 30 June 2015 has been followed for mutual fund.

3.15 Events after the Reporting Period

Events after the reporting period, also known as non-adjusting events, are disclosed in the notes when material as well as provide additional information about the company's positions at the period end date.

3.16 General

i) Figures have been rounded off to the nearest integer.

ii)Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.17 Application of International Accounting and Financial Reporting Standards

The Financial Statements have been prepared in compliance with the requirement of IAS and IFRS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. EBL Investments Ltd. applied following IASs and IFRSs:

| Name of the IAS | IAS No. |
|---|----------|
| Presentation of Financial Statements | 1 |
| Statements of Cash Flow | 7 |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 |
| Income Taxes | 12 |
| Property, Plant and Equipment | 16 |
| Employee Benefits | 19 |
| Related Party Disclosures | 24 |
| Provisions, Contingent Liabilities and Contingent Assets | 37 |
| Intangible Assets | 38 |
| Name of the IFRS | IFRS No. |
| Financial Instruments: Disclosures | 7 |
| Financial Instruments | 9 |
| Fair Value Measurement | 13 |
| Revenue from Contracts with Customers | 15 |
| Leases | 16 |

4 Financial Risk Management

4.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers and investment securities. These loans and advances are fully backed by the securities held by the customer.

With respect to credit risk arising from the other financial assets of the Company, the maximum exposure is equal to the carrying amounts of the financial assets.

4.2 Market Risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Market risk is the risk of losses due to failure of entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For such transactions the Company only allows the purchase of tradable securities if the customer has adequate cash/purchase power beforehand.

4.3 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities under both normal and stressed conditions without incurring unacceptable losses or damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast based on time line of payment of the financial obligation and accordingly, arrange for sufficient liquidity/ fund to make the expected payment within due date.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and resources for measuring and managing risk, and the Company's management of capital. The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework.

EBL Finance (HK) Limited

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the Company is engaged in money lending business.

Business review

Pursuant to section 388(3)(b) of the Hong Kong Companies Ordinance, the Company is a wholly owned subsidiary of another body corporate during the year. Accordingly, the Company is not required to prepare a business review for the financial year ended 31 December 2021 as required by Schedule 5 of the Hong Kong Companies Ordinance.

Financial performance

The financial performance of the Company for the year ended 31 December 2021 and the financial position of the Company at that date are set out on pages 6 and 7.

Details of dividend paid during the year are provided in note 9 to the fmancial statements.

Directors

The directors during the year and up to the date of this report were:-Eastern Bank Limited IFTEKHAR Ali Reza Md

In accordance with the Company's Articles of Association, all directors are not subject to rotation or retirement at the annual general meeting and are therefore continue in office at the forthcoming annual general meeting.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

Save as disclosed in note 15 to the financial statements, no other transactions, arrangements and contracts of significance in relation to the Company's business to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' interests in the shares and debentures of the Company or any other body corporate

At no time during the year was the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Other matters

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

Events after the reporting period

Details of significant events after the reporting period are provided in note 17 to the financial statements.

Auditor

The financial statements have been audited by Kingston C.P.A. Limited who retire and, being eligible; offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board For and on behalf of Eastern Bank Limited

Authorized Signature(s)

Chairman, Eastern Bank Limited (Reptesented by Ahmed Shaheen) Hong Kong, 20 January 2022.

Independent Auditor's Report

to the members of EBL Finance (HK) Limited

(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of EBL Finance (HK) Limited ("the Company") set out on pages 6 to 23, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes of in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance ("HKCO").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of fire Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the ITKCO, and for such internal control as the directors determine is necessary to enable the preparation

of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our responsibility to express an opinion on these financial statements based on our audit is solely to you, as a body, in accordance with section 405 of the HKCO, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the HKICPA's website at:

<u>http://www.hkicpa.org.hk/file/media/section6_standards/</u> <u>standards/Audit-n-assurance/auditre/fs_pf.pdf</u> This description forms part of our auditor's report.

- ngsfor Any Her

Kingston C.P.A. Limited Certified Public Accountants, Hong Kong Auditor, LAW Hoi Kit; P.C. No. P06627 20 January 2022

EBL Finance (HK) Limited Statement of Comprehensive Income

year ended 31 December 2021

| Particulars | Notes | 2021 HK\$ | 2020 HK\$ |
|--|-------|--------------|--------------|
| Revenue | 4 | 22,591,613 | 26,422,695 |
| Cost of sales | | (9,868,847) | (11,521,906) |
| Gross profit | | 12,722,766 | 14,900,789 |
| Other income and net gains or (losses) | 4 | 262,273 | (108,426) |
| Operating expenses | | (5,253,399) | (5,450,437) |
| Operating profit | 5 | 7,731,640 | 9,341,926 |
| Finance costs | 6 | (14,546) | (16,589) |
| Profit before taxation | | 7,717,094 | 9,325,337 |
| Income tax | 7 | | |
| Under provision in prior year | | (10,811) | (11,384) |
| Provision for the year | | (1,036,550) | (1,360,000) |
| | | (1,047,361) | (1,371,384) |
| Profit for the year | | 6,669,733 | 7,953,953 |
| Other comprehensive income for the year, net of income tax | | - | - |
| Total comprehensive income for the year | | 6,669,733 | 7,953,953 |

Tho annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited Statement of Financial Position

as at 31 December 2021

| Particulars | Notes | 2021 HK\$ | 2020 HK\$ |
|--|-------|----------------------|----------------------|
| ASSETS AND LIABILITIES Non-current assets | | | |
| Property, plant and equipment | 10 | 230,473 | 728,208 |
| Current assets | | | |
| Bills financed | 11 | 458,654,179 | 333,206,426 |
| Interest receivables | | 5,069,149 | 3,093,776 |
| Deposits and prepayments | | 143,330 | 183,930 |
| Cash and bank balances | | 53,395,940 | 62,149,357 |
| | | 517,262,598 | 398,633,489 |
| Current liabilities | | (070 150 | 4 404 271 |
| Accruals and other payables Receipt in advance | | 6,872,153 309,279 | 4,406,371 310,015 |
| Lease liabilities | | 198,779 | 457,054 |
| Provision for taxation | 12 | 12,385 | 17,060 |
| Bank overdrafts | 13 | 476,245,300 | 363,310,000 |
| baint overarants | 10 | 483,637,896 | 368,500, 500 |
| Net current assets | | 33,624,702 | 30,132,989 |
| Total assets less current liabilities Non-current liabilities | | 33,855,175 | 30,861,197 |
| Lease liabilities | 12 | _ | 198.779 |
| Net assets | | 33.855.175 | 30,662,418 |
| EQUITY | | | |
| Capital and reserves | | | |
| Issued and fully paid -1,410,000 ordinary shares | | 11,410,000 | 11,410,000 |
| Retained profits | | 22,445.175 | 19,252,418 |
| Total equity | | 33,855,175 | 30,662,418 |
| Approved and authorised for issue by the board of directors on 20 January 2022 | | | |

On behalf of the Board For and on behalf of Eastern Bank Limited

Authorized Signature(s)

Director Eastern Bank Limited (Represented by Ahmed Shaheen) The annexed notes form an integral part of these financial statements.

Iftekhar Ali Reza Md

EBL Finance (HK) Limited Statement of Changes in Equity

year ended 31 December 2021

| Destinutes | Share Capital | Retained profits | Total |
|-----------------------------|---------------|-------------------------|-------------|
| Particulars | HK\$ | HK\$ | HK\$ |
| Balance at 1 January 2020 | 11,410,000 | 15,130,836 | 26,540,836 |
| Net profit for the year | | 7,953,953 | 7,953,953 |
| Other comprehensive income | | | |
| Dividend (Note 9) | | (3,832,371) | (3,832,371) |
| Balance at 31 December 2020 | 11,410,000 | 19,252,418 | 30,662,418 |
| Net profit for the year | | 6,669,733 | 6,669,733 |
| Other comprehensive income | | - | |
| Dividend (Note 9) | | (3,476,976) | (3,476,976) |
| Balance at 31 December 2021 | 11,410,000 | 22,445,175 | 33,855,175 |

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited Statement of Cash Flows

Statement of Cash Flows

year ended 31 December 2021

| Particulars | Notes | 2021 HK\$ | 2020 HK\$ |
|--|-------|---------------|---------------|
| Operating activities | | | |
| Profit before taxation | | 7,717,094 | 9,325,337 |
| Adjustment for: | | | |
| Interest expense | | 9,868,847 | 11,521,906 |
| Depreciation | | 498,692 | 509,489 |
| Interest on lease liabilities | | 14,546 | 16,589 |
| Operating cash flows before working capital changes | | 18,099,179 | 21,373,321 |
| (lncrease)/decrease in bills financed | | (125,447,753) | 173,483,148 |
| (Increase)/decrease in interest receivables | | (1,975,373) | 2,152,029 |
| Decrease/(increase) in deposits and prepayments | | 40,600 | (3,900) |
| Increase/(decrease) in accruals and other payables | | 2,465,782 | (5,721,392) |
| Decrease in receipts in advance | | (736) | (576,003) |
| Decrease in loan from holding company | | - | (494,949,000) |
| Cash used in operations | | (106,818,301) | (304,241,797) |
| Tax paid | | (1,052,036) | (5,468,999) |
| Interest paid | | (9,868,847) | (11,521,906) |
| Net cash used in operating activities | | (117,739,184) | (321,232,702) |
| Net cash used in from investing activities | | | |
| Payments to acquire property, plant and equipment | | (957) | (3,638) |
| Financing activities | | | |
| Capital element of lease rental paid | | (457,054) | (448,381) |
| Dividend paid | | (3,476,976) | (3,832,371) |
| Interest on lease liabilities | | (14,546) | (16,589) |
| Net cash used in financing activities | | (3,948,576) | (4,297,341) |
| Net decrease in cash and cash equivalents | | (121,688,717) | (325,533,681) |
| Cash and cash equivalents at beginning of year | | (301,160,643) | (24,373,038) |
| Cash and cash equivalents at end of year | | (422,849,360) | (301,160,643) |
| Analysis of cash and cash equivalents at end of year | | | |
| Bank balances | | 53,395,940 | 62,149,357 |
| Bank overdrafts | | (476,245,300) | (363,310,000) |
| | | (422,849,360) | (301,160,643) |

The annexed notes form an integral part of these financial statements,

EBL Finance (HK) Limited

Notes to the Financial Statements

31 December 2021

1. Organisation and Operations

The Company is a private company incorporated in Hong Kong with limited liability. The address of its registered office is Unit 1201, 12th Floor, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Hong Kong.

The principal activity of the Company is engaged in money lending business.

2. Application of New and Revised Hong Kong Financial Reporting Standards

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

In the current year, the Company has applied for the first time a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for accounting periods beginning on or after 1 January 2021 with the exception as stated in the following paragraph. The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented Accordingly, no prior period adjustment has been required.

The Company has not early applied the following new standards, amendments or interpretations that have been issued and relevant to the Company but are not yet effective. The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Company.

| HKFRS 3, HKAS 16 and HKAS 37 | Narrow-scope amendments ¹ |
|---------------------------------------|--|
| HKAS 37 (Amendment) | Onerous Contracts - Cost of Fulfilling a Contract ¹ |
| Annual Improvements Project | Annual Improvements to HKFRSs 2018 - 2020 Cycle ¹ |
| HKAS 1 | Classification of Liabilities as Current or Non-current ² |
| HKAS 1 and HKFRS Practice Statement 2 | Disclosure of Accounting Policies ² |
| HKAS 8 | Definition of Accounting Estimates ² |
| HKAS 12 | Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction ² |
| HKASS 28 and HKFRS 10 (Amendment) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |

¹Effective for annual periods beginning on or after 1 January 2022. ²Effective for annual periods beginning en or after 1 January 2023.

³Effective for annual periods beginning on or after a date to be determined.

3. Significant Accounting Policies

(a) Statement of compliance

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the financial statements include applicable disclosures required by the Hong Kong Companies Ordinance.

(b) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified by the financial assets at fair value through other comprehensive income, financial assets and financial liabilities at fair value through profit or loss.

The financial statements have also been prepared under the accrual basis of accounting.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depredation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual rates are as follows;

| Properties leased for own use | Over the unexpired lease term |
|-------------------------------|-------------------------------|
| Machineries and equipments | 20% - 33.33% |
| Furniture and fixtures | 20% |

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year in which the item is derecognised.

(d) Leased assets

At inception of a contract, the Company assesses whether the contract is, or contains, a lease, A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the Company recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Company enters into a lease in respect of a low-value asset, the Company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the tease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if 'that rate cannot be readily determined, using a relevant incremental borrowing rate.

After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred,

The right-of-use asset recognised when a lease is capitalised is initially measured at cost. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

(e) Financial instruments

Classification of financial assets and financial liabilities

Financial assets are categorised into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). The classification of financial assets is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Financial liabilities are categorised into two principal classification categories: measured at amortised cost, and at fair value through profit or loss ("FVPL").

(f) Credit losses and impairment of assets

(i) Credit losses

The Company recognised a loss allowance for expected credit losses (ECLs") on the financial assets measured at amortised cost (including cash and cash equivalents, bills and other receivables and deposits).

Measurement of ECLs

ECLs are probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

ECIs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Company recognises an impairment gain or loss for all Financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

(ii) Impairment of other non-current assets

At the end of each reporting period., the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, short-term deposits held at banks, other short-term highly liquid investments with original maturities of three months or less.

(h) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year, using tax rates enacted or substantively enacted at the end of reporting period, and any adjustment to tax payable in respect of previous year.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities arc not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit.

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or charged directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

(i) Bills financed and interest receivables

Bills financed and interest receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of bills financed and interest receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

(j) Other payables

Other payables are recognised initially at fair value and subsequently stated at amortised cost. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective interest method.

(k) Foreign currencies

(i) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). These financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

(ii) Transactions, assets and liabilities

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the approximate rates ruling at the end of reporting period. Exchange gains or losses are recognised in profit or loss.

(l) Employee retirement benefits

Costs of employee retirement benefits are recognised as an expense in the year in which they are incurred.

(m) Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence

(n) Revenue recognition

Revenue is recognised when it is possible that the economic benefits will flow to the Company and when the revenue can be measured reliably on the following bases:-

0004

(i) Interest income is recognised on a time proportion basis.

(ii) Fees, commission and charges on letter of credit are recognised when the services are rendered.

4 Revenue, Other Income and Net Gains or (Losses)

Revenue represents interest income on bills financed; fees, commission and charges on letter of credit.

Revenues recognised during the year are as follows:-

| | HK\$ | HK\$ |
|--|------------|------------|
| Revenue | | |
| Interest income on bills financed | 15,923,444 | 19,488,279 |
| Fees, commission and charges on letter of credit | 6,668,169 | 6,934,416 |
| | 22,591,613 | 26,422,695 |
| Other income and net gains or (losses) | | |
| Net exchange gain/(loss) | 262,273 | (108,426) |
| Total revenues | 22,853,886 | 26,314,269 |
| Operating profit | | |
| Operating profit is stated after charging:- | | |
| Auditor's remuneration | 93,500 | 95,500 |
| Depreciation | 498,692 | 509,489 |
| Retirement benefit costs | 74,295 | 93,923 |
| Salaries and allowances | 3,465,276 | 3,702,602 |
| Variable lease payments not included in the measurement of lease liabilities | 172,907 | 136,627 |

5.

2020

| | | 2021 HK\$ | 2020 HK\$ |
|----|-------------------------------|--------------|--------------|
| 6. | Finance Costs | | |
| | Interest an lease liabilities | 14,546 | 16,589 |

7. Taxation

- (a) Hong Kong Profits Tax is calculated at 8.25% of the first HK\$2 million of the estimated assessable profits and at 16.5% for the estimated assessable profits above HK\$2 million (2020: 8.25% to 16.5%).
- (b) No provision for deferred taxation has been made in the financial statements as there are no material deductible and taxable temporary differences needed to be accounted for in the year.

8. Directors' Emoluments

During the years ended 31 December 2021 and 2020, no amounts have been paid in respect of directors' emoluments, directors' or past directors' retirement benefits or for any compensation to directors or past directors in respect of loss of office.

Save as disclosed in note 15 to the financial statements, no other significant transactions, arrangement and contracts to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Except for the aforementioned transaction, no other significant transactions, arrangement and contracts to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

9. Dividends

| | 3.476.976 | 3.832.371 |
|--|-----------|-----------|
| 1st interim dividend for 2021 declared and paid of HK\$2.27 (2020: HK\$2.62) per share | 3.200 000 | 3,700,000 |
| share | 276,976 | 132,371 |
| Final dividend for 2020 declared and paid of HK\$0.197 (2020: HK\$0.094) per | | |

10. Property, Plant and Equipment

| | Properties leased | Machineries | Furniture | |
|--------------------------|-------------------|----------------|--------------|-----------|
| | for own use | and equipments | and fixtures | Total |
| | HK\$ | HK\$ | HK\$ | HK\$ |
| Cost | | | | |
| At 1 January 2020 | 634,144 | 167,134 | 362,928 | 1,164,206 |
| Additions | 912,005 | - | 3,638 | 915,643 |
| Disposals | (634,144) | - | - | (634,144) |
| At 31 December 2020 | 912,005 | 167,134 | 366,566 | 1,445,705 |
| Additions | - | 788 | 169 | 957 |
| At 31 December 2021 | 912,005 | 167,922 | 366,735 | 1,446,662 |
| Accumulated Depreciation | | | | |
| At I January 2020 | 445,013 | 119,734 | 277,405 | 842,152 |
| Provided for the year | 451,333 | 24,295 | 33,861 | 509,489 |
| Disposals | (634,144) | | - | (634,144) |
| At 31 December 2020 | 262,202 | 144,029 | 311,266 | 717,497 |
| Provided for the year | 456,002 | 17,895 | 24,795 | 498,692 |
| At 31 December 2021 | 718,204 | 161,924 | 336,061 | 1,216,189 |
| Carrying Amounts | | | | |
| At 31 December 2021 | 193,801 | 5,998 | 30,674 | 230,473 |
| At 31 December 2020 | 649,803 | 23,105 | 55,300 | 728,208 |
| | | 202 | 1 | 2020 |
| | | НК | \$ | HK\$ |

11. Bills Financed

The following is the aging analysis of bills financed at the end of the reporting period:-

| 0-3 months | 154,465,964 | 188,928,796 |
|----------------|-------------|-------------|
| 4-6 months | 258,799,843 | 131,165,263 |
| 7-9 months | 26,012,918 | 7,809,300 |
| 10-12 months | 19,375,454 | 5,303,067 |
| Over 12 months | - | - |
| | 458,654,179 | 333,206,426 |

12. Lease Liabilities

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of the current and previous reporting periods:-

| | 31 December 2021 | | 31 December 2020 | |
|--------------------------------------|---|---------------------------------|---|---------------------------------|
| | Present value of the minimum lease payments | Total minimum lease payments | Present value of the minimum lease payments | Total minimum lease payments |
| | HK\$ | HK\$ | HK\$ | HK\$ |
| Within 1 year | 198,779 | 200,430 | 457,054 | 471,600 |
| After 1 year but within 2 years | - | - | 198,779 | 200,430 |
| After 2 years but within 5 years | - | - | - | - |
| After 5 years | - | - | | - |
| | - | - | 198,779 | 200,430 |
| | 198,779 | 200,430 | 655,833 | 672,030 |
| Less: Total feture interest expenses | | (1,651) | | (16,197) |
| Present value of lease liabilities | | 198,779 | | 655,833 |

13. Bank Overdrafts

The general banking facilities are secured by the corporate guarantee from holding company.

14. Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the repotting period are set out as follows:

| | 2021 HK\$ | 2020 HK\$ |
|---|--------------|--------------|
| Financial assets | | |
| Financial assets at FVPL | - | - |
| Equity instruments at FVOCI | | |
| Financial assets at amortised cost | 517,119,268 | 398,633,489 |
| Financial liabilities | | |
| Financial liabilities at FVPL | | |
| Financial liabilities at amortised cost | 483,426,732 | 368,043,446 |

15. Related Party Transactions

During the year, the Company had the following transaction with a related party in the normal course of business:-

| Type of transaction | Related party | Relationship | Connected directors | 2021 | 2020 |
|---------------------|----------------------|------------------------------|----------------------------|-----------|------------|
| | | | | HK\$ | HK\$ |
| Interest expense | Eastern Bank Limited | Holding company and director | IFTEKHAR Ali Reza Md | 9,868,847 | 11,521,906 |

16. Financial Risk Management

The Company is exposed to various kinds of risks in its operation and financial instruments. The Company's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Company by closely monitoring the individual exposure as follows:-

(a) Market risk

- (i) Currency risk
 - (1) The Company receives its interest income and service fee and pays loan from holding company and interest expenses, mainly in US dollar, that exposes it to foreign currency risk arising from such purchases and sales and the resulting payables and receivables. The Company closely and continuously monitors the exposure as follows:-

Since HK dollar is pegged to US dollar, there is no significant exposure expected on US dollar transactions and balances.

(2) Sensitivity analysis

As the net exposure of the Company to foreign currency is relatively small, change in foreign currency exchange rate will have no material impact on the financial performance of the Company.

(ii) Interest rats risk

The Company's exposure to interest rate risk is mainly on its interest-bearing borrowings, In order to manage the interest rate risk, the Company will repay the corresponding borrowings when it has surplus funds.

(iii) Price risk

There is no significant price risk as the Company does not have any investment traded in an active market.

(b) Credit risk

The major exposure to credit risk of the Company's financial assets, which comprise bills financed, interest receivables, deposits and prepayments, and bank balances, arises from the default of the counterparties, with a maximum exposure equal to the carrying amount of these financial assets in the statement of financial position.

(c) Liquidity risk

The Company's exposure to the risk of liquidity is minimal, as the shareholders of the Company finance sufficient funds to meet the Company's continuous operation need.

The maturity profile of all financial liabilities of the Company as at the end of the reporting period, based on the contracted undiscounted payments, was as follows:-

| | 2021 HK\$ | 2020 HK\$ |
|---|--------------|--------------|
| Doe and payable | | |
| 0-3 months | 483,555,717 | 368,156,323 |
| 4-6 months | 82,179 | 113,796 |
| 7-9 months | | 114,723 |
| 10-12 months | | 115,658 |
| Over 12 months | | 198,779 |
| Total current and non-current liabilities | 483,637,896 | 368,699,279 |

(d) Fair value

The Company's financial instruments are carried at amounts not materially different from their fair values as at 31 December 2021.

17. Events After The Reporting Period

After the outbreak of the Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented in Hong Kong. The Company will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Company,

18. Immediate and Ultimate Holding Company

The directors regard Eastern Bank Limited, a company incorporated in Bangladesh, as being the immediate and ultimate holding company.

19. Critical Accounting Estimates and Judgement

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Judgements made by management have no significant effect on the financial statements. Revisions to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected.

EBL Asset Management Limited

Independent auditor's report

to the shareholders of EBL Asset Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Asset Management Limited which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the director's reports, but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

- We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Dhaka, 07 February 2022 Signed for and on behalf of ACNABIN Chartered Accountants

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2203070787AS779160

EBL Asset Management Limited

Statement of Financial Position

as at 31 December 2021

Notes Particulars 2021 2020 ASSETS **Non-Current Assets** Property, plant and equipment 4 1,384,319 3,821,765 Investment in EBL AML 1st Unit Fund at market price 5 55,600,000 54,300,000 11 94,362 491,779 Deferred tax asset 57.078.681 58.613.544 **Current Assets** 17,005,402 5 38,745,854 Investment in shares at Cost price Accounts receivable 6 2,140,559 1,031,198 Inter-Company Loan & advances 7 160,000,000 8 2,020,992 Advance income tax 1,789,796 9 36,928,897 190,758,796 Cash & Bank balance 10 Advance & Prepayments 24,244,195 1,924,720 **Total Current Assets** 242,108,848 234,481,559 **TOTAL ASSETS** 299,187,529 293,095,103 **EQUITY AND LIABILITIES** Shareholders' Equity 250,000,000 Share capital 12 250,000,000 13 Retained earnings 45,730,501 33,103,611 295,730,501 283,103,611 **Non-Current Liabilities** Lease liability net off current maturity 14 573,521 **Current Liabilities** Current portion of lease liability 14 573,521 2,159,001 Accounts payable 15 700,289 4,393,027 Provision for tax 2,865,941 16 2,183,217 **Total Current Liabilities** 3,457,027 9,417,969 **Total Liabilities** 9,991,493 3,457,027 **TOTAL EQUITY AND LIABILITIES** 299,187,529 293,095,103

The annexed notes from 1 to 26 form an integral part of these Financial Statements.

Managing Director (CC)

AZUN

Director

This is the statements of Financial Position referred to in our separate report of even date.

Dhaka, 07 February 2022

Sortinin AL Chairman

Signed for and on behalf of

ACNABIN Chartered Accountants

in

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2203070787AS779160

Amount in BDT

Amount in BDT

EBL Asset Management Limited

Statement of Profit or Loss and Other Comprehensive Income

for the period ended 31 December 2021

| Particulars | Notes | 2021 | 2020 |
|-------------------------------------|-------|--------------|--------------|
| Operating Income | | | |
| Interest income | 17 | 9,229,932 | 14,397,124 |
| Investment income | 18 | 9,758,181 | 2,279,666 |
| Income from unit fund | 19 | 3,989,378 | 3,883,793 |
| Unrealized gain/(loss) | 20 | 4,429,779 | (4,999,882) |
| Total operating income | L | 27,407,270 | 15,560,701 |
| General and administrative expenses | 21 | (12,270,185) | (10,403,517) |
| Finance and other cost | 22 | (216,595) | (240,553) |
| Total operating expense | - | (12,486,780) | (10,644,070) |
| Operating profit | - | 14,920,490 | 4,916,631 |
| Provision released during the year | | - | 14,828,779 |
| Profit before income tax | - | 14,920,490 | 19,745,410 |
| Current tax | 23.1 | (1,896,182) | (2,556,694) |
| Deferred Tax Income/(Expense) | 23.2 | (397,417) | 491,779 |
| Income tax expenses | L | (2,293,599) | (2,064,915) |
| Net profit for the year | - | 12,626,891 | 17,680,495 |
| Other comprehensive income | | - | - |
| Total comprehensive income | - | 12,626,891 | 17,680,495 |
| Earnings Per Share (EPS) | 24 | 5.05 | 7.07 |

The annexed notes from 1 to 26 form an integral part of these Financial Statements.

Managing Director (CC)

Dhaka,

07 February 2022

azen Director

Salmin AG-

Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Signed for and on behalf of ACNABIN

Chartered Accountants

un

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787

DVC: 2203070787AS779160

EBL Asset Management Limited

Statement of Changes in Equity

for the year ended 31 December 2021

| | | | Amount in BDT |
|--------------------------------|---------------|--------------------------|---------------|
| Particulars | Share Capital | Retained Earnings | Total Equity |
| Balance as at 01 January 2021 | 250,000,000 | 33,103,611 | 283,103,611 |
| Net Profit during the year | - | 12,626,891 | 12,626,891 |
| Balance as at 31 December 2021 | 250,000,000 | 45,730,501 | 295,730,501 |
| Balance as at 01 January 2020 | 250,000,000 | 15,326,103 | 265,326,103 |
| Net Profit during the year | - | 17,680,495 | 17,680,495 |
| Prior period's adjustment | - | 97,012 | 97,012 |
| Balance as at 31 December 2020 | 250,000,000 | 33,103,611 | 283,103,611 |

The annexed notes from 1 to 26 form an integral part of these Financial Statements.

Dhaka, 07 February 2022 Managing Director (CC)



Sortin AG-Chairman

Amount in BDT

EBL Asset Management Limited

Statement of Cash Flows

for the year ended 31 December 2021

| Part | icualrs | Note | 2021 | 2020 |
|----------|---|------|---------------|--------------|
| А. | Cash Flows from operating activities: | | | |
| | Net Profit during the year | | 12,626,891 | 17,680,495 |
| | Depreciation | | 2,574,471 | 2,118,786 |
| | Unrealized loss | | (4,429,779) | (9,828,896) |
| | Changes in account receivables | | (1,109,361) | 10,236,389 |
| | Changes in account rayables | | (3,692,738) | 3,870,527 |
| | Changes in other asset | | (281,975) | (1,924,720) |
| | Income tax expense | | 2,293,599 | 2,064,915 |
| | Income tax paid/adjusted | | (2,347,712) | (5,113,587) |
| | Prior period's adjustments | | - | (325,326) |
| | Net cash flows from operating activities | | 5,633,396 | 18,778,584 |
| в. | Cash flows from investing activities: | | | |
| | Changes in investment in securities | | 24,870,231 | 17,420,271 |
| | Investment in EBLAML 1st Unit Fund | | - | (50,000,000) |
| | Acquisition of property, plant & Equipment | | (137,025) | (69,125) |
| | IPO Application Money | | (22,037,500) | - |
| | Loan (disbursed)/recovered-EBLSL | | (160,000,000) | 155,000,000 |
| | Net cash flows from investing activities | | (157,304,294) | 122,351,146 |
| C. | Cash flows from financing activities | | | |
| | Payment of Lease Liability | | (2,159,001) | (1,763,493) |
| | Net cash used in financing activities | | (2,159,001) | (1,763,493) |
| D. E. | Net increase/(decrease) in cash and bank balances (A+B+C) Unrealised foreign exchange gain/(loss) | | (153,829,899) | 139,366,237 |
| F. | Cash and bank balance at the beginning of the year | | 190,758,796 | 51,392,557 |
| G. | Cash and bank balance at the end of the year (D+E+F) | | 36,928,897 | 190,758,796 |
| | Closing Cash & cash equivalents | | | |
| | Cash in hand | | 8,054 | 5,887 |
| | Balances with other banks and financial institutions | | 36,920,843 | 190,752,909 |
| | | | 36,928,897 | 190,758,796 |
| | Net Operating Cash-Flows Per Units (NOCFPU) | 25 | 2.25 | 7.51 |

The annexed notes from 1 to 23 form an integral part of these Financial Statements.

Dhaka, 07 February 2022

Managing Director (CC)

azen Director

Sortin AL-Chairman

EBL Asset Management Limited

Notes to the Financial Statements

as at & for the year ended 31 December 2021

1. Company and its activities

1.1 Legal status and nature of the company

EBL Asset Management Ltd. (here-in-after referred to as 'EBLAML' or "the Company") was incorporated in Bangladesh with the Registrar of Joint Stock Companies (RJSC) vide registration no. C-89481/11 dated 9th January 2011 as a Private Ltd. Company, limited by shares under the Companies Act, 1994 and got license from Bangladesh Securities Exchange Commission (BSEC) on 25th May 2017 for full-fledged asset management operation. It is a subsidiary company of Eastern Bank Limited (EBL). EBL holds all the shares of the company except 1 share which is held by one individual. The registered office of the company is situated in Bangladesh.

1.2 Nature of the business activities

The main objectives of the company is to carry out the business of Asset Management, Portfolio Management, Fund Management, Capital Market Operation, Other Financial Services including Corporate Advisory Services, Merger & Acquisition, Equity Investment, Corporate Restructuring, Financial & Socio - Economic Consultancy, Corporate Research & Project Studies, Privatization and other related services in Bangladesh and overseas.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) covering International Accounting Standards (IASs), the Companies Act, 1994 and other applicable laws and regulations of Bangladesh.

2.2 Other regulatory compliance

As required, EBL Asset Management Ltd. also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Rules, 1987;
- Securities and Exchange Commission Act, 1993;
- Income Tax Ordinance, 1984;
- Income Tax Rules, 1984;
- Value Added Tax and Supplementary Duty Act, 2012;
- Value Added Tax and Supplementary Duty Rules, 2016;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.3 Basis of measurement

These financial statements, except statement of cash flows, have been prepared on a going concern basis under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.4 Components of financial statements

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT/Taka/TK.) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year.

In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognized in the flowing situation:

- When the company has an obligation as a result of past events,
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

2.7 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations. The management has assured the going concern and from no threat thereon.

2.8 Reporting period

The financial statements of the company cover 01 (one) year from 01 January 2021 to 31 December 2021 and is followed consistently.

3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all years presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation. The costs include expenditures that are directly attributable to the acquisition of the property, plant and equipment. Depreciation has been charged on additions when the related assets are put into use. Depreciation is calculated at the rearranged/re-fixed following rates on straight-line method in accordance with IAS-16 over the periods appropriate to the estimated useful lives of the different types of assets. The new rate of depreciation considering estimated useful lives of the assets, the shortfall amount if necessary, has been charged during the period.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of Profit or Loss and other Comprehensive Income.

3.1.3 Depreciation

Depreciation on property, plant and equipment is charged using straight line method on all assets. Depreciation is charged from the date when the assets are ready to use. The depreciation rates are as follows:

| Nature of Assets | Rate of Depreciation |
|-------------------------|----------------------|
| Furniture & Fixture | 10% |
| Machinery and Equipment | 20% |

3.1.4 Right of use assets (Leasehold assets)

EBL Asset Management Limited implemented IFRS-16 "Leases" for the first time in 2019 to comply with the recent changes in IFRSs.

According to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the Company measured the right-of-use asset using a cost model. Under the cost model a right-of-use asset was measured at cost less accumulated depreciation and accumulated impairment.

The lease liability was initially measured at the present value of the lease payments payable over the lease term, discounted at the incremental borrowing rate.

3.2 Recognition and measurement of financial assets

Financial assets of the company include loan and advances, cash and bank balance, accounts receivables and other receivables. The company initially recognizes receivable on the date they are originated. All others financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company de-recognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

3.3 Investment in shares

- Investments in listed securities are initially recognized at cost and the expenditures that are directly attributable to the acquisition of the security. After initial recognization, listed securities are valued at Fair Value through profit or loss as per IFRS-9: Financial Instruments.
- Fair Value has determined by taking the closing price of the securities in the Dhaka Stock Exchange (DSE) at the statement of financial position date.

3.4 Accounts Receivable

Accounts receivables includes interest receivables, dividend receivables and receivable from EBLAML 1st Unit Fund and payable to sister concern. They adjust their accounts with the sister concern.

3.5 Cash and bank balance

Cash and bank balance includes cash in hand and cash at bank which are held and available for use by the company without any restriction. There is insignificant risk of change in the value of these items.

3.6 Provision for income tax

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984.

3.7 Revenue recognition

Revenue is recognized only when performance obligation is filled in accordance with IFRS-15: Revenue from Contracts with Customers.

3.7.1 Interest income from loan

In general, interest Income from loan is recognized on accrual basis. Such income is calculated on loan balance of the respective parties. Income is recognized on daily basis and applied to the customers' account on quarterly basis.

3.7.2 Net Investment income

- Dividend income is recognized when right to receive the income established (i.e. immediately after the record date);
- Capital gain/(loss) arising from sale of securities is recognized in the statement of Profit or Loss and other comprehensive income at the date when transaction takes place excluding expenditures that are directly a attributable to the sale of the security.

3.7.3 Unrealized gain/(loss)

Unrealized gain /(loss) from investment in listed securities has been valued at Fair Value through profit or loss.

3.8 Provision

A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

3.9 Earnings per Share

This has been calculated by dividing the earnings by the weighted average number of ordinary shares outstanding as at 31 December 2021 as per IAS-33 "Earnings per Share." Diluted Earnings per Share is not required to be calculated for the year, as there exists no dilution possibilities during the year.

3.10 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes when material.

3.11 General

i) Figures have been rounded off to the nearest integer.

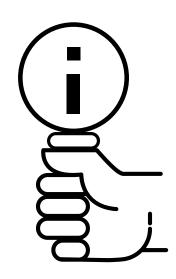
ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.12 Application of Reporting and Accounting Standards:

The Financial Statements have been prepared in compliance with requirements of International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by the Financial Reporting Council (FRC) as applicable in Bangladesh. EBL Asset Management limited applied following IASs and IFRSs:

| Name of the IAS | IAS No. |
|---|---------|
| Presentation of Financial Statements | 1 |
| Statements of Cash Flow | 7 |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 |
| Events after the Balance Sheet Period | 10 |
| Income Taxes | 12 |
| Property, Plant and Equipment | 16 |
| Employee Benefits | 19 |
| Borrowing Costs | 23 |
| Related party Disclosures | 24 |
| Provisions, Contingent Liabilities and Contingent Assets | 37 |
| Intangible Assets | 38 |
| Name of the IFRS | IAS No. |
| Financial Instruments: Disclosures | 7 |
| Financial Instruments | 9 |
| Fair Value Measurement | 13 |
| Revenue from Contracts with Customers | 15 |
| Leases | 16 |





SUPPLEMENTARY INFORMATION



Branch Network



Ashkona Branch Hazi Komoruddin Tower 27, Ashkona, Dakshinkhan Uttara, Dhaka-1230 Phone: 880-2-48964609, 48964619, 48964622 E-Mail: info@ebl-bd.com

<mark>Banani Branch</mark>

"Skylark Mak84" House # 84, Road # 11, Block-D, Banani, Dhaka Banani Model Town, Gulshan, Dhaka – 1213 Phone: 02222262669, 02222262572, 02222260476 E-Mail: info@ebl-bd.com

Begum Rokeya Sarani Branch

F & I Tower, 220 /a, 1/1 Begum Rokeya Sarani, Shawrapara, Mirpur, Dhaka Phone: +8809666777325 [IP N0] E-Mail: info@ebl-bd.com

Bhairab SME Branch

Holding # 0161 (East), Biplobi Reboti Borman Road, Bhairab Bazar, Ward # 01, Bhairab, Kishorgonj. PABX: 02-9471307, 9471308, 02-9471309 E-Mail: info@ebl-bd.com

Dhanmondi Branch

House-21, Road-08 Dhanmondi R/A, Dhaka-1205 Phone: 8142987, 8142659, 9126141, 9114145 IP Phone: First dial 9556360 then dial Ext-666 and after IP Ext- 1601 (BM), 703 (Priority Center) E-Mail: info@ebl-bd.com

Faridpur Branch

7/216, Golpukur Dream Shopping Complex, Alipur, Faridpur. Tel: 0631-67219, 67220, E-Mail: info@ebl-bd.com

Gulshan-North Branch

Kalpana House, 169, Gulshan Avenue, Gulshan-2, Dhaka Phone: 02-222296316, 02-222296038, IP No. 489, 1982, 5777

E-Mail: info@ebl-bd.com

Keranigonj SME Branch

"Green Tower" (1st floor), East Aganagar, P.S- Keranigonj, Dist : Dhaka Phone: 7763725 (Direct), 7763726 & 7763727 (PABX) E-Mail: info@ebl-bd.com

Mawna Branch

Creative Bhaban, Mawna Chowrasta, Sreepur, Gazipur Phone: IP:+8809666777325 Ext: 970 to 976 E-Mail: info@ebl-bd.com

Ashulia Branch

Ashraf Plaza, DEPZ Road, Jamgora, Ashulia, Savar, Dhaka. Phone: IP: 8809666777325, Ext: 1613 to 1621, E-Mail: info@ebl-bd.com

Banasree Branch

Plot No: C-10 (1st Floor) Block: C, Eastern Housing Banasree Project, Main Road Rampura, Dhaka PABX: 55123519, IP:09666777325, E-Mail: info@ebl-bd.com

Bhulta Branch

Rabet Al Haasan Shopping Center (Pvt) Ltd., Bhulta Bus Stand, Rupgonj, Narayangonj. IP Phone: +8809666777325, EXT: 980 to 986 E-Mail: info@ebl-bd.com

Chawk Mughultuly Branch

150 Chawk Mughultuly, (1st & 2nd Floor), Dhaka Phone: 57314364, 57343433 E-Mail: info@ebl-bd.com

Dohar Branch

Ahmed Shopping Complex, Holding: 77, Ward: 5, Joypar, Dohar, Dhaka-1330. IP Phone: 09666777325 PABX: 02 7768208, 7768233 E-mail: info@ebl-bd.com

Gulshan Avenue Branch

Z N Tower (Ground Floor), Holding-02, Block-S W (I), Road-08, Gulshan Avenue, Gulshan-01, Dhaka-1212 PABX-9850650, 9850630, E-Mail: info@ebl-bd.com

Jashimuddin Road Branch Giant Business Tower, Plot # 3 & 3/A [First Floor], Sector # 03, Uttara C/A, Dhaka-1230. Tel: 58955196 F-Mail: info@ebl-bd.com

Madhabdi Branch

242/1 Algi Road, Parkshipur, Madhabdi Bazar, Madhabdi, Narsingdi Phone : PABX: 02-9446995 E-Mail: info@ebl-bd.com

<mark>Mirpur Branch</mark>

Plot # 17, Main Road # 3, Block-A, Section-11, Mirpur, Dhaka – 1216 Phone: 0248034537 0248033952 0248039875 0248039878, E-Mail: info@ebl-bd.com

Azimpur Branch

Tulip Feroza Dream, 104 Azimpur Road, Hazaribagh, Dhaka-1000. Phone: IP: 09666777325 Ex- 5631 E-Mail: info@ebl-bd.com

Bashundhara Branch

Plot -15, Block – A, Bashundhara R/A, Badda, Dhaka – 1219 Phone: 55037391, 55037392 E-Mail: info@ebl-bd.com

Board Bazar Branch

Omar Ali Plaza, House No – 1, Block – C, Kamalasher, Gacha, Gazipur IP Phone: +8809666777325 E-Mail: info@ebl-bd.com

DEPZ Branch

Mazid Tower, P.O: Gazir chat, P.S: Ashulia, Baipail, Savar, Dhaka Phone: 02996688026 E-Mail: info@ebl-bd.com

English Road Branch

68, Shahid Sayed Nazrul Islam Sarani (1st – 3rd floor), North South Road, Dhaka – 1100 Phone: 47116019, 57163842 E-Mail: info@ebl-bd.com

Gulshan Branch

100, Gulshan Avenue, Dhaka-1212 IP Phone: 09666777325 E-Mail: info@ebl-bd.com

Keraniganj Branch

Jahanara Plaza, Bandha Dakpara, Zinzira, Keraniganj, Dhaka Phone: 7762236-7 E-Mail: info@ebl-bd.com

Khilgaon Branch

Farid Community Center, 574/C Khilgaon Chowdhury Para, Dhaka-1219, Phone: 02-55121933, 02-55121934, Fax: 02-55121935 E-Mail: info@ebl-bd.com

Mirpur Dar-US-Salam Road Branch

Chand Plaza, 10 Dar-Us- Salam Road, Mirpur-01, Dhaka-1216

Phone: 02-48032269; 02-48041046; 02-48038052 & 02-58055985. Email: info@ebl-bd.com

Moghbazar Branch

Shafi Complex, Holding No-1/A,West Moghbazar, New Circular Road, Ramna, Dhaka Phone: +880258316237 E-Mail: info@ebl-bd.com

Mymensing SME Branch

"Josho Madhab", 47/A , Muktijodda Saroni Sarak, Choto Bazar, Mymensingh Phone: 091-63831 E-Mail: info@ebl-bd.com

Nawabgonj Branch

Chamak Plaza, Baghmara, Kolakopa,Nawabgonj, Dhaka Phone: – 7765264,IP: 02-09666777325 E-Mail: info@ebl-bd.com

Progoti Sarani Branch

Azahar Comfort Complex, Holding no.- 130/A, Road- Progoti Sarani, Middle Badda, Gulshan, Dhaka Phone: PABX: 02-41080741; 02-41080742, Direct: 02-41080743 E-Mail: info@ebl-bd.com

Shantinagar Branch

Iris Noorjahan (1st Floor), Plot no: 104, Kakrail Road, Ramna, Dhaka Phone: 02-8300012, 02-8300013, 02-8300028, 02-8300029 E-Mail: info@ebl-bd.com

Sonargaon Road Branch

A H N Tower (1st Floor), 13 & 15 Bir Uttam C R Datta Road (Sonargaon Road), Biponon C/A, Bangla Motor, Shahbag, Dhaka Phone: 58616805, 9666691, 9667477 E-Mail: info@ebl-bd.com

Uttara Garibe Newaj Branch

Plot No. 15 (1st floor, Garib -E-Newaz Avenue, Sector-11, Uttara, Dhaka-1230 Phone: 48964457, 48964847 E-Mail: info@ebl-bd.com Motijheel Branch

88 Motijheel C/A, Dhaka PABX: 02-223385073 & 02-223381694 E-Mail: info@ebl-bd.com

Narayangonj Branch

64 Banga Bandhu Road [Islam Plaza], Narayangonj. Phone: 7648557 , 7648558, 7648683, 7648602 E-Mail: info@ebl-bd.com

Ponchoboti Branch

101 & 102 Ponchobotir more (1st floor), Fatullah, Narayangonj Phone: +88-02- 47670237, 47670884; IP-09666777325, E-Mail: info@ebl-bd.com

Satmosjid Road Branch

ANZ Square. Plot No. 53, Road No. 3/A, Dhanmondi, Dhaka Phone: 44-611641, 611642. 611643 EXT - 101, IP Phone 09666777325 Ext- 5250

Shyamoli Branch

16-A/5 Ring Road, Shyamoli, Dhaka-1207 PABX: 58155634 E-Mail: info@ebl-bd.com

Tangail Branch

"Rahman Center" (1st floor), 55 Victoria Road, Tangail. Phone: 0921-62437, 0921-62438 E-Mail: info@ebl-bd.com

<mark>Wari Branch</mark>

40/1 Rankin street (GF, 1st & 2nd Floor), Wari, Dhaka Phone: 02-9569170, 47110137 E-Mail: info@ebl-bd.com

Mouchak Branch

Siddique Shopping Complex (Ground Floor), Mouchak, Kaliakair, Gazipur Phone: +8809666777325 (IP), Ext: 1767-1771 E-Mail: info@ebl-bd.com

Narayangonj SME/Agri Branch:

S S Tower, 30/14 Loyal Tank Road, Tanbazar, Narayangonj Phone: 7644048, 7644480 E-Mail: info@ebl-bd.com

Principal Branch

10, Dilkusha C/A, Ground Floor Jiban Bima Bhaban, Dhaka-1000 Phone: 9568986, 9569286, 9569359 E-Mail: info@ebl-bd.com

Savar Branch

Bristi Villa, E/4, Talbagh, Abul Kashem Sandip Sarak, Savar, Dhaka, Bangladesh Phone: 02-224444757 & 02-224444758 E-Mail: info@ebl-bd.com

Sonargaon Branch

Bhuiyan Plaza, Habibpur, Mograpara, Sonargaon, Narayangonj. IP phone: +8809666777325,Tel: 7656031, 7656036 E-Mail: info@ebl-bd.com

Uttara Branch

House 1, Road 5, Sector 4, Uttara, Dhaka PABX - 58956051; 58953816; 58957370 E-Mail: info@ebl-bd.com



Agrabad Branch

33 Agrabad C/A, Chattogram Phone: 02333320755-59, 02333316613, 02333316614, 02333316615 E-Mail: info@ebl-bd.com

Chandgaon Branch

House No. – 16, Road No – 01, Block – A Chandgaon R/A, Chattogram – 4212 Phone: + 8802334470148 PABX: +8802334471606 E-Mail: info@ebl-bd.com

Bhatiari Branch

Sajeda Bhaban (GF, 1st & 2nd floor)", beside H. Akbar Ali Road, Bhatiari, Chattogram. Phone: 0312781031,0312781032 E-Mail: info@ebl-bd.com

Choumuhoni Branch

"KIRON IMPERIAL" (GF, 1ST and 2nd Floor), 1460 Karimpur Road, Choumuhoni, Begumgonj, Noakhali Phone: 0321-54497, PABX: 0321-54495-54496 E-Mail: info@ebl-bd.com

CEPZ Branch

1279/A, Saleh Complex, CEPZ Gate, Bandar, Chattogram PABX: 880-2333340195,880-2333340196 E-Mail: info@ebl-bd.com

Cox's Bazar Branch

10, Hotel Motel Zone, Kolatali Road, Cox's Bazar Phone: 0341-51296-7 E-Mail: info@ebl-bd.com

Supplementary Information

Cumilla Branch

Chowdhury Plaza, 195 Jail Road, Jhawtola, Cumilla Phone: 880-81-72479, 72478, E-Mail: info@ebl-bd.com

Halishahar Branch

House # 01, 1st Floor, Road # 01, Block # L, Halishahar Housing Estate, Chattogram Phone: 031-2513895, PABX: 031-2513896~7 E-Mail: info@ebl-bd.com

Jubilee Road Branch

Mannan Bhaban (Ground Floor), 156, Nur Ahmed Sarak, Jubilee Road, Chattogram Phone: 621480 E-Mail: info@ebl-bd.com

Lohagara Branch

M. K. Shopping Center (01st FL), Bottali, Lohagara, Chattogram PABX: 0303 456681, 0303 456682 E-Mail: info@ebl-bd.com

Muradpur Branch

Jumairah Fairmont Trade Centre, 327 (Old), CDA Avenue Muradpur, Chattogram- 4203 Phone: +88-031-653973-74, E-Mail: info@ebl-bd.com

OR Nizam Road Branch

Avenue Centre, 787 CDA Avenue, Chattogram Phone: 031- 2857073-75 E-Mail: info@ebl-bd.com

Sirajuddowla Road Branch

94 Sirajuddowla Road, Dewan Bazar, Chandanpura, Chattogram. Phone PABX : 031-2865261,031-2865263-4 E-Mail: info@ebl-bd.com

Dohazari Branch

Hazari Tower (1st Floor), Dohazari, Chandanaish, Chattogram PABX: 09666777325 E-Mail: info@ebl-bd.com

Hathazari Branch

Haji Sultan Market, Hathazari Bus Stand, Hathazari, Chattogram PABX : 02-334460194-95, E-Mail: info@ebl-bd.com

Khatunganj Branch

173 Khatunganj, Badsha Market, Chattogram Phone PABX : 031-621316, 031-630229 E-Mail: info@ebl-bd.com

Maijdee Branch

Alif Plaza, Main Road, Maijdee, Noakhali. Phone PABX : 0321-71115, 0321-71116 FAX No.088 0321 71137 E-Mail: info@ebl-bd.com

Nazirhat Branch

Zaria Community Center (Adjacent to Darbar Gate), Nazirhat, Fatikchari, Chattogram. PABX: 09666777325 E-Mail: info@ebl-bd.com

Panchlaish Branch

Al-Hakim Plaza, 14, Panchlaish R/A, Chattogram-4203 Phone: 0241355766 E-Mail: info@ebl-bd.com

Feni SME Branch

"Kazi Alamgir Center", 26 S.S.K Road, Feni. Phone: 0331-73563,0331-73564, E-Mail: info@ebl-bd.com

Jamal Khan Branch

CPDL AM Majesta (1st Floor), 84, Jamal Khan Road, Chattogram PABX : 031-2866603-04, E-Mail: info@ebl-bd.com

Khulshi Branch

Yousuf Minar, Holding No. 51/B Zakir Hossain Road, Ward No. 13, KHULSHI, Chattogram – 4212, PABX: 031-623411-12, Direct-031-623410 E-Mail: info@ebl-bd.com

Mehedibag Branch

Epic Emdad Heights, 38 Chatteshwari Circle, Mehdibagh, Chattogram PABX : 031-2869451-2, E-Mail: info@ebl-bd.com

New Market Branch

904/731, H S S Road (New Market More), Alkaran, Kotwali, Chattogram-4000 Phone: 031-621898 E-Mail: info@ebl-bd.com

<mark>Raozan Branch</mark>

Bharetoshowri Market, Kaptai Road, Noapara, Raozan, Chattogram -4346 Phone: 09666777325 E-Mail: info@ebl-bd.com



Brahmanbaria Branch

Malek Khayer Plaza; 95, Paik Para, Jame Masjid Road (North Side of Kumarshil Point), Brahmanbaria Tel: 02334428648-49, E-Mail: info@ebl-bd.com

Moulvi Bazar Branch

Jubel Mall (1st Floor), 1165, Sylhet Trunk Road, Kusumbagh, Moulvibazar PABX: 0861 52034 E-Mail: info@ebl-bd.com

Chouhatta Branch

Malek Khayer Plaza; 95, Paik Para, Jame Masjid Road (North Side of Kumarshil Point), Brahmanbaria. Phone: 085161648-49, 58614 Branch E-Mail: info@ebl-bd.com

Upashahar Branch

J504 Gas Bhaban [GF], Mehdi Bagh, Sylhet PABX +880821-719573 E-Mail: info@ebl-bd.com

<mark>Fenchuganj Branch</mark>

Tuta Miah Mansion (1st Floor), Fenchuganj Bazar, Fenchuganj, Sylhet Tel: 08226-56413, 08226-56411, 08226-56412 E-Mail: info@ebl-bd.com



Fulbarigate Branch

Altaf Plaza, Jogipole, Fulbari Gate, Khan Jahan Ali, Khulna Phone: +880 2477733273, +880 2477733293, E-Mail: info@ebl-bd.com



Rajshahi Branch

Doinik Barta Complex (Ground Floor), Alupotti, Natore Road, Rajshahi-6000 Phone: +8802588857372 E-Mail: info@ebl-bd.com

Bogura Branch

Jashore Branch

E-Mail: info@ebl-bd.com

25/A R.N. Road (1st Floor), Jashore

Phone: 024777-60181, 024777-60182

1020/1092, Satani Mega Centre, Sherpur Road, Bogura-5800 Phone: 051-78373, 051-78887, IP Phone: 9666777325 E-Mail: info@ebl-bd.com



Rangpur Branch House # 11, Road # 01, Dhap Jail Road, Rangpur PABX: 052155289,052155290 E-Mail: info@ebl-bd.com



Barishal Branch Bishnu Priya Bhaban, 69, Sadar Road, Barishal, Bangladesh Tel: PABX-02478866480 E-Mail: info@ebl-bd.com



Chandra Sub-branch

Momota Super Market, House No. 86/2, Block: H, Ward-7, Sattar Road, Palli Bidyut, Chandra, Gazipur +88-09666777325 Ext-6870

Mirsarai Sub-Branch

Hazi Renu Miah Master Shopping Complex Holding No. 183-0069 Ward No. 02 Mirsarai, Chattogram +88-09666777325 Ext-3853

Karnaphuli EPZ Sub-Branch

Old Zone Services Building (Ground Floor), KEPZ Complex, Ward No-40, Patenga, Chattogram + 880-09666777325, Ext: 3900

Kanchpur Sub-branch

Sonargaon Mega Complex (Ground Floor) 96 Kanchpur, Sonargaon, Narayanganj +88-09666777325 Ext-6885

Daulatpur Sub-branch

Khulna Branch

E-Mail: info@ebl-bd.com

Tayamun Centre & Properties, 181, Jashore Road, Khulna

Tel-041-720041-2, 721069,723506, 723418, 725020

SS Center Shopping Mall Holding: 1/1, Ward # 6, Jashore Khulna Highway Road Daulatpur Khulna +88-09666777325 Ext-6900 # 041-760222



EASTERN BANK LIMITED

REGISTERED OFFICE 100 GULSHAN AVENUE, GULSHAN DHAKA-1212.

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

(Shareholders' Meeting through Digital Platform)

NOTICE is hereby given that the **30th Annual General Meeting (AGM)** of Eastern Bank Limited (EBL) will be held on **Thursday, 19 May 2022** at **11.00 AM (Dhaka time) by using Digital Platform** through the link https://agmbd.live/ebl2022 to transact the following Agenda:

AGENDA:

A. Ordinary Business:

- 01. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2021 alongwith the Reports of the Auditors and the Directors thereon.
- 02. To declare the Dividend for the year ended 31 December 2021 as recommended by the Board of Directors.
- 03. To elect Directors.
- 04. To appoint the External Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.
- 05. To appoint the Corporate Governance Compliance Auditors for the year 2022 of the Company and to fix their remuneration.
- **B.** Special Business:
- 01. To increase Authorized Capital of Eastern Bank Limited (EBL) from existing Tk.1200,00,000/= (Taka twelve hundred crore) only to Tk.2500,00,00,000/= (Taka two thousand five hundred crore) only and amendment of the related Clauses of the Memorandum of Association & Articles of Association of the Company (EBL) by adopting the following special resolution:

"Resolved that the proposal for enhancement of the Authorized Capital of the Company (EBL) from existing Tk.1200,00,00,000/= (Taka twelve hundred crore) only divided into 120,00,00,000 Ordinary Shares of Tk.10/= (Ten) each to Tk.2500,00,00,000/= (Taka two thousand five hundred crore) only divided into 250,00,00,000 Ordinary Shares of Tk.10 (Ten) each and amendment of the related Clauses of the Memorandum of Association & Articles of Association of the Company (EBL) for the purpose subject to the approval of respective Regulatory Authorities with the rights & privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being in force with power to increase and to reduce the Capital of the Company in accordance with the Articles of Association of the Company and the law for the time being in force be and is hereby approved."

By order of the Board of Directors

Md. Abdullah Al Mamun, FCS Company Secretary

Dated, Dhaka 11 April 2022

NOTES

- The Board of Directors recommended for **payment of 12.50% (Twelve point five zero percent) Cash Dividend and issuance of 12.50%** (Twelve point five zero percent) Stock Dividend (Bonus Shares) on the profit of the Bank as at the close of business on 31 December 2021.
- The 'Record Date' in lieu of Book Closure will be on Monday, 25 April 2022. The Shareholders whose names would appear in the Register
 of Members of the Company and/or in the Depository on the 'Record Date' (25 April 2022) will be eligible to join the 30th AGM and entitled
 to the Dividends as mentioned above.
- A Member eligible to join the Annual General Meeting (AGM) is entitled to appoint a Proxy to join and vote on his/her behalf (through digital platform). Forms of Proxy duly filled, signed & stamped must be sent through email to the Share Department of the Company at sharedepartment@ebl-bd.com at least 48 hours before the time fixed for the Meeting.
- All Hon'ble Shareholders of EBL are also requested to update their respective BO Accounts [Mailing Address, Electronic Mail (e-Mail), Bank Account details, Taxpayer's Identification Number (e-TIN), Contact Number etc.] through Depository Participant (DP) latest by 24
 April 2022 (Before Record Date). As per Section 54 of Income Tax Ordinance 1984, without having e-TIN, Income Tax will be deducted @ 15% (Fifteen Percent) instead of @ 10% (Ten Percent) from payable Cash Dividend.
- Detail login process for the meeting will be available in the Company's website at **www.ebl.com.bd.** The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. Please visit our website for technical assistance (if any) in accessing the virtual meeting.
- The soft copy of the Annual Report-2021 of the Bank (EBL) will be sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The Annual Report-2021 will also be available in the website of the Bank within the stipulated time prior to holding of the 30th AGM.
- Depository Participants (DP) / Stock Brokers are requested to send the list of Margin Account Holders based on Record Date, if any, within 12 May 2022 to the Company, otherwise, the dividend will be paid to Shareholders Bank Account whose names appeared in the Member/ Depository Register on the 'Record Date' (25.04.2022).



Shareholders can join Virtual AGM from Laptop, PC, Mobile or Tab using this QR Code.

| | Ot. | <u>oc</u> . |
|-----|-----|-------------|
| 1.1 | υu | ບວ. |

| |
|------|
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |



ইস্টার্ণ ব্যাংক লিমিটেড

নিবন্ধিত কার্যালয় ১০০, গুলশান এভিনিউ, গুলশান ঢাকা-১২১২

প্রক্সি ফরম

| আমি/আমরাঠিকান | 1 |
|---|--|
| ইস্টার্ণ ব্যাংক লিমিটেড এর শেয়ারহোল্ডার হিসাবে এতদ্বারা জনান | 1/বেগমকে |
| ঠিকানা | অথবা |
| | ক |
| ঠিকানা | |
| আমার/আমাদের পক্ষে ২০২২ ইং সালের ১৯ মে বৃহস্পতিবার , সক | ল ১১.০০ ঘটিকায় (ঢাকা সময়) ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিতব্য কোম্পানীর ৩০তম |
| বার্ষিক সাধারণ সভায় এবং পরবর্তী যে কোন মূলতবী সভায় অংশগ্র | হন করে ভোট দেওয়ার জন্য নিযুক্ত করলাম। |

| শেয়ারহোল্ডারের স্বাক্ষর |
|--------------------------|
| প্রস্তির স্বাক্ষর |
| ফোলিও/বিও নং |

লক্ষ্যনীয়ঃ

যথাযথভাবে পূরন করে এই প্রক্তি ফরম সভার আটচল্লিশ (৪৮) ঘন্টা পূর্বে কোম্পানীর শেয়ার ডিপার্টমেন্টে জমা দিতে হবে।স্টাম্প ও স্বাক্ষরবিহীন প্রক্তি বৈধ বলে বিবেচিত হবে না। শেয়ারহোল্ডার ও প্রক্তির স্বাক্ষর কোম্পানীর নথিভূক্ত নমুনা স্বাক্ষরের সাথে মিল থাকা বাঞ্ছনীয়। প্রক্তির নাম সম্বলিত প্রক্তি নিয়োগ সংক্রান্ত দলিল এবং পাওয়ার অব এটর্নী বা অন্য কোন ক্ষমতা প্রদানপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতা প্রদানপত্রের অনুলিপি সভা অনুষ্ঠানের নির্ধারিত সময়ের আটচল্লিশ (৪৮) ঘন্টা পূর্বে কোম্পানীর শেয়ার ডিপার্টমেন্টে প্রেরন করা না হলে কোন ব্যক্তি উক্ত সভায় প্রক্তি হিসাবে বিবেচিত হবেন না। শেয়ারহোল্ডার অথবা তাঁর প্রক্তির প্রত্যেকটা আলোচ্যসূচীতে ভোট দেওয়ার অধিকার থাকবে।



ইস্টার্ণ ব্যাংক লিমিটেড

নিবন্ধিত কার্যালয় ১০০, গুলশান এভিনিউ, গুলশান ঢাকা-১২১২

শেয়ারহোল্ডার / প্রক্সির হাজিরাপত্র

আমি/আমরা ১৯ মে ২০২২, বৃহস্পতিবার সকাল ১১.০০ ঘটিকায় (ঢাকা সময়) ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিতব্য ইস্টার্ণ ব্যাংক লিমিটেড এর ৩০তম বার্ষিক সাধারণ সভায় আমরা/ আমাদের উপস্থিতি লিপিবদ্ধ করলাম।

| শেয়ারহোল্ডারের নাম | স্বাক্ষর |
|---------------------|--------------|
| শেয়ার সংখ্যা | ফোলিও/বিও নং |
| প্রক্সির নাম | স্বাক্ষর |

রাজস্ব টিকেট বিশ টাকা



Scan to view digital version of this Annual Report



Eastern Bank Limited

100 Gulshan Avenue Dhaka-1212 Bangladesh



